

FINANCE & ENTERPRISE SCRUTINY COMMITTEE

Minutes of a meeting of the Finance & Enterprise Scrutiny Committee held on Wednesday 18 January 2017 at 6.00pm in Meeting Room G3/4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

PRESENT: Councillors N Dugmore (part), S A W Reynolds (Chair), R Sloan, C Smith, D Wright and Co-optees C Mason-Morris and R Williams.

IN ATTENDANCE: J Eatough, Assistant Director Governance, Procurement & Commissioning; Cllr A England, Cabinet Member Adult Social Care & Older People; C Jones, Director Children & Adult Services; S Jones, Scrutiny Officer; D Lloyd, Interim Assistant Director Early Help & Support; T Smart, Finance Manager, Schools and Care Services.

FESC-11 APOLOGIES FOR ABSENCE

Cllrs S Bentley and A Burford

FESC-12 DECLARATIONS OF INTEREST

Cllr Burrell was not in attendance due to a Conflict of Interest in the adult care budget

FESC-13 SERVICE AND FINANCIAL PLANNING STRATEGY 2017/18-2018/19

The Chair welcomed everyone. The main item for discussion was the adult care budget, in particular the options for the adult social care precept. The alternative budget proposals would be carried forward to the next meeting.

The Chair invited the Cabinet Member and officers to give an overview of the work taking place in adult care and the approach to the budget.

The Cabinet Member opened by saying that he wanted every penny possible for the service but left it to officers to go through the detail of the options. They would also need to consider the view of Council Tax payers.

Officers then highlighted the following points:

- A new activity model had been introduced and would be carried forward in 2017/18 with set targets. The model completely changed the way of working to an asset based approach focussed on what people could do for themselves and helping them to maintain their independence. Personalised plans were developed based on needs but looking at lower cost solutions which could deliver better outcomes. The approach had been successfully piloted in Stirchley.
- There had been a root and branch review of the structure and processes in readiness for the new approach. A new team was now in place with the new Assistant Director coming into post in February. A work force development plan was being developed and would be integrated with children's safeguarding so there was a consistent way of working with children, young people through to older people and their families, focused around "safe" independence.

- Telford and Wrekin had higher than average numbers of older people in residential care and for longer so there was a lot of work to do. Where the new approach had been introduced by other authorities – such as Essex – it had been successful and the intention was to mirror this good work where possible.
- They were implementing a “back to basics” approach to change the whole way of operating and the type of conversations the early help team and social workers have with clients to improve practice and meet the needs of service users. The focus was on asking different questions, such as starting with ‘What do you have?’ ‘What are your interests?’ and understanding what a client can do for themselves with support from friends, family or local support groups.
- Working practice was being integrated by co-locating existing early help, community social work and mental health teams alongside health workers. They were also exploring how to work more effectively with GPs and other partners through our work on the Sustainability & Transformation Partnership (STP). They were also collaborating more closely with providers of domiciliary and residential care to ensure an appropriate offer in the market place.
- In terms of the adult social care precept, the adult care purchasing budget was around £40m, a draw down budget of £2.5m had been set aside for 2017/18-2019/10 and an additional £1.344m in 2017/18 to meet pressures. Delivery of the service within budget would require all the new initiatives to be successful. The extra 1% on the adult social care precept had not been budgeted but would be useful to help phase in the savings. The option to increase the precept had come so late in the day there was not a specific plan for how the money could be spent, but creating community capacity to impact on the budget required time and investment.

The Chair opened the floor to questions and the following information was provided in response:

- With regard to how the extra 1% precept would be spent, officers replied that the targets were tough and it would help towards meeting the targets. Good foundations had been put in place but the next 12 months would not be easy and the extra money would be invested in the new ways of working to accelerate the pace of change so that savings could be delivered as quickly as possible. An example was the campaign to increase uptake of Direct Payments.
- In terms of managing the impact of the drop in funding in year 3 if the Council set the precept at 3% for two years, the savings in the budget had been modelled on a 2% precept over three years, before the government had announced the option of bringing the precept forward. The new model was a very different way of working so there were risks and it may make sense to put money in early to create more space to smooth in the changes. The targets were challenging and early funding may allow more room to deal with the pressures. Modelling had been carried out using different assumptions to see how the service could get back to budget within three years and the risks were fed into the model. Other authorities trail blazing the model had shown success and things would be taken carefully year by year. This was a fundamental change involving changes to the workforce, re-training and greater involvement with the voluntary sector and there were some unknowns. The approach was developing as part of the Council initiative ‘Being the Change’ which is looking system wide across Telford looking

to build community capacity. Not many authorities had tried it before and the approach was pioneering. The Council continues to work with the voluntary sector to develop community capacity but to say with confidence that the service would be back in budget in three years did not come without significant risk. Essex Council had seen a reduction in children in care placements and adult care placements and a reduction in A&E admissions. The cogs were in place in Telford but they would wait to see the results of the public consultation on the precept. The Cabinet member added that if the 3%/3% precept was in the budget he would like to see it invested in promoting and driving forward Shared Lives. He said the approach must be needs based. The Interim Assistant Director for Early Help and Support highlighted how social workers were aware of the budget pressures and the need to make change whilst ensuring that needs are appropriately met in line with Care Act requirements. The Cabinet Member indicated that he was proud of the good work that the officers had done. The relationship with the CCG had improved and was more positive. He felt positive that services would improve and that the alternative provision would save money. The finance manager clarified that the Local Government settlement enabled authorities to increase the adult social care precept to 3% for two years so there would be an early benefit but a drop to 0% in the third year.

