

TELFORD & WREKIN COUNCIL

HEALTH AND ADULT CARE SCRUTINY COMMITTEE – 11 April 2017

EARLY HELP & SUPPORT COST IMPROVEMENT PLAN 2016-17

REPORT OF THE ASSISTANT DIRECTOR: GOVERNANCE, PROCUREMENT AND COMMISSIONING

1.0 PURPOSE

1.1 To enable the Health and Adult Care Scrutiny Committee to consider progress and activity for the Early Help & Support Cost Improvement Plan for 2016-17 and 2017 –18.

2.0 RECOMMENDATIONS

2.1 **That the Committee consider the report and agree any recommendations or further actions.**

3.0 INTRODUCTION

To provide the context and to outline the strategy for Early Help and Support savings to be delivered by the Early Help and Support Services and Governance, Commissioning & Procurement Teams.

Priorities

In accordance with corporate priorities:

- “Protect and support our most vulnerable children and adults”
- “Improve the health and well-being of our communities and address health inequalities”

In addition, the Council’s co-operative values:

- Openness & Honesty
- Ownership
- Fairness & Respect
- Involvement

4.0 KEY INFORMATION

There are a number of key principles that have or will influence how we deliver the Cost Improvement Plan:

1	To provide the service in the context of challenging the cost of care, the number of people receiving different types of care and the length of time that care is provided
2	We will operate based on a long term cost improvement plan about how the service will operate in 2019/20 and have incremental targets in the intervening years to meet this service plan and we will manage both price and activity
3	We will manage a short term cost improvement plan (contextualised by the long term cost improvement plan) to deliver in year savings and savings in 2017/18
4	We will consult and work with our service users about these plans and the future – generally and more specifically, as it may affect them, in plenty of time;
5	The fulfilment of our statutory responsibility to meet assessed need is paramount and will not be compromised;
6	We will work with our long term service users to plan for their long term future;
7	We will work with the Care sector to have a high quality service and a sustainable and competitive market;
8	We recognise that moving away from current residential accommodation might be difficult and could take time and might not be possible in some cases;

9	For new entrants we will only use residential care where we have explored other options and have found that this is the only way to meet their care needs in a safe way
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5.0 FINANCIAL/VALUE FOR MONEY IMPACT

The Early Help and Support Budget

Table 1 below sets out the current forecast for the Early Help & Support budget for 2017/18 including approved changes to the budget. The developing Cost Improvement Plan includes detail of how the savings for 2016/17 are being delivered and the work streams, which are progressing to deliver those savings.

The 2017/18 savings are also detailed in the Cost Improvement Plan and set out below, but there is further work required to determine the care activity budgets which will be reduced to deliver the purchasing savings required.

It is important to note that as part of the 2016/17 and 2017/18 budget strategy a contingency budget has been included in the Council's budget strategy for the service area to drawdown. The contingency is provided as part of the strategy to change the way care is delivered and to cover the transition to a lower budget settlement for Early Help & Support.

The Quarterly Report (**Appendix 1**) highlights the financial position and priorities within the Cost Improvement Plan

Table 1-changes to base budget position

	Projected Starting Budget £000's	Savings in budget strategy £000's	Growth in budget strategy £000's	Budget adjustments- changes to structure and base etc (e.g.2016/17mainly FCC moves)£000's	Projected Revised Budget £000's
Current net EHS budget-2016/17 including approved adjustments	34,974	(3,845)	5,493	6,106	42,728
EHS Budget for 2017/18 including approved adjustments	42,728	(5,341)	5,562	1,140	44,089

6.0 LEGAL ISSUES

This is an information report so there are no legal issues for members' consideration

7.0 ACTIONS TO ADDRESS

Appendix 2 (The Cost Improvement Plan) will be up-dated for each Member Briefing and Scrutiny meeting to show services that are identified in the Cost Improvement Plan to measure and record savings required and achieved within each finance monitoring period

Report prepared by Assistant Director, Jonathan Eatough, Governance, Procurement & Commissioning on 01952 380103

Appendix 1

Early Help and Support – Cost Improvement Planning – Quarterly Report for Health & Adult Social Care Scrutiny Committee

Financial Position-Period 10: January 2017

	Budget £000's	Forecast Variation £000's	Forecast variation - £000's		
			January	December	October
Total position- Purchasing	42,188	6,917	6,890	6,419	5,337
Total position- Other	(1,960)	125	(178)	203	853
Overall Total	40,228	7,042	6,712	6,622	6,190
Offset by contingency	2,500	2,500	(2,500)	(2,500)	(2,500)
Total budget provision	42,728	4,542*	4,212	4,122	3,690

*Latest projections to Period 11(end Feb): projected reablement costs and overspend reduced by £199,000 to £4,343 (in thousands).

