

BOROUGH OF TELFORD & WREKIN**HEALTH AND ADULT SOCIAL CARE SCRUTINY COMMITTEE – 11 OCTOBER 2016****EARLY HELP & SUPPORT SAVINGS UPDATE****REPORT OF THE DIRECTOR OF CHILDREN'S & ADULT SERVICES****Purpose of Report**

To provide the context and to outline the strategy for delivering Early Help and Support savings.

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”

... And the Council's co-operative values:-

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

Strategic Context

The overarching key strategic priorities are identified within the Health & Well-Being Strategy and the approach to achieve these priorities outlined within the Well-Being & Prevention Rationale.

The Council produced its commitment statement, (“the Statement”), Right Help, Right Time to Promote Independence, in April 2015, to be updated following the ‘Early Help & Support Restructure’ 2016. This document details the Council's approach to delivering social care services in Telford & Wrekin

“... to develop services for residents that help people live as independently as possible with minimal intervention ... where resources that are offered relate to the level of assessed needs a person might have.”

“Promoting Independence will be at the heart of social care in Telford & Wrekin”

Reflecting the national agenda of Think Local Act Personal (“Making it Real”) the Statement explains the Council's approach under a number of headings which we will use to align savings plans, the Cost Improvement Plan or CIP, to make sure that we are making savings in accordance with not only financial targets but in accordance with our long term strategies.

The main focuses of the **statements** are on the following areas:-

1. Information and advice
2. Community Based Solutions
3. Resources Focussed on Eligible Needs
4. Empowering Risk Management & Safe-guarding
5. Commissioning and working with Providers
6. Partnerships with Health Professionals
7. Spending Public Money wisely
8. Knowledgeable and Informed workforce
9. Valuing Carers

The Statement and the Local Account are documents that reference the delivery of the work areas and associated performance targets in more detail.

The Statement, and our performance monitoring systems, (Adult Social Care Outcomes Framework (ASCOF) – details a set of nationally agreed performance measures for Adult Social Services required by the Department of Health), informs the ‘Local Account’.

This is a retrospective document that explains how the Council has done against its plans in the previous year <https://www.gov.uk/government/publications/adult-social-care-outcomes-framework-ascof-2015-to-2016>

The Local Account is also informed by wider strategic objectives in the health sector including developing services within Commissioning Strategies which inform the development of the Strategic Transformation Plan (STP), the funding currently contained in the Better Care Fund and the Transforming Care Programme. As these develop the strategic context taking into account the integration of Health and Social Care will change and our plans will have to be flexible enough to deal with this changing context.

The Council’s broader strategic direction is encapsulated in “Being the Change”, a report published by the Managing Director in December 2015 that details how we will develop the organisation, services and senior management team to meet the challenges ahead.

This document operates on 4 core elements:-

1. Focussing on solving problems and promoting social responsibility and action to manage and reduce demand for services
2. Challenging and changing, reviewing and reimagining the way we do things
3. Reducing our dependency on government grants
4. Being a modern organisation with modern practices and where we always get the basics right

This year the Council has had the benefit of a Peer Review supported by West Midlands ADASS and their report is also informing our review of the Statement and our Cost Improvement Plan.

The Early Help and Support Budget

Table 1 below sets out the proposed net budget for Early Help & Support in 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, these are set out in table 4 below. 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 for both 2016/17 and 2017/18 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. Table 3 identifies the current monitoring position and the current assumption that this contingency will be required in the current year.

Table 1

	Projected Starting Budget £000's	Savings in budget strategy £000's	Growth in budget strategy £000's	Projected Revised Budget £000's
Current net EHS budget-2016/17 including approved adjustments	42,013	(4,541)	2,993	40,465
Contingency budget			2,500	2,500
EHS Budget for 2017/18 including approved adjustments	40,465	(5,221)	1,820	37,064
Contingency budget	2,500			2,500

Table 2- Numbers receiving care at the end of August 2016-Table 2 provides information on the number of clients currently receiving care and supported by the Council. This gives some context in service terms to the budget set out below.

Service categorisation	Older People¹	Physical/Sensory Disability	Adults with Learning Disability	Mental Health	Total
Residential	125	8	97	23	253
Residential EMI(Elderly Mentally Infirm)	113				113
Nursing	144	13	6	8	171
Nursing EMI(Elderly mentally Infirm)	51				51
Home care/Community based support/shared lives	478 (includes 328,000 homecare hours)	102 (includes 97,000 homecare hours)	364 (includes 288,000 homecare hours)	46 (includes 40,000 homecare hours)	990
Direct Payments	58	105	99	9	271
Day care	36	21	20	3	80
Total	1,005	249	586	89	1,929
Purchasing Budget 16/17(£m's)	16.4	3.2	15.0	1.5	36.1
Purchasing Forecast 16/17(£m's)	19.1	3.6	17.6	1.8	42.1

The current reported monitoring position at the end of August is set out in table 3 below. This represents the latest projections of costs and income for the current financial year, and the resulting variation assumes use of the drawdown contingency in full. This position is an improvement on the overspend of just over £4m reported to Cabinet in July for the end of May position. However, at this stage it is unclear whether the reduction in projected expenditure has resulted from a sustainable reduction in the costs of care being provided.