- Members made a number of points about the adult social care precept –
 - that the decision would need to take account of the phasing of housing development e.g. if there were more properties to collect Council Tax from in the third year
 - that people may think it was better to raise more money earlier on the assumption that other funding would come over the horizon for adult care
 - that option A would mean increasing Council Tax by 4.2% instead of 3.2% which could be a lot of money for some people. Collection rates were getting worse and this was something to be mindful of.
 - The campaigns discussed were one-off funding and Members did not see why some of the costs could not be capitalised.
 - The Health & Adult Care Scrutiny Committee would scrutinise the adult care budget and savings over the next 12 months.
 - The pace of change was the concern and it would be helpful to have a better understanding of what would be done with the up-front money
 - That if the Council was contracting providers for more than 2 years, the drop in the third year could skew the budget. There could be an advantage in having a 2% flat rate to bring greater stability over three years when the new model was untried.
- Addressing concerns about the new model, the Director responded that staff morale and motivation tended to be linked to performance and whereas 6-7 months ago morale had been poor, staff were now fully engaged and thought that the model was right. It was refreshing and provided a good foundation. There needed to be a holistic approach to training. They had realised the quality of practice was not right and had struggled to meet the savings targets but staff were now on board and were responsible for the budget and accountable for their decisions.

- In terms of provision for unforeseen pressures such as St. George's being put in special measures, Members were informed that the Council had been working with St George's for three months and the Cabinet member said there was a debate about whether the Council should get more involved.
- In terms of managing the market, the Assistant Director for Commissioning and his team had a major role in managing the market. Care providers were asking for more to cover the cost of the living wage and there was a need to manage demand away from high cost provision. There was a balance to be struck between managing costs and recognising the pressures on providers in order to sustain the market.
- There was a question about how many people were in residential care out of the borough. The number was not to hand but Members were informed that the number of out of borough placements was reducing and that the authority had a duty of care to find care locally.
- In terms of multi-agency working, there was a question about whether budgets would merge, if there was discipline about which agency would fund the care and the transparency around funding decisions. Members were told that the Social Workers were employed by the Council and they looked at shared arrangements but were clear about the local authority's duties and which organisation should pay for each element of care. A needs assessment was carried out in a multi-disciplinary way to determine what was a health need and what was a social care need and who should pay. Relationships with the CCG were better and the systems were more robust and the process had been speeded up. The level of Continuing Health Care (CHC) funding had reached national average for new cases. Work was being done on existing cases but the process was in place to review the cases and to have conversations with the CCG. The Council was challenging cases which may not have been challenged in the past. It was felt that the model was now right and joined up with colleagues in children and young people services.
- In response to a question about the integration of services for the transition of young people to adult care services, they were looking at where there were synergies across services for young people and adults, for example for disabled young people, and were developing all-age provision. Capacity was being built in the workforce for working with partners to streamline workflows and services for clients. The work was evolving and still shaping up. The Cabinet member gave an example of early work with a disabled young person to help them be more independent and reduce the need for support workers as they moved into adult services.
- With regard to the impact of the precept dropping to 0% precept in year 3 on staffing levels, the new model was based on managing demand away from high cost Council services. This could potentially free up capacity in the workforce and free up funding for preventative work which had been affected by budget cuts. A member commented that there would be more pressure on families with the rise in the cost of living and they would have less money to pay for care. The

Director replied that the early money would be used to push ahead with the plans. Innovative ideas needed to be identified. For example the Council currently funds 700,000 hours of domiciliary care at a cost of £14 per hour - one way of working could be to invest money in leisure centres and use volunteers to get people out which would reduce social isolation and achieve better outcomes for the person. The extra money would give time to look at new initiatives which would sustain wellbeing and keep people out of high cost provision or hospital. It was very different to the traditional narrow approach and they were broadening the options out. More work was also needed to look at the use of technology – for example flashing up medication alarms on TV screens or having conversations with carers through the TV so a home visit was not always necessary. £0.5m had been allocated to develop assisted technology but the service users were real people and it would take time to have the conversations with them. The early money could help smooth in the changes to changing culture and expectations. The Treasury had announced funding for software suppliers to develop technology that could be used in communities (e.g. Amazon Echo). Work was being done with Age UK so that technology would link to Age UK and they would deal with the issue to manage demand away from the Council. A bid for £35k had been submitted to support Age UK to set up and manage the volunteers so there were set up investment costs. There would also need to be conversations with families - a lot of families' anxieties were about falls and that the person needed a night time carer but technology could be used to trigger an alarm if the person was out of bed for more than 20 minutes. Managing demand was about managing anxieties and assuring families about what the response would be.