Movements – numbers of new SPOT care packages - new to the Council not care type

The tables below report the number of people being accepted by the Council for support, it does not report movement between services. This is a measure of increase in new demand to the Council. It is a net number and therefore it is the sum of new packages of care less people who leave services.

OP numbers (net new clients joining (leaving) the service)

Period under review	Period 9-10	Period 8-9	Target 2017/18 budget strategy
Movement of numbers in residential & nursing spot placements	In total, 12 clients left, net of starters	In total (12) left net of starters; 18 more people left residential care than joined and 6 new homecare cases	
Numbers in residential/nursing care	363 residential and nursing spot placements	368 residential and nursing spot placements	283 residential and nursing spot placements
Movement in Homecare numbers	In total, 7 clients left, net of new starters	6 net new people joined with homecare packages	
Numbers in homecare	481 clients, 340,000 hours	493(no.)(339,000 hours)	341(no.)(230,000 hours)

ALD numbers (net new clients joining (leaving) the service)

Period under review	Period 9-10	Period 8-9	Target 2017/18 budget strategy
Movement of numbers in residential and nursing spot placements	No change from previous period	A reduction of 3 people in ALD care group	
January/December numbers in care	No change from previous period	346 (including 271,000 homecare hours)	295 (including reducing homecare hours from 277,000 to 185,000 hours BUT increasing by 25no. Direct Payment)

Note: *the targets for 2017/18 also include aspirational targets for the value of unit costs in the context of requests by providers to increase fee rates to cover the impact of rising costs such as the National Living Wage.*

Older people and Adults with Learning disabilities are the main focus of targets in 2017/18, Mental Health and Physical disability are included but in considering future strategy numbers and costs will be reduced to a lesser degree.

Cost Improvement Plan 2016/17 Savings Targets

The format of the Cost Improvement Plan Challenge Meetings are revised to include detailed information as follows:

- Two meetings held each month; Interim AD Mary Clifton to assist during April
- Highlight reports will detail monthly profile savings against the overall yearly savings targets, detailed work to be undertaken using performance and financial data held within systems.
- Leads to demonstrate/evidence on work undertaken to show how the monthly savings target is achieved/will be achieved
- Detailed information will be checked at each meeting by further exploring performance and finance data via relevant dashboards/CareFirst/Abacus records
- All potential savings reported by leads will be scrutinised by finance before they can be validated as accurate and recorded on the CIP
- Savings not achieved during 2016/17 will be carried forward to 2017/18 savings targets; therefore, detailed scrutiny is paramount at each CIP Challenge meeting to ensure work in progress to deliver targets set for 2017/18

Service	Service Description	Savings Target 2016/17 (Targets for 2017/18)	Estimated Savings Target identified by Lead for verification from Finance	Savings Target Delivered & Verified by Finance 2016/17	Actions – these relate to current actions (Jan/Feb 2017)	LO	Status Red Amber Red
WORKFORCE							
Workforce Re-modelling	EHS Restructure	1,075k		1,075k	<ul style="list-style-type: none"> • Restructure implemented 01-12-2016 	CJ/DL	Green
ACCOMMODATION							
Managing Long Term Placements	More efficient working with Health Partners in reviewing Local Authority spend on Learning Disabilities placements	200k		200k	<ul style="list-style-type: none"> • Agreement with Clinical Commissioning Group (CCG) 	CJ/JE	Green
Management Long Term Placements	Implement Housing cost savings	116k (£100k)		17k	<ul style="list-style-type: none"> • Working with existing providers to agree on going services and costs for existing clients. • Clients in receipt of current services being reviewed and moved as appropriate in agreement with families and carers 	SDM, Com'sing	Red
NEIGHBOURHOOD WORKING							

Review of Service Level Agreements	Review of Service Level Agreements within the Voluntary Sector	209k		291k	<ul style="list-style-type: none"> All Service Level Agreements reviewed and appropriate action taken 	SDM, Com'sing	Green
MARKET SUFFICIENCY							
Managing Long Term Placements	Reduce spend for Adults with Learning Disabilities, Physical Sensory Disability and Mental Health client care through proactive dialogue with suppliers on costs and efficiencies including targeted negotiations and through innovative solutions	1M (£829k)		171k	<ul style="list-style-type: none"> Ellen Court closed and 7 residents moved out and the property is handed back to the landlord Working with Bromford to see if the handover can be brought forward. Further referrals to be submitted to Bromford, and initial assessments to commence with care provider and landlord. DH Capital Grant grants to be given to My Options, Dimensions, Swanton Care and Accord – in progress. 	SDM Com Social Work	Red
THE INDIVIDUAL							
Reducing Spend on Personal Care	Managing spend through identifying creative solutions in the community, the use of Personal Assistants via Direct Payments and exploring creative solutions through Panel The service teams have continued to work to reduce costs of care by reviewing how care is provided, looking for more effective procurement and reviewing proposed care packages by exception using a panel system. Initial analysis of a sample of data on the council's Social Care Finance system, for clients who were in care for a full year for 2015/16 and 2016/17 suggests that although overall the costs of that sample of care packages rose in 2016/17 by around £3m from increasing unit costs and increasing needs, a number of packages reduced (not yet determined the actions	364k		0	<ul style="list-style-type: none"> Extending POhWER contract for 17/18 to continue to provide support for the recruitment of PAs Extend/ grow the Shared Lives project Review savings target in this area External resource secured to deliver training DPs Task and finish project starting April to undertake work on increasing DPs through Individual Service Funds, Managed Budgets and Direct Payments and increase the use of Personal Assistants 	SDM Comm Social Work	Red

	<p>reducing them) saving around £1.07m in 2016/17*. Further work will now ensue to determine the activity and actions that have resulted in these reduced costs in order to learn what is effective and implement further cost saving initiatives.</p> <p>*The sample data used included only clients who had a full year of care in both years and did not include those joining or leaving the service in year. Therefore this represents the results from a sample of data and not based on the complete cohort of clients.</p> <p>Please also note that the figures exclude clients in block and in-house placements, neither of which are recorded</p>						
Reduce Admissions into Residential Care (Older People)	Reduce Residential & Nursing client numbers to the level set in the 2015/16 'Measures of Success'	541k			<ul style="list-style-type: none"> • Procurement for block for Older People provisions started Feb • On-going negotiations with Coverage Care managing the reduction in the number of block beds • Operational Back to Basics training concentrating on good social work practice • New Panel process to review care packages beyond a certain threshold • Intermediate Care Modelling and Service – hospital discharge and community mental health services to be delivered by June 2017 • Tender for future bed purchasing for 65 plus to be issued in May 2017. 	SDM Comm Social Work	Red
Savings on Preventative Services	Reduction in Supporting People activity (Long Term Supported Accommodation)	595k			<ul style="list-style-type: none"> • Working to develop and understand Provider risk assessments • Manage with close co-operation of Voluntary Sector organisations • Further work being undertaken with finance on sheltered housing schemes 	SDM Comm'ing	Red

					<ul style="list-style-type: none"> and associated costs Options report to be considered by senior management to evaluate which option to remove/reduce finding to move forward – May 2017 		
GETTING THE BASICS RIGHT							
Transport Review	Change in Transport Policy, removal of non-statutory provision. Making the most efficient use of Council's Fleet Services and reducing use of Taxi's	270k (£233k)		37k	<ul style="list-style-type: none"> Review & implement Policy across CYP, Education & EHS Explore Fleet transport and costs Future Leaders also looking at Transport review & processes Policy to go to SMT July 2017 and then public consultation Up-date charging policy information Detailed work underway looking at data for all transport; fleet and private arrangements paid for by LA 	SDM, Pro'ment & Brok'age	Red
Obtaining the Best Value for Money, Quality and Safe Care and ensure effective Financial Management of Income	Ensuring Value for Money during Procurement and Brokerage function and through successfully recouping all potential income	171 (£147k)		24k	<ul style="list-style-type: none"> Negotiate price, capacity and current pressures with the Market Report each week on financial controls, up-date on market availability and cost of provision Further work on developing a framework model to replace spot purchasing Considerations underway with regards to fees up-lifts for 2017/18 Continue to reduce admissions into home care placements 	SDM, Pro'ment & Brok'age	Red
2017/18							
Transformation of Social Care Provision Impact on Purchasing costs)	Target set for 2017/18 of 2,380k				<ul style="list-style-type: none"> To be allocated by the CIP in March 2017 		Red
The Right Funding for the Right Care	Increased level of support for Continuing Health Care directly from Clinical Commissioning Group to clients & Joint Funded Care Packages. Additional Better				<ul style="list-style-type: none"> Continuing dialogue with the CCG 		Red

Overarching Risks across the Cost Improvement Plan

Area	Risk	Mitigating Actions
Staff Capacity	<ul style="list-style-type: none"> • There is on-going work to improve the quantity and effectiveness of reviews and assessments – no significant changes to adult social care can be made without a review or assessment being undertaken and there is pressure on this resource that means that this can delay other savings initiatives. • Also reviews and assessments can lead to increase in care costs and well as decreases. 	<ul style="list-style-type: none"> • A major re-structure of early help and support and a change in working practices will improve this – we expect to see improvements in this from the beginning of the new financial year. • Further work is being undertaken with localities to ensure clear processes are in place • The Strengthening Families/Family Circle and the development of one single assessment process for Children, Young People and Families is being explored to implement a more consistent and transparent way of working in Early Help & Support Services • Long term - IT review underway to streamline systems to having one system across Children's and Adult
Market Sufficiency	<ul style="list-style-type: none"> • We have to balance the duty to secure competitive prices against the Council's statutory duty to maintain sufficiency in the market. The threat to the on-going viability of many providers is a national issue – and we face the same issues in our local market. For example there are well documented cost increases for the sector, wage inflation caused by National Living Wage and lack of supply is driving prices up, there are increasing costs of regulation that the providers are having to bear. • As we reduce referrals to the residential sector we could see providers failing or withdrawing from the market. • A key element of the Council's strategy is for the provision of alternative services, for example by way of Direct Payments and through Personal Assistants but take up is slow. 	<ul style="list-style-type: none"> • We are working with the sector wide body, SPIC, to understand the challenges that the market faces and with individual providers where appropriate - we want to develop a fair cost of care to inform future price negotiations. The work that we did to that end was not well supported by the market so we are considering alternative strategies to develop this It is important to note that the cost of care locally is very competitive against regional and national comparators. It is a key element of the Council's strategy to reduce demand across the sector. • It is too early to detail the impact of the support for social care introduced by the Chancellor in his budget statement in mid-March • In respect of Direct Payments and Personal Assistants work is being undertaken to increase the take up of this option. • Encouraging the Providers to join the Dynamic Purchasing System framework; this framework is working and more and more providers are joining
High cost placements	<ul style="list-style-type: none"> • If providers not willing to discuss price changes (aligned to changes in care plan or not) then change can only be effected through procurement processes which can have an adverse impact on service users. Providers can also withdraw from provision if they are of the view that services are no longer viable. • In respect of CHC's there is a risk that the local authority fund health care costs. 	<ul style="list-style-type: none"> • Work closely with service users and their families to ensure that they are fully involved in proposed changes but this does take time. • In respect of CHC there are processes being put in place to ensure that we continue to monitor new and existing care packages to make sure that funding responsibilities are properly allocated.

Preventative Services	<ul style="list-style-type: none"> Preventative services help to keep people out of more expensive services and avoid homelessness 	<ul style="list-style-type: none"> The implementation of change needs to be carefully planned, in consultation with service users and providers. We plan to provide a lot of similar services using a different model that is less reliant on Council funding. Again we are working with vulnerable people and it takes time to effect changes. The use of and promotion of self-help options and community based assets Reviewing the front door to council service; one front door via the Family Connect Service to include Early Help & Support, streamlining assessment with the whole family approach. Development of the Early Help & Support Threshold of Needs Matrix to ensure people do not enter services inappropriately and only those with complex/safeguarding concerns/needs are referred
Transport	<ul style="list-style-type: none"> A lot of transport is provided through in-house provision – a reduction in demand may impact on viability of that service 	<ul style="list-style-type: none"> Transport Assistance Policy is being developed, for consultation before adoption. Currently planned for implementation in May 2017 Policy to be across Children’s, Early Help & Support and Education