Continuing Health Care (CHC) Update

We have now completed work with the CCG to assess whether cases we currently fund should be subject to CHC and can confirm that some of the current cohort of cases are now being funded in their entirety by the CCG or through joint funding. We will bring further information along to the meeting.

¹ Excludes clients who are entitled to a period of reablement before leaving service or going on to a package of care and excludes clients in respite care

Table 3 Monitoring position end August 2016			
	Budget £000's	Forecast Variation £000's (end of August, 2016)	Forecast variation £000's (end May 2016)
Total position-Purchasing	42,188	5,337	6,211
Total position-Other	(1,723)	853	291
Overall Total	40,465	6,190	6,502
Offset by contingency	2,500	(2,500)	(2,500)
Total budget provision	42,965	3,690	4,002

Principles informing the development of the Cost Improvement Plan

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

- 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;
- 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;
- 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
- 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;
- The fulfilment of our statutory responsibility to meet assessed need is paramount and will not be compromised;
- We will work with our long term service users to plan for their long term future;
- We will work with the Care sector to have a high quality service and a sustainable and competitive market;
- We recognise that moving away from current residential accommodation might be difficult and could take time and might not be possible in some cases;
- 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; and

Short term

We need to act now, notwithstanding our longer term plans. Below is a short summary of the total EHS savings plan for 16/17, this includes savings to be made from non-purchasing budgets, with detail of the Strategies in place to make sure that the savings are delivered. The numbers are aligned to the headings in the Statement, (see above). The 2016/17 savings demonstrates around £2.0m currently achieved or considered achievable, with a further achievement of £1.4m falling into 2017/18 from the latest restructuring of staff.

Table 4

Savings No.	Description of Saving	Work Stream Description	Link to Statement	16/17 saving £
1	Savings from operational re-structures	Restructures	8	1,075
2a,b and c	Managing long term placements (including LTSA)	Reduce spend on ALD, MH, and PSD through innovation- £1m/Implement housing cost savings through LTSA- £116K/Collaborative working with CCG to reduce spend on ALD- £200K	2,3,5,6	1,316
3	Review of SLA's	Review of SLA's with the Voluntary Sector	5,6	209
4a and b	Increasing use of direct payments and personal assistants	Increase use of Personal Assistants/Direct Payments-£195k/Review of needs as identified in RAS against current costs of care-£169k	2,3	364
5 and 9	Reducing admissions into residential care	Market engagement- restructure of procurement strategy and payment mechanisms	2,3	541
6	Transport review	Making the most efficient use of the Council's fleet services and reducing use of taxis- £80k/keeping the cost of transport within the service user's RAS- £190K	2,3	270
7	Savings on preventative services	Reduce Supporting People activity	1,2,3,4,5,6,7	595
8	Other purchasing etc			171
10	The right funding for the right care		3,6	

	Total savings			4,541
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Target Led Approach – How Will We Monitor Progress

A new approach has been developed for ensuring that we spend within our approved budget. This is set out below:

- **Restructure of Early Help & Support** launched on 12th September (implementation date 1st December) - in addition to achieving the savings identified in 1 (and Table 4) above, the new service will focus upon the delivery of outcome designed to ensure savings targets are achieved whilst protecting or improving outcomes for service users.
- **Comprehensive Workforce Development Programme** will be in place to support staff work recruited to their new roles. This will include providing clarity over practice including how we will work with targets.
- **A predictive financial model is in place** – This has been developed and is now being used for predicting the impact of activities undertaken. This will assist the team in determining what actions they need to take to stay within budget. We have undertaken some work using the model to identify activity and price targets; we will share some of these with you next week for illustrative purposes.
- **Price and Activity Targets** – Whilst we continue to work on the existing cost improvement plan summarised above, **price, activity and duration targets** are currently being agreed in readiness for the new teams which will be in place from December. In reality targets will not be fully in place until April given the need for a comprehensive workforce development programme. It is anticipated that we will pilot this approach in the final quarter of 2016/17.
- **Project Management** – *A project manager has now been identified and is bringing a project discipline to the achieving outcome/cost improvement plan targets. This includes fortnightly project meetings, ensuring detailed project plans exist for each line in the plan and identifying and removing barriers to plans/implementation. Additional scrutiny is provide by a number of challenge sessions including 1) Managing Director Challenge 2) Senior Management Team Challenge 3) Member Challenge Session and 4) Scrutiny Briefing Sessions. A risk log has also been set up.*

We would welcome a discussion with the committee to understand how you would like to be more involved.

Report Written by Assistant Director Governance, Procurement & Commissioning & Director of Children's & Adult Services October 2016