- In terms of indicators of success new measures were being put in place. High level activity targets were being developed by Managers working with their teams and based on conversations with clients. A performance management framework was being developed to measure outcomes e.g. the number of people turned around to be more independent and would be developed further. If the activity targets were right, savings would follow from keeping people out of high cost care or reducing pressure on other public services. A framework was being put in place across the Council as a whole system.
- In terms of the average cost of a care package, costs could range from £30 to £7,000 per week depending on the level of support. There was no average cost. Domiciliary care was modelled on 10 hours per week. There were around 2,500 services used but some clients accessed multiple services so this was not the same as the number of service users.
- In terms of key risks over the next 12 months, these were identified as not having the right workforce, not changing the culture and the difficulty of changing care packages for people already in long-term care. There were therefore risks to delivering the cost improvement plan but steps had been taken to mitigate the risks by adopting a single system approach and a workforce development programme. A Risk Management Plan has been put in place at a project level to monitor risk and identify mitigations. On further questioning members were informed that the Improvement Plan picked up risk within individual work streams, for example moving people from residential care to supported living. Cllr Sloan

informed members that the Audit Committee examined the Corporate Risk Register and asked questions as to whether the risks were right, and that on-going monitoring of adult care services sat with the Health & Adult Care Scrutiny Committee. The Committee was seeking a co-optee with financial experience to bring extra rigour.

- As to whether the budget had taken account of the outcome of the Employment Appeal Tribunal which ruled that care workers should be paid national minimum wage for sleep-in sessions, Members were informed that services were not commissioned on the basis of the provider paying below minimum wage. If it was found that a provider was paying below minimum wage, the issue would be raised by the commissioners with the provider. A report on anti-slavery which would pick up on this issue was due to go to Cabinet next month. Providers may have different business models to spread wages across the sleeping time to average out but the Council had no evidence of care workers being paid below minimum wage. The model of provision was changing so this would be less of an issue as the hub and spoke model would reduce the need for care workers to sleep in. A Member commented that this was an employment tribunal and was not case law. He added that the increase in the living wage was welcome but acknowledged it would cause problems in the care sector.
- In terms of work with the CCG on safe discharge of patients and preventing inappropriate admissions, the issues were more around the 'front door'. There was no data on the number of missed calls to GPs and there had not been enough conversations about the capacity of GPs or encouraging people to use pharmacies. There had not been enough discussion with health partners or NHS England. Some work had been done as part of the neighbourhood pilot. Telford and Wrekin CCG Board (of GPs) had acknowledged that not being able to get a GP appointment was one of the reasons for people going to A&E and they were becoming more aware of the issues and starting to challenge. However there were robust processes around discharge and the system was working well. Additional social workers had been assigned to the multi-disciplinary teams in the hospital to look at the needs of patients to identify who could be discharged and to prepare them for discharge. Social Workers and Early Help staff were based in the hospitals. An assessment was carried out of the patient's needs so the right support could be put in place. Occupational Therapists and Community Nurses were part of the team. The system worked well around dementia patients but more work was needed on prevention and educating families on where to go for help instead of A&E.

When there were no further questions the Chair reflected on the passion and enthusiasm of the Cabinet Member and officers and thanked them for their attendance. The Cabinet Member and officers left the meeting.

The Chair invited views on the discussion and Members made the following points:

- It was noted that the option for authorities to raise the adult social care precept to 3% for 2 years had come too late for the service to work up what would be delivered in detail.

- The option would increase Council Tax on an average property to 74p per week in 2017/18 instead of 57p per week – making a net difference of less than £9 per year for a Band B property. The Chair noted from her work with the Credit Union that some families were struggling and a small amount could have a big impact on them.
- Members agreed that the issue with the increase would be the drop to 0% in 2019/20. On balance members favoured spreading collection over 3 years to reduce risks in the third year (Option B) or to maintain the 2% increase for 2017/18 and retain the option to increase to 3% in 2018/19. It was noted that increasing the precept to 4% in 2018/19 would lift the overall Council Tax increase above the threshold for a referendum which was not desirable.
- The comment about taking housing development into account - and if it would be better to spread the increase over 3 years because there would be more houses paying Council Tax in 2019/20 - was noted as a good point.
- There was a comment that the extra money would have to be spent but there was no clarity about what it would be spent on.
- There were remaining concerns about the risk register – a member said they were not confident that a robust risk register was in place. They would expect to see numbers and mitigation, for example the risk of older people moving back to the borough from Europe post-Brexit.
- It was agreed that feedback on the number of people to date responding to the budget consultation would be requested for the meeting on 1 February. It was acknowledged this date would be too early for an analysis of feedback as the consultation did not close until 5 February.

Members noted the date of the next meeting on 26 January to consider alternative budget proposals.

FESC-14 WORK PROGRAMME

No further points were raised on the work programme.

The meeting ended at 7.30pm.

Chairman:

Date: