



Norfolk County Council

Adult Social Care Committee

Date: Monday, 08 October 2018

Time: 10:00

**Venue: Edwards Room, County Hall,
Martineau Lane, Norwich, Norfolk, NR1 2DH**

Persons attending the meeting are requested to turn off mobile phones.

Membership

Mr B Borrett (Chairman)

Miss K Clipsham Mr G Peck

Mr E Connolly Mr M Sands

Mr D Harrison Mr T Smith

Mrs S Gurney (Vice-Chair) Mr H Thirtle

Mrs B Jones Mr B Watkins

Mr J Mooney Mrs S Young

**For further details and general enquiries about this Agenda
please contact the Committee Officer:**

Hollie Adams on 01603 223029
or email committees@norfolk.gov.uk

Under the Council's protocol on the use of media equipment at meetings held in public, this meeting may be filmed, recorded or photographed. Anyone who wishes to do so must inform the Chairman and ensure that it is done in a manner clearly visible to anyone present. The wishes of any individual not to be recorded or filmed must be appropriately respected.

A g e n d a

1. To receive apologies and details of any substitute members attending

2. Minutes

Page 5

To confirm the minutes of the meeting held on the 3 September 2018

3. Declarations of Interest

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4. Any items of business the Chairman decides should be considered as a matter of urgency

5. Public QuestionTime

Fifteen minutes for questions from members of the public of which due notice has been given.

Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Wednesday 3 October 2018**.

For guidance on submitting a public question, visit www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/ask-a-question-to-a-committee

6. Local Member Issues/ Member Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given.

Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Wednesday 3 October 2018**

7. Executive Director's Update

Verbal Update by the Executive Director of Adult Social Services

8. Chairman's Update

Verbal update from Cllr Borrett

9. Update from Members of the Committee regarding any internal and external bodies that they sit on.

10. Adult Social Care Finance Monitoring Report Period 5 (August) 2018-19 **Page 14**

A report by the Executive Director of Adult Social Care

11. Risk Management **Page 43**

A report by the Executive Director of Adult Social Care

12. Living Well – Homes for Norfolk **Page 60**

A report by the Executive Director of Adult Social Care

13. Strategic and Financial Planning 2019-20 to 2021-22 **Page 220**

A report by the Executive Director of Adult Social Care

Group Meetings

Conservative	9:00am Conservative Group Room, Ground Floor
Labour	9:00am Labour Group Room, Ground Floor
Liberal Democrats	9:00am Liberal Democrats Group Room, Ground Floor

Chris Walton
Head of Democratic Services
County Hall
Martineau Lane
Norwich
NR1 2DH



If you need this document in large print, audio, Braille, alternative format or in a different language please contact Customer Services on 0344 800 8020, or Text Relay on 18001 0344 800 8020 (textphone) and we will do our best to help.



Adult Social Care Committee

Minutes of the Meeting Held on Monday, 03 September 2018
at 10:00am in the Edwards Room, County Hall, Norwich

Present:

Mr B Borrett (Chairman)

Mr E Connolly

Mr D Harrison

Mrs S Gurney (Vice-Chair)

Mrs B Jones

Mr C Jones

Mr G Peck

Mr M Sands

Mr T Smith

Mr H Thirtle

Mr B Watkins

1. Apologies

- 1.1 Apologies were received from Mrs K Clipsham (Mr C Jones substituting) and Mr M Sands would arrive late to the meeting. Mr J Mooney and Mrs S Young were absent.

2. To confirm the minutes of the meeting held on 02 July 2018

- 2.1 The minutes were agreed as an accurate record and signed by the Chairman.

3. Declarations of Interest

- 3.1 Mr T Smith declared a Non- Pecuniary interest as he had 2 grandparents receiving social care from Norfolk County Council.

4. Urgent Business

- 4.1 There were no items of urgent business discussed.

5. Public Question Time

- 5.1 No public questions were received.

6. Local Member Questions / Issues

- 6.1 No local member questions were received.

7. Executive Director's Update

- 7.1 The Executive Director updated the Committee on:
- work with the Sustainability and Transformation Partnership (STP) for primary & community care; a workshop was organised for October 2018 to develop integrated working proposals between social care & GPs, and extend the work of GPs with people at risk of admission to hospital or worsening health
 - the appointment of a Director for Winter on behalf of health and social care, Mark

Burgess, who would organise winter arrangements and plan for winter service provision; a briefing would be given to the Committee at a later date

- publication of the Local Government Association (LGA) paper 'Lives We Want to Lead' and the County Council Network (CCN) paper on Sustainable Social Care looking at future funding of Social Care; the Government green paper was due to be published at the same time as the 10-year NHS plan
- extra care housing being developed for older people and people with disabilities; Norfolk County Council (NCC) was working with District Councils and voluntary groups to produce a statement of need for extra care houses for older people and disabled people. A paper was due for next committee followed by a launch in November 2018
- publication of the intention to extend the blue badge scheme to people with hidden disabilities and at risk of harm due to them

7.2 Mr M Sands arrived at 10:06

7.3 The Vice-Chair shared experience of applying for funding from her district, where funding was applied for and received too late in the year to support winter services. She reminded Officers of the need to apply in good time. The Executive Director of Adult Social Care reported that Adult Social Care would contribute existing resources agreed as part of the Improved Better Care Fund; he agreed to feed these comments into commissioning discussions about winter services funding.

8. Chairman's Update

8.1 The Chairman:

- Discussed the Housing strategy which he felt was an exciting part of future strategy; a paper would be brought to a future meeting with more detail
- Discussed the delay in publication of the Government's green paper; he urged committee members to read the LGA green paper and CCN green paper

8.2 Progress with the sustainability transformation plan (STP) was queried; the meeting arranged for August had been rearranged and would be held later in the week, and so the Chairman could not provide an update to the Committee.

9. Update from Members of the Committee about internal and external bodies that they sit on

9.1 The Vice-Chair had attended a meeting of the Board of Governors of the Norfolk and Norwich University Hospital Trust; a robust plan was in place to address issues raised at inspection.

9.2 Mrs B Jones provided a written and verbal update to the Committee; see appendix A. She had also been involved in Making It Real group discussions.

10. Adult Social Care Finance Monitoring Report Period 4 (July) 2018-19

10.1.1 The Committee received the financial monitoring report based on information to the end of July 2018, including variations from the budget, progress against planned savings and a summary of use of the Improved Better Care Fund.

10.1.2 Finance Officers were reporting a stable position with continuation of a £1.99m overspend. There had been a small increase in the purchase of care overspend which

had an impact on overall expenditure but was offset by income.

- 10.2.1 Management of provision of debt was queried; the Finance Business Partner, Adult Social Services, replied that debt recovery from service users was well managed with on average 84% recovered within 30 days. This was good performance against the national benchmark. Most debt risks were associated with large organisations. Overall debt provision had reduced by £0.5m following a review.
- 10.2.2 A Member queried how expenditure would be brought under control. The Executive Director of Adult Social Services reported that local team managers were required to sign off approved spend and review spend above budget each month. Operational teams had been asked to prepare recovery action plans to manage the position in-year. Quarterly, the Executive Director of Adult Social Services met with all teams to review finance and performance. Some expenditure was beyond the control of teams, for example impacted by NHS procedure.
- 10.2.3 Contradictory statements about admissions for 18-64-year olds were queried; at paragraph 2.62 admissions were said to be reducing but later in the report the trend was said to be increasing. The Finance Business Partner, Adult Social Services, clarified admissions were reducing, however, those being admitted were staying longer. The smaller number of people admitted each month staying in care longer added up to more people in care over the long term.
- 10.2.4 The 8% allocated to mental health and 9% allocated to physical disability at paragraph 2.6.1 was challenged, when half of the overspend related to mental health and 24% to physical disabilities. The Finance Business Partner, Adult Social Services, replied that forecasts had to be set & judgements made about which savings targets were achievable in each area; she was aware of the increased referral rate in mental health.
- 10.2.5 Concern was raised about the proposed £27m cuts to Adult Social Care, delayed publication of the Government green paper and uncertainty of future funding; the Executive Director of Adult Social Care noted the complicated situation but that the broad pattern of spend was relatively stable at 0.8% overspend. No reserves had been deployed in an unplanned way against risks. He wanted to set a culture in the service of carrying out the savings programme rather than bring down overspend using reserves.
- 10.2.6 A Member felt services users were being disproportionately charged for care, noting that the cost to Council had increased by 3% and cost to service users by 8%. The Finance Business Partner, Adult Social Services, assured Members that the department complied with Government legislation on charging, which limited how much the authority could charge to ensure that people were not pushed into poverty. The amount received in total by the department reflected the financial circumstances of service users.
- 10.2.7 It was taking longer than anticipated to transform learning disabilities services and to work with Independence Matters to change their model.
- 10.2.8 The cost of transition for young people from Children's Services to Adult Social Care was queried; the Executive Director of Adult Social Care reported there was a workstream, as part of Promoting Independence, for young people's transitions in Adult Social Care & Children's Services; there was a proposal for a joint service between the two services to improve transitions which he did not think would be a large budget risk.
- 10.3 With 6 votes in favour and 5 abstentions, the Committee **RESOLVED** to **AGREE**:
- a) The forecast outturn position at Period 4 for the 2018-19 Revenue Budget of a

£1.990m overspend

- b) The planned use of reserves of a net £0.271m above the level agreed when setting the budget

11. Strategic and Financial Planning 2019-20 to 2021-22

- 11.1.1 The Committee considered the report on the Council's overall budget planning position, the forecast budget gap for 2019-20 to 2021-22, and details of the strategic & financial planning framework for Service Committees agreed by Policy & Resources.
- 11.1.2 The Finance Business Partner, Adult Social Services, reported on market and system pressures and potential financial pressures in the health system; Officers had not included potential cost pressures but it was likely they would remain and should be managed in addition to other risks and pressures outlined in the paper.
- 11.2.1 Mr B Watkins discussed the Chairman's motion at a County Council meeting that Councillors should work together, and **suggested** a task and finish group was set up following publication of the Government green paper.
- 11.2.2 Mr B Watkins discussed concerns about the pace of savings and asked the Director to report to Committee the effects that cuts and savings would have on vulnerable service users. The Chairman noted that the report covered expected outcomes of changes to services; Mr Watkins **proposed** that this continued to be reported, seconded by the Chairman. The proposal was **agreed**.
- 11.2.3 Risk caused by the growing number of people over 85 and the impact on Adult Social Services was raised. The Executive Director of Adult Social Care reported that Officers considered population and age profile when profiling need & demand, including the needs of over 85s and certain conditions, i.e. dementia. The needs of over 85s had informed proposals and calculation of the funding gap between 2018 & 2022.
- 11.2.4 A Member asked what evidence could be shown in reports that lessons had been learned and proposals were deliverable; the Executive Director of Adult Social Care reported that £22m of proposed savings were forecast to be achieved as set out in the budget. The Chairman noted that some savings had already been met, and discussed the impact of the demand led service on expenditure and variance from budget.
- 11.2.5 The Finance Business Partner, Adult Social Services, reported that areas of opportunity or risk to extend savings had been tested, and cost proposals had been benchmarked. External advice had been sought to ensure proposed savings were realistic, which could be delivered and ensure invest to save opportunities had been put in place.
- 11.2.6 A Member **suggested** that Norfolk Futures be reviewed to include an aspiration for young people with disabilities to have adequate access to social housing; the Executive Director of Adult Social Care noted the corporate desire for housing. He added that every care decision about an individual involved housing.
- 11.2.7 Mrs B Jones **requested** a training session on the medium term financial strategy. The Chairman **suggested** this was arranged as a Labour group session.
- 11.2.8 In response to the suggestion of a task and finish group to look at the Government Green Paper, the Chairman replied that he hoped the Committee could come to a joint decision and response to feed to Government and welcomed Council Members to share comments on the green paper with the Committee. The Chairman **deferred** his decision about setting up a task and finish group until after publication of the green paper.

- 11.3.1 Mr B Watkins **PROPOSED**, seconded by Mrs B Jones, to take the resolutions separately. With 5 votes for and 6 against, the proposal was lost.
- 11.3.2 When the proposals were taken together, with 6 votes for and 5 against, the Committee **RESOLVED** to:
- 1) **NOTE** the Council's budget assumptions and the budget planning principles for 2019- 20 which had been approved by Policy and Resources Committee (paragraph 3.3 and 3.4 of the report)
 - 2) **NOTE** the forecast budget gap of £94.696m (table 3 of the report), which reflects the changes from the 2018-22 Medium Term Financial Strategy, and the resulting indicative savings targets for the Committee over the period 2019-20 to 2020-21 (table 4 of the report)
 - 3) **AGREE** that there were no further areas of risk in relation to 2019-22 budget planning for the Committee's budgets, including any extra/more pressures of existing planned savings as set out in section 5 of the report.
 - 4) **AGREE** the proposed approach and key themes to focus on in developing savings proposals for 2019-20 to 2021-22, including how the principles of the Council's Strategy, Norfolk Futures, would inform and shape budget planning activity set out in section 5 of the report, having regard to the existing savings for 2019-20 and beyond which were agreed as part of the 2018-19 budget round (table 1 of the report)
 - 5) **AGREE** to **COMMISSION** officers to develop detailed savings proposals to be presented to the Committee for consideration at the October meeting to help close the forecast 2019-20 to 2021-22 budget gap
 - 6) **NOTE** the budget planning timetable (section 6 of the report)

12. Transport

- 12.1.1 The Committee received the report providing an update on the work being carried out to deliver savings from Adult Social Services transport, following on from reports presented to the Committee in 4 July 2016, 5 September 2016, November 2016, 23 January 2017, 6 March 2017, 4 September 2017 and January 2018.
- 12.1.1 Mrs B Jones was concerned that some people would be caused anxiety by the changes and availability and reliability of public transport would cause difficulty for people using TITAN Training in rural areas. She **PROPOSED**, seconded by Mr C Jones, that recommendation a) was amended to include the sentence: *"include a robust assessment of the availability and reliability of public transport"*.
- 12.2.2 The Vice-Chair asked for information on how information was gathered and recorded about Motability uptake & eligibility. The Assistant Director of Early Help and Prevention (Adult Social Services) confirmed that people were asked at assessment; questions were included on LiquidLogic to take workers through consideration of service users' needs; she was unsure if there was a specific question about Motability.
- 12.2.3 Positive feedback was given on TITAN Training from a Committee Member that it provided people with good coping skills including what to do if things went wrong.
- 12.2.4 Mr B Watkins discussed his concerns about the impact of proposals on vulnerable people. He felt that use of public transport should be encouraged but not enforced through cuts and was concerned about limited public transport in rural areas and bus subsidy cuts. He queried what would happen when people lost confidence in using services or had a change of circumstance. Mr Watkins **PROPOSED**, seconded by Mr D Harrison, to: amend recommendation b), by changing the word "expected" to

“*encouraged*” and to remove recommendation c).

- 12.2.5 Cuts to bus services in rural areas were discussed; some Members felt people would be “expected” to use TITAN Training which would be detrimental to services and users.
- 12.2.6 Other Members were in support of the recommendations, and assumed assessments with service users would take availability of public transport services into account before suggesting TITAN Training to an individual.
- 12.2.7 Detail of the assessment, appeal and review process was requested. The TITAN Manager updated Committee that service users could be referred to TITAN Training by a carer, social worker or TITAN worker. Home visits were carried out with the service user and family to look at availability of transport routes and the individual’s needs to identify whether to offer training, which would be as bespoke as possible & one to one for as long as needed. It included supported travel on public transport with a TITAN trainer until the user was confident. The Assessment involved discussing with the user whether TITAN was suitable for them. If people were unhappy with their assessment there were the usual processes for raising this, including the Complaints process. People could train again if they wished or if their circumstances changed.
- 12.2.8 The Vice-Chair had spoken with someone who did TITAN Training; they felt it was not for them and were not forced to carry on any further. She had spoken with other people who gained confidence to access things they had not had before such as the theatre.
- 12.2.9 The TITAN Manager confirmed for Members that if there was a change in circumstances, service users, carers or social workers could use the online referral system, created by speech and language and disability services. Support continued after the training, with Safe Havens for people to visit, so support could be accessed quickly. Anonymous feedback in Children’s Services gave a 9.9 out of 10 response rate and workers aimed to work with service users to find a better way of meeting their needs.
- 12.2.10 Mr Smith was upset with some of Mr Watkins comments made earlier in the meeting.
- 12.3.1 A vote was taken on the proposals raised in the meeting:
- Mrs B Jones **PROPOSED**, seconded by Mr C Jones, that recommendation a) was amended to include the sentence: “*include a robust assessment of the availability & reliability of public transport*”. With 5 votes for and 6 against the proposal was **lost**.
 - Mr Watkins **PROPOSED**, seconded by Mr D Harrison to amend recommendation b) by changing the word “expected” to “*encouraged*”, and to remove recommendation c). In votes taken for each amendment, with 5 votes for and 6 against, both proposals were **lost**.
- 12.3.2
- a) With 6 votes for and 5 against, the Committee **RESOLVED** to **AGREE** that all transport requirements for adult service users were referred to the TITAN travel training team and part of the assessment of transport needs includes the potential for the person to travel on public services or contract buses following travel independence training
 - b) With 6 votes for and 5 against, the Committee **RESOLVED** to **AGREE** that all service users were expected to undertake travel independence training to enable them to progress to using public transport unless they were assessed, by the County Council, as being unlikely to benefit from such training
 - c) With 6 votes for and 5 against, The Committee **RESOLVED** to **AGREE** that any person assessed as being suitable for travel training was expected to willingly participate. The County Council would retain the right to withdraw specialist

transport if people or their families choose not to take part in the travel training programme or assessment

13. Performance Management

- 13.1.1 The Committee discussed the report showing the latest available performance position for Adult Social Services using data from the new LiquidLogic system.
- 13.2.1 The Executive Director of Adult Social Care confirmed that social prescribing, delivered in collaboration with Health Colleagues, would be rolled out across District Councils. Funding was received as a one off over 2 years and success would be evaluated with help from academics to decide whether to continue after this time.
- 13.2.2 It had been identified that the stretch target of 15% requiring formal services was difficult to achieve; a Member asked what measures would help to achieve this. The Executive Director of Adult Social Care felt it was important for people to have conversations about alternatives to formal care; a directory was in place and the Living Well Model was being rolled out. Formal care services should be provided where needed and other services where appropriate.
- 13.2.3 A Member asked why it had been difficult to meet Delayed Transfers of Care targets. The Executive Director of Adult Social Care updated members on the Multi Agency Discharge Event with Health Colleagues involved in discharges. The process of working in hospitals had been identified as too linear and the event had identified ways to change processes. A culture had been identified in hospitals that older people should go into care when they could be supported to live at home; the Home First approach would be put in place at reablement centres. The Chairman hoped a change in behaviour would be seen in the NHS on discharges following the event.
- 13.2.4 The work of Social Workers in the Norfolk and Norwich University Hospital was praised.
- 13.2.5 Mrs B Jones raised concerns about the SCCE team who had a high number of staff on long term sick and 200 customers on the waiting list and increasing; there was lack of capacity for social work teams to support. The Director of Community Social Work reported that the waiting list was now at 135 and reducing; there were 7 staff on long term sick and short-term workers would join at the end of September 2018. Mrs B Jones requested SCCE was added to future performance management reports and the Assistant Director of Strategy & Transformation **agreed** to add this.
- 13.2.6 Figures showing that over half of people in temporary care remained permanently were queried. The Assistant Director of Strategy & Transformation **agreed** to provide more detail. The Executive Director of Adult Social Care discussed the importance of reablement in supporting people to stay independent rather than temporary care which could lead to permanent admissions.
- 13.2.7 It was queried what could be learned from the Local Authority leading on Delayed Transfers of Care. The Executive Director of Adult Social Care replied that the leading Authority was Bedford; Norfolk's Adult Social Care department had compared notes with them to see what was going well in their area. The Director had noted that a shift was needed towards prevention to address the problems, and a change in the model.
- 13.2.8 The Executive Director of Adult Social Care confirmed there was an issue around continuing care and its impact on the social care budget as it was applied more stringently; the main issue was cultural as consultants were not used to thinking of the risks in the community environment. Having more community services working with

hospitals would support the model to change.

- 13.2.9 Variances seen in Delayed Transfers of care were queried; The Assistant Director of Strategy & Transformation clarified there were times where pressures at the front door or in staffing increased delayed transfers of care, causing variations across the year.
- 13.2.10 Mr T Smith congratulated Officers and staff for the past few months where Delayed Transfers of Care were almost on target.
- 13.2.11 Mr D Harrison was not present for the vote.
- 13.2.12 With 10 votes in favour the Committee:
- a) **DISCUSSED** and **AGREED** the overall performance position for Adult Social Care as described in section 2 of the report

14. Assistive Technology

- 14.1.1 The Committee reviewed the report giving an overview of the work to develop a strategy and approach for assistive technology in Adult Social Services.
- 14.2.1 It was confirmed that this may involve one off pieces equipment being issued to people.
- 14.2.2 The Assistive Technology Team ran training for staff, and aimed to increase its uptake. Some teams referred more than others; this would be addressed and the website improved. It was planned to expand the programme to other hospitals in the region.
- 14.2.3 The Chairman endorsed the programme, highlighting its ability to support peoples' independence.
- 14.2.4 The Assistant Director of Early Help and Prevention (Adult Social Services) confirmed that the issues of extracting statistical data from Liquid Logic were being worked on.
- 14.3 The Committee unanimously:
- a) **NOTED** progress to date on the reviewed and work in progress
 - b) **AGREED** to receive further updates on the development and implementation of the new strategy and model

The meeting finished at 12.07

**Mr Bill Borrett, Chairman,
Adult Social Care Committee**

 <p>IN  TRAN communication for all</p>	<p>If you need this document in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or Text Relay on 18001 0344 800 8020 (textphone) and we will do our best to help.</p>
--	---

Update from Brenda Jones, Member Champion for Physical Disability and Sensory Impairment

Since the last meeting of the Adult Social Care Committee I have:

- Attended a social event and trustee meeting of the Norfolk and Norwich Association for the Blind
- Acted as volunteer welfare coordinator at Norwich Pride, attended a related training event and Norwich Pride event

Adult Social Care Committee

Item No

Report title:	Adult Social Care Finance Monitoring Report Period 5 (August) 2018-19
Date of meeting:	8 October 2018
Responsible Chief Officer:	James Bullion, Executive Director of Adult Social Services

Strategic impact

This report provides Adult Social Care Committee (the Committee) with financial monitoring information, based on information to the end of August 2018. The report sets out variations from the budget, progress against planned savings and provides a summary of the use of the improved better care fund.

Executive summary

As at the end of August 2018 (Period 5), Adult Social Services is forecasting an overspend position of £1.990m at the end of the financial year, which is a 0.8% variance on the total net budget. This is after considering known financial risks and expected achievement of savings.

Expenditure Area	Budget 2018/19 £m	Forecast Outturn £m	Variance £m
Total Net Expenditure	252.747	254.737	1.990

The key points for Committee to consider about the financial position for Adult Social Care are:

- There is no underlying additional pressure affecting the 2018-19 budget. The outturn position for 2017-18 was a £3.696m underspend and commitments between setting the budget in January 2018 and the start of the financial year remained largely stable and therefore have not placed additional pressures on the budget from the outset
- As part of the 2017-18 financial position the Committee set up a business risk reserve of £4.500m. This was in addition to the business risk reserve agreed by Policy and Resource Committee of £2.600m using the Adult Social Services Grant announced in January 2018. This can be used to enable invest to save proposals or support the budget if additional savings cannot be delivered in full or the financial risks (set out in Section 4) not included in the budget materialise
- Plans for the use of the additional one-off social care grant, known as the improved better care fund grant (iBCF) were agreed with health partners in July 2017. As the funding was announced following the budget setting process and plans were agreed part year, not all the grant was spent in 2017-18 and a reserve was set up to enable the plans to still be implemented, with spending in both 2018-19 and 2019-20. New services such as accommodation based reablement, trusted assessors, enhanced home support and social prescribing have been implemented and projects will be closely tracked to establish the benefits to the health and social care system and whether these are financially sustainable longer term. This year the iBCF is supporting the cost of care and national living wage increases faced by care providers, as well as protection of social care budgets. Progress is detailed at Appendix F

- d) This year, Adult Social Services needs to deliver £27m savings to deliver a balanced budget. The savings programme is not without risk and this paper provides detail of specific projects, where there could be variance to the budgeted savings able to be delivered by 31st March 2019. The forecast is based on delivery of £21.753m of the 2018-19 savings target (see Section 2.7). The service will aim to manage any variances through alternative measures, but the forecast outturn position is based on the reduced delivery. Due to the scale of the programme this year, one of the purposes of the business risk reserve is to support shortfall due to slippage that cannot be mitigated during the year through alternative savings, but use of the reserve for this purpose is not currently forecast

Adult Social Services reserves at 1 April 2018 stood at £27.221m. The reserves at the beginning of the year included committed expenditure, which was carried forward from 2017/18. The reserves position is set out in Section 2.10 and Appendix D. In total the forecast includes an expected net use of £6.038m of reserves in this financial year, compared to £6.841m which was planned and agreed as part of the budget setting process.

The 2018-19 forecast outturn position for reserves is £21.183m. Provisions totalled £6.454m at 1 April 2018, mainly for the provision for bad debts. This is expected to have reduced to £5.950m by 31 March 2019, reflecting the recovery of some bad debts.

Recommendations:

Members are asked to agree:

- a) **The forecast outturn position at Period 5 for the 2018-19 Revenue Budget of a £1.990m overspend**
- b) **The planned use of reserves totalling £6.038m, which is below the original level agreed**

Appendix A – Table setting out the monitoring position at Period 5 for key budgets for the service (P27)

Appendix B – Explanation of key variances for each budget (P29)

Appendix C – 2018-21 Savings Programme (P32)

Appendix D – Reserves and Provisions (P34)

Appendix E – Capital Programme 2018-19 (P36)

Appendix F – iBCF project update 2018-19 (P37)

1. Introduction

- 1.1 The Adult Social Care Committee has a key role in overseeing the financial position of the department including reviewing the revenue budget, reserves and capital programme.
- 1.2 This monitoring report is based on the Period 5 (August 2018) forecast including assumptions about the implementation and achievement of savings before the end of the financial year.

2. Detailed Information

- 2.1 The table below summarises the forecast outturn position as at the end of August (Period 5).

2017/18			2018/19			
Actual net spend 2017/18 £m	Over/Underspend compared to budget £m	Expenditure Area	Budget £m	Forecast Outturn £m	Variance to Budget	Variance @ P4 £m
11.659	(0.313)	Business Development	10.961	10.798	(0.163)	(0.136)
72.203	0.092	Commissioned Services	58.955	60.103	1.148	0.085
7.845	(0.093)	Early Help & Prevention	5.798	5.971	0.173	0.103
181.698	(7.573)	Services to Users (net)	198.074	200.059	1.985	3.189
(7.822)	4.190	Management, Finance & HR	(21.041)	(22.193)	(1.152)	(1.250)
265.585	(3.696)	Total Net Expenditure	252.747	254.737	1.990	1.990

2.2 As at the end of Period 5 (August 2018) the forecast revenue outturn position for 2018-19 is £254.737m, which is an overspend of £1.990m.

2.3 The detailed position for each service area is shown at **Appendix A**, with further explanation of over and underspends at **Appendix B**.

2.4 The forecast position does not consider all the potential budget risks and opportunities for the service during 2018-19. These are set out in more detail at Section 4 of this paper.

2.5 Services to Users

2.5.1 The table below provides more detail on services to users, which is the largest budget within Adult Social Services:

2017/18		Purchase of Care (POC)	2018/19		
Actual net spend £m	Over/Under spend £m	Expenditure Area	Budget 2018/19 £m	Forecast Outturn at 31 st March 2019 £m	Variance £m
114.65	3.481	Older People	121.278	124.444	3.167
24.095	0.866	Physical Disabilities	25.055	27.502	2.447
100.865	1.663	Learning Disabilities	101.354	105.768	4.414
14.616	0.500	Mental Health	17.341	18.465	1.124
254.226	6.510	Total POC Expenditure	265.028	276.179	11.152
-84.002	-9.148	Service User, NHS and other local authority income	-85.653	-93.440	-7.787
-4.566	-2.550	Other Income	-1.561	-2.191	-0.630
-88.568	-11.698	Total POC Income	-87.214	-95.631	-8.417
165.658	-5.188	Total Net POC	177.814	180.548	2.735
5.859	-0.813	Hired Transport	6.105	5.977	-0.128

10.181	-1.571	Care & Assessment & Other staff costs	14.154	13.533	-0.621
181.698	-7.573	Total Service for users	198.074	200.059	1.985

2.5.2 Key points:

- The number of people being supported with ongoing purchased care packages continues to show small reductions across the service. However, the rate of reduction is insufficient to meet the savings applied for 2018/19. Whilst work is ongoing to mitigate this, the service is currently showing an overspend
- The department's Promoting Independence strategy continues to seek to support people to maintain their independence; where possible within their own homes and communities. This is integral to the demand management requirements embedded within the service budget. Permanent admissions to residential care – those without a planned end date – are therefore a vital area of focus for the service. As such, both the 18-64 and 65+ age ranges form two of the six key metrics reported to this Committee as part of the Performance Management report. **Appendix B** provides more details on the progress and actions for this area of budget
- The generation of income is an important aspect of managing the budget for Adult Social Care. In addition to changes to charging agreed as part of the budget, the Council continues to ensure it offers robust financial assessments for service users and works closely with Health partners to agree shared packages of care or funding relating to people on the Transforming Care Programme pathway

2.6 Commissioned Services

2.6.1

2017/18		Expenditure Area	2018/19		
Actual net spend 2017/18 £m	Over/ Underspend compared to budget £m		Budget 2018/19 £m	Forecast Outturn at 31 st March 2019 £m	Variance £m
4.193	(0.105)	Commissioning Team	3.177	3.035	(0.142)
12.444	(0.315)	Service Level Agreements	9.031	9.150	0.119
2.102	(0.294)	Integrated Community Equipment Service	0.145	0.135	(0.010)
33.266	0.672	NorseCare	33.134	33.547	0.413
5.817	0.000	Housing related support	2.564	2.177	(0.387)
13.077	0.220	Independence Matters	9.550	10.687	1.137
1.304	(0.087)	Other Commissioning	1.355	1.372	0.017
72.203	0.092	Total Expenditure	58.955	60.103	1.148

2.6.2 Key points:

a) **NorseCare**

Despite on-going reductions in the real-terms contract costs there remains a variation between the approved budget and the contract price. This is predominately due to increased inflation above budget assumptions. Work is ongoing to reduce this gap

b) **Independence Matters (IM)**

The Council and IM have been working together to review services. The scope of this work has included benchmarking and unit prices, review of usage and occupancy levels and review of contract arrangements. Plans are progressing to jointly deliver these savings

2.7 Savings Forecast

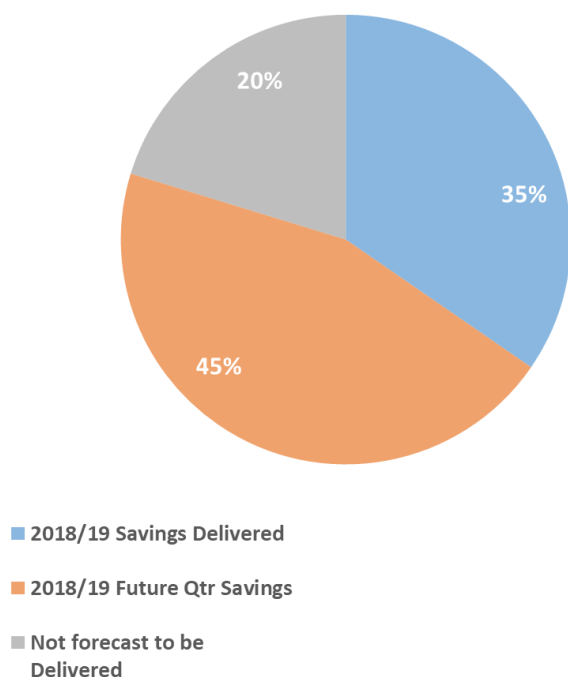
2.7.1 The department's budget for 2018/19 includes savings of £27.290m. The savings are predominately planned through the delivery programme for the Promoting Independence strategy.

2.7.2 The savings include £17m of demand management savings, which will be delivered through various projects to help prevent, reduce and delay the need for formal social care. Some £9.2m of the savings are related to the strategy for younger adults, and £7.4m relates to projects aligned to people with learning disabilities. Some of these savings remain high risk, predominately because it requires significant changes to the social care offer, as well as helping people who currently receive services to, where appropriate, gain a higher level of independence. For some people it will enable them to live more independently and move from residential based care. Therefore, at Period 5 it is forecast that some savings will take longer to deliver and will not be achieved in full in this financial year. The programme of work will still seek to deliver these in full.

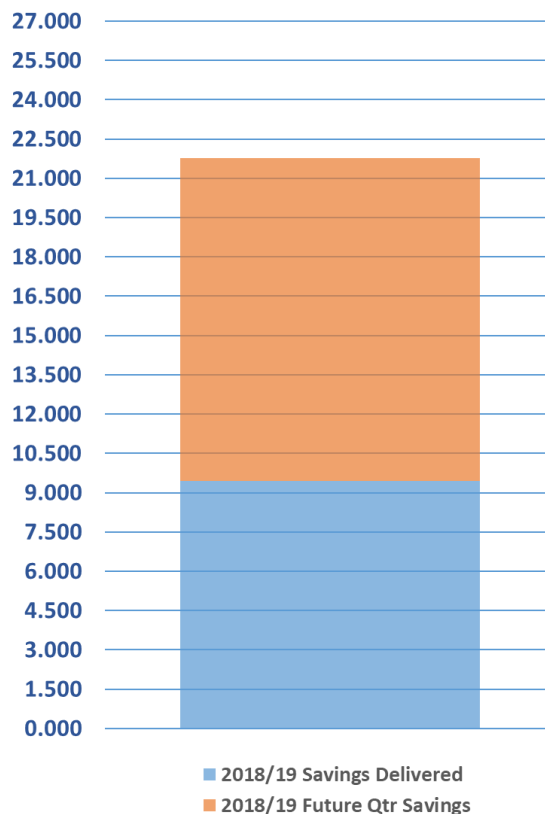
2.7.3 At period 5 the forecast is that £5.537m of savings will not be achieved by 31st March 2019. The budget position therefore reflects achievement of £21.753m in this financial year. **Appendix C** sets out the delivery status of the programme by workstream and project.

Savings	Saving 2018/19 £m	Forecast £m	Variance		Previously Reported £m
			£m	%	
Savings off target (explanation below)	-15.145	-9.608	5.537	-37%	5.106
Savings on target	-12.145	-12.145	0.000	0%	0
Total Savings	-27.29	-21.753	5.537	-20%	5.106

**Chart 1:
ASC Savings as a % of the requirement**



**Chart 2:
ASC Savings 2018/19 – Period 5**



2.7.4 A brief explanation is provided below of the key variances and, where applicable, planned recovery actions.

Promoting Independence for younger adults (target £6.794m; forecast £4.076m; variance £2.727m). The department has a structured programme of work to focus on our service offer for people with a Learning Disability (LD), which is held to account by an LD Steering Group and LD Partnership Board. This underpins the work required to implement the LD Strategy. The variance in savings delivery is the direct result of the time it takes to support and promote a person’s independence when they have previously been receiving a different type or level of care services. Many of the people who access our services, may well have been in receipt of these services for a significant period. With people who are currently not receiving adult services, but may be supported by Children’s or Education services, we are working with our colleagues in Children’s services to develop a new Preparing for Adult Life service.

Promoting independence for older adults (target £4.665m; forecast £4.099m; variance £0.566m). The department is reformulating its social work offer, starting with its Community Care teams, by implementing a roll-out of the Living Well: 3 Conversations model of social work. The initial Community Innovation sites have seen promising results in terms of outcomes for people and delaying the need for formal care. The variance in savings delivery is the direct result of the time it takes to fully imbed this model and begin to realise the full benefits of the new ways of working.

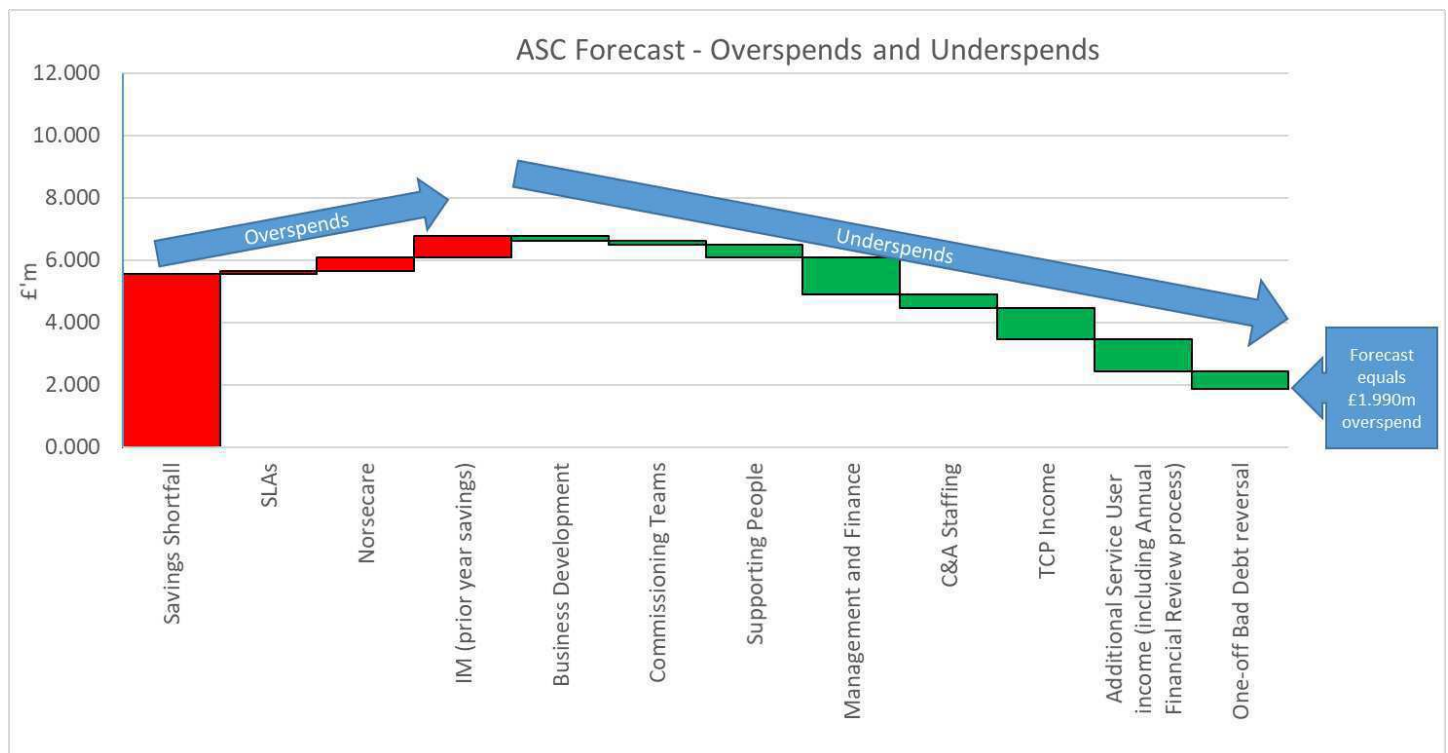
Review of day services (target £2.500m; forecast £0.843m; variance £1.657m). As part of the LD strategy, the department will have a revised Day Services offer for people with a Learning Disability. The focus will be on community participation, targeted support (with a skills and employment focus) and locality hubs for those with complex needs. To begin this transformation five providers will begin pilots lasting for the next 12 months to

reshape the offer. The variance in savings delivery is the direct result of the time it takes to evolve these services and support and enable existing people accessing the services.

Promoting Independence - Housing with Care (target £0.500m; forecast £0.050m; variance £0.450m). The department has developed a business case and revenue model as part of the work of its newly formed Older People Housing Board. This paper is covered elsewhere on the agenda. Through work between internal officers, consultants and external partners, such as the district and borough councils, we will look to develop new units within Norfolk. This will provide older people in Norfolk a more independent alternative to residential care. The variance in savings delivery is again the direct result of the time it takes to develop and build these new units.

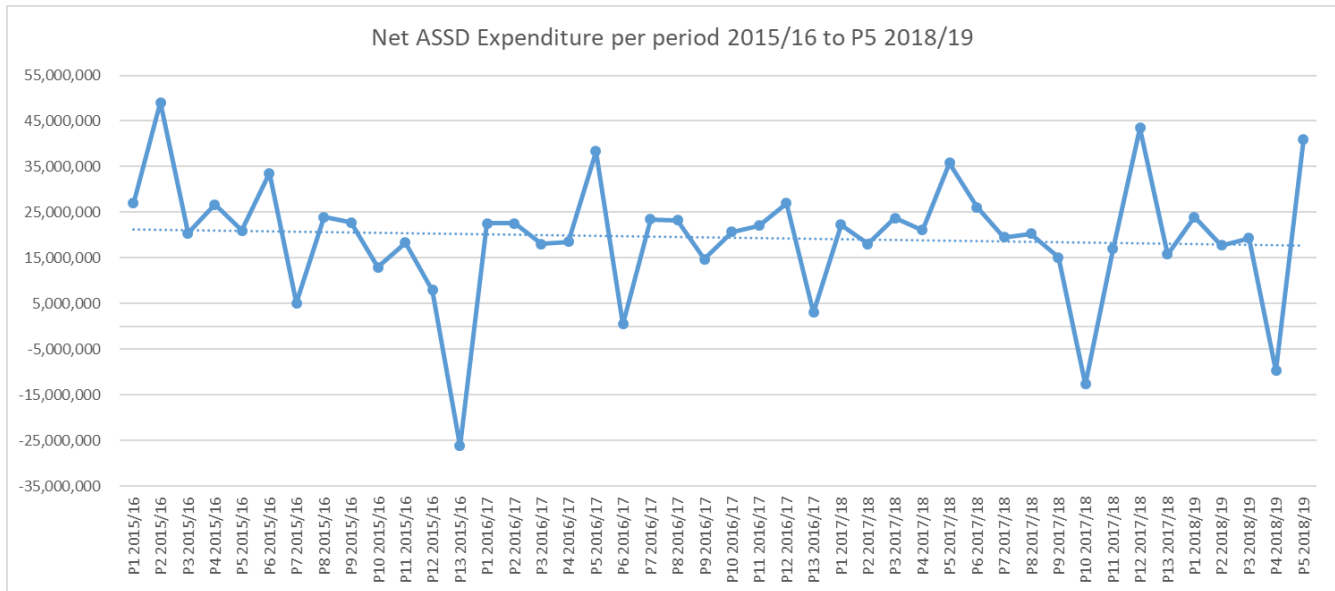
2.7.5 Whilst the service has savings items that are not planned to deliver in full within this financial year, it does have several mitigating actions that will partially close the financial gap. These areas are displayed in Chart 3.

Chart 3:



2.7.6 The department's net expenditure each period is prone to fluctuations, as evidenced in chart 4, however, it continues to display a downward trajectory when compared to 2015/16.

Chart 4:



2.7.7 As we approach the middle of the financial year, our level of net spend is on a par with 2017/18 and 2016/17. Graphically, Chart 5 gives the appearance of net spend position at Period 5 more favourable to the previous financial years, however, this is due to the timing of the accounting entry relating to the BCF pooled funds. In 2017/18 this adjustment took place in period 10, whilst this financial year it has taken place in period 4. This BCF adjustment gives the department an appearance of an influx of income and significantly reduces the net spend for that period. The actual billing for the BCF is more evenly distributed and takes place within the BCF pooled accounts rather than that of the department.

2.7.8 When we initially compare spend to date to a considered profiled budget (chart 6), we are approximately in line with our forecast, displaying a small overspend at this point in the financial year.

Chart 5:

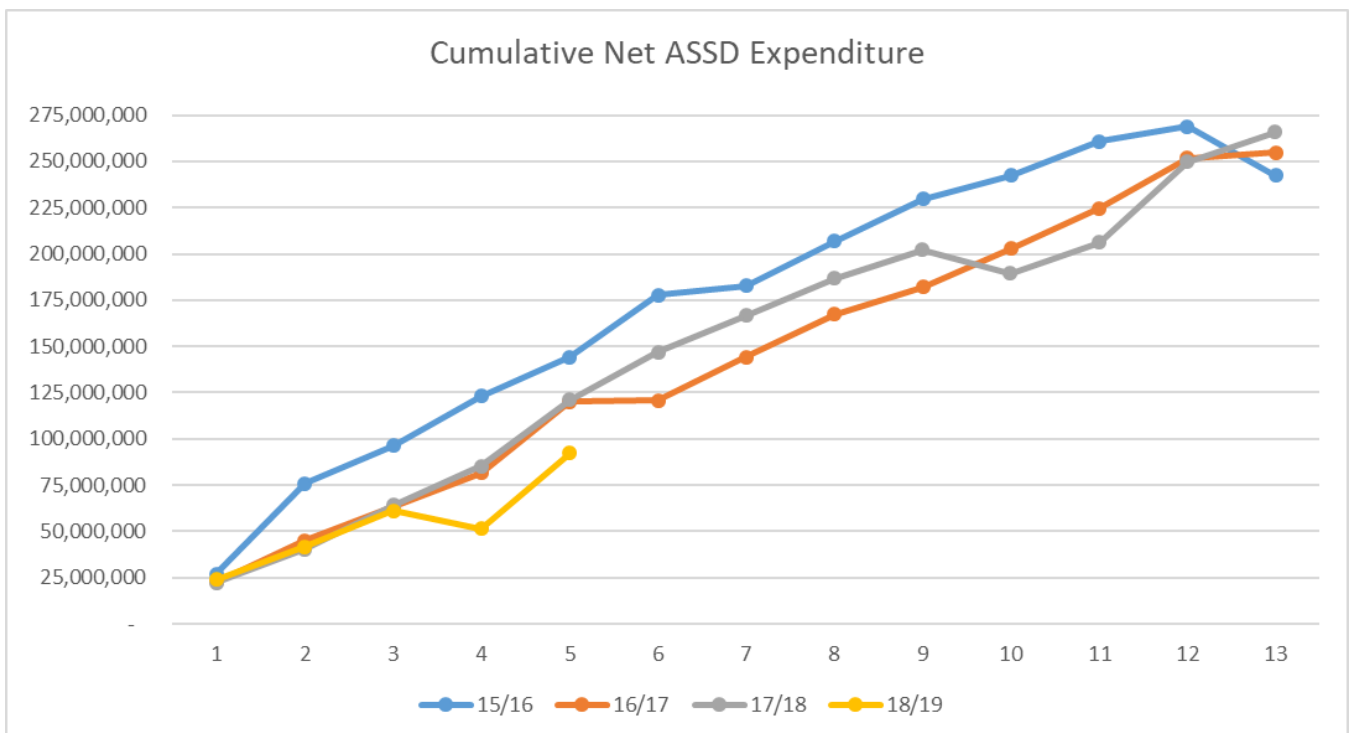
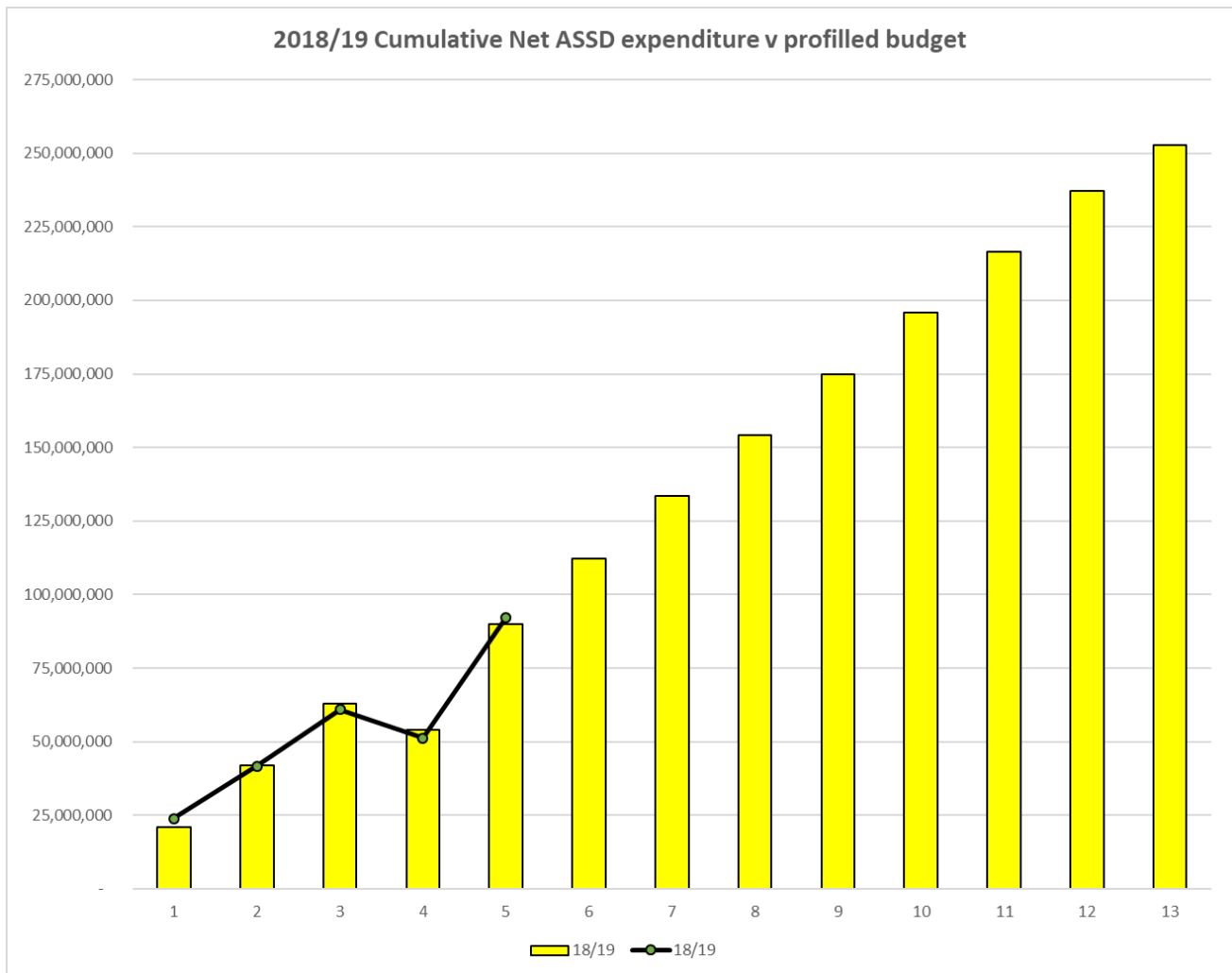


Chart 6:



2.8 Finance and Performance monitoring and recovery actions

2.8.1 Monthly performance and finance data is reviewed by senior management team to highlight key areas of focus for monthly finance and performance board meetings. This is also a forum, which enables escalation by teams of blockages to progress and priority actions for the service. In addition, quarterly accountability meetings are held, enabling scrutiny of performance and financial issues at team level and are led by the Executive Director of Adult Social Services. Due to the current overspend position all teams responsible for purchase of care budgets have been asked to implement in-year recovery plans. These will focus on areas of variation, demand management and priority actions relevant to each team, which could improve the financial position during the year. These actions will be reviewed through the above monitoring process and through the Promoting Independence Programme Board.

2.9 Additional Social Care Funding (improved Better Care Fund)

2.9.1 As a reminder to the Committee, the Improved Better Care Fund money includes both ongoing grant and one-off grants (for the three year period 2017-20). This fund is governed by the Health and Wellbeing Board and monitored by NHS England and the Ministry of Housing, Communities and Local Government through national and local assurance and quarterly returns.

2.9.2 The Council, in setting the 2018/19 budget, reflected the delivery of these plans, including both usage of the 2018/19 grant of £27.728m and the carry forward of £15.670m of unspent grant from 2017-18. The usage of the new grant and prior year funds are reflected in the reserve forecast in this financial year.

- 2.9.3 Actions were undertaken during 2017-18 to implement the agreed plans, which in addition to funding to protect social care and support price uplifts for the care market, has led to the following projects. Detailed progress on the iBCF investment programme is included in **Appendix F**.
- a) Increased social work capacity
 - b) Implementation of social prescribing schemes
 - c) Implementation of accommodation based reablement schemes, including beds in the East, West Norfolk and at Benjamin Court in Central Norfolk
 - d) Enhanced home support service covering both an acute referral pathway and community referral pathway (including flexible dementia respite service and carer support)
 - e) Establishment of trusted assessment facilitators
 - f) Developing discharge to assess pathways to reduce delayed transfer of care from hospital
 - g) Step down accommodation for people discharged from hospital with mental health needs and additional out of hours capacity for mental health act assessment
- 2.9.4 Sustainability of the actions arising from this additional investment is key. Where investment in social care is evidenced to provide wider system benefits the expectation is that financial support will be sought from across health and social care to enable new ways of working to continue beyond the project timescales. Where benefits cannot be evidenced or wider financial support from the health sector is not available, it is expected that the interventions will need to be stopped at the end of the projects. The plans have therefore been careful to ensure that actions providing support to the market through funding cost of care and price increases is ongoing.
- 2.10 **Reserves**
- 2.10.1 The department's reserves and provisions at 1 April 2018 were £33.675m. Reserves totalled £27.221m.
- 2.10.2 The reserves at the beginning of the year included committed expenditure, which was carried forward in 2017/18. At Period 5 the forecast includes the expected use of £6.038m of reserves in this financial year, compared to £6.841m which was planned and agreed as part of the budget setting process. This mainly relates to the Improved Better Care Fund (iBCF) and planned projects that will be delivered during the next two years. The variation is predominately due to the carry forward of some funding at year end relating to potential cost associated with payments for sleep-ins that are no longer needed for the original purpose.
- 2.10.3 The forecast reserve position at 31 March 2019 is £21.183m.
- 2.10.4 Provisions totalled £6.454m at 1 April 2018, mainly for the provision for bad debts. This is expected to have reduced to £5.950m by 31 March 2019, reflecting the recovery of some bad debts. The projected use of reserves and provisions is shown at **Appendix D**
- 2.10.5 As set out in section 2.9 of this report, a planned reserve is approved to enable ring fenced additional social care funding to be carried forward. This will ensure that the plans agreed as part of the Better Care Fund can be used for the agreed purposes and invest to save projects can be managed across an agreed timeframe. Plans for the use of the additional social care funding were agreed at the end of July 2017.
- 2.10.6 The outturn position for Adult Social Services in 2017/18, combined with the £2.612m ASC Support Grant, enabled a business risk reserve to be set up totalling £7.112m. This was set up to enable opportunity for investment to support the savings target and to mitigate some of the expected budget risks facing the service in future years, as set out in Section 4. In relation to invest to save, the Living Well Homes for Norfolk programme, included

elsewhere on this agenda, will require initial investment of £150,000 and it is proposed that this would be funded from the business risk reserve.

2.11 **Capital Programme**

- 2.11.1 The new capital programme for 2018-19 agreed within the 2018-19 budget is £4.740m. This was made up of £2.334m for Capitalisation of Equipment and £2.406m for the Social Care and Finance Information system. Subsequently, there was slippage on the Social Care and Finance Information system which meant that the amount brought forward into 2018-19 increased.
- 2.11.2 The remaining elements relate to slippage from the 2017-18 programme which are expected to be completed in the current financial year. Funding was brought forward for these and do not create an additional pressure.
- 2.11.3 The department's total capital programme for 2018-19 is £20.662m. The capital programme includes £3.876m for the social care and finance information system replacement. The priority for use of capital is development of alternative housing models for older people and younger adults. The programme includes £7.480m relating to Department of Health capital grant for Better Care Fund (BCF) Disabled Facilities Grant (DFG), which is passported to District Councils within the BCF. Work continues with district councils as part of the BCF programme of work, to monitor progress, use and benefits from this funding. Details of the current capital programme are shown in **Appendix E**.

3. **Financial Implications**

- 3.1 The forecast outturn for Adult Social Services is set out within the paper and appendices.
- 3.2 As part of the 2018/19 budget planning process, the Committee proposed a robust budget plan for the service, which was agreed by County Council. The 2017-18 outturn position for the service was an underspend of £3.696m after setting up a business risk reserve of £4.5m. This is in addition to the adult social care grant received by the Council, earmarked for adult social care business risk, totalling £2.6m.
- 3.3 The existing forecast does not assume use of the business risk reserve for general spend in 2018/19. Should the department not be able to fully mitigate the current forecast overspend by the end of the financial year, a call on this reserve may be required. Furthermore, the revenue support costs of £0.150m relating to the housing programme for older people; Living Well; Homes for Norfolk paper, also on this agenda, are not forecast until the Committee has made any relevant decisions relating to this programme of work.
- 3.4 The planned use of the one-off funding through the improved Better Care Fund was agreed with health partners last year and reflected a three-year position.
- 3.5 The recurrent financial implications resulting from this paper will be fully considered and their impact assessed as part of the 2019-22 budget setting process. The budget planning assumptions for 2019-22 are based on a balanced budget position, therefore any recurrent overspend or non-delivery of recurrent savings during this financial year, will result in an additional unfunded pressure for 2019-20.

4. **Issues, risks and innovation**

- 4.1 This report provides financial performance information on a wide range of services monitored by the Adult Social Care Committee. Many of these services have a potential impact on residents or staff from one or more protected groups. The Council pays due regard to the need to eliminate unlawful discrimination, promote equality of opportunity and foster good relations.

- 4.2 This report outlines several risks that impact on the ability of Adult Social Services to deliver services within the budget available. Financial estimates of the level of unfunded risk at Period 5 are £2.1m, this is based on risk assessment, including potential impact, likelihood and mitigating factors. These risks include the following:
- a) Pressure on services from a needs led service where number of service users continues to increase. The number of older people age 85+ is increasing at a greater rate compared to other age bands, with the same group becoming increasingly frail and suffering from multiple health conditions. A key part of transformation is about managing demand to reduce the impact of this risk through helping to meet people's needs in other ways where possible
 - b) The ability to deliver the forecast savings, particularly in relation to the demand led element of savings, which will also be affected by wider health and social care system changes
 - c) The cost of transition cases, those service users moving into adulthood, might vary due to additional cases that have not previously been identified, particularly where cases are out of county. Increased focus on transition will help mitigate this risk
 - d) The impact of pressures within the health system, through both increased levels of demand from acute hospitals and the impact of increased savings and current financial deficits in health provider and commissioning organisations. This risk is recognised within the service's risk register and the Council's involvement in the change agenda of the system and operational groups such as Accident and Emergency Delivery Boards and Local Delivery Groups will support the joint and proactive management of these risks
 - e) The Council has outstanding debt in relation to health organisations, which could lead to increased pressures if the debt is not recovered
 - f) Any delays in recording and management authorisations could result in additional packages and placements incurring costs that have not been included in the forecast
 - g) In any forecast there are assumptions made about the risk and future patterns of expenditure. These risks reduce and the patterns of expenditure become more defined as the financial year progresses and the forecast becomes more accurate
 - h) The ability to be able to commission appropriate home support packages due to market provision, resulting in additional costs through the need to purchase increased individual spot contracts rather than blocks
 - i) The continuing pressure from the provider market to review prices and risk of challenge. In addition, the Council has seen some care home closures in the first part of the year, which can lead to increased costs especially during transition
 - j) The impact of health and social care integration including Transforming Care Plans, which aims to move people with learning disabilities, who are currently inpatients within the health service, to community settings
 - k) Impact of legislation, particularly in relation to national living wage

5 Recommendations

5.1 Members are asked to agree:

- a) **The forecast outturn position at Period 5 for the 2018-19 Revenue Budget of a £1.990m overspend**
- b) **The planned use of reserves totalling £6.038m, which is below the original level agreed**

6. Background

6.1 The following background papers are relevant to the preparation of this report.

[Finance Monitoring Report – Adult Social Care Committee September 2018](#) (p13)

[Norfolk County Council Revenue Budget and Capital Budget 2018-21 - County Council February 2018](#) (p49)

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

Officer Name: Susanne Baldwin **Tel No:** 01603 228843 **Email address:** susanne.baldwin@norfolk.gov.uk



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Key Budget Variances at Period 5

Summary	Budget	Forecast Outturn	Variance to Budget		Variance at Period 4
	£m	£m	£m	%	£m
Services to users					
Purchase of Care					
Older People	121.278	124.444	3.167	2.61%	2.695
People with Physical Disabilities	25.055	27.502	2.447	9.77%	2.367
People with Learning Disabilities	101.354	105.768	4.414	4.35%	3.266
Mental Health, Drugs & Alcohol	17.341	18.465	1.124	6.48%	1.461
Purchase of Care Expenditure	265.028	276.179	11.151	4.21%	9.788
Service User Income	-85.653	-93.44	-7.787	9.09%	-6.15
Other Income	-1.561	-2.191	-0.630	40.40%	0.00
Purchase of Care Income	-87.214	-95.631	-8.417	9.65%	-6.15
Net Purchase of Care	177.814	180.548	2.734	1.54%	3.638
Hired Transport	6.105	5.977	-0.128	-2.10%	-0.128
Staffing and support costs	14.037	13.533	-0.621	-4.39%	-0.321
Services to users Total	197.956	200.058	1.985	1.00%	3.189
Commissioned Services					
Commissioning	3.177	3.035	-0.142	-4.46%	-0.123
Service Level Agreements	9.031	9.15	0.119	1.32%	0.15
ICES	0.145	0.135	-0.01	-7.01%	-0.01
NorseCare	33.134	33.547	0.413	1.25%	0.438
Housing Related Support	2.564	2.177	-0.387	15.08%	-0.387
Independence Matters	9.55	10.687	1.137	11.91%	0
Other	1.355	1.372	0.017	1.25%	0.017
Commissioning Total	58.955	60.103	1.148	1.95%	0.085

Early Help & Prevention					
Norfolk Reablement First Support	1.577	1.615	0.038	2.40%	-0.007
Service Development	1.153	1.211	0.058	5.03%	0.038
Other	3.068	3.145	0.077	2.51%	0.072
Prevention Total	5.798	5.971	0.173	2.98%	0.103

Net Purchase of Care at specialism level (Purchase of Care less Service User Income):

Summary	Budget	Forecast Outturn	Variance to Budget		Variance at Period 4
	£m	£m	£m	%	£m
Purchase of Care					
Older People – Expenditure	121.28	124.444	3.166	2.61%	2.695
Older People – Income	-66.158	-69.908	-3.75	5.67%	-2.225
Older People – Net	55.12	54.536	-0.584	-1.06%	-0.47
People with Physical Disabilities - Expenditure	25.055	27.502	2.447	9.77%	2.367
People with Physical Disabilities – Income	-5.027	-5.181	-0.154	3.06%	-0.119
People with Physical Disabilities – Net	20.028	22.321	2.293	11.45%	2.248
People with Learning Disabilities - Expenditure	101.35	105.768	4.414	4.36%	3.266
People with Learning Disabilities – Income	-11.103	-13.997	-2.894	26.07%	-2.781
People with Learning Disabilities – Net	90.251	91.771	1.52	1.68%	0.485
Mental Health, Drugs & Alcohol – Expenditure	17.341	18.465	1.124	6.48%	1.461
Mental Health, Drugs & Alcohol – Income	-4.926	-6.545	-1.619	32.87%	-1.025
Mental Health, Drugs & Alcohol – Net	12.415	11.920	-0.495	-3.99%	0.436
Total Net Purchase of Care	177.81	180.548	2.734	1.54%	2.699

Adult Social Care 2018-19 Budget Monitoring Forecast Outturn Period 5 Explanation of variances

1. Business Development, forecast underspend (£0.163m)

The forecast underspend is from vacancies and secondments in some teams, with roles currently being reviewed.

2. Commissioned Services forecast overspend £1.148m

The main variances are:

NorseCare, overspend of £0.413m. Despite on-going reductions in the real-terms contract costs there remains a variation between the approved budget and the contract price. This is largely due to inflationary pressure higher than the Council's original budget assumptions.

Commissioning team, underspend of (£0.142m). The underspend is due to staff vacancies.

Housing Related Support, underspend of (£0.387m). The underspend comes from contract review.

Independence Matters, overspend of £1.137m. The overspend comes from savings planned for the service that will not be delivered in 2018-19.

3. Services to Users, forecast overspend £1.985m

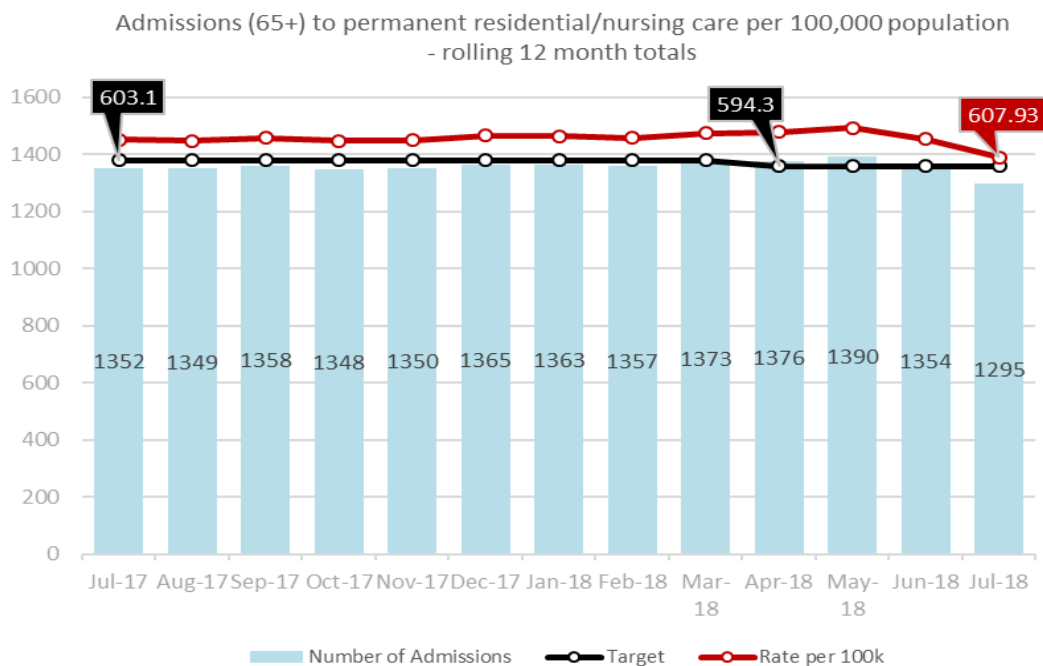
The main variances are:

Purchase of Care:

- Older People

The budget was based on a strategic aspiration to make a step change in the levels of support being provided in a residential/nursing care setting, with more provision being sourced to enable people to remain at home.

Progress has been made in this area over the past 3 years where we were a clear statistical outlier in our rate of permanent admissions per 100,000 of our population when compared to comparator local authorities. Over the last 12 months our rate has stayed consistent at this improved level but has not continued its downward trajectory as expected within the budget.



As stated in the September 2018 Performance Management Committee paper, a recent sample study undertaken by the intelligence and analytics team within the Council has reconfirmed our understanding of the drivers of this demand. Dementia, a fall or the breakdown of existing support arrangements are still amongst the main/primary life changes that may lead to a residential placement. As a result of this we are beginning to see a shift between standard residential care and enhanced (dementia) related care.

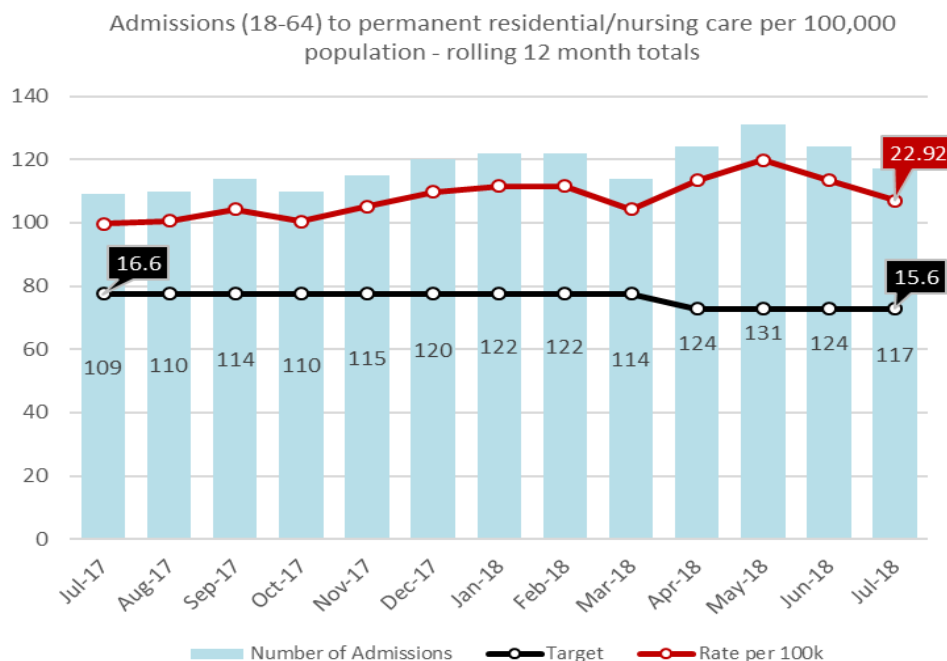
Another significant area driving permanent residential care, is in relation to discharge from hospital. The same performance management paper suggests that if a short term residential placement is made that over 50% of these placements will lead to a permanent admission, with 80% these being in the same residential home. In response, we are continuing to invest in alternative discharge pathways, including Accommodation Based Reablement. Furthermore, to enhance our response time to those supported in temporary placements, we are recruiting a dedicated social work team who will focus on supporting people home from their temporary accommodation.

Our level of spend relating to Home Support has not grown as much as anticipated despite our unit rates increasing as we implemented our new framework pricing model for the Central Norfolk belt. Whilst we seek to further understand and explain this trend in more detail, this movement in cost has come at a time when our preventative offer in reablement services has expanded.

The difference in the balance of our care mix for expenditure has also impacted our budgeted income levels. As residential and non-residential care operate under different charging policies, service users, on average, tend to be financially assessed as being required to make larger income contributions towards the cost of their care within a residential setting. This has led to us forecasting to exceed our income target for residential care. We have invested in our Finance Exchequer Services team to ensure every service user has their financial assessment reviewed annually, which is helping to ensuring the charging policy is consistently applied.

- Younger Adults (Physical and Learning Disabilities and Mental Health)

As with our support to Older Adults, Residential Care makes up a significant proportion of our expenditure for vulnerable younger adults. Again, benchmarking our rate of permanent admissions against other local authorities indicates we are a statistical outlier with higher levels of admissions. The recently published Learning Disabilities Strategy sets Norfolk's vision and aspirations over the next 5 years with our Promoting Independence programme set up to specifically look to support the change in our reliance on residential care with a more enabling range of commissioned services being sourced.



For those people with the most complex of conditions, including those within the Transforming Care Partnership, we continue to work closely with our NHS partners agreeing shared funding arrangements as Norfolk and Waveney's Sustainability and Transformation Plan pursues more community support arrangements.

Staffing and Support, underspend of (£0.621m). As we enhanced our establishment with 50 new practitioner roles and 15 team manager positions, we have seen a short-term spike in vacancies as internal applicants were successful in obtaining some of the new roles. Our NIPE cohort remains full and is our route to continue to ensure Norfolk secures talented social care staff.

4. Early Help and Prevention, forecast overspend £0.173m

A pressure within Housing with Care Tenant Meals of £0.045m in Other Services, together with pressures in N-Able for equipment costs and the Care Arranging Service for staffing costs to cover project requirements.

5. Management, Finance and HR, forecast underspend (£1.152m)

The main variances are:

Management and Finance, underspend of (£1.180m). Recovery of secondment costs combines with additional deputyship income, release of bad debt provision and review of previously committed costs to deliver an underspend.

2018-21 Savings Programme - Forecast Period 5

Saving reference	Saving	2018-19	2019-20	2020-21	2018-19 forecast	2018-19 forecast variance (shortfall) / over delivery	RAG status
		£m	£m		£m	£m	
	-						
COM040 /ASC003	Service users to pay for transport out of personal budgets, reducing any subsidy paid by the Council	-0.700	-1.000		-0.700	0.000	Green
YA ASC006 /ASC011 /ASC015	Promoting Independence for Younger Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting	-6.794	-5.307	-5.000	-4.067	-2.727	Amber
OP ASC006 /ASC011 /ASC015	Promoting Independence for Older Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting	-4.665	-3.393	-5.000	-4.099	-0.566	Amber
ASC007	Promoting Independence - Reablement - net reduction - expand Reablement Service to deal with 100% of demand and develop service for working age adults	-0.500			-0.500	0.000	Green
ASC008	Promoting Independence - Housing with Care - develop non-residential community based care solutions	-0.500	-0.500		-0.050	-0.450	Red
ASC009	Promoting Independence - Integrated Community Equipment Service - expand service so through increased availability and access to equipment care costs will be reduced	-0.250			-0.250	0.000	Green
ASC013	Radical review of day-care services	-2.500			-0.843	-1.657	Red
ASC016-019	Building resilient lives: reshaping our work with people of all ages requiring housing related support to keep them independent	-3.400			-3.400	0.000	Green
ASC020	Remodel contracts for support to mental health recovery	-0.275			-0.275	0.000	Green

ASC029	Align charging policy to more closely reflect actual disability related expenditure incurred by service users	-0.230			-0.630	0.000	Green
ASC032	Review charging policy to align to actual disability related expenses	-0.400					Green
ASC033	Accommodation based reablement	-0.550			-0.550	0.000	Green
ASC034	Prevent carer breakdown by better targeted respite	-0.686			-0.549	-0.137	Amber
ASC035	Investment and development of Assistive Technology approaches		-0.300	-0.500	0.000	0.000	
ASC036	Maximising potential through digital solutions	-0.049	-0.951	-2.000	-0.049	0.000	Green
ASC037	Strengthened contract management function	-0.300	-0.300	-0.200	-0.300	0.000	Green
ASC038	Procurement of current capacity through NorseCare at market value		-0.600	-1.000	0.000	0.000	
ASC039	Capitalisation of equipment spend	-2.300			-2.300	0.000	Green
ASC040	Reduction in funding for invest to save	-0.191			-0.191	0.000	Green
ASC041	One-off underspends in 2017-18 to be used to part fund 2018-19 growth pressures on a one-off basis	-3.000	3.000		-3.000	0.000	Green

Adult Social Care net total	-27.290	-9.351	-13.700	-21.753	-5.537
------------------------------------	----------------	---------------	----------------	----------------	---------------

Adult Social Services - Reserves and Provisions

			2018/19 Period 5 (August)	
	Balance	Usage agreed by Feb County Council	Planned Usage	Balance
	01-Apr-18		2018/19	31-Mar- 19
	£m	£m	£m	£m
Doubtful Debts provision	6.454	0.000	-0.504	5.950
Total Adult Social Care Provisions	6.454	0.000	-0.504	5.950
Prevention Fund – General - As part of the 2012-13 budget planning Members set up a Prevention Fund of £2.5m to mitigate the risks in delivering the prevention savings in 2012-13 and 2013-14, particularly around Reablement, Service Level Agreements, and the need to build capacity in the independent sector. £0.067m remains of the funding, and is being used for prevention projects: Ageing Well and Making it Real. 2013-14 funding for Strong and Well was carried forward within this reserve as agreed by Members. £0.015m remains of the funding, all of which has been allocated to external projects and will be paid upon achievement of milestones.	0.082	0.000	-0.034	0.048
Repairs and renewals	0.043	0.000	0.000	0.043
Adult Social Care Workforce Grant – forecast to be used in full	0.269	0.000	-0.269	0.000
HR Recruitment Costs – earmarked at year end for specific need	0.020	0.000	-0.020	0.000
ICES Training post for 2 years – earmarked at year end for specific post	0.080	0.000	-0.040	0.040
Change Implementation - Commissioning Manager post – earmarked funding at year end for specific post	0.025	0.000	-0.025	0.000
Unspent Grants and Contributions - Mainly the Social Care Reform Grant which is being used to fund Transformation in Adult Social Care – projection based on transformation programme at Period 2	1.309	0.000	-0.927	0.382

Appendix D

Public Health grant to support the Social Prescribing project	0.400	-0.400	-0.400	0.000
Transformation	0.475	0.000	0.000	0.475
Supporting People (MEAM and Community Model)	0.251	0.000	-0.100	0.151
Information Technology - Additional funds to be placed into reserve required for project in 2019/20	0.734	0.000	0.267	1.001
Adults Business Risk Reserve	7.112	0.000	0.000	7.112
Improved Better Care Fund - requirement to carry forward grant to 2019/20 for committed projects	15.670	-6.340	-4.539	11.131
Vulnerable People Resettlement Programme - £0.520m relates to the Controlling Migration Fund Domestic Abuse Support scheme and £0.029m required for repatriation support	0.433	-0.101	0.208	0.641
Mental Health Underspend to be used to recruit 5 Assistant Practitioners for mental health reviews – earmarked at year end for specific purpose	0.159	0.000	-0.159	0.000
Carry forward to be used for NIPE team increased cohort to 15 students – earmarked at year end for specific purpose	0.150	0.000	-0.150	0.000
Care and Assessment Hospitals	0.000	0.000	0.009	0.009
AMPH Backfill Carry forward for use in 2018/19	0.009	0.000	-0.009	0.000
Total Adult Social Care Reserves	27.221	-6.841	-6.038	21.183
Total Reserves & Provisions	33.675	-6.841	-6.542	27.133

Adult Social Services Capital Programme 2018/19

Summary	2018/19		2019/20
Scheme Name	Current Capital Budget	Forecast outturn at Year end	Draft Capital Budget
	£m	£m	£m
Supported Living for people with Learning Difficulties	0.015	0.015	0.000
Adult Care - Unallocated Capital Grant	5.146	5.146	0.000
Strong and Well Partnership - Contribution to Capital Programme	0.047	0.047	0.000
Winterbourne Project	0.050	0.050	0.000
Care Act Implementation	0.871	0.871	0.000
Social Care and Finance Information System	3.876	1.534	0.000
Teaching Partnership IT Equipment	0.022	0.022	0.000
Netherwood Green	0.681	0.681	0.000
Miscellaneous capital projects (not greater than £5000)	0.010	0.001	0.000
Wifi Upgrade Integrated Sites	0.010	0.010	0.000
Oak Lodge Attleborough	0.120	0.120	0.000
Integrated Community Equipment (ICES)	2.334	2.112	2.380
TOTAL	13.182	10.609	2.380
<i>Better Care Fund Disabled Facilities Grant and Social Care Capital Grant – passported to District Councils</i>	<i>7.480</i>	<i>7.480</i>	<i>tbc</i>

The Capital programme for 2018-19 was agreed at £4.740m. This was made up of £2.334m for Capitalisation of Equipment and £2.406m for the Social Care and Finance Information system. Subsequent to this being agreed, there was slippage on the Social Care and Finance Information system which meant that the amount brought forward into 2018-19 increased.

The remaining elements relate to slippage from the 2017-18 programme which are expected to be completed in the current financial year. Funding was brought forward for these and do not create an additional pressure.

Improved Better Care Fund Update Period 5

Background:

The Chancellor's Budget in March 2017 announced £2bn additional non-recurrent funding for social care, of which Norfolk received £18.561m in 2017/18, followed by £11.901m in 2018/19 and £5.903m in 2019/20. The funding is paid as a direct grant to councils by the government and as a condition of the grant, councils are required to pool the funding into their Better Care Fund. This fund is governed by the Health and Wellbeing Board and monitored by NHS England and the Ministry of Housing, Communities and Local Government through national and local assurance and quarterly returns.

The guidance received from the government requires that the funding is used by local authorities to provide stability and extra capacity in the local care system. Specifically, the grant conditions require that the funding is used for the purposes of:

- a) Meeting social care needs
- b) Reducing pressure on the NHS supporting people to be discharged from hospital when they are ready
- c) Ensuring that the local social care provider market is stabilised

Plans for the use of the funding were reported to Committee in July 2017 and were subsequently agreed with Norfolk's Clinical Commissioning Groups.

Within Norfolk's iBCF there are 3 categories of funding set around Protecting, Sustaining and Investing in and Improving services and progress against these is set out below.

PROTECT

IBCF 1 (2018/19 Allocation £11.9m; forecast £11.9m; variance £0.000m)

The funds allocated within iBCF1 are built into the budget planning for the service. The 2018-19 funding is helping to reduce the level of savings that would otherwise be needed to deliver a balanced budget. The returns to DOH and MHCLG are designed to evidence that councils are not using the funding to reduce savings elsewhere in the council.

SUSTAIN

IBCF 2 Market (2018/19 Allocation £10.8m, plus £7.558m from IBCF reserves; forecast £12.6m; variance/carry-forward to reserves £5.8m)

Under the planning priority **sustain**, the 2017-18 plans included £9.1m earmarked to help support the local care provider market, rising to £10.8m in 2018-19. This was additional to budget plans already agreed for 2017-18, so in-year was targeted on managing the impact of new legislation on providers, managing the impact of market failures and amending pre-banded contracts for working age adults. The funding assigned for this purpose was not used in full and is part of the iBCF funding carried forward within reserves to ensure that it remains earmarked as planned. In particular, the iBCF will support the market through:

- funding the 2018-19 impact of the residential and nursing care cost of care review
- implementing the additional cost of the new home support framework,
- purchasing packages of care
- managing the impact of market closures
- managing the impact of the national living wage on sleep in care provision.

IBCF 3 Deprivation of Liberty Safeguards (2018/19 Allocation £0.225m; Forecast £0.152m; variance/carry-forward to reserves £0.073m). Variance reflects recruitment of staff.

IBCF 4 Managing capacity (2018/19 Allocation £2.5m plus £1.693m IBCF reserves; forecast £3.7m; variance/carry-forward to reserves £0.48m)

Also under the planning priority sustain £2.6m (2017/18) and £2.5m (2018/19) of one-off funding was allocated to managing capacity by strengthening social work to assist people at discharge and to prevent admissions. The recruitment programme has recruited 14 (out of 15) team managers and 47 social workers and occupational therapists. Additional practitioners have been recruited to roles across the county, including creation of a community resilience team focused on reducing backlogs and support of the Norfolk Institute of Performance Excellence, which is supporting recruitment and training of newly qualified social workers.

INVEST AND IMPROVE

Scheme Name	Description	Actual start date	Comment	Performance update 2018
iBCF 5 – Social Prescribing	Expansion of prevention schemes – social prescribing and community/care navigation schemes – Invest to save	Jan – June 2018	Investment with Public Health in a countywide approach to social prescribing, enabling primary care services to refer patients with social, emotional or practical needs to a range of local, non-clinical services.	Norfolk is piloting a county-wide offer for Social Prescribing which is funded through Norfolk County Council and Public Health for 2 years until April 2020. It will be evaluated centrally and consider a range of health and social care outcomes. The service is delivered as closely as possible to CCG locality based areas. Locality models are all live and accepting referrals from 1st August 2018
iBCF 6 – Micro Commissioning	Respond to care pressures – micro commissioning invest to save pilot	Sept 18	Investment in support to micro enterprises to deliver Home Support Community Catalyst have been engaged to support this work	A delivery plan and key deliverables are agreed. Work is focussing on North Norfolk and Norwich prioritising areas of unmet need and Three Conversations Innovation sites.
iBCF 7 – Trusted Assessment Facilitator	Managing transfers of care – Trusted Assessment Facilitator	Jan – March 2018	5 TAF posts created across the 3 acute hospitals, developed with care providers.	Analysis undertaken in August indicates that from March 2018 up to the end of July 2018 <ul style="list-style-type: none"> • Patients accepted = 412 • With discharge dates = 318 • Total reported estimated bed days saved = 686 • A full evaluation is due in October

Scheme Name	Description	Actual start date	Comment	Performance update 2018
iBCF 8a - Managing Transfers of Care	Enhanced Home Support Service: invest to save programme to support discharge and admission avoidance services across the 5 localities.	Feb 2018	Enhanced Home Support Service is a 3 year pilot which went live on 5 February 2018. Initially providing up to 72 hours of free targeted home support, this has been extended to 7days if required.	A full review of the service was undertaken in June 2018, at this point there had been 219 referrals to the service between Feb and June 2018. 178 were successful. Findings from the review are being used to implement improvements to ensure the service is, being used to capacity.
iBCF 8b – Managing Transfers of Care	Accommodation Based Reablement : invest to save programme	Benjamin (Feb18) Burgh House (Jan 18) Dell Rose (Feb 18) Maltings (May 18)	Benjamin Court (Central) This is an 18 bed unit delivered by Norfolk First Support Burgh House (East) A 4 bed commissioned unit Dell Rose Court (Norwich) 3 independent Housing with Care flats The Old Maltings West) 2 commissioned beds in a housing with care complex Cranmer House (West) – 5 beds within the health unit at Cranmer – currently under development	A full evaluation of Accommodation Based Reablement is planned for October Benjamin Court – 9 beds opened in February, 12 were available during the summer period and capacity is now operating at 15 beds. By end of August taken 117 referrals, with 76% of those exiting the service going on to NFS or no further services. Burgh House (East) - By end of August taken 34 referrals, with 79% of those exiting the service going on to NFS or no further services Dell Rose Court – By end of August taken 19 referrals, with 30% of those exiting the service going on to NFS or no further services The Old Maltings By end of August taken 5 referrals, with 67% of those exiting the service going on to NFS or no further services

Scheme Name	Description	Actual start date	Comment	Performance update 2018
iBCF 8c - Managing Transfers of Care	Discharge to Assess: invest to save programme	Feb 2018	6 additional Discharge to Assess social worker posts created, 2 for each acute hospital	5.5 social worker posts have been filled from February 2018. We are using all the IBCF funded social workers flexibly across the localities and meeting the 28 day target that these posts were appointed to deliver against
iBCF 8d - Managing Transfers of Care	Commissioning Manager: invest to save programme	Dec 2017	The Transfers of Care Commissioning Manager post will focus on capacity and flow within the acute sector.	This post has successfully put in place improvements in process that directly support hospital discharge. The role works effectively between, social care providers, social care, primary and acute care.
iBCF 11a – Reduction of Mental Health DTOC	An additional 6 beds/flats commissioned as “step down” and admission avoidance from mental health hospitals	July 2017	This service is jointly funded with NSFT with social care support to provide suitable discharge destinations.	As result of a successful evaluation of the first 6 months additional funding secured and services extended.
iBCF 11b – Reduction of Mental Health DTOC	Increased staff capacity in Mental Health teams.		Increased staff capacity in various Mental Health teams to enhance support for discharge from hospitals and formal care settings.	4 additional staff include; 1fte SW for OPMH 1fte Assistant Practitioner for OPMH 1fte Assistant Practitioner for Hospital SW Team 1fte AMHP for Duty Team

The table below sets out the planned allocation, use of the iBCF reserve and forecast spend for the individual projects.

Scheme	2018/19 Allocation	IBCF reserve brought forward from 2017/18	Forecast spend in 2018/19	Forecast carry forward to IBCF reserve for 2019/20
IBCF5 Social Prescribing	£0.750m	£0.740m	£0.550m	£0.940m
IBCF6 Micro Commissioning	£0.100m	£0.100m	£0.100m	£0.100m
IBCF7 Managing Transfers of Care: Trusted Assessors	£0.165m	£0.000m	£0.144m	£0.021m
IBCF 8a (8/9/10) Managing Transfers of Care: Enhanced home support service	£0.550m	£1.787m	£0.886m	£1.451m
IBCF 8b Accommodation based reablement	£0.300m	£2.695m	£1.741m	£1.254m
IBCF 8c Discharge to assess	£0.000m	£0.506m	£0.265m	£0.241m
IBCF 8d: Capacity and flow – hospital teams	£0.000m	£0.211m	£0.111m	£0.100m
IBCF 8e: District Direct	£0.000m	£0.040m	£0.040m	£0.000m
IBCF11a Reduction of Mental health DTOC; Step down scheme	£0.100m	£0.104m	£0.200m	£0.004m
IBCF 11b Staff capacity in mental health teams	£0.164m	£0.234m	£0.158m	£0.240m
IBCF 11 UNALLOCATED	£0.154m	£0.000m	£0.000m	£0.154m
	£2.283m	£6.417m	£4.195m	£4.505m

Adult Social Care Committee

Item No.

Report title:	Risk Management
Date of meeting:	8 October 2018
Responsible Chief Officer:	James Bullion, Executive Director of Adult Social Services
Strategic impact Monitoring risk management and the departmental risk register helps the Committee undertake some of its key responsibilities and provides contextual information for many of the decisions that are taken.	

Executive summary

At the Committee in May 2018, we agreed to bring the Risk report on an exception basis, i.e. where there had been any significant changes. A significant change can be defined as any of the following;

- A new risk
- A closed risk
- A change to the risk score
- A change to the risk title or description (where significantly altered).

Since the last Committee meeting the risk register has been reviewed by the Senior Management Team and the Risk Management Officer. The changes outlined below at 1.2 to 1.4 were identified as significant and have therefore been brought before this Committee.

Recommendations:

Committee Members are asked to:

- Agree to the closure of Risk RM019**
- Agree to the change in the title and description for Risk RM023**
- Agree to the increase in the target risk score from 6 - 9 for Risk RM14247 for the target likelihood of meeting the risk by the target date.**
- Note Adult Social Services input into Risk RM022 which is on the corporate Risk Register**
- Consider whether any further action is required**

Appendix A – Risk Register report (page 46)

Appendix B – Background information (page 58)

1 Proposal

- 1.1 The Adult Social Care Risk Register has been reviewed in conjunction with the Risk Management Officer and the Senior Management Team. There are currently 18 risks included on the risk register. This report provides Members with an update on changes to the risk register which have occurred since this was last reported to Committee in May 2018.

- 1.2 Having considered the wording for the title and description of Risk RM023, this has now been amended to reflect the current situation.
- 1.3 As members will be aware, we successfully implemented Liquid Logic for Adults, Children's and Finance on time and within budget. As corporate risk RM019 (Failure to deliver a new fit for purpose social care system on time and to budget) related to the implementation of the new system, it is recommended this risk is now removed from the risk register.
- 1.4 When reviewing the Risk register, the Director of Integrated Commissioning has asked for the Risk score on Risk RM14247 (Failure in the Care Market) to be increased from 6 to 9. This is in recognition of uncertainty and instability within the care market both locally and nationally.
- 1.5 In addition to the departmental risk register, there is a Corporate Risk register and on that register is a Risk which covers the risk of potential changes in laws, regulations, government policy or funding arising from the UK leaving the European Union, which may impact on Council objectives, financial resilience and affected staff ('Brexit'). This is Risk RM022. Whilst this is not on the departmental register, it does reflect Adult Social Services concerns around social care workforce, including the workforce for providers of residential and home care.

2 Evidence

- 2.1 The Adult Social Services departmental risk register reflects both corporate and departmental key business risks that need to be managed by the Senior Management Team and which, if not managed appropriately, could result in the service failing to achieve one or more of its key objectives and/or suffering a financial loss or reputational damage. The risk register is a dynamic document that is regularly reviewed and updated in accordance with the Council's Risk Management Policy.

3 Risk Register

- 3.1 Each risk score is expressed as a multiple of the impact and the likelihood of the event occurring:
 - a) Original risk score – the level of risk exposure before any action is taken to reduce the risk when the risk was entered on the risk register
 - b) Current risk score – the level of risk exposure at the time the risk is reviewed by the risk owner, taking into consideration the progress of the mitigation tasks
 - c) Target risk score – the level of risk exposure that we are prepared to tolerate following completion of all the mitigation tasks
- 3.2 In accordance with the Risk Matrix and Risk Tolerance Level set out within the current Norfolk County Council Risk Management procedure, five risks are reported as "High" (risk score 16–25), ten as "Medium" (risk score 6–15) and three as "Low" (risk score 1–5). A copy of the Risk Matrix and Tolerance Levels appears at **Appendix B**.
- 3.3 The prospects of meeting target scores by the target dates reflect how well mitigation tasks are controlling the risk. It is also an early indication that additional resources and tasks or escalation may be required to ensure that the risk can meet the target score by the target date. The position is visually displayed for ease in the "Prospects of meeting the target score by the target date" column as follows:
 - a) Green – the mitigation tasks are on schedule and the risk owner considers that the target score is achievable by the target date
 - b) Amber – one or more of the mitigation tasks are falling behind and there are some concerns that the target score may not be achievable by the target date unless the shortcomings are addressed

- c) Red – significant mitigation tasks are falling behind and there are serious concerns that the target score will not be achieved by the target date and the shortcomings must be addresses and/or new tasks are introduced

3.4 The current risks are those identified against the departmental objectives for 2018/19 and have been reviewed for this report.

4 Attachments

4.1 **Appendix A** provides Members with the latest departmental risks on a page, providing the details of those current Adult Social Services departmental risks reported by exception (risks with a current score of 12 or more, with a prospects score of either red or amber).

Appendix B provides Members with background information including the risk management matrix used to plot risks, and risk tolerance levels.

5 Financial Implications

5.1 There are no financial implications other than those identified within the risk register.

6 Issues, risks and innovation

6.1 There are no other significant issues, risks and innovations arising from this Risk Management report.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

Officer name :	Email address :	Tel No. :
Sarah Rank	sarah.rank@norfolk.gov.uk	01603 222054

Risk Number	RM023		Date of update		03 September 2018					
Risk Name	Failure to respond to changes to demography, funding, and government policy, with particular regard to Adults Services.									
Risk Owner	James Bullion		Date entered on risk register		18 August 2017					
Risk Description										
Changes to demography, funding, and government policy can severely impact on the ability of Adult Social Services to support Norfolk residents. There is a risk that Adult Social Services fails to anticipate and act on changes to demography, funding and government policy. Cause: Changes to demography, funding and government policy. Event: The Council fails to plan and adapt to change effectively for the future. Effect: Outcomes for Norfolk citizens may worsen.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
5	5	25	4	5	20	2	4	8	Mar-20	Amber
Tasks to mitigate the risk										
<p>1) Implementation of Promoting Independence Strategy. This strategy is shaped by the Care Act with its call to action across public services to prevent, reduce and delay the demand for social care. The strategy aims to ensure that demand is understood and managed, and there is a sustainable model for the future.</p> <p>2) As part of the strategy, a shift of spend towards targeted prevention, reablement services, enablement, and strengthened interim care.</p> <p>3) Implementation of Better Care Fund plans which promote integration with the NHS and protect, sustain and improve the social care system.</p> <p>4) Close tracking of government policies, demography trends and forecasts.</p> <p>5) A new set of NCC corporate priorities which aims to address longer-term demand management in children's and adult services.</p>										
Progress update										
<p>1) Demand and demography modelling continues to be refined through the cost and demand model. Five main themes for transformation: Services for people with a learning disability; maximising digital technology; embedding strengths-based social work through Living Well; 3 conversations; health and social care integration and housing for vulnerable people.</p> <p>2) Sector based plans for providers which model expected need and demand associated with demographic and social change</p> <p>3a) Strengthened investment in prevention, through additional reablement, social prescribing, local initiatives for reducing social isolation and loneliness</p> <p>3b) Workforce – continued recruitment campaign to sustain levels of front line social workers and occupational therapy staff.</p> <p>3c) Better Care Fund targeted towards supporting people to stay independent, promoting and enabling closer integration and collaboration across health and social care.</p>										

Risk Number	RM13926		Date of update	03 September 2018						
Risk Name	Failure to meet budget savings									
Risk Owner	James Bullion		Date entered on risk register	30 April 2011						
Risk Description										
If we do not meet our budget savings targets over the next three years it would lead to significant overspends in a number of areas. This would result in significant financial pressures across the Council and mean we do not achieve the expected improvements to our services.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	5	15	4	5	20	3	5	15	Mar-19	Red
Tasks to mitigate the risk										
<p>1) Efficiency and savings targets are being managed through the Promoting Independence Programme Board. In-year recovery plans have been developed for all operational teams to help address forecast overspend on purchase of care budgets.</p> <p>2) Monthly monitoring, locality team meetings and continued development of forecast to ensure timely focus on key budgets and any emerging issues.</p> <p>3) Norsecare Liaison Board to develop and monitor delivery of savings related to the Norsecare contract.</p> <p>4) County Council agreed budget for 2018-19 included investment and carried forward of unspent iBCF funds.</p> <p>5) Senior and concerted focus on transforming the Learning Disability (LD) service.</p> <p>6) Norfolk Future's programme in place, including Promoting Independence for vulnerable adults, smarter information and advice, towards a Norfolk housing strategy, Digital Norfolk, Commercialisation and Local Service Strategy. The programme will provide further support for delivery of savings.</p> <p>7) Monitoring of system changes that may impact on demand for social care services.</p>										
Progress update										
<p>1) Promoting Independence programme of work in place and delivery plan developed. Target demand model complete and focussed work on entry points, processes for older people and younger adults, cross-cutting Living Well project and commissioning projects. Savings totalling £27m in 2018-19 with £17m through demand management work. At Period 4 the service was on track to deliver £22m of savings in 2018-19.</p> <p>2) Finance and Performance Board have moved to a panel style approach providing senior management scrutiny along with locality finance meetings. All managers are expected to take responsibility for budget savings via 1-1's, accountability meetings, appraisals etc.</p> <p>3) Work continues with Norsecare to deliver savings.</p> <p>4) Social care funding has been received and plans agreed by NCC and health partners. In addition to funding to support protection of social care and to support market stability, there are invest to save projects that will both support discharge from hospital and wider demand management.</p> <p>5) Reshaped management of the LD service and dedicated younger adults workstream within the PI programme.</p> <p>6) The service has delivered savings in 2017/18 of £14.353m against a target of £14.213m. £10.728m of the savings have been delivered in line with the planned savings programme.</p>										

Risk Number	RM13931		Date of update		03 September 2018					
Risk Name	A rise in acute hospital admissions and discharges and pressure on acute services.									
Risk Owner	James Bullion		Date entered on risk register		30/06/2011 revised					
Risk Description										
A significant rise in acute hospital admissions / services would certainly increase pressure and demand on Adult Social Care. Potential adverse impacts include rise in Delayed Transfers of Care (DTOCs), pressure on Purchase of Care spend, assessment staff capacity and NCC reputation.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	12	4	4	16	2	3	6	Mar-19	Amber
Tasks to mitigate the risk										
<p>1) Integrated structure between NCC and NCHC allows Assistant Director's (AD) to make quick decisions and to flex resources to minimise impact.</p> <p>2) Integration programme developing new approaches to reduce delays and prevent admissions</p> <p>3) Daily participation in whole system escalation process.</p> <p>4) DTOC Improvement Plan is now in place</p> <p>5) Senior manager oversight of emerging issues.</p> <p>6) Careful management of reputational risk.</p>										
Progress update										
<p>1) Daily Capacity mapped and monitored and given high priority.</p> <p>2) Within Phase 3 (of the Integration Programme) we have concentrated on flow and capacity. We are also working closely with the Promoting Independence Programme Team to alter the role of the Occupational Therapist to focus on pre Care Act eligibility determination cases; bed based offer for short term placements, and the discharge to assess pathways to ensure people are not making life changing decisions in an acute setting.</p> <p>2b) The introduction of accommodation based reablement beds across Norfolk will aid the flow from the acute and community hospitals and reduce strain on the Purchase of Care budget and assist the department to meet DTOC targets.</p> <p>2c) Integrated managers taking an active role in developing new models with primary care to avoid admissions eg NEAT (Norwich Escalation avoidance Team) in Norwich.</p> <p>3) Work closely with health colleagues on silver calls (a silver call is daily whole system monitoring and an action planning call).</p> <p>3b) NCC initiated and held a MADE(multi agency discharge event)to focus on the 3 acute systems and how we work together to improve flow. An action plan has been developed to drive improvement.</p> <p>4) The DTOC Improvement Plan includes weekly meetings to monitor the figures and to take action as required.</p> <p>4b) A new AD post has been created within the integrated structure (using winter monies). The AD has produced the first ever joint winter plan and action plan.</p> <p>5) Director of Integrated Care coordinates senior manager oversight to effectively manage issues.</p> <p>6) SMT presence at A&E delivery Board which helps to improve reputation.</p>										

Risk Number	RM14237		Date of update		03 September 2018					
Risk Name	Deprivation of Liberty Safeguarding									
Risk Owner	Lorna Bright		Date entered on risk register		08 May 2015					
Risk Description										
Following the Cheshire West ruling it has been identified that we're not meeting our responsibilities around Deprivation of Liberty Safeguards (DoLS). This could lead to us being judicially reviewed.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	12	4	4	16	2	4	8	Mar-19	Red
Tasks to mitigate the risk										
<p>1) Reviewed staffing compliment</p> <p>2) Reviewed processes and systems to ensure cases are dealt with in a timely manner.</p> <p>3) Improved data quality and reporting to allow cases to be monitored.</p> <p>4) Liquid Logic may impact whilst staff become used to the new system.</p>										
Progress update										
<p>1) Limited Department of Health grant funds remain. SCCE (Social Care Centre of Expertise) are receiving e-dols, and therefore inputting the referrals. Three temporary 12 month posts were advertised with iBCF money : 1.5 FTE started in August 2018, a part time post will start in November and the remaining vacancy will be advertised externally.</p> <p>1b) Independent Best Interest Assessor's (BIA's) are used for out of county reviews, relief BIA's are used regularly. Nine places for BIA training were made available in September 2018.</p> <p>2) Paper submitted to SMT and streamlining of tasks has been agreed i.e. Desktop reviews, reduced assessment timeframe and administrative tasks. Further paper required to address the backlog, however awaiting outcome of proposals in the Mental Capacity Act (amendment) Bill. Paper will be submitted in lieu of this with current costings.</p> <p>4) Liquid Logic has had an impact upon the team and management of workload due to the required process. A Business Support Officer is supporting the team to help with this.</p>										

Risk Number	RM14262		Date of update		03 September 2018					
Risk Name	The potential risk of shortfall between funding and pressures through integration of capital and revenue funding between the Council, health organisations and district councils									
Risk Owner	James Bullion		Date entered on risk register		16 June 2016					
Risk Description										
The integrated health and social care agenda has seen pooling of capital and revenue resources through the Better Care Fund and further policy drive to manage the transfer of people with learning disabilities from inpatient settings to community settings. There is a risk that this will have a negative impact on available resources for delivery of adult social care										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	5	15	3	5	15	2	4	8	Mar-19	Amber
Tasks to mitigate the risk										
<ol style="list-style-type: none"> 1) Section 75 agreements to manage forward planning and joint arrangements 2) Partnership Boards in place attended by NCC. 3) Transforming Care Plan project in place and NCC involvement on all workstreams. 4) Introduction of the Improved Better Care Fund including planned use for additional social care grant. 5) Regular monitoring and liaison with health partners on outstanding debt. 										
Progress update										
<ol style="list-style-type: none"> 1) Two year Section 75 agreements finalised in Autumn 2017. 2) BCF plans in place and signed off. 3) Transforming Care Plan (TCP) programme in place and baseline completed. Progress achieved with moving people from inpatient settings to community placements and targets being met. Further work completed on joint protocols, which have not been agreed. Work is progressing to develop criteria in line with operational processes. The TCP is engaging with the national cross system TCP working group to explore options for finance protocols. 4) Three year iBCF plans in place (2017-20), which are being monitored through ASC committee, Health and Wellbeing Board and regular updates to Norfolk and Waveney Chief Officer Group. Some projects align with the STP programme of work. Evaluation criteria to enable sustainable funding places for new interventions are being developed, but securing on-going funding remains a risk. The Council agreed to the creation of an iBCF reserve to enable the planned multi year projects to be completed. 										

Risk Number	RM13923		Date of update		03 September 2018					
Risk Name	Risk of failing to deliver Promoting Independence, change programme for Adult Social Services in Norfolk									
Risk Owner	James Bullion		Date entered on risk register		30 April 2011					
Risk Description										
Promoting Independence Change Programme oversees and co-ordinates the linked change and transformation activities required to deliver the strategy. If we fail to deliver the programme this will lead to a failure in developing a sustainable model for adult social care and a failure to deliver a balanced budget										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	3	12	3	4	12	2	4	8	Mar-19	Amber
Tasks to mitigate the risk										
<ol style="list-style-type: none"> 1) Robust programme management arrangements with properly resourced capacity and skills in place 2) Defined suite of business cases which are prioritised and sequenced to maximise impact and make the best use of resources 3) Clear leadership from senior managers to sponsor and champion changes 4) Strong performance framework to measure and monitor the impact of change activities and to take action to address any issues 										
Progress update										
<ol style="list-style-type: none"> 1) Demand and demography modelling continues to be refined through the cost and demand model. A new in-house model is being finalised which will draw on latest activity data from Liquid Logic. 2) Four main themes for transformation: Services for people with learning disabilities; maximising digital technology; embedding strengths-based social work through Living Well; 3 conversations; health and social care integration 2b) Additional theme added for housing for vulnerable people. 3) Additional corporate scrutiny through Norfolk Futures programme 4) Key indicators monitored through performance reporting to Adults committee and P&R Committee 										

Risk Number	RM 14261		Date of update		23 April 2018					
Risk Name	Staff behaviour and practice changes to deliver the Promoting Independence Strategy									
Risk Owner	James Bullion		Date entered on risk register		25 April 2016					
Risk Description										
A significant change in staff behaviour and social care practice is required to deliver the Promoting Independence Strategy. Failure to make the culture change needed across the workforce would greatly impact the transformation of the service and its ability to deliver associated budget savings'										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	5	15	3	4	12	2	4	8	Mar-19	Amber
Tasks to mitigate the risk										
1) Robust Organisational Development plan signed off by the Promoting Independence Programme Board.										
2) Reviewing staff supervision and process and training.										
3) Management Development Programme for Team Managers and Practice Consultants will be rolled out throughout the year.										
Progress update										
1) Early evaluation survey of staff involved in innovation sites has been extremely positive, practitioners are engaged and responding positively to the new ways of working, which is also having a positive impact on staff morale and team engagement in the sites										
1b) 90% of additional capacity posts have been filled.										
2) Implementation of new supervision procedure and roll out of new supervision training.										
3) Manager Development programme continues - 5 cohorts have now completed.										

Risk Number	RM13925		Date of update		03 September 2018					
Risk Name	Lack of capacity in ICT systems									
Risk Owner	James Bullion		Date entered on risk register		30 April 2011					
Risk Description										
A lack of capacity in IT systems and services to support Adult Social Services delivery, in addition to the poor network capacity out into the County, could lead to a breakdown in services to the public or an inability of staff to process forms and financial information in Liquid Logic.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	4	16	3	4	12	3	2	6	Mar-19	Amber
Tasks to mitigate the risk										
<p>1) As part of the Business Continuity plan steps are in place to mitigate any system loss and downtime.</p> <p>2) Discuss any IMT issues at the monthly IMT Programme Board.</p> <p>3) Develop the technology strategy for ASSD.</p>										
Progress update										
<p>1) Recovery steps are outlined in the Business Continuity plan. These are always reviewed following any serious incidents and updated where necessary.</p> <p>2) Any IMT issues are discussed at the IMT Programme Board.</p> <p>3) A technology strategy for Adults has been developed and reviewed by SOCITM (Society of IT Management).</p> <p>3b) A Steering Group has been formed to focus on Adult Social Services Technology Enabled Care (ASTECC). The group includes representation from Adults, IMT and Finance and will provide the overall development and direction of the Adults technology programme.</p>										

Risk Number	RM14247		Date of update		03 September 2018					
Risk Name	Failure in the care market									
Risk Owner	Sera Hall		Date entered on risk register		07 September 2015					
Risk Description										
The council contracts with independent care services for over £260m of care services. Risk of failure in care services would mean services are of inadequate quality or that the necessary supply is not available. The council has a duty under the Care Act to secure an adequate care market. If services fail the consequence may be risk to safeguarding of vulnerable people. Market failure may be faced due to provider financial problems, recruitment difficulties, decisions by providers to withdraw from provision, for example. Further reductions in funding for Adult Social Care significantly increases the risk of business failure.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	3	12	4	3	12	3	3	9	Mar-19	Amber
Tasks to mitigate the risk										
<p>1) A Quality Assurance Framework is in place which provides a risk based approach to the market of care services, collating intelligence from a range of sources and triangulating to identify services for targeted intervention.</p> <p>2) Prioritising care workforce capacity within the learning and development programme.</p> <p>3) Revision of a market failure protocol based on established good practice.</p> <p>4) Liaison with Care Quality Commission to engage with their work with Norfolk care services.</p> <p>5) 'Open offer' to care providers to discuss business plans and financial issues with NCC experts to stabilise the market for provision of care.</p> <p>6) Procuring new domiciliary care contracts through a framework to maximise provider ability and willingness to work collaboratively on a 'patch' basis.</p> <p>7) Appropriate investment in the care market through the cost of care exercise.</p> <p>8) Effective management of market failure to ensure people's safety.</p> <p>9) New low tolerance quality improvement programme in place</p> <p>10) Successful recommissioning of failed services</p> <p>11) Strengthened emergency leadership and management capacity arrangements in place</p>										
Progress update										

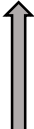

Progress update

- 1) Real time quality (risk) dashboard produced and being utilised.
- 2) Working with the Local Enterprise Partnership and Norfolk and Suffolk Care and Support.
- 3) Care failure protocol's in place and market resilience strategy under development.
- 4) Refreshed working arrangements with CQC and active work with providers to improve CQC compliance.
- 5) New 'patch' based contracts in place.
- 5a) Provider engagement and dialogue included in the 'cost of care' exercise which will support accurate identification of costs of provision and ensure investment targeted appropriately.
- 5b) Proactive programme to settle increased fee rates as a result of National Minimum Wage regulation in the area of sleep ins.
- 5c) Provider dialogue process in place to ensure inflationary uplifts are correctly assessed and implemented.
- 5d) New commissioning and market shaping framework agreed by members driven by new sector based plans and sector engagement.
- 5e) Supporting the establishment of a formal care association for Norfolk.

Risk Number	RM 14260		Date of update		03 September 2018					
Risk Name	Failure of the care market (through the independent providers) due to difficulties in recruiting staff into the sector.									
Risk Owner	Sera Hall		Date entered on risk register		16 May 2016					
Risk Description										
The council invests over £54m through approximately 120 independent providers in provision of homecare to over 4000 vulnerable people at any one time. Failure of the care market (through the independent providers) due to problems recruiting staff into the sector may result in a risk to safeguarding of vulnerable people, delays in discharging people from hospital and inappropriate admissions to hospitals and care homes. Problems recruiting into and retaining care workers in the care sector are particularly acute in the west and north of the county but are experienced across the county as a whole.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	4	16	4	3	12	2	4	8	Mar-19	Amber
Tasks to mitigate the risk										
<ol style="list-style-type: none"> 1) A Quality Assurance Framework provides a risk based approach to the market of care services. 2) Robust procurement processes that ensure providers cost provision adequately. 3) Work with providers, workforce professionals and other partners to develop and implement a workforce development plan and to ensure workforce terms and conditions are equitable. 4) Development of a care contingency network and emergency provision. 5) Clear communication needed with the market to publicise areas of need and future commissioning intentions. 										
Progress update										
<ol style="list-style-type: none"> 3) An executive board has been created to take responsibility for the promotion and delivery of a sector skills action plan and this includes a clear accountability structure with named leads for each priority. 3b) Inclusion of Unison Ethical Care Charter in all new Home Support contracts. 3c) Website for care workers which includes information and advice around the caring profession. There is also a recruitment portal for providers to advertise vacancies and a promotional campaign in order to make the profession more attractive. 4) Emergency capacity which provides additional funding for providers put in place over winter and periods of increased demand. 4b) Increase in capacity of in house resources. 5) Ongoing work with framework providers to collaborate on constructing rounds, meeting needs and providing locality based networks 										

Risk Number	RM14314		Date of update	03 September 2018						
Risk Name	Delayed Transfers of Care (DTC)									
Risk Owner	James Bullion		Date entered on risk register	05 December 2017						
Risk Description										
A significant increase in DTC might jeopardise additional funding (iBCF) and have adverse consequences as well as for the quality of care This would further increase financial pressures on the health and social care system.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	4	16	4	5	20	3	4	12	Mar-19	Amber
Tasks to mitigate the risk										
<p>1) DTC Improvement Plan is now in place</p> <p>2) Improved Better Care Fund is targetted, in part, on reducing DTC</p> <p>3) Review of how care packages are sourced in the market to improve communication of needs and responsiveness of the care market</p> <p>4) Winter plan in place to support co-ordination between health and social care and improved management of surges in demand</p>										
Progress update										
<p>1) Performance reporting mechanism established.</p> <p>1b) Daily capacity mapped and monitored and given high priority</p> <p>1c) The DTC Improvement Plan includes weekly meetings to monitor the figures and take action as required</p> <p>1d) Senior NCC presence at A&E Delivery Board which helps to ensure an integrated and coherent approach</p> <p>2) Ongoing work with providers to increase capacity in the market to support safe discharges</p> <p>2b) Trusted assessor and enhanced homecare now in place</p> <p>2c) implementation of the High Impact Change Model being pursued in partnership with health</p> <p>2d) Multidisciplinary review of flow through the health and social care system which occurred in June has resulted in an action plan that will improve and will support the adoption of best practice, both in the hospital and social work teams</p>										

Background Information

LIKELIHOOD 	Almost Certain 5					
	Likely 4					
	Possible 3					
	Unlikely 2					
	Rare 1					
		Insignificant 1	Minor 2	Moderate 3	Major 4	Extreme 5
IMPACT 						

Above: the County Council's risk matrix template used to plot risk.

Tolerance Level Risk Treatment

High Risk (16-25)

Risks at this level are so significant that risk treatment is mandatory

Medium Risk (6-15)

Risks at this level require consideration of costs and benefits to determine what if any treatment is appropriate

Low Risk (1-5)

Risks at this level can be regarded as negligible or so small that no risk treatment is needed

The Council's risk scoring methodology

The prospects of meeting target scores by the target dates reflect how well mitigation tasks are controlling the risk. It is also an early indication that additional resources and tasks or escalation may be required to ensure that the risk can meet the target score by the target date. The position is visually displayed for ease in the "Prospects of meeting the target score by the target date" column as follows:

- a) Green – the mitigation tasks are on schedule and the risk owner considers that the target score is achievable by the target date
- b) Amber – one or more of the mitigation tasks are falling behind and there are some concerns that the target score may not be achievable by the target date unless the shortcomings are addressed
- c) Red – significant mitigation tasks are falling behind and there are serious concerns that the target score will not be achieved by the target date and the shortcomings must be addressed and/or new tasks are introduced.

Adult Social Care Committee

Item No.....

Report title:	Living Well – Homes for Norfolk
Date of meeting:	8 October 2018
Responsible Chief Officer:	James Bullion, Executive Director Adult Social Care

Strategic impact

Norfolk County Council (NCC) is committed to a vision of supporting people to be independent, resilient and well. The ASC Promoting Independence strategy identified a requirement for a range of housing options to help people maintain their independence. Having appropriate supported housing available in the right locations, at the right time and with the right characteristics will go a long way to fulfil our vision of keeping people independent.

Extra care housing, which provides an independent living option for older people, is less expensive than residential care and is identified as an effective way of supporting people to remain independent in their local communities. Increasing provision of extra care housing to match future demand will deliver circa £4m gross revenue saving per year.

Executive summary

This report sets out the proposal and business case for accelerating the development of extra care housing in Norfolk. The creation of extra care units across the county will provide many older people with an alternative housing option that recognises their growing care needs and allow them to continue living independently in their local communities.

Extra care housing has been identified as a way of reducing unnecessary residential care admissions. Evidence has demonstrated that a significant proportion of residential care admissions in Norfolk are for people with relatively low care needs, suggesting that alternatives to residential care would have been appropriate. The current provision of extra care housing in the county is low. Demand analysis has shown that Norfolk requires 2,842 more extra care units by 2028.

There are two ways in which a scheme could be brought forward for development in Norfolk, dependent on land ownership. A capital contribution application process for private land and a scheme-appropriate process for public land. Each site would produce its own business case, and would be rigorously assessed against demand, location and other feasibility criteria.

A dedicated programme would be established to ensure that NCC can successfully deliver the number of required extra care units.

Recommendations:

To agree the following decisions:

- a) To set up a housing programme to encourage and accelerate the delivery of extra care housing in Norfolk:**
- b) On privately owned land, setting up a capital contribution process to support the development of extra care housing.**
- c) On publicly owned land, following the most appropriate process when bringing**

forward extra care schemes. This may include the establishment of a developer/provider framework or individual procurement process depending on the source of the land and stakeholders involved.

- d) To fund programme costs of £150k per annum**
- e) To recommend to the Policy and Resources Committee that NCC funds capital investment up to £29m over the life of the programme**

Appendix 1 – Homes for Norfolk business case (p65)

Appendix 2 – Living Well – Homes for Norfolk position statement (p80)

Appendix 3 – Equality Assessment Findings and Recommendations (p88)

Appendix 4 – Extra Care Housing strategy (p95)

Appendix 5 – Solution Design Extra Care in Norfolk (p140)

Appendix 6 – Housing benefit position statement (p167)

Appendix 7 – Delivery model part one (p176)

Appendix 8 – Assistive Technology position statement (p207)

Appendix 9 – Care model for Extra Care in Norfolk (p217)

1. Proposal

- 1.1 The proposal is to set up a dedicated housing programme which will enable the development of extra care housing units across the county.
- 1.2 By facilitating the development of 2,842 extra care units across the county, NCC would be providing additional quality housing options for a population that is growing older with increasing care needs.
- 1.3 Extra care housing has been identified as a way of reducing unnecessary residential care admissions. Evidence has demonstrated that a significant proportion of residential care admissions in Norfolk are for people with relatively low care needs, suggesting that alternatives to residential care would have been appropriate. Once all units are complete and occupied, a gross £4m revenue saving per annum to NCC has been identified (**Appendix 1**)
- 1.4 There are two ways in which a scheme could be brought forward for development dependent on land ownership. A capital contribution application process for private land and a scheme-appropriate process for public land. Each site would produce its own business case, and would be rigorously assessed against demand, location and other feasibility criteria. The details setting out the financial case are set out in the business case (**Appendix 1**).
- 1.5 NCC would hold initial nomination rights for a proportion of the affordable units on each scheme and priority nomination rights when the same units were re-let. The proportion of units with nomination rights will vary across developments and be an intrinsic component of the site-specific business cases.
- 1.6 A dedicated programme, to develop extra care housing with resources and pathways, was also identified as a critical success factor in ensuring the programme can deliver.

2. Evidence

- 2.1 Extra care housing provides an independent living option for people who have a care and support need but cannot meet those needs in their current accommodation. It is an

alternative to residential care, which is both expensive and inappropriate in many cases. An extra care unit is usually a self-contained flat which can either be rented or bought, which is part of a development where there are a range of facilities and 24/7 on-site provision for planned and unplanned care.

- 2.2 The current supply of extra care housing in Norfolk is low (698 units across the county) and adheres to a specific care model, where many residents already have high care needs. An Extra Care Strategy (**Appendix 4**) identified a need for 2,842 more extra care units across Norfolk by 2028, with increased provision for couples and improved access routes into this accommodation for those who fund their own care.
- 2.3 There are several reasons why extra care housing has not been developed in line with demand. The capital viability of developing extra care housing is a key issue. Affordable rents and the required communal (and therefore non-rentable space) in a scheme are a significant barrier to ensuring a schemes viability. To ensure the development of affordable extra care housing there is a requirement for capital investment to support inherently unviable affordable rent tenures and significant short-term revenue funding to implement the programme before it becomes self-funding.

3. Financial implications

- 3.1 Each site will be subject to its own business case which will contain the financial detail. Schemes brought forward on private land, will have an element of capital contribution through our application process. Repayment on capital borrowing will mean revenue savings from each scheme are diluted by repayments until borrowing is repaid. However, even during the repayment period, revenue savings are still achieved.
- 3.2 The timeline from development to a completed and occupied building means savings from schemes are not immediate, so a long-term view on savings and programme delivery needs to be accepted by NCC.
- 3.3 A detailed financial case is contained within the business case (**Appendix 1**).
- 3.4 The proposed capital costs within the business case will need to be part of the future capital projections for NCC. It is not anticipated that additional capital will be needed over the next financial year.
- 3.5 Proposed programme delivery costs will be met from the revenue reserve as part of the service's invest to save approach.

4. Issues, risks and innovation

- 4.1 A major risk is that the number of extra care units required are not developed. Work to mitigate this would be ongoing throughout the programme and involve continuous engagement with a range of partners and the market to unlock barriers and understand issues.
- 4.2 Another significant risk to the project is that the target number units of extra care are not occupied. Part of the programme is to develop a change management piece and work with operational teams to promote and actively engage the public in promotional and marketing activity.
- 4.3 A Programme Manager and two Project Officers have been identified as critical to the success of the programme by ensuring that there is a dedicated resource to bring schemes forward. The staffing costs of these posts is circa £150k per annum.

5. Background

- 5.1 A position statement (**Appendix 2**) was published in July 2018 setting out the vision for extra care in Norfolk and indicating that Norfolk County Council has ambitious plans to increase extra care provision over the next decade. The vision included specifications on the type of housing, including the size, facilities and locations which would make a site feasible. The position statement also set out the care model, which included admitting residents with a mix of care needs (from low to high) and that residents would have the freedom to choose their own care provider when using their direct payments to purchase care.
- 5.2 The care model also included the provision of a 'wellbeing charge' which would cover the onsite unplanned care element (**Appendix 2**). Several county councils, including Essex and Oxfordshire, have successfully developed extra care housing with similar care models with unplanned and planned care provided in this way.

6. Recommendations

6.1 To agree the following decisions:

- a) To set up a housing programme to encourage and accelerate the delivery of extra care housing in Norfolk:**
- b) On privately owned land, setting up a capital contribution process to support the development of extra care housing.**
- c) On publicly owned land, following the most appropriate process when bringing forward extra care schemes. This may include the establishment of a developer/provider framework or individual procurement process depending on the source of the land and stakeholders involved.**
- d) To fund programme costs of £150k per annum**
- e) To recommend to the Policy and Resources Committee that NCC funds capital investment up to £29m over the life of the programme**

7. Supporting Documentation

- 7.1 **Appendix 1** – Homes for Norfolk business case
Appendix 2 – Living Well – Homes for Norfolk position statement
Appendix 3 – Equality Assessment Findings and Recommendations
Appendix 4 – Extra Care Housing strategy

8. Background information

- 8.1 **Appendix 5** – Solution Design Extra Care in Norfolk
Appendix 6 – Housing benefit position statement
Appendix 7 – Delivery model part one
Appendix 8 – Assistive Technology position statement
Appendix 9 – Care model for Extra Care in Norfolk

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

If you have any questions about matters contained in this paper please get in touch with:

Officer Name:	Telephone:	Email address:
Sera Hall	01603 222996	sera.hall@norfolk.gov.uk



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 18001 0344 800 8020 (textphone) and we will do our best to help.

Appendix 1: Living Well - Homes for Norfolk Business Case

Project name	Living Well: Homes for Norfolk Accelerating the development of extra care housing		
Business sponsor	James Bullion, Executive Director of Adult Social Care		
Business owner	Sera Hall, Director of Commissioning		
	sera.hall@norfolk.gov.uk		
Document date	6 September 2018 V1.4	Meeting dates	ASC SMT 4 Sep 2018 CLT 6 Sep 2018

1. Context and business drivers

1.1. Context

This business case sets out the cost and benefit of accelerating extra care housing development over the next 10 years. Increased demand and population growth are a huge pressure on existing services and public finance. Extra care housing, which provides an independent living option for people with care needs, is less expensive than residential care and is identified as an effective way of supporting people in their local communities. Once completed this programme will deliver circa £4m gross revenue saving per year. This figure is affected by the level of agreed subsidy for each scheme. Each scheme will be subject to a rigorous feasibility and financial assessment, resulting in an individual business case.

1.2 Supporting the implementation of Norfolk County Council's vision

Norfolk County Council (NCC) is committed to supporting people to be as independent as possible during their lives. Supporting vulnerable people, including helping people earlier before their problems get too serious, is a NCC corporate priority. Supporting people *to be independent, resilient and well* is an NCC vision.

To achieve that vision, NCC has developed a Promoting Independence strategy. The strategy has three main elements: prevention and early help, staying independent for longer and living with complex needs. Specifically identified within the living with complex needs element is the requirement for a range of housing options for people which helps them retain their independence. Having appropriate supported housing available in the right locations, at the right time and with the right characteristics will go a long way to fulfil our vision.

1.3 Extra care housing defined

Extra care housing (ECH) is the term used nationally to describe housing for people that provides planned and unplanned care provision within self-contained accommodation with staff available twenty-four hours a day. Housing with Care is a term Norfolk County Council

uses to describe its current provision of extra care housing. For clarity, only extra care housing will be used throughout this document.

ECH schemes are made up of flats that are rented or owned by individuals who require a level of care. Individuals renting a flat may be able to claim housing benefit, subject to having their eligibility confirmed, for the rent of the accommodation.

Because of the additional service charges incurred by ECH schemes the rent (and service charges eligible for housing benefit) may be higher than the Local Housing Allowance (LHA) rate.

However, ECH schemes are classed as exempt accommodation under the housing benefit regulations based on the landlord being a Registered Social Landlord (RSL) or charity/voluntary sector organisation. This means that in agreement with the district council rents can be set above the LHA rate.

1.4 Demand

To establish the demand for ECH in Norfolk, an analysis has been produced looking at projected demographic growth of over 65s over the next 10 years. In addition to this, NCC has an ambition to increase the number of people that are supported in ECH, preventing avoidable admissions into residential care.

The Housing LIN (Learning and Improvement Network) has developed a national equation for quantifying the amount of ECH needed (25 places per 1000 over the age of 75) and we also recognise the national drivers around ECH and its importance in the future care of our elderly population¹.

Combining national need targets, population increases specific to Norfolk and an ambition to support more people to remain independent, the predicted need for ECH provision by 2028 is summarised in Table 1.

Table 1: Predicated demand of extra care housing in 2018

District	Population estimate over 65	Prevalence of need ²	Minus existing supply	Unmet need 2028	Affordable rent	Outright sale/shared ownership/private rent
Breckland	42,000	572	54	518	207	311
Broadland	39,600	548	70	478	191	287
Great Yarmouth	28,100	375	65	310	124	186
King's Lynn and West Norfolk	46,600	622	70	552	220	332
North Norfolk	40,200	556	70	486	194	292
Norwich	24,300	318	180	138	55	83
South Norfolk	40,200	549	189	360	144	216
	261,000	3,540	698	2,842	1,135	1,707

As shown in Table 1, demand calculations show 3,540 extra care units (that are available as either social/affordable rented units or ownership) will be required by 2028. This figure will be subject to refinement as the programme progresses. There are 698 units already operational, leaving a target number of 2,842 units to be built.

1.5 Enabling NCC to meet the growing need for specialist housing

Delivering the range and volume of supported housing needed will not be easy. Like most local authorities, NCC is experiencing a continuing fall in revenue funding and an increasing demand for services. At the same time, the council needs to respond to changing expectations and aspirations of how care and support is delivered. The most recent NCC response to meeting these challenges was considered in the Commissioning and Market Shaping Framework 2017/18 to 2019/20 paper to Committee on 6 November 2017.

One of the key points of the paper was the need for care accommodation to be modernised and the supply of independent and/or supported accommodation increased.

The development and delivery appropriate housing in Norfolk is a key priority.

1.6 Business drivers

There are a number of business drivers for this programme:

- The number of people aged 65+ in Norfolk currently stands at 219,700 and is projected to rise to 261,000 by 2028
- NCC is currently supporting 3,527 people through domiciliary care packages and 2,488 people in residential care. Using the same support ratio, we can project 2,955 placements in residential care (an increase of 18.7%) in 2028
- For residential care, NCC places 28 people per 100,000 more than our statistical family group average and 96 people more per 100,000 than the regional average
- The average length of stay in residential care for older people supported by NCC is over 3 years, well above the national figure of 2 years
- Norfolk has 698 existing units of extra care which is lower than would be expected for the demographics of the county

This indicates that many older people are entering residential care earlier than necessary, and an assumption can be made that part of the issue is a lack of suitable ECH which would enable them to maintain their independence in their local communities

Financial analysis indicates that extra care is significantly less expensive in terms of social care provision than residential care, as well as offering clients a range of quality of life benefits. At the point that the programme is complete (i.e. 2,842 units have been built and are occupied), gross revenue savings will be £4m per year.

For each affordable unit of extra care occupied NCC will save £3,660. This revenue savings figure is derived by factoring in the variation in care costs across residential care and domiciliary services.

The net savings for the council will depend on the level of subsidy required to bring a

¹ LGA (2017) Housing our Aging population

² (Factor 25) + 20% reduction in Residential care placements (all ages)

scheme to fruition. In modelling a range of subsidy per affordable unit, we could deliver net savings to the council between £1,880 and £2,520 per affordable unit taking into account 5% voids and capital financing costs (interest and minimum revenue provision). Once the capital was repaid, the savings would revert to £3,660.

1.7 Attracting and accelerating development

To date, the development of ECH in Norfolk has been slow and unplanned. To gain a clear understanding of the barriers which have prevented a more rapid and co-ordinated approach to the delivery of ECH, a piece of work was undertaken to identify these barriers and recommend solutions to address them. This work involved meeting a variety of internal and external stakeholders in the ECH housing market.

1.7.1 Capital barriers

There are several main factors that have affected capital viability of developing extra care housing. Uncertainty in the market about future government proposed caps and how this would affect viability of extra care has paused many developers/ providers plans. Affordable rents and the required communal (and therefore non- rentable space) in a scheme also provide significant barriers to ensuring a schemes viability.

Therefore, in order to ensure the development of affordable extra care housing there is a requirement for substantial capital investment to support inherently unviable affordable rent tenures.

The amount of capital funding required will vary dependent on the scheme, location, and access to other grant funding. Where publicly-owned land is being used for a scheme there is not expected to be a requirement for capital borrowing. Over the 10 year period it is estimated that the total programme could require between £17m and £29m depending on progress and grant subsidy levels.

Non-capital barriers

The non-capital barriers are shown in the table below as well as the actions now set in place to mitigate:

Table 2: Non-capital barriers to development

Barrier	Solution Design	
	Recommendation	Document
Strategy No clear strategy for the development of ECH	Publication of extra care strategy and Position Statement. Internal NCC alignment achieved through production and approval of business case	Extra care strategy, Position Statement and Business Case
Governance Lack of strong leadership and organisational support	Implementation of NCC governance structures to support implementation of programme.	Business Case and updated Position Statement

<p>Commercial</p> <p>No formal process or model to engage with the market/developers and little commercial appreciation</p>	<p>EC Programme is resolving links between strategy and delivery. Updated nominations process will be required as part of implementation</p>	<p>Business case Nominations agreement (including nominations process contained therein)</p>
<p>Planning</p> <p>No formal and consistent approach to planning</p>	<p>Work required with Local Planning Authorities to agree consistent approach to categorisation of extra care developments</p>	<p>Housing Benefit Position Statement; Position Statement</p>
<p>Product/Process</p> <p>Lack of understanding about what EC is, how it is accessed and lengthy process</p>	<p>Work with social care teams and service users to explain extra care and when it's an appropriate choice</p>	<p>Change management plan.</p>

The full detail of these barriers can be found in Appendix 5.

1.8 Taking a long-term view

Delivering supported housing will require NCC to take a number of strategic organisational and investment decisions that will have a long-lasting impact on how the Council operates. A new 60-unit extra care housing development will take at least three years to design, plan, procure, build and occupy. During that time NCC will need to work in close partnership with stakeholders to ensure that the scheme quickly reaches full occupation. The projected unmet demand of 2,842 units of extra care housing equates to around 50 schemes, with a likely delivery period approximately ten years.

2. Objectives

The programme will be complete when the following is true:

- A suitable process has been established that can bring forward extra care schemes on land owned and/or made available to suitable developers
- A capital contribution process is in place that supports development of extra care on privately owned land
- Care and support services for extra care are being commissioned via the direct payment model for planned care, maximising client choice and control and minimising NCC overhead. Where clients do not wish to have a direct payment, the care will be commissioned by NCC through the on-site care provider
- The target number of units of extra care accommodation have been occupied

3. Programme success measures

The success of the programme will be measured using the following elements:

Table 3: Programme success measures

Element	What good looks like	Acceptable trade- off	What acceptable looks like
No of units developed – Total	To have the target number of units occupied after 10 years.	Some units may still be in development on the pipeline with majority delivered	75% delivery and 25% on the pipeline for development
No of units occupied – Annual	To have 100% of units occupied within 8 months of that scheme opening.	If the majority of the units are for outright sale or shared ownership and therefore subject to the delays related to house purchasing.	To have 75% of units completed in 8 months of that scheme opening
Tenure mix of units – across Norfolk	To have 60% of units as ownership units (either full or shared equity).	If the demand for ownership units is proven to be higher or lower than the target 60% and therefore a readjusted target is set.	The actual demand for ownership units is met.
Use of Direct Payments	That all residents have the option of receiving their social care personal budget via Direct Payments.	none	To demonstrate that the take-up of Direct Payments by Extra care residents is maximised.

4. Benefits and costs

4.1 Measuring benefits

The success of the programme in delivering benefits will be measured using the following elements:

Table 4: Programme benefit measures

Impact Description	The Benefit	Project Objectives (Reference the Objectives this benefit links to)	Measurement (How will the benefit be measured)	Date Benefit will be realised
Decrease use of residential care (numbers and spend).	Reduced social care cost to NCC.	The target number of units of Extra care have been occupied.	Number of residential care placements. Percentage of adult social care budget spent on residential care.	Ongoing benefit of the programme. Annual tracking and reporting.

Decrease the number of people who move directly into residential care following a hospital admission.	Reduced social care cost to NCC.	The target number of units of Extra care have been occupied.	Number of residential care placements that occur following a hospital admission.	Ongoing benefit of the programme. Annual tracking and reporting.
Increase the proportion of people living in their own home.	Reduced social care cost to NCC.	The target number of units of Extra care have been occupied.	Proportion of people who currently access social care services and do not normally reside in a residential care setting or hospital.	Ongoing benefit of the programme. Annual tracking and reporting.
Increase the number of people who are appropriately supported to regain their Independence following a hospital admission.	Reduced social care cost to NCC.	The target number of units of Extra care have been occupied.	Proportion of people who currently access social care services that have had a hospital admission recently but returned home and remained there after 3, 6, 9 and 12 months.	Ongoing benefit of the programme. Annual tracking and reporting.
Increase in the number of carers and informal carers who are and feel supported to maintain their caring role.	Reduced social care cost to NCC.	The target number of units of Extra care have been occupied.	Evidence indicates that couples where one partner is a carer both benefit when moving into an Extra care scheme. Not sure of a metric that NCC could use to measure this impact. There would be benefits in other carer situations where duties might be relieved by someone choosing to move.	Ongoing benefit of the programme. Annual tracking and reporting.

In addition to the direct benefits outlined above, the programme will meet the key aspirations of the *Living Well: Homes for Norfolk Extra Care Housing Strategy* (Appendix 4) the recommendations of which are summarised below:

- Norfolk County Council is committed to helping people live good, independent lives. The provision of extra care housing is both a desirable option for people as they get older and their needs change and has many benefits over residential care
- Extra care is an effective way of supporting people to be more independent in their own homes, providing safety, security, social interaction and care
- The current provision of extra care in Norfolk is underutilised as well as overall

numbers falling short of the estimated need across the county

- The development of extra care requires mixed tenure options, should cater for diverse needs of residents and should offer extra care units, catered for people with dementia
- Access into extra care housing should be more streamlined for people who would want to finance their own care (i.e. self-funders) and for people who want to privately rent and fund their care provision and not necessarily involve all of Norfolk County Council's processes and procedures
- A more flexible model of care provision is required to
 - enable a wider range of people access extra care housing
 - ensure that extra care provides more choice and personalisation, as well as
 - provide a more flexible care contract which provides better value for money

4.2 The qualitative benefits of extra care housing

Extra care housing has been shown to have the following qualitative benefits for service users:

- The units are self-contained homes so residents know and feel that the units are their home
- It promotes independence
- Allows individuals to be in control of their lifestyle
- Shown to reduce social isolation and associated problems such as depression
- Shown to increase feelings of well-being and improved quality of life

4.3 Financial benefits

The main financial benefit that will accrue to NCC is the saving made on the provision of care by placing suitable people within the affordable rent units of ECH. The average revenue saving per service user within these units, considering the mix of care needs within a scheme, is **£3,660** per person per annum (see section 4.3.2 for calculation).

For illustration, a delivery of an average of 126 units every year, would provide £461k of savings to NCC per annum once units are fully occupied. Once fully delivered, 1,135 affordable units of extra care will provide £4m recurrent revenue savings to NCC as financial benefits are only calculated on the affordable units. Depending upon the scheme and capital subsidy requirements, the council may incur capital financing costs, which would reduce the net saving to NCC.

The programme will also bring wider investment into Norfolk and by encouraging diversification of the care market we are meeting one of our key responsibilities under the Care Act.

4.3.1 Assumptions

In arriving at the financial benefits of the ECH Programme, the following assumptions were made and are summarised below:

- Care costs are as advised by NCC based on current contract of standard residential

care costs (as opposed to enhanced residential care costs)

- Average gross domiciliary care cost based on 11hrs pw
- Average number of hours care required in extra care housing per person (11hours) based on care needs mix of 30% Low (4-8hrs per week) / 30% Med (9-12hrs per week) / 40% High (13+hrs per week)
- Estimated mean build cost based on a three-storey scheme in the Norfolk region³
- Delivery pipeline for the purposes of contribution calculation assumes contribution applications from year 1
- Delivery pipeline for the purposes of care cost savings assumes scheme delivery from year 3
- Unit delivery assumed to start in year 2 and meet total demand requirement by year 11
- Contribution requirement assumes development costs for 50% of schemes will exclude the cost of land and 50% will include the cost of land at full market price, based on 60-unit schemes
- Contribution funds are being provided by borrowing from Public Loans and Works Board
- Rate per metre squared gross internal floor area (GIA) of the building includes 20% allowance for external works, 10% for fees and 15% for contingencies

4.3.2. Headline financial benefits

The headline financial benefits were calculated as follows:

Residential care costs

Annualised net residential care cost (cost less service user contribution)	£17,160.00
% cost avoidance from this client pathway	40%
Annualised residential care avoidance saving	£6,864.00

Care costs based on current contract rates and service user contributions (which may vary based on financial assessment)

Domiciliary care costs

Annualised net domiciliary care cost	£8,008.00
% cost avoidance from this client pathway	60%
Annualised domiciliary care avoidance saving	£4,804.80

The cost of domiciliary care per week is based on 11hrs per week at a blended hourly rate less average service user contribution (which may vary based on financial assessment).

³ <https://www.costmodelling.com/building-costs>

The financial benefit to NCC of adopting ECH as an approach is summarised as follows:

Factor	Saving
Total annualised avoidance saving (annualised net residential care avoidance saving plus annualised net domiciliary care avoidance saving)	£11,668. 80
Annualised ECH costs - where the average cost of a client in ECH based on net hourly care cost x 11 hours. Average no. hours based on care needs mix of 30% Low (4- 8hrs pw) / 30% Med (9-12hrs pw) / 40% High (13+hrs pw)	£8,008.00
Annualised care cost saving per person	£3,660.80

4.3.3. Calculating the delivery profile of savings

The extent of savings achieved is dependent upon the speed of delivery of the required units and the pace at which the units are filled. The following tables provide a profile of anticipated savings based on data supplied by NCC for the initial year of 126 units as they fill to capacity and an illustration of a longer-term profile.

The initial year of 126 units is shown as saving NCC £191k (table 5). Following years, 126 units would deliver £461k of savings to NCC (Table 6). Table 7 provides an illustration of the potential savings profile as units are delivered.

However, the actual savings profile is dependent on a number of factors such as speed in which units are built (current profile is shown as uniform), the tenure mix of each scheme, the delivery route (private or public land), and, where applicable, the amount of capital contribution allocated.

Table 5: Initial year profile of revenue savings of any scheme as it fills

	Number of client admissions	Number of weeks saving per annum:	Annual cost saving
One client	1	52	£3,660.80
<i>Total number of admissions in the period</i>			126
Month 1	10	50	£35,200.00
Month 2	10	46	£32,384.00
Month 3	10	42	£29,568.00
Month 4	10	37	£26,048.00
Month 5	10	33	£23,232.00
Month 6	10	29	£20,416.00
Month 7	10	24	£16,896.00
Month 8	10	20	£14,080.00
Month 9	10	16	£11,264.00
Month 10	12	11	£9,292.80
Month 11	12	7	£5,913.60
Month 12	12	3	£2,534.40
	126		£191,628.80

Table 6; Per annum revenue savings to NCC for 126 units (exc. capital financing costs)

Annualised Saving	Void Level	Adjusted Savings
£461,260.80	5%	£438,197.76
£461,260.80	10%	£415,134.72

Table 7: Illustration of delivery profile of savings over 10 years

Year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Gross revenue	0	0	£ 191,629	£ 629,827	£ 1,068,024	£ 1,506,222
Total units built	0	0	126	252	378	504

Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Gross revenue	£ 1,944,420	£ 2,382,618	£ 2,820,815	£ 3,259,013	£ 3,697,211	£ 4,135,409
Total units built	631	757	883	1009	1135	1135

4.3.4 Benefits to health partners

No health cost savings have been calculated as part of this business case. However, evidence is beginning to emerge which demonstrates that extra care housing is highly likely to result in financial benefits to health services. A study by Aston University for the Extra Care Charitable Trust (ECCT) identified that, when compared with the control group, there was a reduction in total NHS costs of 38% for ECCT residents (including GP visits, practice and district nurse visits and hospital appointments and admissions). This is the first study which has been able to quantify cost savings, however, it should be noted that the sample size is not statistically significant and further work needs to be done across a much larger sample size.

Work with health partners will continue to quantify the advantages of extra care housing to the health system.

4.4 Financial costs

The total cost of the programme is dependent on delivery route (private or public land) and the level of capital contribution requested, influenced by the number of units in the scheme and other funding sourced by the developer, for example Homes England.

As a scheme is brought forward, it will be robustly assessed for viability both financial and site feasibility. This will include consideration of local need, location, demographics as well as other sources of funding. Each scheme will be supported by an individual business case, setting out the case and financial benefits.

Staffing costs to deliver the programme will be circa £150k per annum.

1 FTE Specialist Housing Programme Manager (M grade)

2 FTE Specialist Housing Project Officer (K grade)

5. Key programme assumptions

The key programme assumptions for the business case are set out in the table below:

Assumption impacting costs/benefits	Evidence base/source	Certainty
Demand for extra care units	Over 55 population in Norfolk on the social care register and with a care need of between 4 and 16 hours. & Demographic growth stats of over 65s in next 10 years. Data provided by NCC	Green
Mix of social rent and private sale units in line with current tenure of potential residents	Tenure of existing over 55 population on the social care register and with a care need of between 4 and 16 hours. Data provided by NCC	Green
All residents in affordable units will require NCC care support.	Predicated on the above assumption that demand only includes individuals on the social care register. Commissioner decision	Green
Clients in residential care for more than two years have been inappropriately placed	Commissioner decision based on social care best practice.	Green
40% of potential residents would otherwise have immediately moved into residential care, 60% would have remained living at home with domiciliary care	Based on actively targeting the cohort. Analysis of placements into residential care.	Amber
Weekly rent agreed will be LHA rate plus 35% including eligible service charge	Based on agreed rent for recent Extra Care schemes	Amber
An average build cost per unit per sq. metre including external work fees and contingencies	Based on capital cost of recent extra care schemes	Green
Developers require a certain level of yield on all social rent units.	Based on recent extra care schemes	Green
NCC will borrow for 20 years at an average interest rate plus minimum revenue provision on a straight-line basis to fund the capital subsidy because the size of the total capital programme precludes the use of cash reserves	Current NCC practice	Green
No NCC capital subsidy required in relation to private sale units.	Current market buoyancy	Green
Core 24/7 "well-being" cost of £25 per week per unit will be paid by residents out of existing income.	Cost and applicability based on recent extra care schemes	Amber
50% of benefits in first year	Build profile	Amber
5% void factor	Current void profile for existing schemes	Amber

6. Solution design

6.1 Delivery model

A number of different delivery models were explored as part of this programme. Appendix 5 and 7 provides a full summary of the delivery model analysis and options that were appraised.

6.2 Care Model

Care will be delivered by a direct payment model for planned care. Unplanned care will be covered by a well-being charge.

Where clients do not wish to have a direct payment, the care will be commissioned by NCC through the on-site care provider.

Further care model options were considered as part of this business case, details can be found in Appendix 9.

7. Timeline and key milestones

There are two key aspects that inform the timeline and milestones:

Firstly, the current assumption that the delivery of the extra care schemes in the pipeline will be at a consistent and steady rate throughout the programme.

Secondly is that during the first 18 months the programme will deliver:

- the required delivery process to bring forward land for development
- the establishment of the teams, processes and procedures within NCC to manage and administer a large portfolio of extra care housing.

8. Key risks and issues

Name and Description	Mitigation
Risk: The quantum of extra care required is not developed.	Continue engagement with public sector partners to ensure extra care is captured in planning and housing strategies. Engage with the market to support them in finding and bringing forward their own sites.
Risk: Target number of units of extra care have not been occupied.	Actively market new developments at target market as soon as approval is given. Work with social workers so that they understand the new product offer and can engage meaningfully with potential residents. Continue end user engagement to better understand demand; work with developers – providers to define the best product offer (including advisory and other support services to help clients make decisions and move).
Risk: NCC does not have capacity to deliver a change programme to social care service delivery.	Align change programme to current measures being undertaken in respect of the Care Act 2014; ensure appropriate resource is available / bought in to drive and manage the change.

<p>Risk: The care model commissioning approach collapses because clients are resistant to changes in how their benefits are managed.</p>	<p>Provide advice and support to help service users with any transitions.</p>
<p>Risk: The assumptions underlying the financial benefits of extra care are not valid.</p>	<p>Financial benefits to be monitored and reviewed as new schemes become live. Review the assumptions and any other new information which may be available (research from providers, academic studies, etc) for inclusion in business cases for new developments. Consider the future viability of the pipeline and suspend future schemes if they become unviable.</p>
<p>Risk: There is a shift in government policy regarding benefits that has a negative impact on the affordability of extra care either to NCC or to residents.</p>	<p>To be tolerated and monitored. Consider the future viability of the pipeline and suspend future schemes if they become unviable.</p>
<p>Risk: It is assumed that the core “wellbeing” care costs (£25 per week) will be funded by residents. If they have insufficient funds this will result in an additional cost of £1,300 per unit.</p>	<p>Provide advice and support service to help service users with their financial affairs and maximise their benefits to contribute towards their costs.</p>
<p>Risk: The number of residents that would otherwise have been in residential care may be less than the target of 40%, reducing the net care cost saving to NCC.</p>	<p>To be treated through communication with social workers to ensure that they prioritise residential care avoiders into extra care units. A comprehensive change management programme to be implemented to support social workers. Regular review of the nominations by the programme manager. Monitor new residential care placements.</p>
<p>Risk: Increase in build costs require NCC to increase the capital subsidy on each social rent unit.</p>	<p>To be transferred to the developer by capping the contribution subsidy for each scheme based on the developer proposals at point of decision making.</p>
<p>Risk: Developers put forward proposals with a net yield of more our assumption on social rent units, which increases the capital subsidy required</p>	<p>Due diligence is performed on an open book basis for each the proposal to identify the yield that would be delivered to the developer and robustly challenged. The agreed rent, service charge and developer yield will be considered in relation to each other in determining whether the level of capital subsidy and value for money are acceptable. To be transferred to the developer by capping the contribution subsidy for each scheme based on the developer proposals at point of decision making</p>

<p>Risk: Agreed net rents (after deducting service charge) leads to a higher capital subsidy than currently forecast.</p>	<p>Due diligence is performed on the funding profile put forward by the developer to ensure that all potential sources of external funding are targeted.</p> <p>The agreed rent, service charge and developer yield will be considered in relation to each other in determining whether the level of capital subsidy and value for money are acceptable.</p> <p>To be transferred to the developer by capping the contribution subsidy for each scheme based on the developer proposals at point of decision making.</p>
<p>Risk: That the programme delivery team is delayed due to recruitment process</p>	<p>Recruitment processes are underway</p>

9. Engagement and communication

The business case was developed by Housing Programme Board which included key NCC officers from property, commercial, finance and adult social care as well as external colleagues representing local councils and providers. In addition a comprehensive process to identify barriers to development in Norfolk was undertaken as part of this business case (Appendix 5). This included engagement with all local councils in Norfolk and both national and local developers and providers. The work has also been presented to local council chief executives.

10. Equality and diversity

An Equality Impact Assessment has been completed (Appendix 3) and will be reviewed as the programme develops.

11. Supporting documentation

Appendix 1 – Homes for Norfolk business case (this document)
Appendix 2 – Living Well – Homes for Norfolk position statement
Appendix 3 – Equality Assessment Findings and Recommendations
Appendix 4 – Extra Care Housing strategy
Appendix 5 – Solution Design Extra Care in Norfolk
Appendix 6 – Housing benefit position statement
Appendix 7 – Delivery model part one
Appendix 8 – Assistive Technology position statement
Appendix 9 – Care model for Extra Care in Norfolk



Norfolk County Council



Living Well

Homes for Norfolk

Developing extra care housing in Norfolk:

Position statement

July 2018



July 2018

Purpose

Norfolk County Council's (NCC) extra care housing (ECH) Programme is designed to provide suitable housing for people over the age of 55 whose current home no longer best meets their needs, enabling them to remain independent in their local communities. There could be several reasons for people moving to ECH, such as:

- Social isolation
- A desire to downsize into a more manageable property
- The assurance of security and easy access to care and support
- Having a care and support need.



A note on terminology

Extra care housing (ECH) is the term used nationally to describe housing for people that supplies some care provision and offers self-contained accommodation with staff available twenty-four hours a day.

Housing with Care is a term Norfolk County Council uses to describe its current provision of extra care housing.

For clarity, only extra care housing will be used throughout in this document.

ECH schemes are made up of flats that are rented or owned by individuals who require a level of care. Individuals renting a flat may be able to claim housing benefit, subject to having their eligibility confirmed, for the rent of the accommodation. Because of the additional service charges incurred by ECH schemes the rent (and service charges eligible for housing benefit) may be higher than the Local Housing Allowance (LHA) rate. These higher costs may result in the rent being more than the LHA cap.

However, ECH schemes are classed as exempt accommodation under the housing benefit regulations. This means that claims for housing benefit are not capped to the LHA, or subject to bedroom tax. The resultant rent and service charge for the ECH accommodation will still need to be reasonable and in line with local market rents. Local district housing officers will be responsible for assessing the reasonableness and setting the appropriate rate of housing benefit. The housing benefit position statement will provide a foundation for a consistent approach to the application of variation to LHA rent cap in respect of ECH accommodation.

Summary

The ECH Programme intends to increase the pace and quantity of units being delivered across Norfolk. Led by NCC staff, the programme will work closely with developers, providers and district/ borough/ city councils to understand any current barriers to delivery and systematically remove them.

Delivery

NCC is exploring several delivery routes to support the growth of ECH including a possible capital grant process for the development of affordable rent units and the use of public sector land. Details of these options will be released in the Autumn.

Eligibility

ECH is available to people over the age of 55 who have a connection to the area local to each development. Depending on the scale, location, and stated purpose of individual ECH communities, further eligibility requirements based on care and support needs will be defined by the Council for those properties for which it will have nomination rights. The eligibility requirements are necessary to make the required 24/7 emergency care and support service affordable.



ECH works for people with a care and support need. A balance of low or no care needs, medium care needs and high care needs will be maintained. Broadly, this will be 30% Low; 30% Medium; 40% high.

Nomination

For the affordable units in the schemes supported by this programme, NCC will retain nomination rights and the split of care needs across the bandings, for these units, will be:

Low	Medium	High
4-8 hours	9-12 hours	13+ hours

Once residing in ECH, it is expected that an individual's needs will be met regardless of changes in their circumstances so that the likelihood of a future move to another type of accommodation is minimised.

Key features of extra care housing

ECH is attractive, self-contained housing that is designed to enable people to retain their independence in their own home for as long as possible. The units should be designed to incorporate the 16 Lifetime Homes Design Criteria. These are criteria that can be universally applied to new homes at minimal cost. Each design feature adds to the comfort and convenience of the home and supports the changing needs of individuals at different stages of life. Lifetime Homes are all about flexibility and adaptability; they are not 'special' but are thoughtfully designed to create and encourage better living environments for everyone.



The size and location of ECH communities will be determined by site availability and local demand, but need to be close to local facilities such as shops, GP surgeries and bus routes. Schemes should generally be no smaller than 60 units for reasons of affordability and ability to create and support an active community.

ECH schemes can include a variety of features depending on the scale, location and stated purpose of individual developments. These features include:

- provision of communal space for social activities;
- a dining room and meal service;
- appropriate staffing areas for 24/7 care support

Schemes can also include other features which may vary depending on the location of the scheme:

- amenities such as hairdressing,
- fitness suite,
- consulting rooms and
- GP or other health services.

Furthermore, ECH schemes have the potential to become a focal point for community health services, outreach services and intermediate/reablement care where this is deemed appropriate for the locality.

ECH communities will offer a full range of tenures to appeal to older owner occupiers in Norfolk and to meet the needs of those who need or prefer to rent. Tenure mix will be dependent on development viability, local planning requirements and other issues such as whether the scheme has received any grant funding from NCC.

Demand

To establish the demand for ECH in Norfolk, a demand analysis has been produced looking at projected demographic growth of over 65s over the next 10 years. In addition to this there is an ambition to increase the number of people that are supported in ECH, preventing avoidable admissions into residential care.



The Housing LIN (Learning and Improvement Network) has developed a national equation for quantifying the amount of ECH needed (25 places per 1000 over the age of 75) and we also recognise the national drivers around ECH and its importance in the future care of our elderly population.

Therefore, being mindful of national need targets, population increases specific to Norfolk and an ambition to support more people to remain independent, we predict the need for the following ECH provision by 2028. Figures will continue to be refreshed during the programme.

Extra care housing Demand 2028:

District	Population estimate over 65	Prevalence of need ¹	Minus existing supply	Unmet need 2028	Affordable rent	Outright sale/shared ownership
Breckland	42,000	572	54	518	207	311
Broadland	39,600	548	70	478	191	287
Great Yarmouth	28,100	375	65	310	124	186
King's Lynn and West Norfolk	46,600	622	70	552	220	332
North Norfolk	40,200	556	70	486	194	292
Norwich	24,300	318	180	138	55	83
South Norfolk	40,200	549	189	360	144	216
	261,000	3,540	698	2,842	1,135	1,707

¹ (factor 25) + 20% reduction in Residential care placements (all ages)

Care service provision and costs



As part of the ECH programme provision of 24/7 care and support will be based on site. This is to ensure that emergencies and any planned care required outside of normal working hours can be delivered. There are many different approaches to delivery of this service depending on the scale, location and stated purpose of discrete ECH communities.

NCC is passionate about the personalisation agenda and client choice. Therefore, in schemes supported by NCC direct payments will be the preferred method of care delivery with individuals deciding whom shall provide their care. Where a client is unable or unwilling to have a direct payment NCC shall commission their care for them. Our default position in this circumstance shall be to purchase the care package from the onsite care provider.

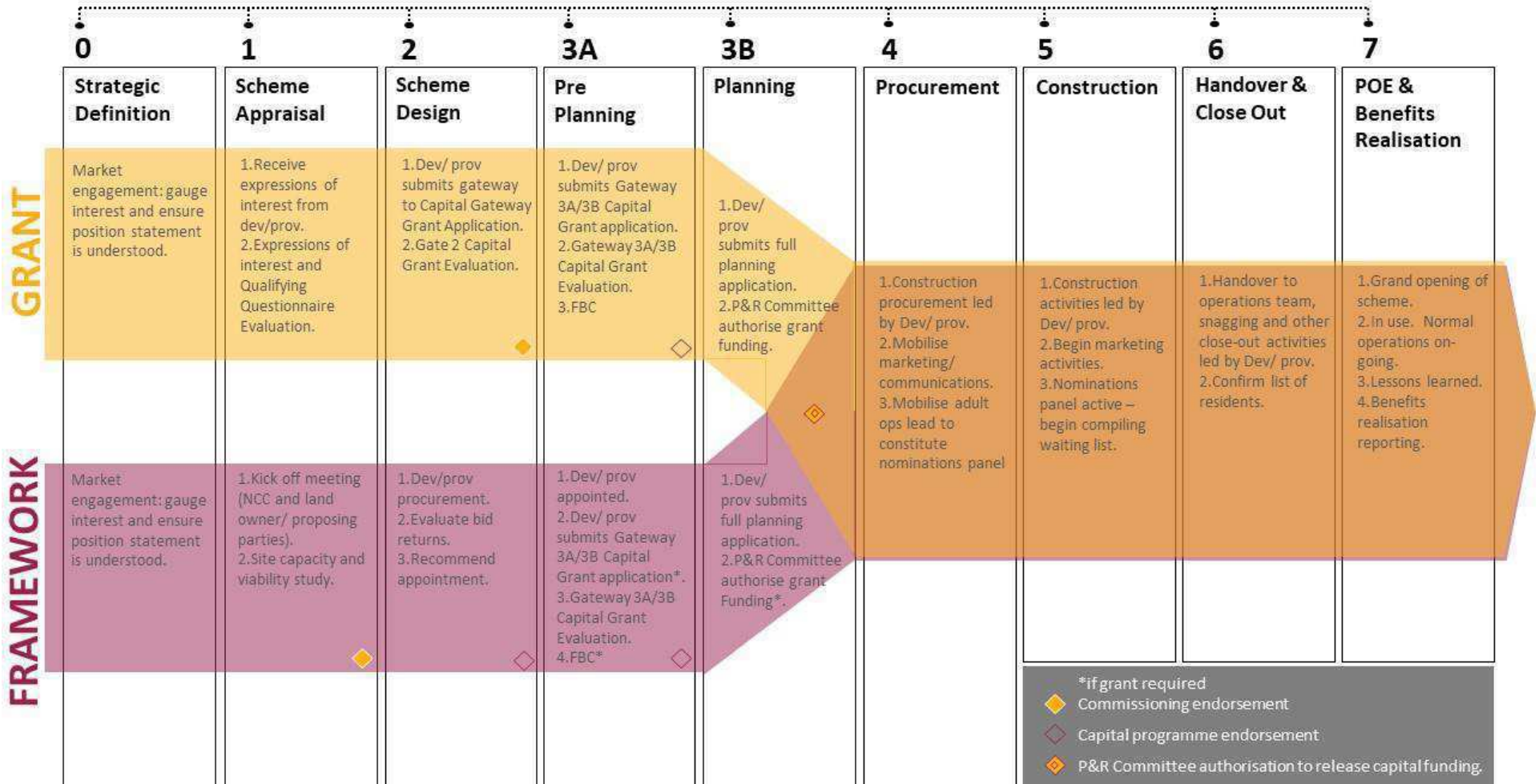
Each scheme must have a clear break down of care services and costs, this should include provision of a 'wellbeing charge'. Essentially the 'wellbeing service' is a 24/7 emergency or unplanned care service that is provided and available for all residents of the ECH scheme separate from any social care assessed personal care need.



Gateway system

A gateway system will be used to monitor the progress of ECH schemes through the development process. The gateway system provides a means of managing and planning capital resources around a measured and consistent monitoring of projects, both through the grant or public-sector land process.

GATEWAYS



Next steps

More information on the programme will be available in Autumn 2018. However, we are keen to hold discussions now with developers and providers regarding any opportunities that are available.

If you would like a discussion regarding this programme, please contact the team at:

livingwell.homes@norfolk.gov.uk



Living Well: Homes for Norfolk

Equality Assessment: Findings and Recommendations

July 2018

Sera Hall, Director of Commissioning
Adult Social Care

This assessment helps you to consider the impact of service changes on people with protected characteristics. You can update this assessment at any time so that it informs ongoing service planning and commissioning.

For help or more information please contact Neil Howard, Equality & Accessibility Officer, email neil.howard@norfolk.gov.uk, Tel: 01603 224196

Contents

		Page
1.	The purpose of an equality assessment	3
2.	The legal context	3
3.	The assessment process	3
4.	The proposal	3
5.	Who is affected by this proposal	4
6.	Potential impact	
7.	Accessibility considerations	
8.	Recommended/mitigating actions	
9.	Evidence used to inform this assessment	
10.	Further information and contact details	

The purpose of an equality assessment

1. The purpose of an equality assessment is to enable decision-makers to consider the impact of a proposal on different individuals and communities prior to the decision being made. Mitigating actions can then be developed if adverse impact is identified.

The Legal context

2. Public authorities have a duty under the Equality Act 2010 to consider the implications of proposals on people with protected characteristics. The Act states that public bodies must pay due regard to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act¹;
 - Advance equality of opportunity between people who share a relevant protected characteristic² and people who do not share it³;
 - Foster good relations between people who share a relevant protected characteristic and people who do not share it⁴.
3. The full Act is available [here](#).

The assessment process

4. This assessment comprises two phases:
 - **Phase 1** – evidence is gathered on the proposal – looking at the people who might be affected, the findings of related assessments and public consultation, contextual information about local areas and populations and other relevant data. Where appropriate, engagement with residents, service users and stakeholders takes place, to better understand any issues that must be taken into account.
 - **Phase 2** – the results are analysed. If the assessment indicates that the proposal may impact adversely on people with protected characteristics, mitigating actions are identified.
5. When completed, the findings are provided to decision-makers, to enable any issues to be taken into account before a decision is made.

The proposal

6. Living Well – Homes for Norfolk once agreed by Committee sets out an ambitious programme of work to increase and accelerate the development of Extra Care Homes across the county.

Extra Care Housing is a type of accommodation available to people over the age of 55 who find that their current accommodation no longer suits their needs and would benefit from having care delivered on site, and the extra peace of mind from having cover for any unplanned care element also on site and available 24/7. Extra Care Housing is not a residential care home nor is it sheltered housing. The provision of

unplanned care on site and the fact that residents live in their own flat, with their own front door means that it sits somewhere between the two, allowing residents to maintain their own independence with on-site care provision.

The purpose of the project is to accelerate and promote development of this type of housing in Norfolk. Analysis of demand has demonstrated that there is approximately 2,800 units needed by 2028 and the project would aim to meet this demand.

Who is affected?

7. The proposal will affect adults, children and staff with the following protected characteristics:

People of all ages	No
A specific age group (please state if so): Over 55's	Yes
Disability (all disabilities and long-term health conditions)	No
Gender reassignment (e.g. people who identify as transgender)	No
Marriage/civil partnerships	No
Pregnancy & Maternity	No
Race (different ethnic groups, including Gypsies and Travellers)	No
Religion/belief (different faiths, including people with no religion or belief)	No
Sex (i.e. men/women/intersex)	No
Sexual orientation (e.g. lesbian, gay and bisexual people)	No

Analysis of the people affected

8. By 2028 there will be approximately 261,000 people aged over 65. The analysis of need suggests that 3,540 of these will require and benefit from Extra Care Housing. In addition to age, within this projected group it can be expected that a range of protected characteristics will fall, including sexual orientation, disability, marital status, religious beliefs and multiple ethnic backgrounds.

This will vary by district and ultimately by site.

District	Population estimate (over 65)	Prevalence of need*	Minus existing supply	Unmet need 2028
Breckland	42,000	572	54	518
Broadland	39,600	548	70	478
Great Yarmouth	28,100	375	65	310
King's Lynn & West Norfolk	46,600	622	70	552
North Norfolk	40,200	556	70	486

Norwich	24,300	318	180	138
South Norfolk	40,200	549	189	360
Total	261,000	3540	698	2842

Potential impact

9. The current provision of extra care housing across the county is low compared to projected need. This project aims to increase the numbers of units across the county, matching the demand in each district. The increase in provision of Extra Care Housing also contributes to statutory requirements placed on local authorities in relation to the provision of housing and care.

The position statement has already set out that accommodation must be suitable for to accommodate those living with disabilities, have provision for married couples (whatever their sexual orientation) and by law be accessible to all. The provider must have due regard for ethnic, sexual and religious differences. The project will also set out minimum design requirements for build in relation to accessibility and supporting independent living (provision of equipment/ technology).

Eligibility for tenancy on each site where Norfolk County Council retains nomination rights will be based on care needs. A person must agree to the accommodation being suitable for them and to put themselves forward for tenancy.

The tenure mix, i.e. whether the flat is bought or rented, will be site specific. An EqIA will be produced for each site that is brought forward.

The programme cannot yet plan or predict in which locations scheme will be brought forward first and it will be an ongoing managed risk to ensure that development is consistent across the county, and where there are districts with no schemes in the pipeline to work across partners to unlock the barriers to schemes being developed.

Accessibility considerations

Describe here how accessibility will be incorporated into the proposal.

10. Accessibility is a priority for Norfolk County Council.

The project has also set out minimum design requirements for build in relation to accessibility and supporting independent living (provision of equipment/ technology).

It is also expected that all units will adhere to the 16 Life Time Homes Criteria.

Recommended actions

11. If your assessment has identified any adverse impact, set out here any actions that will help to mitigate it.

	Action	Lead	Date
1.	Ensuring that all units developed meet lifetime homes criteria, the expected equipment and technology provision and are accessible to all (within the care banding criteria).	Sera Hall	On going
2.	Ensuring that demand across the county is met, on a district by district basis.	Sera Hall	On going.

Evidence used to inform this assessment

- Equality Act 2010
- Public Sector Equality Duty
- Norfolk County Council Extra Care Strategy 2018

Further information

12. For further information about this equality impact assessment please contact Sera Hall (Sera.Hall@norfolk.gov.uk).



If you need this document in large print, audio, Braille, alternative format or in a different language please contact Neil Howard on neil.howard@norfolk.gov.uk or 01603 224 196(Textphone).

¹ Prohibited conduct:

Direct discrimination occurs when someone is treated less favourably than another person because of a protected characteristic they have or are thought to have, or because they associate with someone who has a protected characteristic.

Indirect discrimination occurs when a condition, rule, policy or practice in your organisation that applies to everyone disadvantages people who share a protected characteristic.

Harassment is “unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual’s dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual”.

Victimisation occurs when an employee is treated badly because they have made or supported a complaint or raised a grievance under the Equality Act; or because they are suspected of doing so. An employee is not protected from victimisation if they have maliciously made or supported an untrue complaint.

2 The protected characteristics are:

Age – e.g. a person belonging to a particular age or a range of ages (for example 18 to 30 year olds).

Disability - a person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

Gender reassignment - the process of transitioning from one gender to another.

Marriage and civil partnership

Pregnancy and maternity

Race - refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Religion and belief - has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (such as Atheism).

Sex - a man or a woman.

Sexual orientation - whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

3 The Act specifies that having due regard to the need to advance equality of opportunity might mean:

- Removing or minimizing disadvantages suffered by people who share a relevant protected characteristic that are connected to that characteristic;
- Taking steps to meet the needs of people who share a relevant protected characteristic that are different from the needs of others;
- Encouraging people who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such people is disproportionately low.

4 Having due regard to the need to foster good relations between people and communities involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.



Living Well

Homes for Norfolk

A strategy for improving access to and developing extra care housing in Norfolk



July 2018



Contents

Contents.....	2
Glossary of Terms.....	4
Foreword.....	5
Executive summary.....	6
Recommendations.....	7
Introduction.....	8
Purpose of this strategy.....	8
Leadership and engagement.....	9
The national policy context.....	9
The local policy context.....	9
Effectiveness of extra care.....	10
Making the value for money case for Extra Care.....	10
The current situation in Norfolk.....	12
What do residents in Norfolk think about Extra Care?.....	14
Summary of current situation.....	15
Extra Care: the future.....	16
Introduction.....	16
Population increases.....	16
Housing for the over 55's.....	17
extra care accommodation.....	18
extra care prevalence of need analysis.....	19
Needs identified by current users of care.....	19
Needs identified by Sheltered Housing analysis.....	20
Identifying needs for people with dementia.....	20
Tenure and mixed tenure.....	21
Conclusions on the needs analysis for Norfolk.....	22
Care provision models.....	22
Management of extra care housing.....	23
Conclusions.....	25
APPENDIX B Specialist Housing by District and CCG.....	29
APPENDIX C extra care Needs Analysis.....	31



APPENDIX D: Sheltered Housing Needs Analysis and Emerging Needs..... 33
APPENDIX E: Engagement Outcomes 41
APPENDIX F: Equality Impact Assessment..... 43
APPENDIX G: References and Bibliography 45



Glossary of Terms

Term	Definition
Extra care housing	<p>This is the overall term for housing, predominantly for older people, that supplies some care provision. Extra care housing is also known as very sheltered housing, assisted living, or as housing with care.</p> <p>Self-contained accommodation with staff available 24 hours a day. Offers a higher level of care than sheltered housing. Some schemes offer specialist support for people with dementia</p>
Housing with care	<p>Housing with Care is the term Norfolk County Council uses to describe its current provision., rather than extra care housing which is used nationally.</p>
Sheltered housing	<p>Adapted accommodation for older people. Only low-level support available. Usually linked to an alarm system for emergencies.</p>
Supported living	<p>Accommodation with on-site support. People are usually referred by Social Services. Supported living is the offer to people in their own homes via a tenancy or home ownership or shared ownership and have personal and housing related support provided by an outside organisation. These tenancies are often to support people with learning disabilities and physical disabilities.</p>
Residential care home	<p>This is a long-term care offer to people in a dedicated facility which offers 24 hour care and support. People are not in their own home in residential care and do not hold a tenancy.</p>
Nursing care home	<p>This is a long-term care offer to people in a dedicated facility which offers 24 hour care and support with registered nursing provision on site. People are not in their own home in a nursing care home and do not hold a tenancy.</p>



Foreword

In Norfolk, we are committed to helping our communities thrive. Feeling safe and content in our homes is fundamental to being able to live well and have a good life. Norfolk has a population that is growing older who tell us they want to remain independent in their own homes for as long as possible. Our aim for people is for them to be independent, resilient and well. Ensuring that there are a good range of housing options available to people is vital to supporting people to achieve this.

This strategy sets out the challenges in our existing extra care provision and the scale the challenge to meet the growing demand. We want to work with others to ensure that Norfolk provides housing solutions are fit for the future, meet aspirations and promote connected communities. We want people to invest in the change with us.

We know that the scale of the development is large, which is why we are committed to taking a programme and partnership approach to develop housing and care services in an integrated way in line with what our residents say they want. Better housing makes good business sense too, it helps minimise the cost of care, and it add value to our infrastructure. It's an invest to save approach, making best use of technology, skills, and commercial opportunities.

I look forward to working with our partners to make significant progress over the next three years.



James Bullion

Executive Director of Adult Social Care

Norfolk County Council

July 2018



Living Well Homes for Norfolk

Strategy

Executive summary

Norfolk County Council is committed to helping people live good, independent lives.

The provision of extra care housing for older people (also known as Housing with Care in Norfolk) is a desirable option for people as they get older and their needs change and has many benefits over residential care.

Extra care housing is an effective way of supporting people to be more independent in their own homes, providing safety, security, social interaction and care.

The current provision of extra care in Norfolk is underutilised as well as overall numbers falling short of the estimated need across the county.

This paper sets out the rationale and benefits for increasing the provision of and improving access to extra care housing across Norfolk.



Recommendations

1. The population-based evidence and Norfolk County Council's plan to support more people to stay independent in their own community indicates that by 2028 Norfolk needs 2842 additional extra care units. This data needs to be refined in conjunction with District Councils and other stakeholders to create area-based plans for each District Council area to feed into the planning process.
2. The development of extra care housing requires mixed tenure options, should cater for diverse needs of residents and should offer extra care units, catered for people with dementia.
3. A more flexible model of care provision in extra care housing is required to
 - a. enable a wider range of people to access extra care
 - b. ensure that extra care provides more choice and personalisation, as well as
 - c. provide a more flexible care contract which provides better value for money.
4. Access into extra care housing should be more streamlined for people who would want to finance their own care (i.e. self-funders) and for people who want to privately rent and fund their care provision and not necessarily involve all of Norfolk County Council's processes and procedures.
5. A programme has been established and a business case developed, with partners and relevant stakeholders, which will address these issues and determine the most effective delivery mechanism to increase our extra care supply. This will be overseen by the Integrated Commissioning Team with close collaboration with Norfolk Property Services and District Councils.



Introduction

Norfolk County Council is committed to supporting people to be as independent as possible during their lives. This includes supporting older people to maintain their independence within their own homes as their needs change. This is articulated as a Corporate Priority:

Supporting vulnerable people – including helping people earlier before their problems get too serious

and in the Adult Social Care Promoting Independence Strategy, which aims to reduce the number of people placed into residential care by supporting them to live in their community. The Older People's Strategic Partnership Board have stated that they want Norfolk County Council and partners to 'Recognise older people's growing preference for extra care over residential care or sheltered housing'¹. It has also been acknowledged for some time that good housing can have a significant impact upon the positive health and wellbeing of people, as well as promoting other system-wide benefits.² The Care Act 2014 places individual wellbeing at its core and the Act acknowledges the importance that good housing can have in promoting independence, health and other system-wide benefits. Therefore, integrating housing into health and care strategies is a better and more coordinated approach to promoting independence and benefiting the community.

Purpose of this strategy

This Norfolk Extra Care Strategy seeks to set out the requirements and policy direction for the development of extra care in Norfolk via an evidence-based needs analysis and market analysis. This strategy makes recommendations about

- the provision required to meet identified needs and
- the future development, increasing access and contractual arrangements, need to flex to ensure that extra care is used as an effective provision to support people's independence
- continued partnership working with District Councils and Norfolk Property Services to achieve this vision.

¹ Objective 3.2 in Housing cited in *Living Longer, Living Well The 4th Norfolk Older People's Strategy: Promoting Independence and Wellbeing 2016 – 2018*, Norfolk Older People's Strategic Partnership Board

² Richard Humphries (2015), *Integrating housing and health: a tough nut to crack?* The King's Fund, 2015, as cited on its website



Leadership and engagement

The Extra Care Strategy has been formulated in partnership with Adult Social Services Integrated Locality Teams, District Councils, Housing Associations, people who currently, and may in the future, use services, and Care Providers. There is linkage to the corporate approach to improving the outcomes for all people in Norfolk. The project has also taken learning from other areas, most recently Essex County Council's Independent Living Scheme and the national Housing Learning and Improvement Network. The voice of older people via *Living Longer, Living Well* and engagement with Norfolk Older People's Strategic Forum has also been taken into account in the development of this Strategy. Key partners in Norfolk have been identified, with their legal and statutory drivers in Appendix A.

The national policy context

In 2008 *Delivering Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society* was published by the Department of Communities and Local Government. It stated a need for a refreshed approach to specialist housing and in meeting the demands of older people, including creating desirable homes in amenable locations. This strategy also linked housing adaptations and information and advice for older people and integrated provision of housing, health and social care, all of which are highlighted in the Care Act as drivers to promote wellbeing.

The local policy context

In October 2008 Norfolk County Council Cabinet approved the *Strategic Model of Care for Residential and Housing with Care (extra care housing)* services in Norfolk. The strategy was informed by a consultation exercise with older people who told us they would rather move into extra care if they could no longer be supported at home. Importantly they said that the accommodation currently provided in existing care homes (now NorseCare homes) would neither meet their expectations now nor in the future.

The Transformation Programme in Norfolk County Council committed to reduce provision of older residential care facilities and replace them with a combination of more independent accommodation and residential care for those with dementia. Nationally, Norfolk remains a significant outlier in placements of older people into residential care and has committed to reduce usage of residential care. It is also acknowledged that development in the private sector will also continue to provide solutions.



While progress has been made in Norfolk with several significant and good quality developments, such as Bowthorpe Care Village, a refresh of demand and aspirations of the population require a renewed approach to the operation and development of existing and new accommodation for older people.

Effectiveness of extra care

Extra care not only provides accommodation for older people, but helps people engage with their local community and this in turn can help to alleviate loneliness. According to Age UK, people over the age of 75 are more likely to feel lonely and isolated in their own homes³. The current national trend of under-occupation of housing among older people who are unable to find alternative accommodation exacerbates loneliness and social isolation, but also could prevent savings to the wider system, as articulated below⁴.



Older people with lower incomes are also more likely to experience fuel poverty and issues with cold homes. The prevalence of winter deaths are linked to cold homes which are not sufficiently heated or insulated.

Extra care accommodation can enable people to come together to undertake activities, as well as retaining the privacy of having their own home. The ability to form relationships, to connect to the community and experience improved wellbeing is also a positive social value of Extra Care, which has been demonstrated in Lincolnshire⁵.

Making the value for money case for extra care

According to the Housing LIN⁶ people living in extra care use less home care than if they were living in the community. This might be due to people feeling more supported and less isolated with better wellbeing, with on-site care being available and also living within a secure and well-heated environment. The same study

³ Age UK Factsheet: Later Life in the United Kingdom, 2011

⁴ The Office for National Statistics General Lifestyle Survey found that nearly 2.5 million people over 75 live alone. *Office for National Statistics, General Lifestyle Survey 2011*, March 2013

⁵ Lacey & Moody(2016) *Evaluating Extra Care – valuing what really matters*. Housing LIN Case Study 129

⁶ Housing LIN (2017) *Demonstrating the Health and Social Cost-Benefits of Lifestyle Housing for Older People*



demonstrated that people living in extra care had fewer admissions into a care home and reduced the cost of their care package by 16% compared to the cost before the extra care tenancy. The LIN also states that

Some studies have estimated that almost a third of residential care placements could be avoided if alternative housing choices were available locally.

There are also benefits to the NHS, where the rate of unplanned hospital admissions, the use of primary care and routine GP appointments among extra care residents is less than their community counterparts. There are also studies which show the social and financial benefits of specialised housing which can be converted into monetary terms over the lifetime investment into the building. The savings derive from reduction in the usage of health and social care services.



The current situation in Norfolk

All partners agree that extra care is a valuable addition to the range of housing and support available to older people. In Norfolk however, amongst the extra care rental sector there are local variations in how

- extra care schemes cater for varying levels of need
- localities nominate and allocate housing
- the relationships between the locality partners, care providers and the Housing Associations operate.

This variation has led to several operating models in the county and potentially impedes the utilisation of extra care as a preventative accommodation and support model.



Norfolk extra care provision⁷

Schemes:

There are 17 (NCC contracted) Housing with Care (extra care) schemes across the county comprising 698 individual units of accommodation. Of these, 51 provide extra care (for people with dementia who require secure settings) across a number of schemes.

Utilisation:

While the void rate averages 5% across all schemes there have been some issues with longer term voids in particular schemes. Analysis of demand for extra care indicates that barriers to accessing extra care include types of tenure, levels of need and assessed care, age and suitability of some schemes and the current nomination process.

Allocations and Nominations:

District Councils have traditionally held housing registers and have worked collaboratively with social care to ensure appropriate nominations. The care provider and landlord are also partners in the process to enable a tenancy to be arranged. We have found that this process can be protracted, is not always user-friendly, but does fulfil the necessary assessments and procedures to take place. However, a smoother process would benefit all parties.

Care Providers:

We have two care providers: Norse Care for 15 schemes and Hales for the other two. Norfolk County Council would like to consider a more diverse array of provision in the future, which meets a wider range of care and support needs.

Tenure:

Tenures available in Norfolk currently are almost exclusively affordable rental with little provision for self-funders and those who wish to purchase or lease. This is a potential barrier to access.

Value for money:

As stated in the previous chapter, extra care is a positive enabler in helping people to keep independent, less isolated and less dependent on social care, primary care and secondary services.

⁷ This table does not include private sector extra care housing, but only schemes where Norfolk County Council commission the care provision.



Extra care for people with additional needs

The provision for extra care for people with dementia is supported by seven percent of the current extra care units in Norfolk. These flats support people by providing the communal and independent living of the extra care environment, but with some extra support and security in dementia-friendly environments.

In two schemes in Norfolk a small contingent of young adults who have learning disabilities live along-side the other residents. This has been a pilot and, working closely with the care provider, this is being evaluated. The current provision is also accessed by people over 55 with mental health needs whose conditions are stable and whose needs can be met by Extra Care. There are separate supported living schemes and hostels for people with a mental health need and/or who have drug and alcohol-related issues.

Extra care also provides a small number of homes for couples, where one or both partners have a care need. People with bariatric needs are also provided for, but this is very limited.

What do residents in Norfolk think about Extra Care?

Here are some testimonies from residents of extra care in Norfolk:

Extra care is ideal and I like living here. Ground floor flat looks out onto small communal garden area and there are plenty of activities available if required and a lunch club.

I moved in August 2016 and it has saved my life. I can have the support there when needed but I still have my independence. I volunteer in the shop here twice a week for an hour or so, that has reinvested me with the sense that at 68 I can contribute to the local community.

My social worker informed me and I loved the atmosphere from the first visit, it had a great feel about the place. I wanted to come here as it still gives me my independence but I still have my button for the carers as and when I need them and they are all really good here.

My welfare officer told me about extra care. I had not heard about it before and it has stopped me from feeling isolated. You can take part in any of the activities but are still able to have your own privacy. Extra care gives my family peace of mind and I feel safe and supported.

My life has been put back on track again since living here, I was told I couldn't walk but with help from staff I am now able, it has given me a second chance. There are so many good things about living here I can't decide what my favourite thing is, I think it's marvellous.



Summary of current situation

Extra care is an effective way of supporting people to be more independent in their own homes, providing safety, security, social interaction and care. In Norfolk, extra care is not fully utilised, suggesting that there are some issues in potential residents accessing this form of care and accommodation. The route into Norfolk County Council's extra care schemes for an individual is via a social care assessment. This is the case if the person is self-funding their care and accommodation. The levels of suitability and eligibility for extra care can vary from area to area and this could create a barrier to access. Anecdotally, extra care considered as an alternative to residential care, and as a step up in to supported accommodation, is not well known about. It is not as familiar a concept in the public compared with home care and residential care. Extra Care, fully utilised and meeting the demands of service users, could create individual and system wide benefits.



Extra care: the future

40% of older adults find themselves needing or wanting to move home at least once past the age of 65 years (including into residential and nursing care) and a quarter of adults over the age of 60 indicate that some form of specialist housing would be their preferred future accommodation⁸.

Introduction

This chapter will address the future requirements of extra care, reflecting upon the changes and challenges that Norfolk has from a demographic perspective. This section utilises national and local learning and engagement to set out the requirements for extra care. A needs analysis for extra care, using national and local data sets adds to the evidence base and summarises a potential area-based programme for extra care. Finally, the care provision and the management of extra care for the future is explored.



Population increases⁹

In common with national trends Norfolk has an ageing population with people generally living longer and remaining healthy, fit and active for far longer than previous generations. This increasing trend is and will continue to place demands upon housing and care and support services available.

Norfolk generally has an older population that is projected to increase at a greater rate than the rest of England. Almost all of the population increase over the last five years has been in those aged 65 and over. Between 2014 and 2025 the population is expected to increase by 66,000 with most of the increase in the 65 and over age bands. Across Norfolk the average life expectancy is approximately 80 years for men and 84 years for women. The average number of years a man can expect to live in good health is about 64 and for women it is about 66.

Looking further ahead, the total population in Norfolk is forecasted to increase by 13% in 2036¹⁰, but the population increase varies significantly across the different age groups, with the highest increase in the population aged 75+ of 70%.

⁸ Care Services Improvement Partnership (CSIP), ECH Toolkit, Oxford Brookes University/Housing LIN

⁹ This section has been informed by Norfolk Insight 2017

¹⁰ ONS Subnational Population Projections 2014 referenced by Norfolk Public Health



Population in Norfolk 2015 and 2036

	Norfolk Population	0-19yrs	20-64yrs	65-74yrs	75+yrs
2015	883,700	187,800	487,000	112,700	96,200
2036	1,002,100	204,800	497,800	136,300	163,200
2015 v 2036	13%	9%	2%	21%	70%

Source: Norfolk Public Health and ONS 2014 SNPP

The population aged between 65 and 74 (112,700 in 2015) are the people who might be planning their future accommodation needs. This is what drives the demand for the future. NCC recognises and fully supports independence amongst the older population in Norfolk and people's desire to live in their own home for as long as possible. However, this does not necessarily mean that remaining in their existing family home is the best option in all circumstances.

Housing for the over 55's

Owner occupancy among the 65-75 and 75+ age groups has remained at a consistently high level nationwide since the 1990s, despite the economic downturn in 2008 and in comparison, to the 16-44 age groups which have seen a decline¹¹.



Most people aged over 55 in Norfolk are likely to be in general good health, economically active and in some form of paid employment. The increase in the over 55 population and the amount of potential equity held by this client group will have a significant bearing upon the housing aspirations and expectations should they consider moving from their current family home to specialised accommodation.

Older people have many different needs and aspirations for their accommodation solutions in later life and so a good mix of accommodation types is required to meet these varied needs and aspirations. Encouraging “younger” older people (those aged up to 65 and those without any existing care needs) to move from existing accommodation will present a real challenge to local authorities and housing providers.

Housing, care and support needs for older people can be met in a variety of settings such as:

- Specialist supported housing,
- Extra care,
- other care settings and
- via home care in mainstream housing.

¹¹ Shiro Ota (2015) *Housing an Ageing Population*, House of Commons Briefing Paper Number 07423, 2015



The Care Act stresses it is key for people to have a better understanding of what is on offer. Without suitable attractive offers of alternative housing and care home solutions, older people will remain in potentially unsuitable, hard to maintain housing. This will result in the poor health and wellbeing of an individual, coupled with an increased demand upon health and social care services.

The offer of alternative accommodation needs to be attractive, well designed and allow integration into an existing community. The accommodation offers will need to appeal to a range of ages and needs, including a variety of care needs. The accommodation should not feel clinical, it should be bespoke, flexible and offer choice where possible. Innovative design is critical in meeting the diverse needs and aspirations of society today. This accommodation needs to encourage people to downsize with attractive, affordable options.

By 2025 population estimates indicate that the number of older people over 85 years will increase by more than 40%. Therefore, housing care and support services need to be designed to be 'age proof' and enable people to plan adequately for a secure later life. Ageing is also a risk factor for increased loneliness and this is exacerbated by deprivation. Estimations suggest that 38,000 people aged 65 and over in Norfolk are lonely and that this will impact negatively on their health and wellbeing¹².

Extra care accommodation

Extra care needs to be an attractive option of alternative accommodation for those currently living in general needs housing. extra care can easily support the prevention agenda and reduce the number of hospital admittances and long-term stays. The care and support services within supportive accommodation needs to be equipped to meet the additional needs of older people, for example Learning Disabilities or Mental Health Needs, having the flexibility that will prevent an unnecessary and costlier move into residential care, which may not be the preferred choice of client accessing a required service.



Technology is a key design element of extra care. These buildings have to be technology ready to ensure that the focus upon a person-centred approach to services is not affected by the lack of technology, which could lead to an unnecessary placement in residential care.

Extra care should offer short-term or recuperative placements for those who leave hospital and require a period of re-enablement and assessment for a good recovery. Short-term provision would allow professionals and the client an opportunity to make better informed decisions about current and predicted future housing care and support needs. This could prevent unnecessary placements into a residential care

¹² Norfolk Insight 2017



setting. Consideration should also be given to using extra care accommodation to provide bookable respite for carers who have responsibility for providing care to a range of client groups.

Norfolk stakeholders stated that the extra care accommodation should meet the following requirements by being able to:

- House couples
- Meet diverse needs, such as accommodating same sex couples, or catering for people who have religious needs
- Be a dementia-friendly environment and for new builds to be designed as dementia-friendly, supporting people with complex needs
- Cater for a broad range of needs, including those with mental health issues, physical and learning disabilities, where appropriate
- Have provision for Norfolk-wide access rather than district/local connections as a requirement



Extra care prevalence of need analysis¹³

According to the Public Health Information Team:

If the current provision of extra care housing is low and the local authority have a fully developed extra care housing strategy, then it could potentially reduce the number of residential beds by 20%, but this would require the local authority to meet the extra care housing prevalence of 25 dwellings per 1,000 people aged 75 and over.

The number of extra care units required per 1,000 of the population aged 75+ is given by a national calculation of prevalence, using a factor of 25 units.

The council has ambitions to reduce its placements into residential care by 20% over the next 10 years for 65+ (reduction on projected numbers based on population growth). We have used the National equation and our aim for a 20% reduction in placements to residential care by 2028. This shows that by the year 2028 Norfolk will need an additional 2842 extra care Units to meet its identified need. A breakdown of what this shows per district council is given in Appendix C.

Needs identified by current users of care

Current data on the usage of home care tells us that, at the time of writing, there are 3092 people (working age to older adults) in Norfolk accessing packages of home care up to 60 hours in a four-week period. This indicates that there are a number of

¹³ Please refer to Appendix C for more detailed information



people currently accessing care who are able to remain independent in their own homes, but might, over time benefit from living in a extra care scheme. 3092 people currently accessing this amount of care adds to the evidence base and validates the need for current and future Extra Care. For some people, living in their own home might become less desirable due to mobility needs, feelings of anxiety, following the bereavement of a spouse or the need to downsize.

Needs identified by Sheltered Housing analysis

Based on the needs analysis of current sheltered housing tenants, and the prevalence of dementia and falls (given in Appendix D), there are a number of people with high needs, who may benefit from extra care provision in the following areas:

- In Breckland there is an emerging risk based around Mundford based on the dementia and falls maps and Thetford and Dereham,
- In Broadland the high needs prevalence is found in the south of the district, bordering with Norwich City,
- In Great Yarmouth there is a cross over with Broadland around the Filby, Potter Higham areas where the maps indicate a growing risk, as well as Belton, South Town and Hemsby indicating areas of need.
- In King's Lynn and West Norfolk there is an emerging need around, King's Lynn, Methwold, Mundford, areas where there is crossover between two districts
- In North Norfolk the high needs prevalence is found in Cromer,
- In Norwich the high needs prevalence is found in the centre of Norwich and the border with Broadland
- In South Norfolk there are hotspots for falls and dementia in the Diss area, however there are emerging risk the east of the district which has sporadic provision

Also, there will need to be consideration given to Local Area Plans and the Greater Norwich Development Plan both of which indicate to areas of growth which will have an impact on services in that areas examples being new housing in North Walsham and the proposed plans for Great Plumstead along with the growth in housing in areas like Rackheath, Sprowston and Wroxham.

Identifying needs for people with dementia

Estimates suggest that there are over 16,400 people in Norfolk who are living with dementia, which may be diagnosed or undiagnosed. These figures rise by an additional 9000 by 2034 and the greatest growth will be in people over 90 years

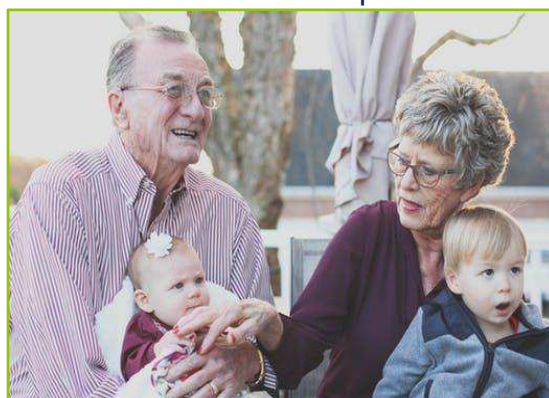


old¹⁴. There are links between good housing for people with dementia and good health and social care outcomes¹⁵.

Using information gathered by the Public Health Information Team, Norfolk currently meets less than 20% of its need for extra care Extra Care. By 2036 the need for Extra care housing almost doubles. As a proportion of total extra care in the county, the need for extra care units is approximately 6% over the 2015-2036 time frame. Please refer to Appendix B for greater detail. This expected rise in the number of people living with dementia has implications for enabling access into extra care for people who might have dementia or develop it later in life. The other main impact is to the care sector, in their capacity to provide sufficiently trained staff who are confident working with and caring for people who have dementia.

Tenure and mixed tenure

The 2011 census, shows that 76.7% of people aged over 65 own their own homes in Norfolk. Only 7.6% of the neighbourhoods in Norfolk are in the most deprived 10% nationally. In Norfolk this affects approximately 68,200 people or 7.9% of the Norfolk population¹⁶. Deprivation statistics are directly related to tenure status, as the more deprived the area, the greater the need for affordable and social housing. Since 2010 Norfolk deprivation has increased and one of the most relatively deprived domains is “Barrier to housing services”¹⁷.



For extra care for the future, the needs posed by deprivation have to be taken into account when designing extra care schemes and their tenure. However, along with affordability, private use, lease, buy, privately renting and shared ownership options need to be explored to cater for the mixed tenure needs of the population. Owner occupiers are able to afford full ownership, shared ownership or shared equity. The high proportion of owner occupiers in Norfolk indicates the potential for ownership and mixed tenure developments.

¹⁴ Public Health Norfolk (2014), Living in Norfolk with Dementia: A Health and Wellbeing Needs Assessment

¹⁵ As above

¹⁶ Norfolk Insight (2017) *Norfolk Story*, October 2017

¹⁷ Norfolk is 88th most deprived out of 152 upper tier authorities (where 1 is the most deprived), compared to 2010 when it was the 97th most relatively deprived. Data from Indices of Multiple Deprivation



Conclusions on the needs analysis for Norfolk

Based on the prevalence of need data, and the reduction in residential placements for the over 65s, Norfolk will need to have an additional 2842 extra care units by the year 2028. This data shows that King's Lynn and West Norfolk is the area with the highest number of units required by 2028, followed by Breckland. The Sheltered Housing needs analysis provides us with a strong indication of areas of local need. Deeper analysis, working closely with District Council partners would help to assess these needs more robustly.

Providing safe, secure and supportive care and accommodation for people with dementia will be a requirement of Extra Care. This will necessitate an enabled and skilled workforce for care for people who have dementia.

Along with population rises within the over 65s and 75 age groups, a significant proportion of this cohort are likely to own their own home. The impact of this for the provision of extra care is that the future supply needs to offer mixed tenure options and enable access for private clients alongside affordable options.

Care provision models

In extra care the accommodation and care components are separate and can be delivered by separate providers (as is the case in Norfolk) or by a joint landlord and care provider (currently provided in other parts of the UK). Both components can be paid for privately, where tenants are able (and financially assessed) to do so, or housing benefit and personal budgets cover the costs for clients who need support to fund their housing and care.

The model of care provided is distinctive from domiciliary care, in that there is an unplanned care component, providing 24 hour on site care as well as the planned care component, which has been determined by the social care needs assessment. As well as personal care, extra care schemes should provide an environment of promoting independence and supporting residents to engage in communal and social activities, which promote healthy lifestyles.



Within extra care there is a balance to strike between the optimising personal choice and the provision of a sustainable care model which meets the needs of most tenants. There also must be the flexibility of care needs thresholds to enable a widening of access for people with medium to lower care needs to enter Extra Care, so they can be supported at an earlier stage in their care journey and have a higher likelihood of being independent for longer.



In many extra care schemes in the UK, amongst the rented schemes supported by the public sector, councils have applied a “High, Medium and Low” care needs criteria to residents and prospective residents, which is defined by the number of planned personal care hours a resident requires per week. What constitutes high, medium and low varies across the country. This criteria is also allocated in quotas, e.g. in thirds, or in other proportions, providing a extra care community of mixed needs. The care provision model, then flows from this quota and needs definition. There are many ways councils can achieve this and Norfolk County Council currently has two schemes which operate on a high, medium and low needs basis. The learning from this care model and from all the schemes will be used to create the care model for Norfolk’s extra care provision for the future.

Norfolk stakeholders considered this aspect of extra care and agreed that the delivery of care in extra care needs to meet the needs identified by service users and for support of the individual’s outcomes. They also recommended a consistent offer for schemes in Norfolk as well as:

- Flexible criteria and contractual arrangements
- Provision to support Delayed Transfers Of Care (DTCO)/intermediate Care & Planning Beds
- Respite provision
- Extra care
- Low – medium – high model of care
- Clear link to Primary Care Provision

In order to meet these requirements, a flexible care commissioning model could provide the most sustainable offer.

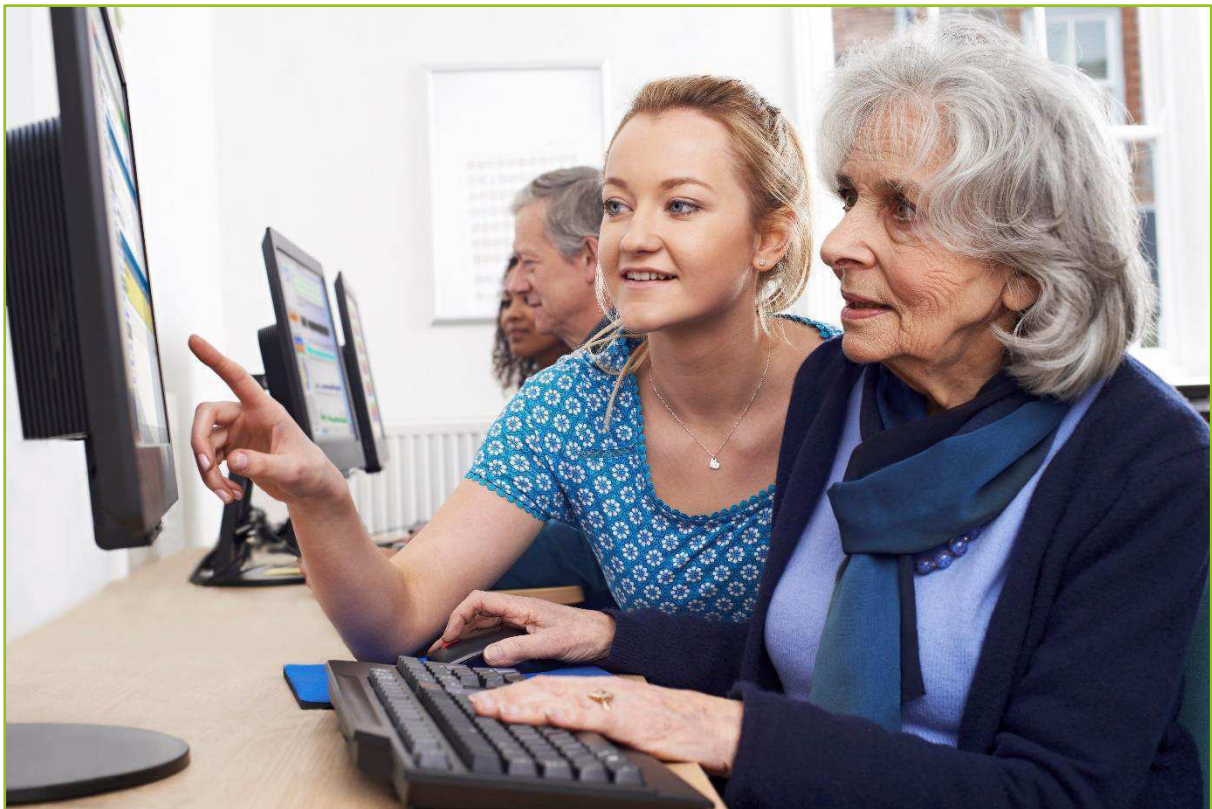
Management of extra care housing

Engagement with Norfolk partners has identified that there is motivation for designing a centralised management system for Extra Care. This team could manage extra care on a county-wide basis and liaise with partners throughout the person’s application and help to track progress. This centralised approach would help to and align to the fulfilment of statutory housing duties, as well as administer the referral-to-accepted-tenancy process and also be a point of contact for individuals and their families undertaking the application. This would improve communication for potential residents and also provide accurate and up to date tracking information for all partners. It would also enable access to information and advice on extra care with one message for people and their families and carers.

Partners also agreed that extra care needs to be re-marketed and promoted more robustly to service users and professionals within the community. extra care as an alternative to residential care needs to become business as usual within the county, if we want to divert people from residential care and help promote and sustain people’s independence.



The reliance on finding potential extra care tenants, therefore, should not fall solely to social workers, who are often encountering people when they have higher needs and/or are in crisis. However, when social workers are encountering people who might be future extra care tenants, this could be indicated on their social care record and picked up at the annual review. ASSD localities could also benefit from refreshed promotion of extra care and how this supports the Promoting Independence strategic priority.



Conclusions

Norfolk County Council is committed to supporting vulnerable people, promoting and providing options for people to remain independent. One of these options is providing extra care and supporting the positive health and wellbeing of people with good quality housing and support.

Extra care provides independence and support, in a combination which supports individual privacy and communal socialisation opportunities. extra care provides on-site access to personal care, a safe and secure environment and access to local amenities. Studies have shown that people's outcomes improve, whilst dependency upon health and social care services decreases, when they are living in Extra Care.

In Norfolk the current provision does not meet demand that exists in Norfolk today nor for the future. The population is growing and ageing at a faster rate among the over 65-year olds and a significant number of this age group are currently home owners. This has an implication for the population we are providing extra care for and indicates that mixed tenure options need to be factored in.

The current nomination and allocations process are variable between district councils. ASSD practice differs regarding the identification of people who might be suitable for extra care in the future. District Council partners have stated that they would favour common processes to enable people to access extra care and favour a centralised management approach.



The future need for extra care is given by population based prevalence indicator. For Norfolk (taking away the existing known supply) this indicates that by 2028 Norfolk will require an additional 2842 extra care units. Current domiciliary care usage helps to validate this number, as we know that there are currently 3092 people accessing up to 60 hours of care in a four-week period. These clients are likely to make up a proportion of extra care residents of the future. From using Sheltered Housing data on the current needs of residents, cross-referenced with dementia and falls prevalence, this can help us to identify early priorities for accommodation being in certain areas within the districts.

Extra care for the future will also have to continue to support people who have dementia to live independently and consider access for people with physical and Learning Disabilities and who have mental health issues. The accommodation for future extra care will need to cater for diverse needs of people who have protected characteristics, provision for couples and bariatric people. The tenure options of



extra care will have to be aligned to the needs of the population and therefore provide mixed tenure, private renting and ownership alongside affordable options. The care model provided in extra care will also need to be more flexible and more accessible in order to divert people into this provision and away from residential care. For this reason, the high, medium, low care needs threshold is the most logical model to progress, to enable people with mixed-needs to access extra care.

The management and implementation of the allocation of people to extra care needs to simplify, be more streamlined and engage all partners throughout each part of the allocations process. This includes communication and support to service users and their families. Generating more awareness of extra care and what the benefits are to professionals, people and their families is paramount, in enabling this provision to be promoted and utilised and, therefore, effective in proving an alternative to residential care. This will enable Norfolk County Council to promote people's independence for longer and to fulfil its duties under the Care Act, to delay the need for care and support and to promote individual wellbeing.



Recommendations

1. The population-based evidence and Norfolk County Council's plan to support more people to stay independent in their own community indicates that by 2028 Norfolk needs **2842** additional extra care units. This data needs to be refined in conjunction with District Councils and other stakeholders to create area-based plans for each District Council area to feed into the planning process.
2. The development of extra care requires mixed tenure options, should cater for diverse needs of residents and should offer extra care units, catered for people with dementia.
3. A more flexible model of care provision is required to
 - a. enable a wider range of people access extra care
 - b. ensure that extra care provides more choice and personalisation, as well as
 - c. provide a more flexible care contract which provides better value for money.
4. Access into extra care should be more streamlined for people who would want to finance their own care (i.e. self-funders) and for people who want to privately rent and fund their care provision and not necessarily involve all of Norfolk County Council's processes and procedures.
5. A programme needs to be established and a business case developed, with partners and relevant stakeholders, which will address these issues and determine the most effective delivery mechanism to increase our extra care supply. This will be overseen by the Integrated Commissioning Team with close collaboration with Norfolk Property Services and District Councils.



APPENDIX A Key Partners in extra care in Norfolk¹⁸

Partner	Role	Legal Drivers
Norfolk County Council Adult Social Services Department (ASSD)	Commissioner of Care Services and of Housing Related Support; personalisation and prevention agendas	Care Act 2014 Public Sector Equality Duty/Equalities Act 2010
District Councils: Breckland District Broadland District Great Yarmouth Borough King's Lynn & West Norfolk North Norfolk District Norwich City South Norfolk	Provider of housing to meet housing need, normally with nomination rights set out in a nomination agreement with housing providers for extra care housing for rent and/or sale eg shared ownership	Homelessness Act 2002 Housing Act 1985 Localism Act 2011
Housing Provider/Registered Social Landlord	Provider of housing and usually housing management & housing related support services	HCA Affordable Housing Capital Funding (2008, being refreshed)
Care Provider	Provider of care services	Care Standards Act 2000 Health and Social Care Act 2008 (registration requirements) regulations 2009 Domiciliary Care Regulations 2002 Care Quality Commission
Clinical Commissioning Groups Norwich Great Yarmouth & Waveney North Norfolk South Norfolk West	Commissions primary care services who deliver to schemes	Health and Social Care Act Five Year Forward View Public Sector Equality Duty/Equalities Act 2010
Norfolk County Council Public Health Department	Prevention outcomes and reducing health inequalities; Joint Strategic Needs Assessment	
Norfolk Older People's Strategic Partnership Board	Giving a voice to older people in the Housing, Health and Social care agendas	Community involvement into the development of service provision

¹⁸ With reference to Housing LIN (2010) *Assessment and Allocation in extra care housing*, The Institute of Public Care, Oxford



APPENDIX B Specialist Housing by District and CCG

The breakdown of Specialist housing supply and need by district, housing type and number of dementia units is as follows:

Table 1 Specialist housing supply and need by district, housing type and dementia units

District	Sheltered Housing						Housing with Care (Extra care) / Enhanced Sheltered						Total Housing Units
	Dementia units	Non-dementia units	Rented	Shared Ownership	Leasehold/Ownership	Total Sheltered Housing	Dementia units	Non-dementia units	Rented	Shared Ownership	Leasehold/Ownership	Total Housing with Care	
Current supply 2015													
Breckland	0	933	800	12	121	933	0	109	109	0	0	109	1,042
Broadland	0	801	507	14	281	801	0	90	50	10	30	90	891
Great Yarmouth	0	1,113	1,012	30	71	1,113	0	64	64	0	0	64	1,177
King's Lynn and West Norfolk	0	1,249	985	0	264	1,249	10	66	76	0	0	76	1,325
North Norfolk	0	880	570	0	310	880	0	70	70	0	0	70	950
Norwich	0	2,126	1,672	0	454	2,126	21	216	237	0	0	237	2,363
South Norfolk	0	841	717	0	124	841	10	209	219	0	0	219	1,060
Total	0	7,943	6,263	56	1,625	7,943	41	824	825	10	30	865	8,808
Estimated need 2015													
Breckland	97	1,755	402	316	1,134	1,852	35	632	145	114	408	667	2,519
Broadland	101	1,742	37	157	1,649	1,843	36	627	13	57	594	664	2,507
Great Yarmouth	69	1,192	614	195	451	1,261	25	429	221	70	162	454	1,714
King's Lynn and West Norfolk	127	2,043	790	394	985	2,170	46	735	285	142	355	781	2,951
North Norfolk	106	1,810	640	412	864	1,916	38	652	230	148	311	690	2,606
Norwich	70	1,170	741	102	398	1,240	25	421	267	37	143	447	1,687
South Norfolk	107	1,634	115	186	1,439	1,741	38	588	42	67	518	627	2,368
Total	677	11,346	3,340	1,763	6,921	12,023	244	4,084	1,202	635	2,491	4,328	16,352
Estimated need 2036													
Breckland	203	3,151	733	574	2,047	3,354	73	1,134	264	207	737	1,208	4,562
Broadland	199	2,939	66	271	2,801	3,138	71	1,058	24	97	1,009	1,130	4,268
Great Yarmouth	135	2,013	1,055	332	761	2,148	49	725	380	120	274	773	2,922
King's Lynn and West Norfolk	238	3,333	1,310	646	1,615	3,571	86	1,200	472	233	581	1,285	4,856
North Norfolk	200	2,982	1,069	687	1,426	3,182	72	1,074	385	247	514	1,146	4,328
Norwich	110	1,717	1,086	150	591	1,827	40	618	391	54	213	658	2,485
South Norfolk	224	2,950	213	342	2,619	3,174	81	1,062	77	123	943	1,143	4,317
Total	1,309	19,086	5,532	3,002	11,862	20,395	471	6,871	1,991	1,081	4,270	7,342	27,737



The breakdown of Specialist **housing unmet need** by district, housing type and number of dementia units is as follows:

Table 2 Specialist housing unmet need by district, housing type and dementia units

District	Sheltered Housing						Housing with Care (Extra care) / Enhanced Sheltered						Total Housing Units
	Dementia units	Non-dementia units	Rented	Shared Ownership	Leasehold/Ownership	Total Sheltered Housing	Dementia units	Non-dementia units	Rented	Shared Ownership	Leasehold/Ownership	Total Housing with Care	
Unmet need 2015													
Breckland	97	822	-398	304	1,013	919	35	523	36	114	408	558	1,477
Broadland	101	941	-470	143	1,368	1,041	36	537	-37	47	564	574	1,615
Great Yarmouth	69	79	-398	165	380	148	25	365	157	70	162	390	537
King's Lynn and West Norfolk	127	794	-195	394	721	921	36	669	209	142	355	705	1,626
North Norfolk	106	930	70	412	554	1,036	38	582	160	148	311	620	1,656
Norwich	70	-956	-931	102	-56	-886	4	205	30	37	143	210	-676
South Norfolk	107	793	-602	186	1,315	900	28	379	-177	67	518	408	1,308
Total	677	3,403	-2,923	1,707	5,296	4,079	203	3,260	377	625	2,461	3,463	7,543
Unmet need 2036													
Breckland	203	2,218	-67	562	1,926	2,421	73	1,025	155	207	737	1,099	3,520
Broadland	199	2,138	-441	257	2,520	2,336	71	968	-26	87	979	1,040	3,376
Great Yarmouth	135	900	43	302	690	1,035	49	661	316	120	274	709	1,745
King's Lynn and West Norfolk	238	2,084	325	646	1,351	2,322	76	1,134	396	233	581	1,209	3,531
North Norfolk	200	2,102	499	687	1,116	2,302	72	1,004	315	247	514	1,076	3,378
Norwich	110	-409	-586	150	137	-299	19	402	154	54	213	421	122
South Norfolk	224	2,109	-504	342	2,495	2,333	71	853	-142	123	943	924	3,257
Total	1,309	11,143	-731	2,946	10,237	12,451	430	6,047	1,166	1,071	4,240	6,477	18,928



APPENDIX C extra care Needs Analysis¹⁹

According to the Public Health Information Team:

If the current provision of extra care housing is low and the local authority have a fully developed extra care housing strategy, then it could potentially reduce the number of residential beds by 20%, but this would require the local authority to meet the extra care housing prevalence of 25 dwellings per 1,000 people aged 75 and over.

1. Prevalence of need estimate

The number of extra care units required per 1,000 of the population aged 75+ is given by a national calculation of prevalence, using a factor of 25 units.

The council has ambitions to reduce its placements into residential care by 20% over the next 10 years for 65+ (reduction on projected numbers based on population growth). We have used the national equation and our aim for a 20% reduction in placements to residential care by 2028. We have looked at current self-funding numbers and added projected demographic growth to specify a tenure split. We calculate the amount of extra care needed by district to be as follows:

extra care per District: demand in the year 2028:

District	Population estimate over 65	Prevalence of need (factor 25) + 20% reduction in Residential care placements (all ages)	Minus existing supply	Unmet need 2028	Affordable rent	Outright sale/shared ownership
Breckland	42,000	572	54	518	207	311
Broadland	39,600	548	70	478	191	287
Great Yarmouth	28,100	375	65	310	124	186
King's Lynn and West Norfolk	46,600	622	70	552	220	332
North Norfolk	40,200	556	70	486	194	292
Norwich	24,300	318	180	138	55	83

¹⁹ With reference to Public Health Information Team *Accommodation for older people – current supply, current need and future need*, (DRAFT), Norfolk County Council, 2016



South Norfolk	40,200	549	189	360	144	216
	261,000	3540	698	2842	1135	1707

This shows that by the year 2028 Norfolk will need an additional 2842 extra care Units to meet its identified need.



APPENDIX D: Sheltered Housing Needs Analysis and Emerging Needs

The Sheltered Housing needs analysis²⁰, carried out during 2017, is based on current residents within sheltered housing schemes and ranked against the following:

- High need – the client requires on-going access to formal support (or may need assistance from Social Care, Health, or District Council Services)
- Medium need – the client's support needs could be met with an informal support package provided by a third sector organisation or group (for example a voluntary organisation)
- Low need – the client is able to self-manage their needs, or would be able to with appropriate support which is already in place (for example, from family or friends)

The results have been mapped per district council. Alongside this needs analysis the prevalence of falls and dementia has also been identified from Norfolk Insight, per district council area, to present a more focussed assessment of need.

The headlines from this needs analysis are the following:

- In Breckland there is an emerging risk based around Mundford based on the dementia and falls maps and Thetford and Dereham,
- In Broadland the high needs prevalence is found in the south of the district, bordering with Norwich City,
- In Great Yarmouth there is a cross over with Broadland around the Filby, Potter Higham areas where the maps indicate a growing risk, as well as Belton, South Town and Hemsby indicating areas of need.
- In King's Lynn and West Norfolk there is an emerging need around, King's Lynn, Methwold, Mundford, areas where there is crossover between two districts
- In North Norfolk the high needs prevalence is found in Cromer,
- In Norwich the high needs prevalence is found in the centre of Norwich and the border with Broadland
- In South Norfolk there are hotspots for falls and dementia in the Diss area, however there are emerging risk the east of the district which has sporadic provision

Also there will need to be consideration given to Local Area Plans and the Greater Norwich Plan both of which indicate to areas of growth which will have an impact on services in that areas examples being new housing in North Walsham and the proposed plans for Great Plumstead along with the growth in housing in areas like Rackheath, Sprowston and Wroxham.

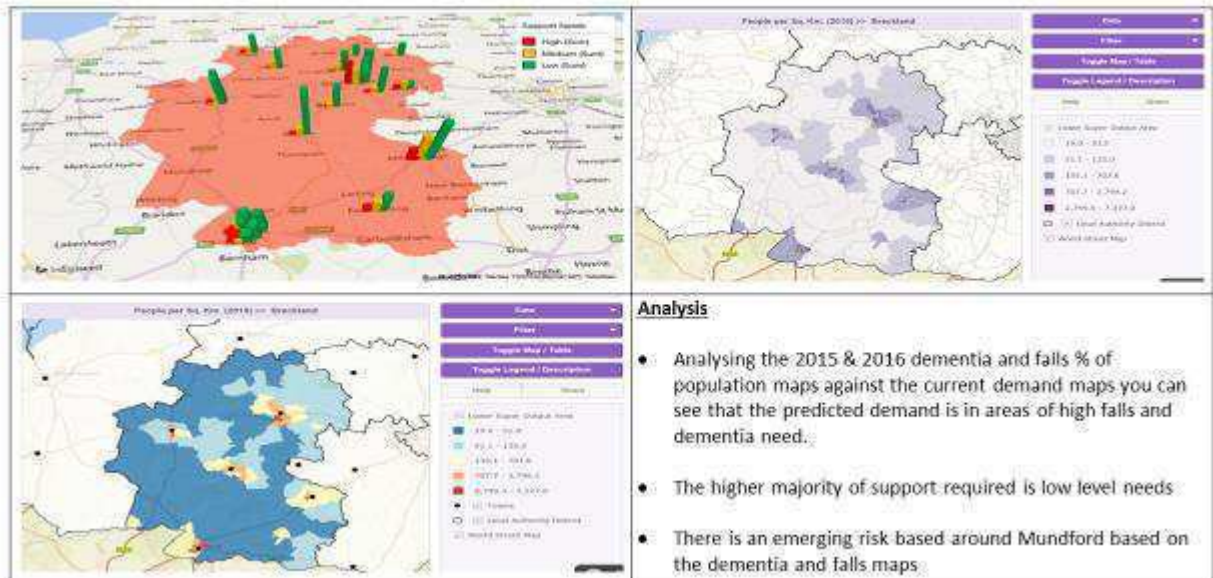
The detailed breakdown per District area is below.

²⁰ Please note the above map excludes schemes for the following providers: Norwich Housing Society

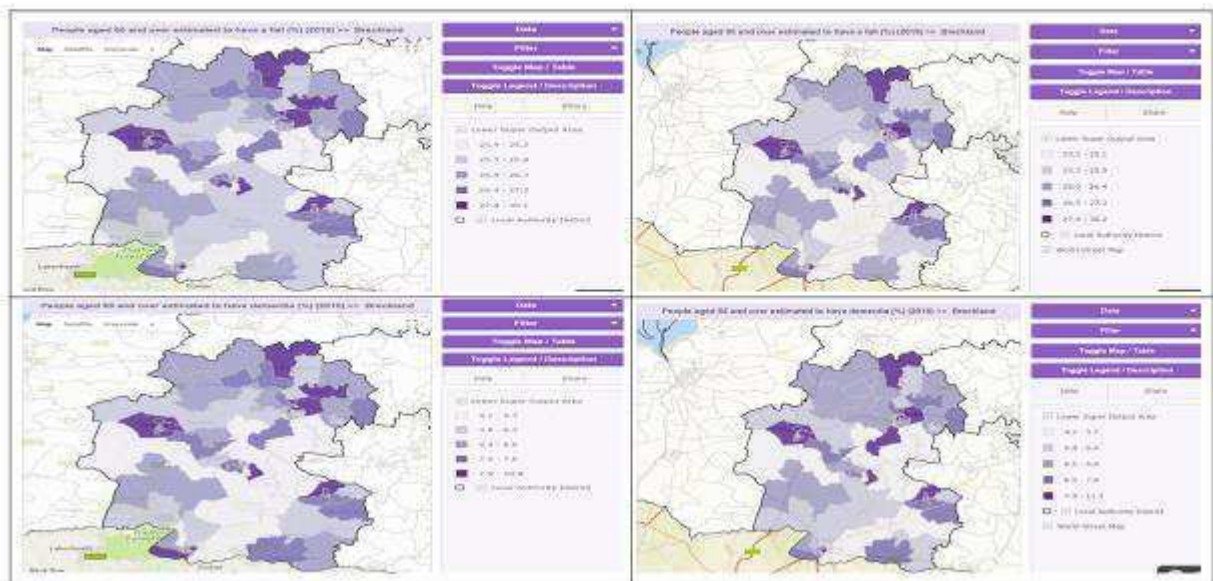


Sheltered Housing – Breckland Schemes and Emerging Needs

Sheltered Housing – Breckland Schemes Support Need RAG Status (1)

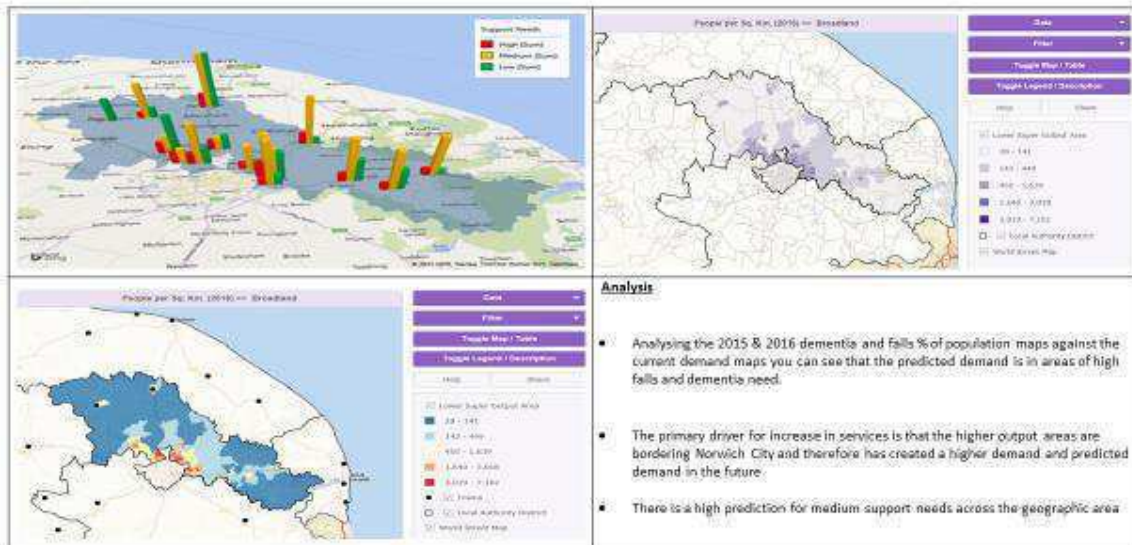


Sheltered Housing – Breckland Schemes Support Need RAG Status (2)

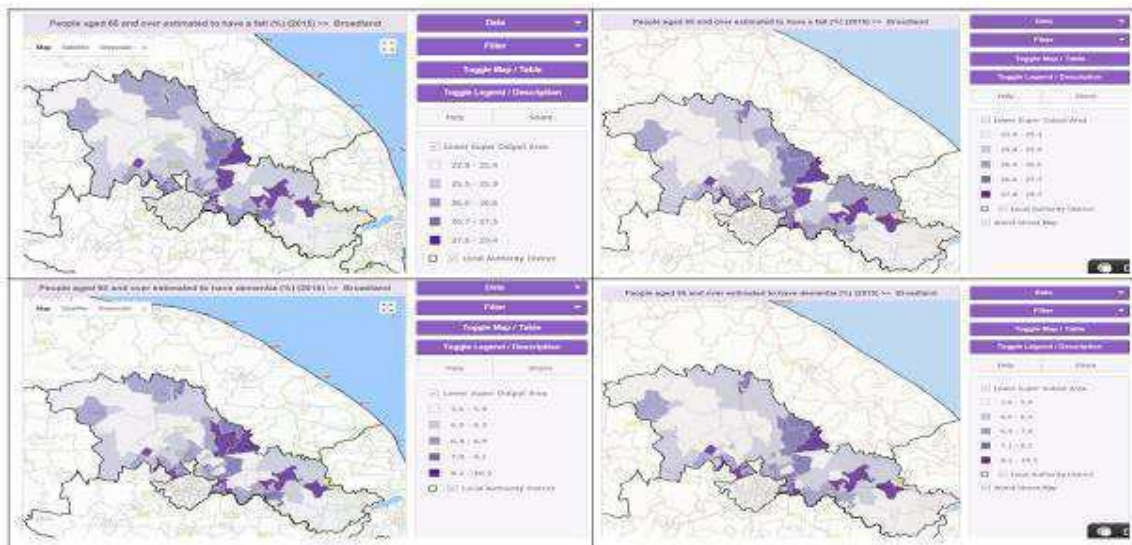


Sheltered Housing – Broadland Schemes Support Need RAG Status

Sheltered Housing – Broadland Schemes Support Need RAG Status (1)

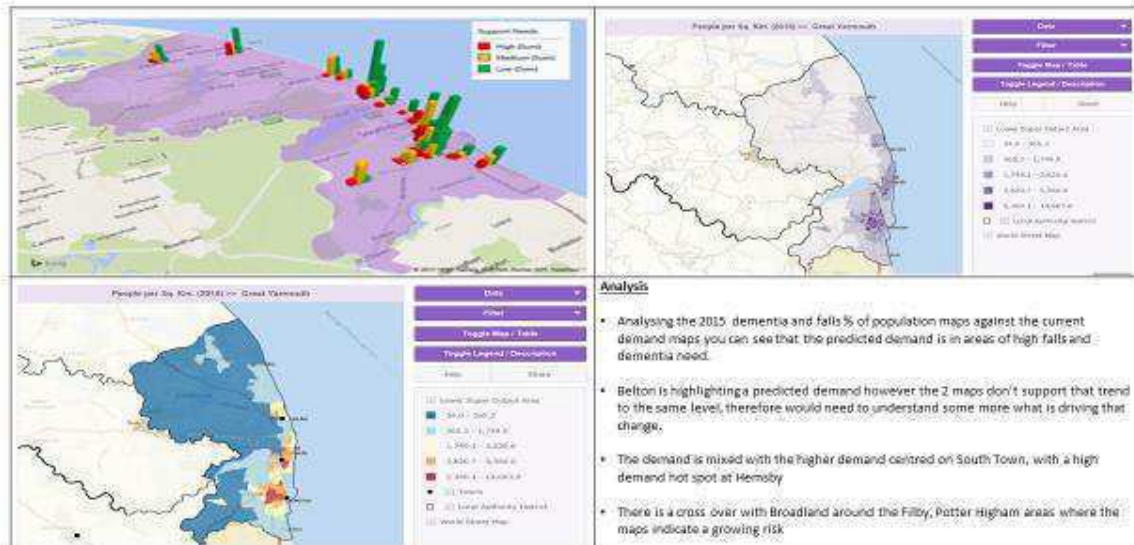


Sheltered Housing – Broadland Schemes Support Need RAG Status (2)

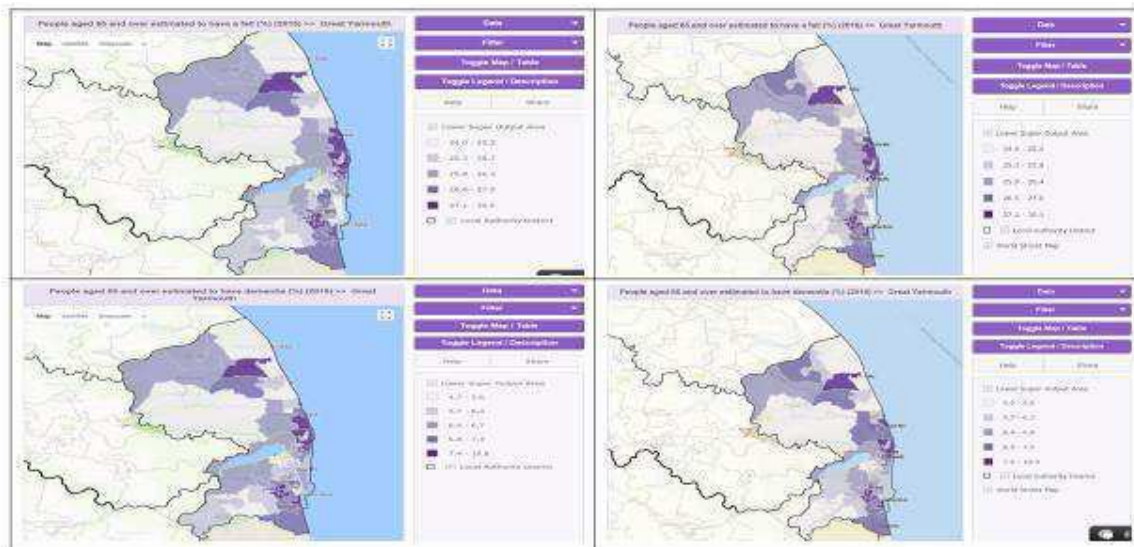


Sheltered Housing – Great Yarmouth Schemes and Emerging Needs

Sheltered Housing – Great Yarmouth Schemes Support Need RAG Status (1)

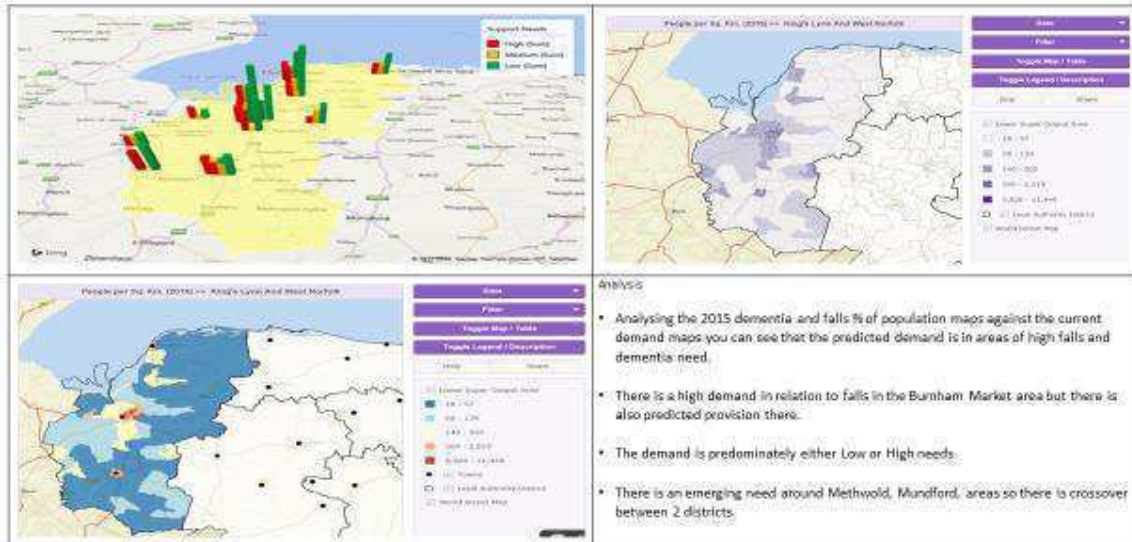


Sheltered Housing – Great Yarmouth Schemes Support Need RAG Status (2)

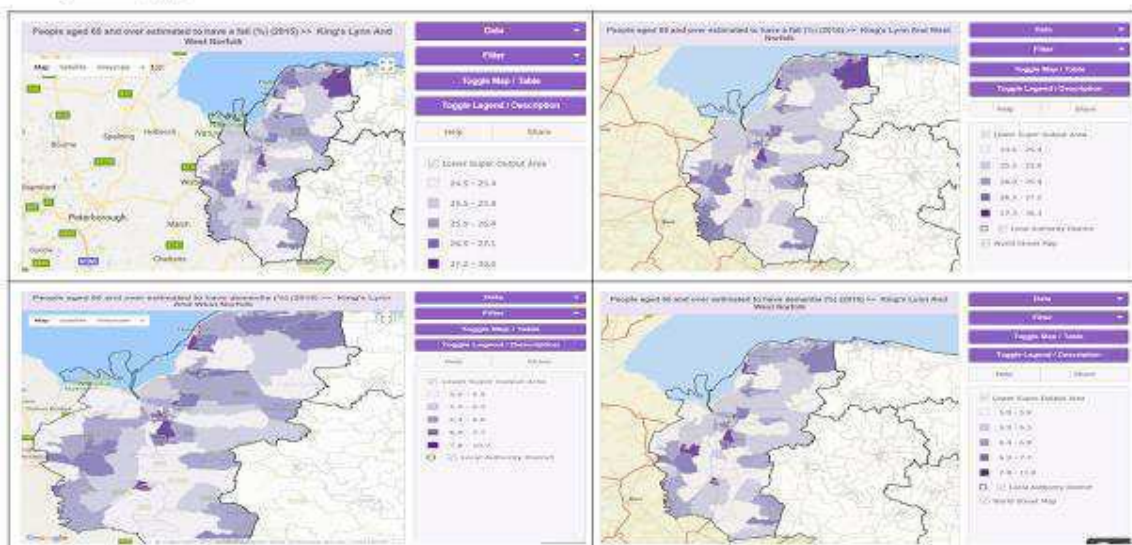


Sheltered Housing – King’s Lynn and West Norfolk Schemes and Emerging Needs

Sheltered Housing – King’s Lynn and West Norfolk Schemes Support Need RAG Status (1)

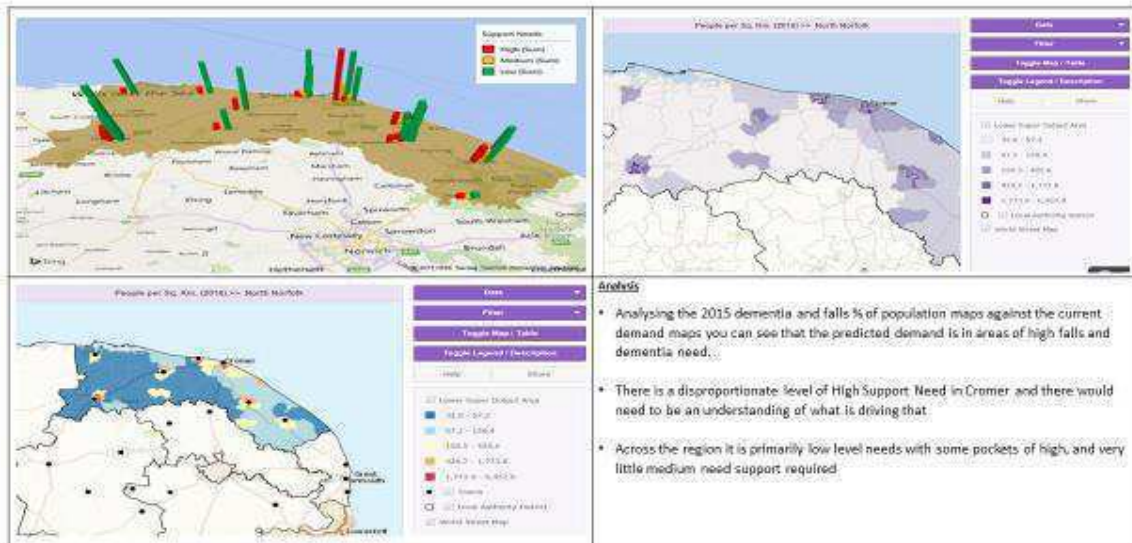


Sheltered Housing – King’s Lynn and West Norfolk Schemes Support Need RAG Status (2)

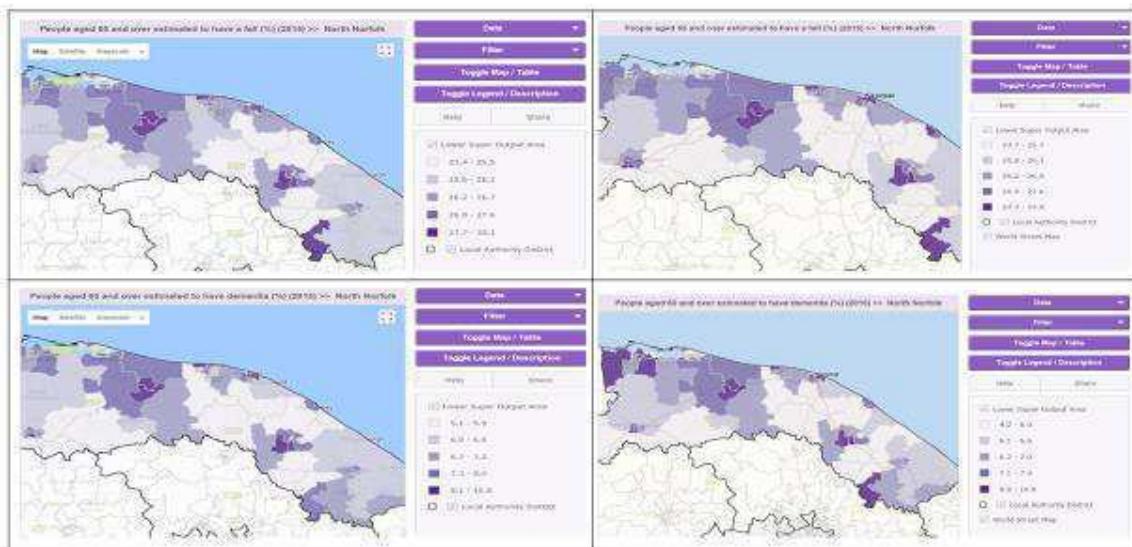


Sheltered Housing – North Norfolk Schemes and Emerging Needs

Sheltered Housing – North Norfolk Schemes Support Need RAG Status (1)

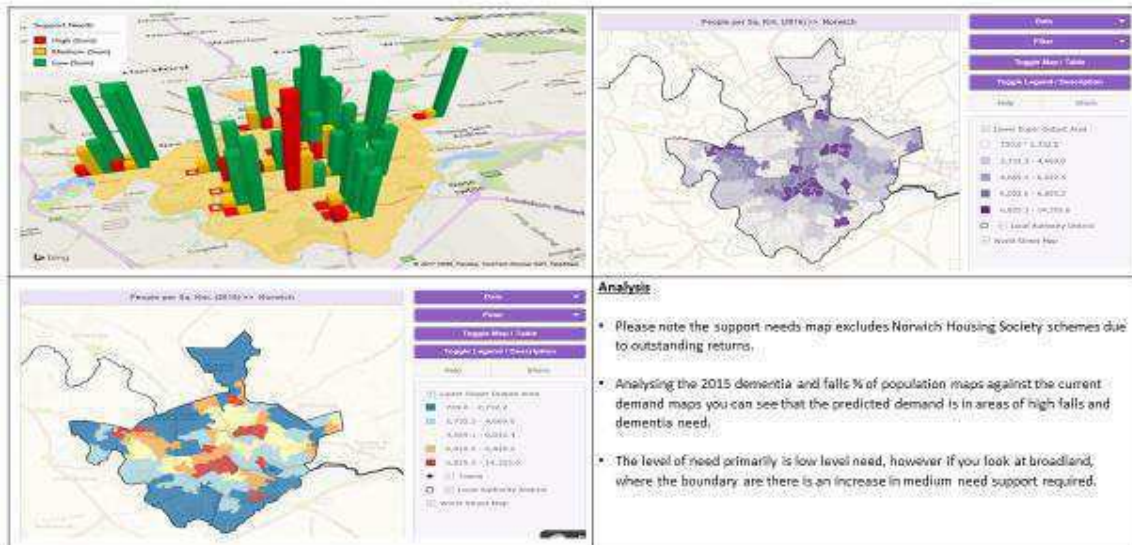


Sheltered Housing – North Norfolk Schemes Support Need RAG Status (2)

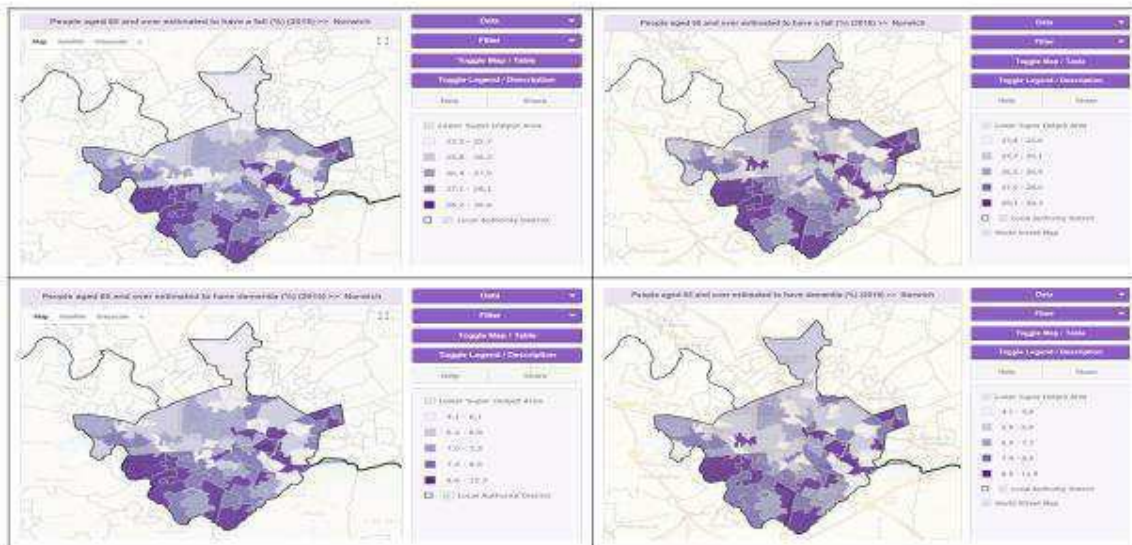


Sheltered Housing – Norwich Schemes and Emerging Needs

Sheltered Housing – Norwich Schemes Support Need RAG Status (1)

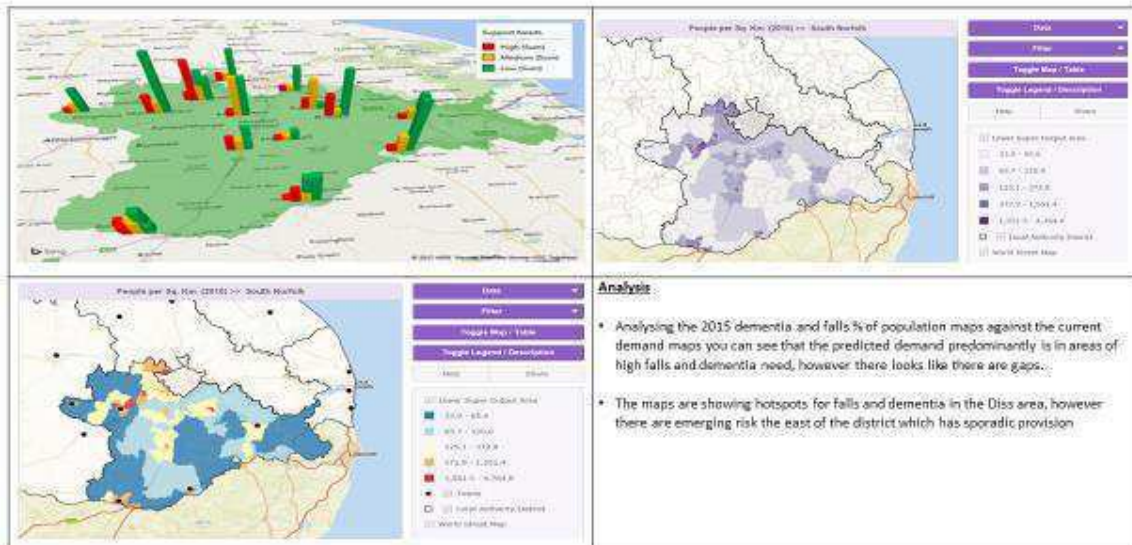


Sheltered Housing – Norwich Schemes Support Need RAG Status (2)

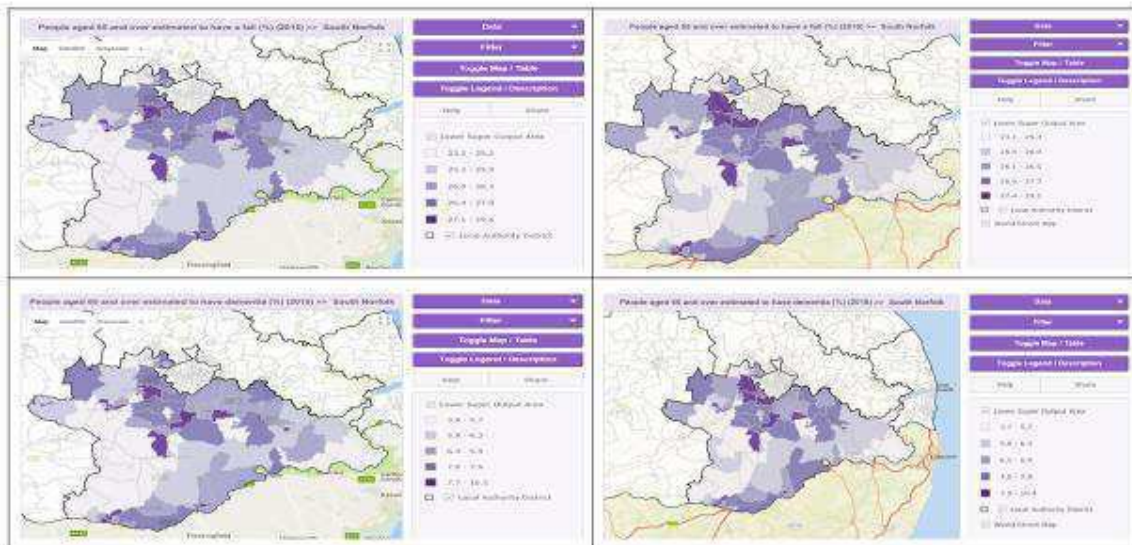


Sheltered Housing – South Norfolk Schemes and Emerging Needs

Sheltered Housing – South Norfolk Schemes Support Need RAG Status (1)



Sheltered Housing – South Norfolk Schemes Support Need RAG Status (2)



APPENDIX E: Engagement Outcomes extra care Workshop held with partners in June 2017

There is a general agreement from partners that extra care is a good way of preserving independence and keeping people safe.

What's not working well in Extra Care?

- Financial Assessments - timeliness
- Too many handovers/gaps and single POF
- Complex process; too much jargon; "it's a mess"
- No referrals from GPs
- Too many assessments
- Hard to access from Out of County
- Social Care Centre for Excellence no longer take on cases
- Eligibility criteria for care
- Turnover – some people are coming in too late
- Reliance on the hours of care needed to make a decision rather than really assessing whether HwC is the right option for a particular person
- Seven separate lists for HwC could become one central county list
- No countywide waiting list
- Management of voids is unclear – who pays for the voids?

Requirements for the future extra care Strategy and Implementation Service

Robust evidence base required

- Local plan to demonstrate district demand and capacity per vulnerable group
- Self-funder market provision
- Mixed tenure provision
- Experience from residents and data from length of tenancies
- Clear link to the Housing Strategy
- Linkage to other types of accommodation: sheltered, general needs, social housing, private retirement housing, a 'route through'

District Council Partners

- Statutory need for districts to have a housing register, so need to be involved
- Need to ascertain who districts accept on the register – a standard approach

Care Provision

- Needs to be consistent per unit/offer
- Flexible criteria and contractual arrangements



- DTOC/intermediate Care & Planning Beds
- Respite
- Extra care need to be provided
- Low – medium – high model of care
- Clear link to Primary Care Provision

Accommodation

- Being able to house couples
- Being able to have mixed cohorts (LD)
- Need Norfolk-wide access rather than district/local connections as a requirement

Social Work Practice

- Use Three Conversations to support allocation
- Clear data on forthcoming HwC needs
- Linkage to Promoting Independence
- Training on what HwC is

Implementation Model

- Single point of contact with a dedicated HwC team as a One Stop Shop, which knows the localities
 - Tracking and chasing up of social care assessment, financial assessment, care providers assessment and the whole referral to tenancy process
- Clear data on forthcoming demand and forecasting vacancies
- County wide tracking of data: number of flats, number of voids, turnover, length of time-assessment, number of referrals and reason
- Better information sharing
- Hand holder for people through the system; Better communication with potential residents i.e leaflets, advice and advocacy - and follow up calls
- People facing process needs to be easier -
- Marketing re-brand and promotion to professionals
- Financial Assessment Process:
 - Extra Care Assessment process to be completed in a timely manner per locality, working with Finance on alerting them to the need for a process
 - No individual to sign a tenancy agreement without a financial assessment being undertaken



Equality impact assessment form

Title of proposal:	Extra Care Strategy
Aims of proposal:	Create a Extra Care vision for Norfolk and secure the implementation of a Extra Care service in Norfolk
Directorate:	Adult Social Care
Lead Officer (author of the proposal):	Gita Prasad
Names of other officers/partners involved:	Corporate Housing Strategy Team; Norfolk Property Services; District Councils

Step 1: Evidence to support analysis

List here the evidence you are using in order to make an informed assessment. This might include:

- The service contributes to statutory requirements placed on the local authorities in relation to the provision of housing and care
- The service supports the ambition to supporting independent living and supports Promoting Independence.
- The service is currently delivered with variations of thresholds of need in different areas of Norfolk and for the difference schemes, which could lead to an inequality in access to provision.
- It is mainly used to support older people and the over 55s, but there are two schemes which have small cohorts of young adults with learning disabilities
- There is no restriction on gender or ethnicity but the diversity of take up across equality standards to yet to be determined

Step 2: Potential impact of proposal

Having considered the evidence, undertake your analysis. Assess how the proposal may impact on people with protected characteristics and if there is any potential for negative impact?

You might want to consider:

- Enabling better access and information to Extra Care for people with protected characteristics, e.g. couples of the same sex, people with religious needs



- Ensuring provision of Extra Care housing for people with dementia
- Providing a service delivery model which supports people through the process

Step 3: Action to address any negative impact

If your assessment identified any adverse impact, you must consider measures to avoid or mitigate this before a final decision is taken. This might include taking action to ensure that the needs of a particular protected group are met to ensure equitable overall access.

Actions

Action	Lead	Deadline
There is no negative impact which has been identified		

List of evidence used to conduct analysis

- Population-based estimates for Older People by Public Health Information Team
- Current usage of domiciliary care (up to 60 hours per four week period) to indicate needs prevalence
- Sheltered Housing needs analysis, cross referenced with dementia and falls prevalence to provide area-based needs analysis



APPENDIX G: References and Bibliography

Age UK (2011) *Factsheet: Later Life in the United Kingdom*, 2011

Care Services Improvement Partnership (CSIP), *ECH Toolkit*, Oxford Brookes University/Housing LIN

Communities & Local Government (2008), *Lifetime Homes, Lifetime Neighbourhoods – a national strategy for an ageing population*, CLG 2008

Elderly Accommodation Counsel (EAC) (2017), *Housing Care Information for Older People* website

Housing LIN (2010) *Assessment and Allocation in extra care housing*, The Institute of Public Care, Oxford

Housing LIN (2017) *Demonstrating the Health and Social Cost-Benefits of Lifestyle Housing for Older People*

Lacey & Moody (2016) *Evaluating Extra Care – valuing what really matters. Housing LIN Case Study 129*

Living Longer, Living Well The 4th Norfolk Older People's Strategy: Promoting Independence and Wellbeing 2016 – 2018, Norfolk Older People's Strategic Partnership Board

Norfolk Insight 2017

ONS *Subnational Population Projections 2014* referenced by Norfolk Public Health

Public Health Information Team *Accommodation for older people – current supply, current need and future need*, (DRAFT), Norfolk County Council, 2016

Public Health Norfolk (2014), *Living in Norfolk with Dementia: A Health and Wellbeing Needs Assessment*, Norfolk County Council 2014

Richard Humphries (2015), *Integrating housing and health: a tough nut to crack?*,

The King's Fund, 2015, as cited on its website

Shiro Ota (2015) *Housing an Ageing Population*, House of Commons Briefing Paper Number 07423, 2015

The County Council Plan 2016 – 19, Norfolk County Council

The Office for National Statistics (2013) *General Lifestyle Survey 2011*, ONS, March 2013





SOLUTION DESIGN EXTRA CARE IN NORFOLK

A SUMMARY OF FINDINGS
Version 1.0 Final

DATE: JULY 2018

FOREWORD

The purpose of this document is to set out the findings that have come from a piece of research undertaken by Inner Circle Consulting (ICC) on behalf of Norfolk County Council (NCC) to understand the barriers which face NCC in the development of Extra Care Housing Schemes. It also sets out recommendations as to how the barriers may be addressed.

The data was collected by means of a series of one to one interviews and group meetings with stakeholders drawn from the following groups:

- NCC Staff – Planning, Property, Finance, Adult Social Care, Procurement
- District Councils – North Norfolk District Council, South Norfolk District Council, Great Yarmouth Borough Council, West Norfolk District Council, Broadland District Council
- Housing Associations
- Developers
- Third Party Agencies – Bidwells, Arnolds Keys

It should be noted that Norwich City Council and Breckland District Council were invited to participate in the work but no response to the invitations from ICC were ever received. A full list of individual stakeholders is available in Appendix A.

Whilst some of the findings may be quite negative, it should be remembered that the information presented is what has been reported, it is not criticism, nor does it seek to apportion blame, but merely to report as accurately as possible the current situation. It should also be noted that ALL the people who were interviewed as part of this work were incredibly positive about developing Extra Care and engaging with NCC to make Extra Care a success in Norfolk.

Finally, ICC would like to extend its grateful thanks to all the people who took part in this research and who gave so generously their time and experience.

Chris Barber
Technical Director
Inner Circle Consulting
July 2018

TABLE OF CONTENTS

1 Background	4
2 developing a common understanding	5
3 high level barriers	8
Overview	8
Strategy	8
Governance	8
Commercial	9
Planning	10
Product and Process	10
Conclusions	11
4 SOLUTION DESIGN	13
Summary	13
5 next steps	15
6 Appendix A - stakeholders	16
7 Appendix B – swot analysis	18
8 Appendix C - Barriers	20

1 BACKGROUND

Norfolk County Council (NCC) is committed to supporting people to be as independent as possible during their lives in their own home, or otherwise. This is a Norfolk County Council corporate priority:

“Supporting vulnerable people – including helping people earlier before their problems get too serious”

The NCC vision is:

“to support people to be independent, resilient and well.”

To achieve that vision, NCC has developed a strategy entitled *Promoting Independence*. The strategy has three main elements: prevention and early help, staying independent for longer and living with complex needs. Specifically identified within the living with complex needs element is the requirement for a range of housing options for people which helps them retain their independence. Having appropriate supported housing available in the right locations, at the right time and with the right characteristics will also go a long way to deliver the vision.

Delivering the range and volume of supported housing needed will not be easy. Like most Local Authorities, NCC is experiencing a continuing fall in revenue funding and an increasing demand for services. At the same time, the council needs to respond to changing expectations and aspirations of how care and support is delivered. The most recent NCC response to meeting these challenges was considered in the *Commissioning and Market Shaping Framework 2017/18 to 2019/20* paper to Committee on 6 November 2017.

One of the key points of the paper was the need for care accommodation to be modernised and the supply of independent / supported accommodation increased. The paper goes further to state that NCC expects a significant rise in the number of older people in particular who will require dementia-related care and/or nursing support and that recent commissioning research suggests that about 1500 extra beds will be required as a minimum by 2036 to meet demand. Another key point for this commission is that approximately 90% of existing residential care homes were not purpose built and many are not registered to support people with dementia.

The development and delivery of age and need appropriate housing in Norfolk is therefore a key priority.

Delivering supported housing will require NCC to take a number of strategic organisational and investment decisions that will have a long-lasting impact on how the Council operates. A new 60-unit housing with care development will take at least three years to design, plan, procure, build and occupy; during that time NCC will need to work in close partnership with the developer / provider to ensure that the scheme quickly reaches full occupation. 1500 units of housing with care (the current identified demand) will require around 25 schemes with a likely delivery period approaching five years. Comparatively smaller scale accommodation for working age adults (WAA) with disabilities can be delivered quicker, although requires greater coordination with the social care teams.

There is also likely to be a requirement for substantial capital investment to support inherently unviable affordable rent tenures and significant short-term revenue funding to implement the programme before it becomes self-funding.

2 DEVELOPING A COMMON UNDERSTANDING

Acting alone, NCC cannot significantly increase the quantity and quality of supported housing in the county. In fact, only by working in close partnership with the District, Borough and City Councils, developer/ provider market (and in some areas, service users) will the optimal solution be determined. Delivering supported housing at scale requires an alignment of social care practice, capital funding, planning, housing, housing benefit, land, finance and delivery expertise; as shown in figure 1 below.

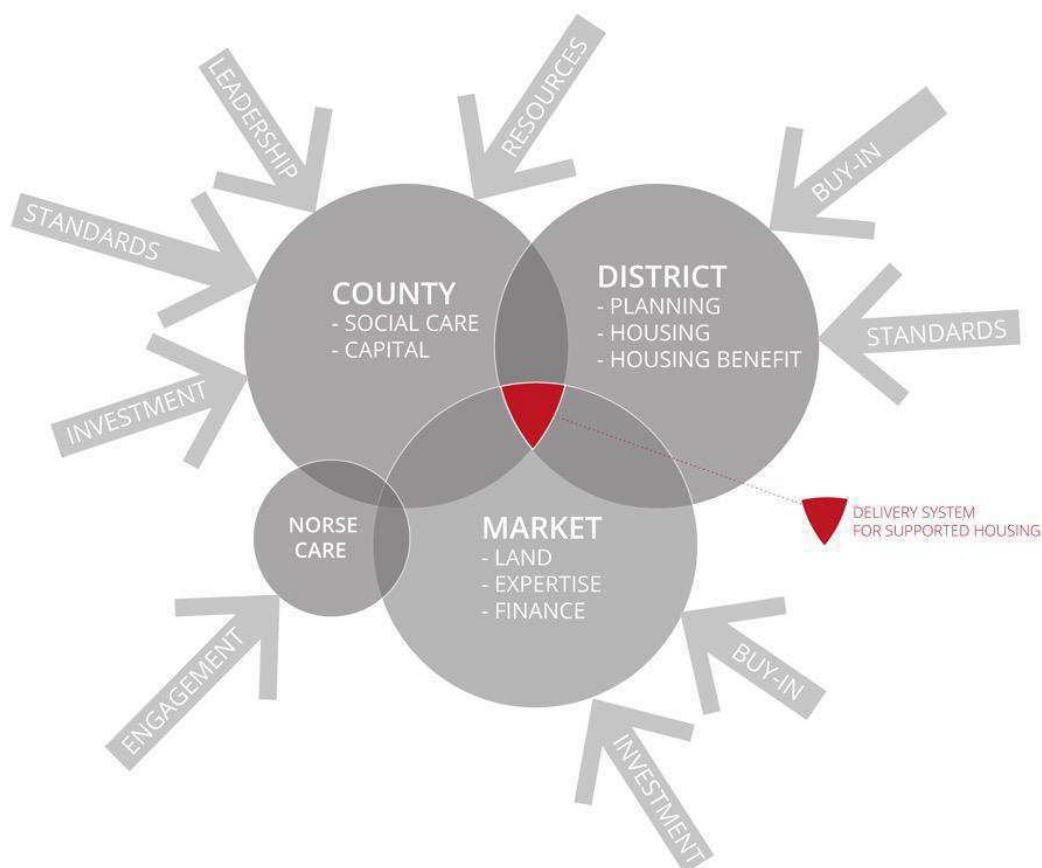


Figure 1– Diagram showing proposed document structure

This means that key internal and external stakeholders must be meaningfully, and appropriately, engaged throughout the process in order that all of the barriers to accelerating delivery can be understood and a solution designed to manage or remove them.

NCC	District Councils	Developer/ provider market	Service users
<ul style="list-style-type: none"> • Social care commissioning • Social care operations • Finance • Legal • Commercial • Procurement • Property • Data and insight • Senior Officers • Members 	Planners, Housing Benefit Officers and Housing Officers in: <ul style="list-style-type: none"> • Breckland • Broadland • Great Yarmouth • King's Lynn and West Norfolk • North Norfolk • Norwich • South Norfolk 	<ul style="list-style-type: none"> • Housing associations • Private developer/ providers • Investors • Funders • Norse Care 	<ul style="list-style-type: none"> • Older people living at home or in existing supported housing • Older people living at home, with a carer or in existing supported housing • Service user carers and advocates

Figure 2 – Stakeholders

As a result of the interactions with stakeholders, a number of key themes or barriers have emerged as to why NCC have struggled to develop Extra Care in the county over a number of years. These can be summarised as barriers associated with:

- Strategy
- Governance
- Commercial
- Planning
- Product/Process

Appendix C contains the full list of key barriers identified in each of these areas along with the significance and impact of each one.

Market Stimulation

To entice the very best developer / providers to enter the Norfolk market will require an engaging and outward-facing narrative. These companies want to know that the Council is internally aligned across its departments and externally aligned with the Districts. Any communication with them needs to be consistent, clear and transactional.

The very best organisations will have many options to consider so NCC will need to become a destination of choice based upon the ease through which they can invest and develop. Therefore, it is essential that NCC has a clear understanding of these barriers and the possible solutions required to address them so that developers will want to make Norfolk a destination of choice to develop Extra Care housing.

However, it should be noted that the barriers identified will have an adverse influence on the following if not addressed in an appropriate and timely manner:

Delivery Model - what models should NCC deploy to deliver the supported housing; options include capital grant, conditional land and building exchange

Planning – using the demand data to embed the requirement for supported housing within the local planning processes and aim to agree a consistent planning use class for each type of supported housing.

Rents and service charges – working with the Housing Benefit Officers in the Districts to aim to agree which supported housing can be classified as exempt accommodation and an appropriate and acceptable range of rents and services charge.

Care model – working with NCC Adult Social Care Commissioning and Operations to agree a common approach to care commissioning across each type of supported housing. This work will also include understanding the current care pathways and how they will change when sufficient supported housing is delivered.

Revenue case – working closely with a nominated senior finance representative to build and populate the finance and capital model to support council investment in supported housing. Some of the key factors that will need to be captured in the financial model are shown in figure 3 below.

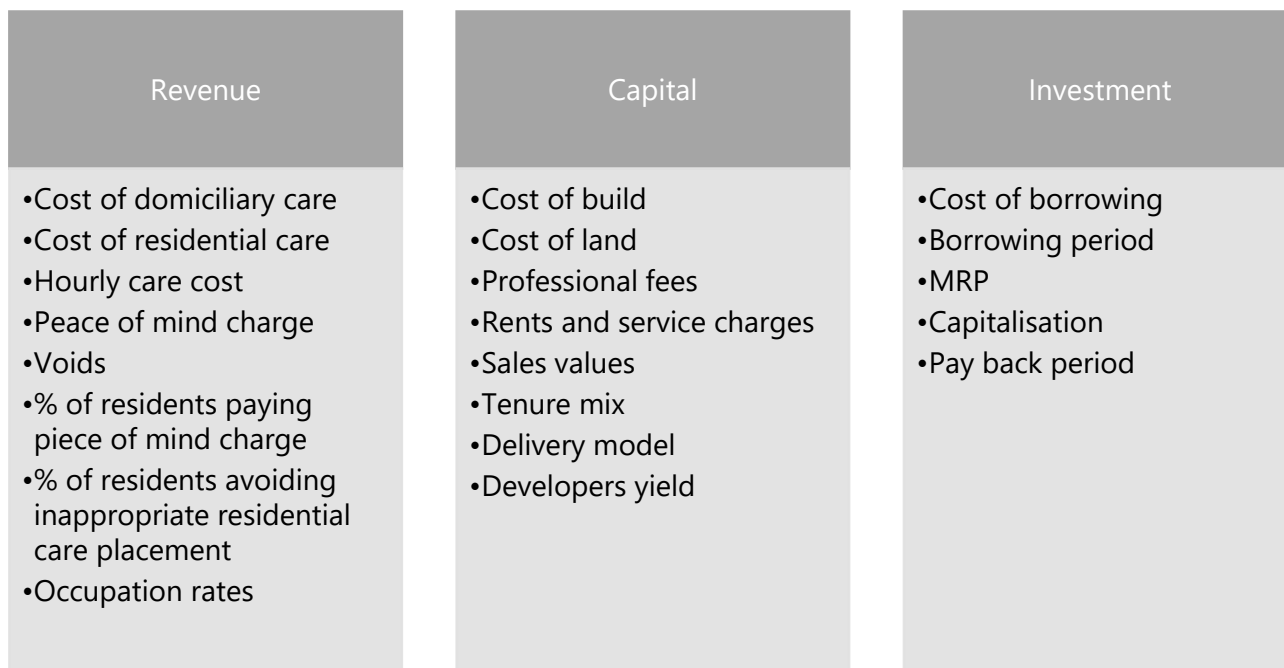


Figure 3 – Revenue Implications

3 HIGH LEVEL BARRIERS

Overview

The barriers or challenges to the development of Extra Care Housing in Norfolk are presented here in summary form. The detail of the findings is contained in Appendix C. Whilst the findings are split out in this section and in the appendix for ease of reading, the reality is a complex set of relationships and interdependencies exist between each of the elements which cannot be underestimated.

Strategy

There is no strategy specifically formulated for the development of Extra Care in the county. This has resulted in a lack of clear direction on the development of supported housing in terms what is required (style of accommodation), where, when and volumes. This means that any planning and development work is at best unplanned and rather ad hoc which is not the best approach for creating a sustainable service or value for money.

Decision making at best is slow which is not conducive to the rapid response that is required when commercial development opportunities present themselves and frustrates Housing Associations who want to engage with the Council, but cannot wait for extended periods for it to make a decision. The result is that Housing Associations will therefore look to other sources of business which are easier to bring on stream and Norfolk misses potential opportunities because it cannot respond quickly enough.

The issues of decision making is exacerbated by the many and various competing priorities not only within the Director of Integrated Commissioning's remit, but within the Council as a whole. There is no apparent clarity about what the priority is and therefore how to use the assets available to maximum effect.

The lack of strategy appears to result in an approach that seems to be best described as crisis management. Because the trend tends to be that vulnerable adults get taken into care when their situation has reached a crisis point, social workers take whatever care option is available rather than it being necessarily the right option for that individual. This results in a very reactive rather than proactive approach to Extra Care.

Governance

There has been a distinct lack of strong leadership and direction over the last 10 years with regard to the provision of supported housing. There has been no overall co-ordinating function to implement and manage the provision of supported housing, which in itself has made it difficult for developers to engage with the Council. The lack of a co-coordinating function makes it virtually impossible for developers to know how to engage with the Council and who owns the engagement process and so at best ad hoc development takes place. This type of approach also means that where new accommodation is built, it may not be totally suitable for the intended residents and require a refit at a later date, culminating in unnecessary and avoidable costs that could have been identified at the outset of the process.

Given all the various parties which are involved in placing someone in Extra Care Housing, there is little evidence of any real joined-up thinking which again results in a very fragmented approach to the provision of supported housing and placing people in the right type of accommodation for their care needs.

NCC tends to take on a controlling rather than enabling role to the provision of supported housing. Why this stance is adopted is not really clear but could be related to the lack of clear strategy and governance thus making it difficult to give the autonomy that is required.

Commercial

NCC has no formal process or business model for engaging with developers, housing associations or with the market generally, which is a significant barrier to both the Council reaching out to developers and to developers wanting to engage with the Council to bring new sites on stream.

The general lack of commercial awareness by NCC on how to turn strategy into actual developments and generate income or make effective cost savings is significant. Because of the prevailing culture in the Council, which is predominantly non-commercial, there is a general lack of understanding that Housing Associations are businesses that have to make money. This is particularly important when build costs continued to rise last year, whilst the revenue going into supported housing halved, combined with the uncertainty around the rent cap.

Any LHA rental cap will bring with it a further set of challenges for setting the levels of affordable rents. A barrier at present is the level of rental income available for Extra Care Housing. In simple terms, low rents require grant support for such housing developments to be viable.

Coupled with the lack of commercial awareness, is the lack of any sense of urgency by staff in the Council. Urgent action only tends to come when there is a crisis of some kind, usually related to the need to get someone into care. The results of this lack of urgency are a nominations process which is very protracted leading to high void rates. This has significant cost implications for Housing Associations and developers alike. High void rates are a decided barrier to existing Housing Associations doing more with NCC, or new developers being attracted to working with NCC because of the negative effect on income and profit. Developers want to know that if they are going to build a scheme, the Council will fill it quickly initially and then keep it filled thereafter. Where these conditions prevail, developers and housing associations will look to work in other counties where there is a more proactive and commercial approach to Extra Care and void rates are lower.

The issue of voids is a far ranging one. For developers to be attracted to Norfolk, as with any county, there needs to be some form of guarantee in place, whereby, when building works are complete, the property is fully occupied. This is about managing risk and to help mitigate that risk for developers, there may be a need for void guarantees. For many developers and Housing Associations, once a property is built for NCC, they (NCC) have nomination rights for a set period of time (agreed at the outset). After that time has expired, if NCC have not filled the new building, the developer will take it back and fill it with people on housing benefit requiring some form of care, which causes some tension between provider and NCC. However, these are businesses and cannot carry the financial risk of another organisation.

Housing Associations find it difficult to get Board level approval for new builds when voids are significant. General needs housing costs approximately £100K to build, whereas special needs housing, such as that required for Extra Care, costs approximately £150K, so these organisations cannot afford voids. Housing Associations are also judged by the Regulator on the occupancy of their houses and their performance looks poor if there is a large void. However, the void situation is not of the Housing Associations' making. Therefore, the void situation and the potential for a poor rating from the Regulator makes investment choices outside of NCC very easy. NCC appears not to understand this situation.

A further challenge for developers is that Councils don't display any real evidence of taking into account the correlation between grant, rental allowed and income and affordability. Typically, investors might be looking at a 6% return, or at least one that is commensurate with the associated risk margin/profit margin necessary for a robust investment model.

For developers, the commercial proposition has to be made more attractive, through a streamlined commercial process and understanding of the realities of being a commercial enterprise, the provision of suitable pockets of land and grants. NCC's procurement and tendering approach makes it difficult for developers and Housing Associations alike.

Planning

There is a definite mismatch between planning requirements, the spatial planning framework and developing Extra Care from a care perspective. Little or no thought has been given to the Spatial Planning Framework in terms of the requirement for Extra Care Housing.

Sourcing an appropriate site is one of the largest barriers in Norfolk and once that site has been identified the following questions need to be addressed:

- Is NCC going to support it?
- Is the scheme going to be shared ownership? Mixed tenure?

There is no clear route through the planning process or support from NCC to bring schemes to a fruition in as short a time as possible. This is in part due to the fact that the 7 District Councils tend to work in isolation, whereas they need and want to work together. The question is how this can be facilitated and who should own the process of doing this. An effective programme of Extra Care Housing development is dependent on proactive planning and helping developers and housing associations to navigate their way through the planning process. At present, there is a perception that planning departments can be obstructive, which is not the case, but which reflects the complexity of the planning process which could be more streamlined and user friendly by a more joined up approach between the County Council and all of the District Councils.

The availability of suitable land will always be an issue particularly in the north of the county, where the North Sea borders the county. The One Estate Programme is releasing some land for development, but it is unlikely to be able to yield any sites large enough and in the right locations to build schemes big enough to be commercially viable and in the volume required.

Product and Process

In terms of the product – Extra Care as it now is, Housing with Care as it was called previously – there is a lack of understanding by Service Users and Practitioners alike about exactly what the product is, who can access it and when, eligibility and how it is accessed. In addition to not being clear on what the product actually is, there is a lack of clarity on how Extra Care schemes operate and are utilised – the definition has been abused over the years and so a clear statement of what the product is and what it does is required.

The process element refers to both the process of developers engaging with NCC and practitioners engaging with Extra Care. As has been stated, there is no clear process or model of engagement for developers which will put some developers off working with NCC as a starting point. Those that do engage with NCC find it heavy going because there is no internal support/team/resource to assist developers/Housing Associations with the NCC internal “process requirements” needed to get a scheme moving. NCC processes generally and the way they are managed do not enable quick and fleet of foot decisions to be made which are frequently required when an investment opportunity exists.

In terms of care practitioners engaging with Extra Care, there is a lack of clear understanding by Practitioners and Service Users as to what this actually is. Because of this and because the complexity to sort out, Social Workers often shy away from it. The process of referring people to these schemes is not simple or straight forward so Social Workers may not bother and go straight for residential care, even though they know it would be in the client’s best interest to be in an Extra Care Scheme. However, as the process is long and complicated and those needing care frequently reach a crisis point, residential care is the easiest and quickest option to provide safe accommodation for a vulnerable person. The process needs to be easy for Social Workers to get people in Extra Care at an early stage so the transition to living in a supported environment is a positive choice for the client.

The uneasy relationship that NCC has with Norse is also a potential barrier to the successful development of Extra Care as a product combined with the seeming inflexibility of Norse’s approach to processes and criteria. Developers and Housing Associations feel uncomfortable caught in the crossfire and will, out of choice, look elsewhere for a more harmonious environment in which to work.

Conclusions

The current situation facing NCC in its efforts to develop Extra Care Housing are summarised in the SWOT Analysis in Appendix B. The challenge for NCC will be how it uses its current strengths and resources to overcome the internal weaknesses which have plagued it for some time, how it will use its strengths to capitalise on opportunities that are presented in the external business environment and minimise or eradicate any threats or challenges it faces.

The situation is further complicated by the fact that housing schemes set up by charitable organisations don't make money for some 30 years, so some very careful and long-term investment decisions have to be made. Where there is any doubt or complexity in engaging with the Council, it will look elsewhere.

However, in looking at this SWOT Analysis it becomes clear that the lack of strategy, leadership and governance for Extra Care which manifest themselves as little direction, uncoordinated approach to development, little joined up thinking and a confusing product and process, result in a process which has a long lead time promoting a reluctance to use Extra Care by practitioners ultimately results in schemes with high void rates. The difficulty in engaging with NCC, the high void rates and the lack of any void guarantee by NCC make Housing Associations and Developers look elsewhere to invest where conditions are more conducive for investment. The impact on NCC for this is loss of opportunities to develop modern new schemes with a mixed tenure, loss of income and increased costs as people continue to be admitted to residential care far earlier than they otherwise need to be based on their care assessment. This situation will only get worse as the population of Norfolk gets older and the demand for supported housing increases. This is well documented in the Extra Care Position Statement dated July 2018.

By understanding the barriers that face NCC it is possible to identify a number of outcomes that will emerge from addressing the challenges identified:

- Getting all the key players around the table to develop a solution for Norfolk which is owned by Norfolk
- The creation of an Extra Care model for Norfolk which meets the needs of the real demand for care set against the demands of planning, availability of land, the risk profile of the organisation and the reality of finance
- The development of a delivery model for Extra Care which is aligned to the local conditions, the risk profile of the organisation and the resources available
- The development of a product which is understood by practitioners, clients and third parties
- The development of a process which is understood by care practitioners and is easy to implement so those requiring care enter the right type of care for them easily
- Development of a strong business case which can be used to gain support for Extra Care from developers and investors
- The availability of quantifiable data in one location to help make decisions on demand, planning and development and care packages etc.

In summary, the 3 key elements for successful development of Extra Care are:

1. Business Case – a sound business case is required, focussing on how rent will cover costs

2. Demand – understanding the real demand of HwC and capturing this in a market position statement
3. Sites – Acquiring suitable sites with the required planning restrictions to allow the development of new Extra Care schemes.

4 SOLUTION DESIGN

Summary

In simple terms, NCC have 3 options as to the way forward to overcome the barriers to the development of Extra Care identified in this report:

1. **Do nothing** – NCC could elect to remain as it is and take no further action around the proactive development of Extra Care and let things take their course. The advantage of doing this is all parties involved know what the state of play is, no additional resources or changes are required. The disadvantage is the problems faced will get worse and the cost of rectifying them becomes greater, the actions more significant, the cost increases and so does the risk factor.
2. **Revised internal approach** – NCC could develop its own internal approach to the delivery of Extra Care and approach the market. The advantage of doing this is the cost is less than using external support and NCC has total control over what happens. The disadvantages of this approach are NCC has yet to develop an engagement model and has not demonstrated a successful track record of approaching the market, nor does it have the contacts in the market place already. Therefore, for NCC to take this approach is possible, but the time taken to achieve this would be considerable.
3. **New delivery model to engage with external developers** – This is about NCC working in partnership with a developer framework to bring the required styles of scheme on line in the shortest possible time. The advantage of this approach to NCC is ICC have the resource to create a suitable business plan to engage with developers and have the contacts in the market to approach with a view to them investing in Norfolk as a great place to develop Extra Care. The disadvantage is the short-term cost involved committing the required resources to the programme, changing the required operating model and way of behaviour of staff whilst delivering business as usual.

The table below sets out the main barriers and the key recommendations for overcoming these barriers:

Barrier	Solution Design	
	Recommendation	Document
Strategy	Publication of Extra Care strategy and Position Statement. Internal NCC alignment achieved through production and approval of business case	Extra Care Strategy, Position Statement and Business Case
Governance	Implementation of NCC governance structures to support implementation of programme.	Business Case and updated Position Statement
Commercial	HwC Programme is resolving links between strategy and delivery. Updated nominations process will be required as part of implementation	Business case Nominations agreement (inc nominations process contained therein)
Planning	Work required with Local Planning Authorities to agree consistent approach to categorisation of extra care developments	Planning Position Statement needed
Product/Process	Work with social care teams and service users to explain extra care and when it's an appropriate choice	Change management plan needed

5 NEXT STEPS

The detail of the barriers identified so far has been captured in this report, but it is envisaged that this is a dynamic document, and so should other barriers come to light then these will be added to this document and their significance assessed.

The outputs from this document will feed into the delivery model design and the business case, with the aim of producing a business case that will demonstrate very clearly to potential developers and investors that NCC is aware of the challenges it faces and has real steps in place to minimise risk and maximise, opportunity.

Once the information from this document is synthesised into the delivery model and business case it will be subject to review against the Treasury 5 Case Model to ensure a sound business case exists before going to market.

6 APPENDIX A - STAKEHOLDERS

Who	Organisation	Role	Notes
Andrew Savage	Broadland Housing	Business Development Director	
Bridget Southry	Great Yarmouth Borough Council	Housing Options Manager	
Cira Arundel	Saville	Director, Business Development Team	
Duncan Hall	West Norfolk District Council	Housing Services Manager	
Hazel Ellard	Broadland District Council	Section 16 Housing Office – One Public Estate	
Heather Burn	Broadland District Council	Planning Officer	
Ivan Johnson	Broadland Housing	Managing Director	
Jamie Sutterby	South Norfolk District Council	Director of Communities and Well Being	
Jan Hytch	Anrols Keys LLB	Senior Partner	
Jane Warnes	Cotman Housing	Managing Director	
Joan Murray	NCC	Procurement Lead	
John Whitelock	Saffron Housing	Managing Director	
Keith Mitchell	South Norfolk District Council	Strategic Housing Manager	
Leanne Slater	Broadland District Council	Benefits Team Leader	
Leigh Booth	Broadland District Council	Housing Manager	
Mike Garwood	NCC	Solicitor	

Nicky Galwey-Woolston	Cotman Housing	Support and Tenancy Sustainability Manager	
Nicola Turner	North Norfolk District Council	Housing Strategy and Community Dev Mgr	
Nigel Best	Anglia Growth Hub	Director	
Nikki Patton	West Norfolk Council	Housing Services	
Peter Smith	Housing and Care 21	Business Development Director	
Rachel Clarke	NCC	Team Manager Adult Social Care	
Richard Dunsire	South Norfolk District Council	Housing and Benefits Manager	
Richard Warner	Ashley House	Business Development Director	
Simon Hughes	NCC	Head of Property, Corporate Property Team	
Steve Holland	NCC	Head of Quality Assurance & Market Development	
Steven Javes	Orwell Housing	Managing Director	
Susanne Baldwin	NCC	Finance Business Partner Adult Social Care	
Tracey Slater	Great Yarmouth Borough Council	Service Unit Manager (Housing Strategy and Housing Options)	
Vicky George	Great Yarmouth Borough Council	Head of Housing	

7 APPENDIX B – SWOT ANALYSIS

<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Capital investment high on the agenda of Leader of NCC – Councillor Proctor • Housing Associations and developers want to invest in Norfolk and engage with NCC • Untapped market in Norfolk for older people sitting on big houses • Land prices which are attractive to builders /developers • Norfolk has county farms but is in a place where won't get planning permission or people want to live there 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Reputational damage so investors/developers look for easier pickings • Relationship/marital breakdown is greatest in 55+ age bracket so places an additional strain on supply of suitable accommodation • Continuing fall in revenue funding • Last year revenue going into supported housing was cut by £5.2m • Unclear changes in rent cap in 2020 and the implications this will have • Care sector has been devalued so difficult to recruit and retain staff • Increasing demand for services given an aging population in Norfolk combined with higher expectations/aspirations of service delivery • Other county councils are easier to engage with than NCC so will attract the best developers • Finding enough land with the required planning restrictions to build schemes
<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • High respect for Director of Integrated Commissioning • A willingness by NCC and District Council staff to want to see EC succeed 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Insufficient commercial expertise, experience and awareness in NCC to develop an approach to EC that could be taken to market • Lack of formal strategy and strategic direction • Lack of clear strong leadership over a number of years • Slow decision making • No agency singularly responsible for EC so poor co-ordination of planning, resourcing, finance etc to develop a scheme • Little joined up thinking about EC

	<ul style="list-style-type: none">• No formal process or business model to engage with developers/the market• Crisis management seems to be the order of the day in terms of placing people in care• Developers don't have the required information from NCC to develop new schemes so look elsewhere for business• No sense of urgency until a situation becomes a crisis• Significant void levels which is a major deterrent to Housing Associations and developers building new schemes• No clear route or support from NCC through the planning process• Lots of data but no information• Variation with engagement process between District Councils and ASC• NCC seemingly not prepared to act as a partner and share risk• Lack of understanding by practitioners and service users on what EC entails and how to engage with it• Complicated EC process leading to long nomination periods• No SLA's in place
--	--

8 APPENDIX C - BARRIERS

Domain	Barrier	Significance C, H, M, L	Frequency H, M, L	Consequence
Strategy	Lack of high level plans and estate strategies which then can be knitted together to create an integrated approach to what is needed	High	Medium	Lack of cohesive planning
Strategy	There is no clear direction from the Council of what is needed for older people's housing i.e. numbers of houses required, location etc. and exacerbated by the public-sector cuts since 2010, and changes in administration	Critical	High	Ad hoc development ensues which may not be fit for purpose
Strategy/ Planning	CLARITY of what NCC wants and where it is wanted: <ul style="list-style-type: none"> • a clear plan so there is no ad hoc development • back up from NCC when a planning app goes in with required data and a clear route of how schemes are filled with a plan supported by data which is in the public domain 	Critical	High	Either ad hoc development takes place or none at all as developers look elsewhere
Strategy	No decision making in NCC and so many competing priorities – no clarity about what their priority is and therefore what to do with the assets	Critical	High	Opportunities for development are missed and potential for mixed messages about EC being issued
Strategy	NCC has not been prepared to act as a partner and share risk	High	Low	Developers will look for other opportunities outside of Norfolk so limited if any progress on building new schemes
Strategy	No consistency of approach and engagement	High	High	Developers will look for other opportunities outside of Norfolk where engagement is easier so limited if any progress on building new schemes

Strategy	Developers/Housing Associations struggle to get information out of the County on data so difficult to either put a strategic plan together to develop schemes or contact people direct to advertise the vacancies that Broadlands have	Critical	High	Developers will look for other opportunities outside of Norfolk where information is more forthcoming so limited if any progress on building new schemes
Strategy	The approach seems to be crisis management – people take what’s available rather than it being the right option – very reactive rather than proactive stance.	Critical	High	Vulnerable people end up in long term residential care which is not right for them and results in extra expenditure for NCC which could be avoided
Strategy	People obsessed with the Care Act and what it means and their rights – can we help people make the right choice rather than it being left to the client all the time	Low	Medium	A lack of understanding around what EC is and what it can provide will potentially adversely affect void levels
Strategy	County tend to think about dementia wings rather than involving a mixed economy	Low	Medium	Potential for inappropriate development to meet future demand
Strategy/external coms	GPs never mention EC/HwC when considering care solutions for their patients – it’s not on their radar	Medium	High	Marketing campaign - raise awareness
Strategy	Risk share - NCC seem unprepared to make any form of commitment in terms of a guarantee of onward revenue and risk sharing. NCC want the developer to carry all the risk but to have total control over the lets and have no Void Guarantee in place.	High	High	This is not an attractive proposition for people looking to invest in the county and so developers tend to take their business elsewhere.
Strategy/Demand	There is a clear need to know early on what to build and where to build it	High	Medium	Developers get frustrated and look for easier pickings
Governance				

Governance	Need to get all the key players round the table which is a fundamental requirement to sustainability. No joined up thinking	High	High	Decisions either take too long or don't get made at all and opportunities are missed
Governance/Leadership	Leadership – there is a clear need for someone in authority who can make things happen and say what is required	Critical	High	Decisions don't get made, no direction or strategy is formulated and actioned
Governance/Leadership	Historical legacy of lack of definitive action	High	Medium	Decisions don't get made, no direction or strategy is formulated and actioned leading to frustration by all parties
Governance	No agency singularly responsible for HWC	Critical	High	Difficult to make decisions and co-ordinate the overall process
Governance	NCC wanted to control development of EC rather than enable it resulting in very cumbersome processes	High	High	Process is difficult to understand so doesn't get used and service users end up in residential care rather than EC
Governance	The relationship between NCC with Local Authorities and Housing Associations varies considerably	Medium	High	Makes the process of developing EC that much more complicated than it needs to be and a possible inconsistent approach to EC across the county with all the attendant issues that will bring
Governance	Relationship between NCC and Norse – SLAs in place but more token than real and not measured.	High	High	Any development would have to exclude Norse or be on a totally different basis – need real SLA with KPI and monitoring mechanism
Governance	Engaging with NCC is not very easy:- Difficult to find right person to make decision – very bureaucratic and risk averse and unable to make decisions quickly	Critical	High	Leads to a very complex care landscape and a confused approach to EC characterised by duplication and missed opportunity, slow decision

	Skills of elected Members making decisions on EC questionable – Overlap between needs of Adult Social Care and Housing with Care and Health – no joined up thinking			making, long lead times, unnecessary expenditure.
Governance	NCC has experienced quite a lot of market interest in developing supported housing in the past but couldn't capitalise on this because the Council "couldn't get their ducks in a row"	High	Medium	Loss of opportunity and reputational damage
Commercial				
Finance	When thinking about future HwC schemes there is a clear division between people who can afford to pay for a home and those who can't and this needs to be factored into any business/financial modelling at the outset and when considering the tenure mix.	High	Low	Lack of robust financial modelling
Finance	Last year revenue going into supported housing was cut by £5.2m	High	Low	Services are expected to do more for less and this will only be possible with a robust model of EC
Finance	Confusion about revenue funding i.e. how it works, levels etc and how much capital could be made available by NCC	High	Low	Lack of robust financial modelling
Commercial	Nominations – For Developers/Housing Associations to be attracted to Norfolk, as with any county, there needs to be some form of guarantee in place to ensure once a place is built, it is filled	High/Critical	Medium	Developers will look to provide other forms of housing, e.g. general needs where voids aren't an issue
Commercial	High void rates due largely to a very slow and protracted nominations process	Critical	High	Has the potential to make new schemes uneconomic and thus prompt developers to look elsewhere

				to develop EC housing or build other types of accommodation
Commercial	Councils don't take into account the correlation between grant, rental allowed and income and affordability. Investors are looking at a 6% return which is commensurate with the associated risk margin/profit margin necessary for a robust investment model.	High/Critical	Medium	Lack of robust financial modelling
Commercial	Lack of commercial awareness by NCC on how to turn strategy into actual developments and that Housing Associations are businesses and have to make money	High	Medium	Missed development opportunities for new schemes, high void rates when new developments are not filled
Commercial	Seems to be no understanding of the urgency that Housing Associations face and the need for them to make money as they are a commercial enterprise. Urgency only comes when there is a crisis.	Medium	Medium	Fails to promote a good working relationship and ultimately results in increased expenditure which could be avoided
Commercial	Viability is also a challenge = need a suitable site which was cheap or gifted land and find a local builder who could build at a good rate plus grant from Homes England	High	Medium	Where this cannot be achieved, Developers/Housing Associations will look elsewhere
Commercial	Build costs have continued to climb	High	High	This has to be factored into any financial modelling
Commercial	Rent Cap – the rent cap exists which prevents Housing Associations raising rents above certain limits.	Critical	High	The changes that may come into effect with the rent cap are not yet fully known but there effect is not likely to be positive for EC
Planning				
Planning	Developers and Housing Associations need a clear route through the planning process and support from NCC to bring schemes to a fruition in as short a time as possible.	High	Medium	The lack of a clear route will at best prolong development lead times and at worst prompt Developers/Housing Associations to look outside the county. NCC need to find suitable

				sites and making it easy for developers to acquire these sites and the required planning permission to develop new HwC schemes.
Land/Property	One Public Estate Agenda is a source of public land – but not enough of it to develop schemes of a size which would be economically viable.	High	Low	Has significant implications for the delivery model
Land/Property	Land is always going to be an issue, especially in North Norfolk as the sea curtails further development northwards, so have to move south. Land with planning permission for housing is extremely high in value	High	Medium	Has significant implications for the delivery model
Planning	The 7 District Council planning functions to work as separate entities whereas they need to work together	High	Low	A lack of coordinated planning leads to an uncoordinated approach to planning and a lack of uniformity across the county
Planning	ASC never been asked if any more care homes were needed when thinking about planning and development.	High	Low	The key is good market intelligence, knowledge of land in areas to develop, good prevalence modelling
Product and Process				
Process	NCC has no formal process or business model for engaging with Developers/Housing Associations/the market	Critical	High	Makes it extremely difficult for developers to engage with the county and all adds to the time and cost required to get a scheme off the ground
Process	No internal support/team/resource to assist Developers/Housing Associations with the NCC internal “process stuff” required to get a scheme moving,	High	High	Makes it extremely difficult for developers to engage with the county and all adds to the time and cost

				required to get a scheme off the ground
Process	Lack of clarity on how HwC schemes operate and are utilised – the definition has been abused – dysfunctional commissioning function but borne out of necessity because NCC want to get best value out of the 15- year contract with Norse	Critical	High	Lack of clarity adds to the duplication of effort, missed opportunities and general increase in time frames and costs. Also, reputational damage to NCC
Process	Relationship with Norse is dysfunctional and strained – investors and developers don't want to get involved in the politics and complications caused by the nature of the relationship	High	Medium	Developers/Housing Associations will look elsewhere to a more stable climate in which to work
Process	Voids – Target is on average 2 to 3 weeks but can be anything up to 10 to 12 weeks.	High	Medium	No guarantees provided so Housing Associations prefer to put their cash where it's safer – not prepared to shoulder all the risk themselves.
Process	Difficult to get workforce to do home support, especially in North of county so limits the potential for development of schemes in north of county	Medium	Medium	Can result in lots of travelling which is not effective and expensive for NCC
Process	Social workers are focussed on helping people and although they are becoming more commercially aware, their time is limited and so need to focus on the care side. Not enough of them to do all the assessments required	High	Medium	A significant programme of change management will be required to bring about the required changes in developing a commercial attitude as well as a caring one.
Process	Nominations Process – on average the nominations process for special needs/ housing for older people takes 100 days and more. Because the process is complicated it takes a long time and so staff will also avoid using it	Critical	High	The impact of this is a high void rate which makes developers and HA unwilling to invest in Norfolk
Product	The person who might use the service and the families don't know what EC is.	High	Medium	Because people don't know what it is they don't use it so older people potentially end up in the wrong facility for their needs. A marketing campaign is required.

Process	Practitioners work at a pace and therefore the process needs to be simple and it's not	High	High	A complex process will either be ignored, or local work arounds developed which increase the cost of running a service
Process/awareness	Because it's a very complex thing to sort out social workers shy away from it – it needs to be easy for social works to get people in housing with care at an early stage so its a positive choice for the client	High	High	A complex process will either be ignored, or local work arounds developed which increase the cost of running a service
Process	Process Management - NCC processes and the way they are managed do not enable quick and fleet of foot decisions to be made which are frequently required when an investment opportunity exists.	High	High	Poor processes and poor management lead to slow decision making and missed opportunities
Data/joined up thinking	NCC struggles with information and data i.e. don't know where data is and how you can pull it all together to make decisions – no joined up thinking – people struggle to provide evidence to support any recommendations	High	High	Slow decision making and missed opportunities
Product and Process	Culture – There is a fundamental misunderstanding by NCC that HAs need to make money. The council also fails to realise it has to compete for the resources of Has	High	High	NCC staff need to have more of an understanding of commercial reality



HOUSING BENEFIT POSITION STATEMENT

NORFOLK COUNTY COUNCIL EXTRA CARE HOUSING

DATE: 02 JULY 2018

DOCUMENT CONTROL SHEET

DOCUMENT TITLE	ECH– Housing Benefit Position Statement
ISSUE	1.3
STATUS	DRAFT
CONTROL DATE	26/06/2018

RECORD OF ISSUE

Issue	Status	Author	Date	Check	Date	Authorised	Date
1.3	Draft	KF	02/07/18				

APPROVED FOR ISSUE

Name	Signature	Date

DISTRIBUTION

Name	Role

Summary

This document sets out a consistent and County wide position regarding Housing Benefit payments in respect of Extra Care (EC) in Norfolk. District housing benefit officers are responsible for assessing and awarding housing benefit on an individual case by case basis. The determination of housing benefit award is subject to the regulations set at the time of the determination and by the funding made available by Central Government.

Partners

This Housing Benefit position statement has been agreed by Housing Benefit Officers of the following Districts, Boroughs and City Councils:

- Breckland District Council
- Broadland District Council
- Great Yarmouth Borough Council
- King's Lynn and West Norfolk Borough Council
- North Norfolk District Council
- Norwich City Council
- South Norfolk Council

What is Extra Care Housing

Extra Care (EC) housing is an effective way of supporting people to be more independent in their own homes, providing safety, security, social interaction and care.

- EC is self-contained accommodation with staff available 24 hours a day.
- EC offers a higher level of care than sheltered housing.

In Norfolk, data and research have identified that EC housing is not fully utilised, suggesting that there are some issues in getting potential residents to consider, and then ultimately access this form of care and accommodation.

The route into Norfolk County Council's EC schemes for an individual is via a social care assessment. The availability, or lack of, may prevent a patient receiving an appropriate level of care in the most appropriate accommodation. The present issues with the supply of EC accommodation in Norfolk, and which provide barriers to access, can be identified such;

1. Not enough EC accommodation to meet demand.
2. Eligibility for EC accommodation varies by scheme and location.
3. EC, as a form of care accommodation, is not widely recognised by the general population who tend to associate it with residential care home accommodation.

Management and Implementation of Norfolk County Council EC

Engagement with Norfolk partners has identified that there is motivation for designing a centralised management system for EC housing. This team would manage EC on a county-wide basis and liaise with partners throughout the person's application and help to track progress.

This centralised approach would help to and align to the fulfilment of statutory housing duties, as well as administer the referral-to-accepted-tenancy process and also be a point of contact for individuals and their families undertaking the application. This would improve communication for potential residents and also provide accurate and up to date tracking information for all partners. It would also enable access to information and advice on EC housing in Norfolk with one message for people, their families and carers.

Eligibility and Housing Benefit regarding Norfolk County Council EC Housing

One of the main concerns that some potential Extra Care housing customers have is their eligibility for Housing Benefit.

EC accommodation is treated differently from standard housing options and has been removed from the benefit cap and under occupation regulations. This is because EC accommodation is usually more expensive to rent, due to the care and/or support being

provided to the tenant. EC is defined as 'exempt accommodation' under the housing benefit rules.

"Exempt Accommodation is an individual dwelling for which a person is liable to make payments, that they occupy as their home and which is a resettlement place provided by persons to whom the Secretary of State has given assistance by way of a grant pursuant to section 30 of the Jobseeker's Act 1995 (grants for resettlement places), or provided by a non-metropolitan County Council, in England, a housing association, a registered charity or voluntary organisation where that body or person acting on its behalf also provides the claimant with care, support or supervision."

In this respect help with housing costs will be covered by Housing Benefit, not Universal Credit. A critical factor when assessing whether individuals qualify under the 'exempt accommodation' definition attached to the Housing Benefit regulations. The regulations require that a 'de-minimis' amount of care should be provided to enable qualification as exempt accommodation.

What is covered by Housing Benefit?

The list of items that are covered by HB is restricted to the following:

- Services for the provision of adequate accommodation including some warden and caretaker services, gardens, lifts, entry phones, porter service, rubbish removal, TV and radio relay charges.
- Laundry facilities like a laundry room in a sheltered housing scheme but not personal laundry services
- Cleaning of communal areas and windows.
- Minor repairs and maintenance.
- House insurance if it has to be paid under the terms of the lease.

It should be noted that service charges for community/emergency alarm systems, catering, and personal care and support services are not covered by housing benefit.

Broad Rental Market Areas and Local Housing Allocation

Local Housing Allowance (LHA) rates are used to calculate Housing Benefit for tenants renting from private landlords. LHA rates relate to the area in which the HB claim is made. These areas are called broad rental market areas (BRMA). A BRMA is where a person could reasonably be expected to live while considering access to facilities and services. Norfolk is covered by four Broad Rental Market Areas (BRMA's):

- Bury St Edmunds BRMA.
- Central Norfolk & Norwich BRMA
- Kings Lynn BRMA
- Lowestoft & Great Yarmouth BRMA

LHA rates are based on private market rents being paid in the BRMA which can differ from advertised rents. Valuation Office Agency (VOA) Rent Officers collect the rental information from letting agents, landlords and tenants.

Local Authority Area	Bury St Edmunds BRMA.	Central Norfolk & Norwich BRMA	Kings Lynn BRMA	Lowestoft & Great Yarmouth BRMA
Breckland District Council	X	X	X	
Broadland District Council		X		
Great Yarmouth Borough Council		X		X

King's Lynn and West Norfolk Borough Council	X		X	
North Norfolk District Council		X	X	X
Norwich City Council		X		
South Norfolk Council		X		X

Table of BRMA areas by Local Authority.

District Consensus

The housing benefit regulations are quite clear when it comes to what costs are eligible for payment through housing benefit (see above). They are also clear as to what constitutes 'exempt accommodation'. The opinion that accommodation provided under the EC programme, having greater than de-minimis care service, qualifies as exempt accommodation needs to be confirmed by District Housing Benefit Officers.

It is important to recognise that rent levels that are above the LHA rates within the Broad Rental Market Area (BRMA) (due to certain service charges being levied) may be approved under the terms of EC schemes falling under the 'exempt accommodation' allowance.

That being said, the amount of variance above LHA levels will need to be carefully monitored. The recovery of high levels of Housing Benefit from the Department of Work and Pensions (DWP) is subject to the annual audit process applied to Housing Authorities, who may well be challenged regarding high rent levels that are being claimed under "Exempt Accommodation".

If the DWP decides to reject the Housing Authorities justification, then severe penalties can be imposed on the subsidy claim.

It is therefore advisable to avoid rent settlements that are major variances from the Local Housing Allowances, or if they are major variances, that a full analysis and comparison of similar market rents is undertaken and recorded. Similarly, careful examination of associated service costs will need to be monitored and their application applied consistently throughout EC Schemes.

Proposed maximum LHA variance

It is proposed that the maximum housing benefit payable under the exempt accommodation rule should be set at 135% of the LHA for the appropriate BRMA.



DELIVERY MODEL PART ONE

**Research, Assumptions and Initial
Recommendations**

INNER CIRCLE CONSULTING

DATE: JULY 2018

TABLE OF CONTENTS

1 EXECUTIVE SUMMARY	4
2 INTRODUCTION	6
The NCC Delivery Model	6
This Report	6
Stage 1 - Research.....	6
Stage 2 – Evaluation.....	7
3 POTENTIAL DELIVERY METHODS	8
Delivery approaches considered.....	8
Direct Development.....	9
Joint Venture Partnerships.....	9
Public-Private Partnerships	9
Framework Agreements (single partner)	9
Framework Agreements (multiple partner)	10
Institutional Investment.....	10
Conditional Land Disposal	10
Sale & Lease-back	10
Social investment model / charitable trusts.....	10
4 NCC PARAMETERS FOR DELIVERY.....	12
CURRENT PARAMETERS	12
5 DELIVERY METHOD OPTIONS EVALUATION	14
Evaluation metrics	14
Strategic Case	14
Economic Case.....	14
Commercial Case	14
Financial Case	15
Management Case	15
6 DEVELOPER FRAMEWORKS.....	16
Existing developer frameworks	16
7 Appendix A Delivery Approach – detail	17

1 EXECUTIVE SUMMARY

The Extra Care Programme Board has established that the supply of Extra Care housing units could be increased to meet projected demand through NCC exerting more control of this work. This delivery model is a key component of making this development programme work and attract the very best developers to Norfolk.

Preliminary discussion with the entire EC Programme Board and specific Board members on an individual basis identified and initially evaluated the most appropriate delivery method by which NCC can achieve this objective. This was done through research and further evaluation will be completed using the Treasury 5 Case model. An initial recommendation was provided on this basis alongside more detail regarding the recommended method to inform the next stages of the programme.

Potential Delivery Methods

A long-list of delivery methods which NCC could potentially employ were researched and shared with the Bard as above, which varied in terms of the control NCC has over it, the risk involved, and the potential for financial return.

Delivery Methods Evaluation

The NCC position against a number of factors such as its attitude to risk, commitment of resources, and its position on elements relating to the ownership, management and operation of Extra Care units were captured in a set of assumptions or parameters, which were tested and validated as outlined above. These parameters will be used to inform the development of a set of metrics, which will be reflected the Treasury 5 Cases model.

This long-list was evaluated by taking into consideration the NCC position as defined by the parameters.

Short-listed delivery method

Following this evaluation, a developer-provider framework was identified as the most appropriate delivery method for NCC. The key reasons for this are:

1. This method provides the best fit in relation to a number of NCCs key parameters regarding delivering Extra Care, particularly that it does not wish to undertake the development itself, nor retain the ownership and management of completed facilities.
2. NCC does not have the appetite for, nor the assets (land) required to commit to forming a separate entity via which development can occur, and a framework can be used to deliver schemes on land either owned by NCC, or controlled NCC or its public sector partners
3. This framework can be delivered more effectively and efficiently than other methods using the resources (staff, skills and experience) available

Considerations

Whilst the EC Programme Board may accept the developer-provider framework is the most appropriate delivery model for NCC, consideration needs to be given to:

- The nominations protocol to be used on schemes delivered through the framework

- The use of capital grant funding for schemes delivered through this framework.
- Will there be any additional services that can be procured from the framework?
- What will be the number of framework partners to be appointed, and who can use it?
- A procurement process being used for the framework to be confirmed following the completion of a soft market testing exercise.
- In the short-term developer-providers must be procured on a one-off basis on schemes under NCC control until a bespoke framework is established.
- The role of NCC needs to be understood – if the council is putting in resources such as land or finance of some form it will take a partnership/operational type role whereas if it is not putting anything in to the development pot then it will act in a strategic advisory role

2 INTRODUCTION

The NCC Delivery Model

Norfolk County Council (NCC) Extra Care Programme seeks to develop a coherent delivery plan to meet the current and ongoing annual growth in demand for supported housing (Extra Care). A range of options by which NCC could stimulate the market has been considered to ensure that the current deficit in Extra Care (EC) Housing can be met. As part of this the Extra Care Programme Board (ECPB) is in the process of establishing the case for increasing the supply of EC housing through stimulating development of the delivery of extra care units.

There are a number of delivery approaches available to NCC by which this stimulation can be exercised ranging from direct development by NCC through to various forms of partnering with a private sector provider. This document sets out the research and evaluation of these approaches and make recommendations regarding the appropriate delivery model and accompanying procurement routes by which NCC can stimulate the development of EC housing.

This Report

This report presents an overview of the range of delivery methods available to NCC which could be used to stimulate the delivery of EC housing, and provides a comparison of these methods in terms of their relative advantages and disadvantages, and how where applicable they vary in terms of associated risks, rate of delivery, timescale for establishment, impact upon resources, as well as case study examples.

Stage 1 - Research

This report presents part of Stage 1 of the work on the delivery model, and represents the output of research including:

- Desk-based review of existing delivery approaches either completed, in procurement, or in development
- Stakeholder engagement with known and other organisations to identify best practice in the market regarding delivery approaches and procurement methods, to include:
 - Other public sector organisations ('commissioners')
 - Providers of Extra Care housing including RSLs, developers, and housing / charitable trusts ('providers')
 - Other organisations with experience and involvement in Extra Care delivery models, including legal, commercial and property, finance & tax advisers ('enablers')

These parameters or assumptions made in producing the long list of potential delivery models and the recommended model have been the subject of a 'peer review' by specific members of the Programme Board with specialist skills, namely:

- Property
- Planning
- Finance
- Procurement

- Commissioning
- Adult Social Care

The aim of doing this was to ensure the assumptions made were sound, verified and supported by these key areas so that the Programme Board is confident that the full range of delivery methods have been considered.

Stage 2 – Evaluation

The knowledge gathered through the research stage fed into Stage 2 of the work, which is an evaluation of the potential delivery methods against a number of metrics which reflect the Treasury 5 Case Model.

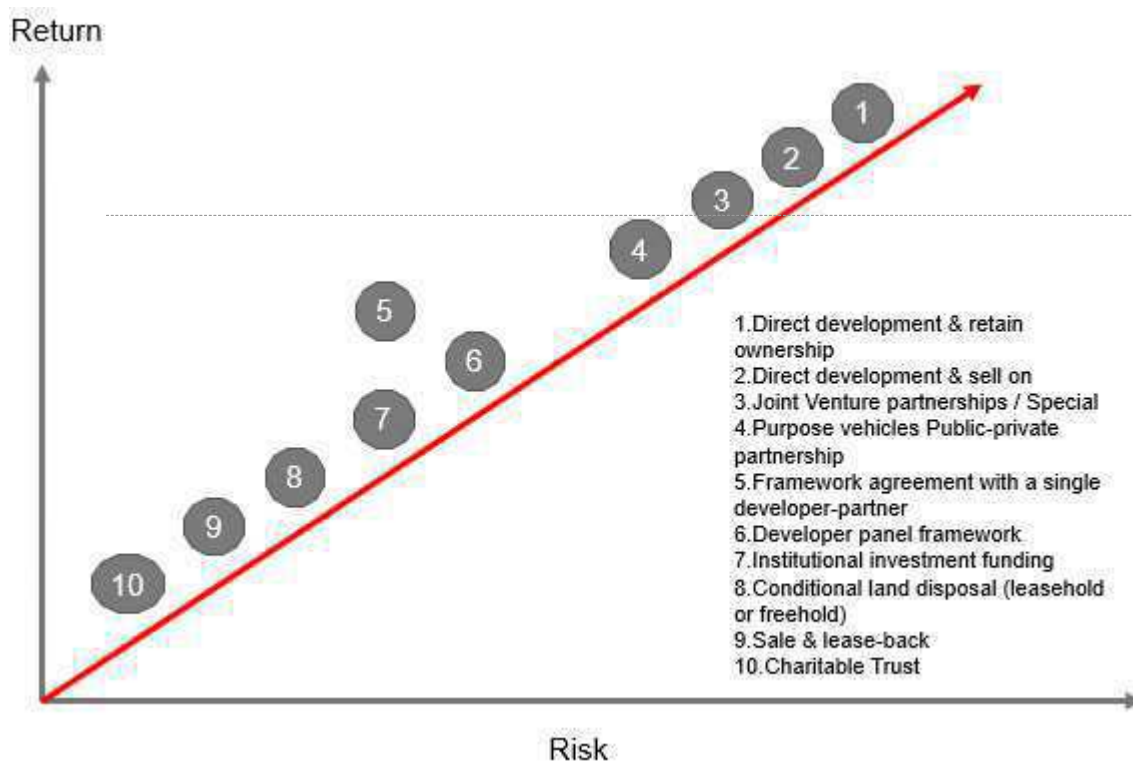
3 POTENTIAL DELIVERY METHODS

Delivery approaches considered

A long-list of delivery approaches have been identified, which vary in the amount of control the local authority can have, in the risk they are likely to encounter and the return they may receive. These include:

- Direct development, either to sell the development on or retain ownership of development.
- Joint venture partnerships, including variants on this model such as special purpose vehicles or local asset backed vehicles.
- Various forms of public-private partnerships, via a developer agreement or contract rather than forming a separate entity.
- Framework agreements with a single partner.
- Framework agreements with multiple partners.
- Institutional investment funding
- Conditional land sales (freehold or leasehold)
- Charitable or social Trusts
- Sale and lease-back
- Social investment models

To help understand how these methods vary, and help determine their suitability in the Norfolk context, the figure below places them on axis relating to control, risk and return.



An overview of each of these delivery methods is provided below, with a more detailed comparison included in Appendix A.

Direct Development

Councils set up their own team or separate body and invest money to enable local house building or development. The Council funds and builds the scheme and may retain or appoint the development management element. The local authority can then decide to either sell on to get a capital receipt or to retain the freehold or leasehold to allow revenue receipts.

This method allows the local authority to take a more entrepreneurial role and potentially make returns on development. However significant skills and expertise are required in commercial activities which may traditionally not lie within local authorities.

This form of direct development differs from the local authority managing the development process, by which it manages other partners / contractors for various stages of the development process, as opposed to undertaking these stages within the organisation.

Joint Venture Partnerships

Joint ventures or special purpose vehicles generally involve the formation of a separate entity to the local authority, with the local authority partnering with an organisation from the private sector. The local authority would generally provide a local asset such as land, transferred at nil or low cost in order to stimulate development, with terms and conditions set on who will provide funding for elements involved in development e.g. care, housing.

This approach shares risk and therefore reward and allows the local authority to gain external expertise from a private sector partner. The set-up costs and resources can be considerable with often complex legal and organisational structures required.

Public-Private Partnerships

There are various forms of public-private partnership, by which the Council partners with a private organisation via a contract agreement in order to deliver an agreed development. Both parties bring different skills, roles and / or assets to the partnership. Both parties could invest money and / or land into the project and share risks associated with the project.

This development agreement or public-private partnership can be utilised in similar circumstances to those where a formal joint venture or special purpose vehicle is formed, but without forming as a separate entity. Roles, responsibilities, liabilities and requirements can be set in the agreement, as well as setting financial parameters between parties.

Framework Agreements (single partner)

A clear framework agreement is outlined between the council and a chosen investor for some single or multiple developments. This is a fixed agreement to enable development through an understanding of outcomes, with each party clear on individual responsibilities linked to the project.

Framework Agreements (multiple partner)

A development panel framework is a panel of prequalified developers used to reduce timescales when there are multiple commissions over a period of time. The panel can be used to procure a developer for a range of services relating to housing led development from obtaining planning permission through design and construction, marketing and sales.

Using framework agreements can reduce timescales and reduce risks. Clear conditions can be set out in the framework to ensure quality standards and expectations regarding a range of factors can be met on and agreed in advance of each individual project. A qualification process for developers can ensure providers prove their experience and track record prior to the letting of any individual project.

Institutional Investment

A fund set up specifically to provide finance to invest in extra-care building schemes and granted to providers to subsidise the cost of development. Finance can be provided from a range of sources including pension funds and allows a greater level of capital to enter the market to enable a faster rate of development.

Conditional Land Disposal

A conditional land sale is made through having a particular set of conditions/regulations and agreements that must be met before land is transferred, usually at nil value or sold at a fixed rate for a particular development project. For example, land is given under the provision that it is used only for affordable or extra-care housing, with other requirements that may be built into the scheme to meet local need. The agreement stipulates various conditions that must be met in order for the contract to be binding on the parties

Sale & Lease-back

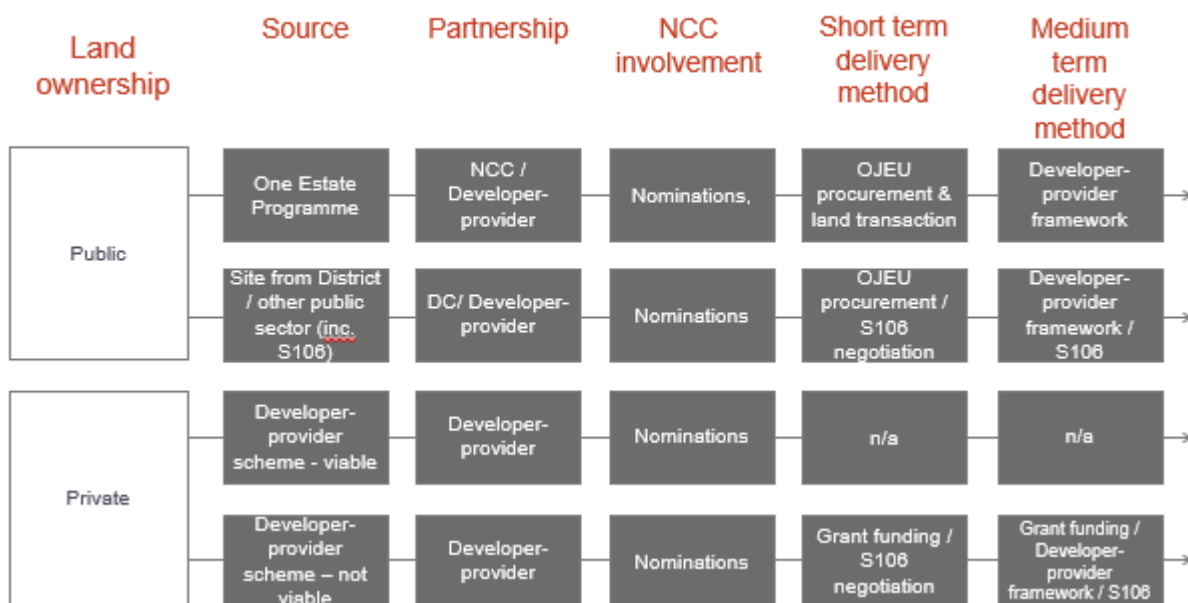
A long-term land lease is provided / sold to investors and / or developers, who undertake the development and lease the units back to the local authority at a level which permits affordable rent levels, with a separate agreement for the management and maintenance of the development and provision of care. The local authority provides assurances regarding back to back tenancies and rent including arrangements to cover void periods. This gives long term securities over income to investors. Often the ownership of the units reverts back to the local authority at the end of the agreed long-lease period.

Social investment model / charitable trusts

A charitable trust dedicated to achieving a socially beneficial outcome is set up to achieve the delivery of extra care housing, generally across a number of sites. This is lead under a not-for-profit model and focused on providing a service and housing without generating high levels of income; this is a unique model that may incorporate volunteers as part of the provision to save costs.

Conditions can be attached to any development deal such as low-rate repayment loans that enable the project completion but is profit-led whilst balancing social investment.

A significant factor in identifying the most suitable delivery model for Norfolk is the ownership of the land that will be brought forward for development and the route that will be followed. This is summarised in the diagram below:



It is most likely that the land for EC developments will come from public ownership but the possibility of land in private ownership cannot be ignored in which case the 2 possible routes to development are shown above.

4 NCC PARAMETERS FOR DELIVERY

CURRENT PARAMETERS

In order to identify appropriate delivery methods, it is important to understand the NCC position on a number of factors relating to Extra Care housing delivery. These factors will provide a number of assumptions or parameters to frame the selection of the delivery methods and feed into the evaluation process

The 'parameters' identified for NCC are presented below. These have been tested and endorsed by members of the Extra Care Programme Board but require ultimate sign off by the Programme Board

- The delivery approaches to be considered must comply with the NCC Extra Care programme objectives
- NCC is open to considering a range of delivery models which will contribute to meeting the NCC EC programme objectives
- NCC is open to considering using more than one delivery approach to deliver the programme, with potentially more than one delivery partner
- The delivery programme will be expected to meet projected demand
- The development being delivered must be aligned with the NCC definition of EC
- NCC will ensure sufficient internal resources (staff etc.) are available in order to facilitate the delivery of the programme including project management and governance arrangements
- Non-private units must be provided at social and/or affordable rent, depending on the elements of the individual scheme (ensuring housing benefit would cover rent & service charge)
- NCC (subject to a business case) are willing to pursue a range of sources of capital finance to fund the delivery of EC including private finance, institutional investment, public sector funding/borrowing and grants
- NCC may have a limited amount of land assets available to commit to the EC programme during its lifetime
- NCC do not want to retain ownership of any land committed to the EC delivery programme, unless there was a strong commercial justification to do so
- The scheme should be capable of being used to deliver schemes on land either owned by NCC or controlled by NCC
- NCC do not want to retain the operational / maintenance elements of completed schemes
- NCC does not wish to undertake the development itself, nor retain the ownership and management of completed EC facilities
- NCC does not have the appetite for, nor the assets (land) required to commit to forming a separate entity via which development can occur
- Development will be managed by a third party outside of NCC where appropriate
- Norse will be treated like any other care provider
- NCC are willing to encounter a limited amount of risk in relation to planning & design
- NCC are willing to encounter a moderate amount of financial risk
- NCC are willing to commit a substantial / meaningful amount of capital finance to the delivery of the programme

- NCC are willing to commit a meaningful amount of revenue funding to the delivery of the programme
- NCC requires a reasonable return on its investment, through either revenue or capital receipts.

These parameters will be further developed into a set of metrics to be used in an evaluation of the options presented earlier in this document.

5 DELIVERY METHOD OPTIONS EVALUATION

A detailed options evaluation will be undertaken for the range of delivery methods identified for Extra Care. This is intended to provide a robust and fit-for-purpose justification for the appropriate delivery method(s) chosen.

Evaluation metrics

In order to evaluate the various delivery methods, a number of metrics will be identified to reflect the Treasury 5 case model. These 5 cases represent the different dimensions of a project and can be described as:

- Strategic fit – Does the method provide a fit with local and regional policies and plans
- Economic case – Does the method represent best public value
- Commercial case – Is the method attractive to the market, is it commercially viable
- Financial case - Is the proposed method affordable
- Management case - Is the method achievable

The metrics to be identified within each of these 5 cases must be based on the parameters described above which establish NCCs position on various factors relating to the Extra Care programme. The suggested metrics are:

Strategic Case

- SC1 Does the method meet the NCC Extra Care programme objectives (that have been aligned to corporate objectives)
- SC2 Can it deliver the projected demand
- SC3 Does the method not impede delivery in the short term
- SC4 Does the method not preclude a particular approach to care provision (eg. Block contracts or direct payments)

Economic Case

- EC1 Does the method offer NCC a potential for a return on capital and revenue investment
- EC2 Does the method require encountering risk in relation to planning & design
- EC3 Does the method require encountering financial risk
- EC4 Does the method require retaining the ownership of the completed development
- EC5 Does the method require retaining the operation & maintenance of the development

Commercial Case

- CC1 Does the method require NCC land assets
- CC2 Is there a mature market for this method
- CC3 Does the scale of the programme support the delivery method

Financial Case

FC1 Does the scale of revenue funding required for this method meet NCCs parameters

FC2 Does the scale of capital funding required for this method meet NCCs parameters

Management Case

MC1 Is the level of Internal resources required for management and governance realistic and achievable

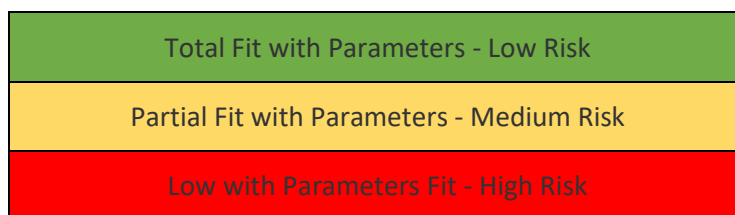
MC2 Are the skills and experience required for management and governance available

MC3 Are NCC required to retain ownership of completed development

MC4 Are NCC required to retain the operation & maintenance of development

MC5 Is the complexity of delivery in terms of development management realistic and sustainable

The above is what will form the detail of the next element of the Delivery Model. Each of the delivery methods will be assessed against these metrics using a traffic light-based system, shown below.



6 DEVELOPER FRAMEWORKS

As a result of the options evaluation process developer frameworks have been identified as a preferred delivery method for Extra Care, along with establishing public-private partnerships which do not require establishing a separate entity to enable this.

There are a number of developer frameworks that exist and have been established by public sector organisations to enable the delivery of a range of capital projects, across a number of services.

Existing developer frameworks

Using an existing framework could enable developer-partnerships in the short term prior to procuring a bespoke framework for Extra Care.

From the research done so far, a framework suitable of meeting NCCs requirements to be able to procure developer-providers to deliver Extra Care units on public sector land in the medium term (up to 1-2 years) will require the development of a bespoke framework. This conclusion follows the research of existing frameworks, which resulted in the following conclusions from those frameworks researched:

- That the majority of frameworks do not specify Extra Care housing within the scope of services or development types that can be procured
- Further to this, the care element of Extra Care was not specified in the scope of these frameworks, suggesting that developer-providers could not be procured from these frameworks
- The frameworks researched were limited in the number and range of partners available with a track record in delivering and operating Extra Care or other social infrastructure.
- The frameworks researched were generally limited in their geographical scope, and so not aimed at providing services for Norfolk.

Given these conclusions, it is recommended that prior to establishing a bespoke framework for procuring developer-providers in Norfolk, other methods are used to identify suitable partners for delivering Extra Care development. This would be done via individual procurement exercises, along with conditional land sales for sites in public sector ownership.

7 APPENDIX A DELIVERY APPROACH – DETAIL

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
Direct development	<p>LA takes a more entrepreneurial role and enables staff to acquire skills & experience of development. Could allow increased supply to alleviate pressures on other services leading to long-term savings whilst creating income for councils</p> <p>Council can make a return on completion through the sale of the site or via rent returns.</p>	<p>Significant time and resources needed to implement and resource the service; skills needed to support a commercial activity.</p> <p>Need a detailed business case and existing experience.</p> <p>High investment required for the initial development.</p>	<p>High risk involved with costs and investment in resources.</p> <p>Finding a buyer for the development and securing a sale value that provides a return has risks attached.</p>	<p>Can enable rapid expansion of housing stock if market conditions are right.</p> <p>Allows NCC to be in control of delivery, therefore can ensure the delivery of the development on time.</p>	<p>Considered a strategic solution to delivery as requires time to establish the service and deliver development.</p>	<p>Requires specialised and experienced staff resources and corporate support in order to establish and maintain the service.</p>	<p>Sheffield Housing Company; plans to build 2300 homes over 15-year period.</p> <p>Ashford Borough Council owned housing company.</p> <p>Southwark Council Extra Care Housing.</p>
Joint venture partnerships / SPVs	<p>The council gains external expertise and some of the risk is reduced as the investor also puts capital into the project.</p> <p>Suitable for councils with limited resources to acquire an onsite team; can be more cost-efficient</p>	<p>Complexity – needs agreement of key decision-makers and different departments within NCC eg. finance, property and legal teams.</p> <p>Time and money required to</p>	<p>Complexity of contractual arrangements, often a large volume of contracts. Council has to uncover the most desirable partner that can deliver on project. Need to have clear objectives</p>	<p>Depends on interest in investing in the project but tends to be larger due</p> <p>Can have a significant impact on stimulating development if the asset is set at the right level to enable</p>	<p>Considered a strategic solution as involves a significant amount of time for procurement process and negotiation with one or more potential partners.</p>	<p>Requires support and advice from a range of departments.</p> <p>May require external advice from commercial, legal and financial advisers.</p>	<p>Wakefield and Oxford Barton;</p> <p>Warwickshire County Council Partnership with Housing.</p> <p>Gateshead partnership with Evolution Gateshead.</p>

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
	<p>and suitable for commissioning authorities.</p> <p>Under the joint venture model surpluses (effectively profit) are shared with all costs and values being provided on an open book basis.</p> <p>The developer is positively incentivised to maximise profit and the Council has strong control and oversight of costs and values through its ownership and directorship in the JV company</p> <p>Can provide significant levels of development depending on scale of interest and local asset involved in the project.</p> <p>Benefit of a LABV approach would be to package up the land and secure planning consents</p>	<p>establish the JV / SPV. Legal and commercial advice and resources needed.</p> <p>This approach needs corporate approach and professional s involved across the council.</p>	<p>threaded throughout the project procurement.</p> <p>A governance structure that represents all stakeholders needs to be set up effectively for this to work. The asset such as land needs to have market appeal.</p>	<p>interest by developers.</p> <p>Due to significant set up costs in terms of time & resources more suitable to delivering at scale.</p>			

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
Public-private partnerships	<p>Tight specifications and contracts can deliver outcomes and reduce risks.</p> <p>Can provide a structured relationship with a developer-partner without the complexity of a separate legal entity.</p> <p>Establishing clear protocols and delivery expectations help establish understanding and expectations between parties as project progresses and relationships mature.</p>	<p>May require external support and advice on commercial, legal and financial aspects of the development agreement.</p> <p>Possibility of missing out on return if market performance is above expectations and provision for this not in agreement regarding profit-levels.</p> <p>'Overage' agreements used to capture value can be difficult to agree.</p>	A robust specification and agreement required at the outset to ensure control and objectives / outcomes are met.	Can be applied to a range of development sites and so can be used for smaller as well as larger scale of delivery,	Subject to complexity of development agreement can be a more straightforward procurement and negotiation process and avoids the need for a separate legal entity.	External support and advice from commercial, legal and financial sectors may be required.	<p>Barking and Dagenham.</p> <p>Hampshire.</p> <p>Rushcliffe Borough Council.</p>
Framework agreements (single partner)	A clear strategy attracts developers and creates market certainty in investing in a project with understanding of clear financial returns and the required investments,	Framework agreement with one partner does not create competition through the timescale of the framework, possibly affecting	The strategy needs to be robust at outset to be effective in the longer term.	Would need to be able to provide sufficient opportunities to be attractive to the market.	Framework requires procurement process. Possibility of using existing frameworks to allow delivery in the short / medium term while bespoke	Requires support from service commissioners and procurement. May require external advice from commercial, legal and	Eastleigh borough council.

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
	demands and future projections.	quality of outcomes. Outcomes could miss out on advances or quality elsewhere in the market.			framework is established.	financial sectors.	
Framework agreements (multiple partner)	A clear framework and partners are outlined and therefore should help to speed the delivery, set quality standards and ensure that the project delivery occurs in a co-ordinated way with preferred providers. Can act as a means of quality assurance as preferred developers are already outlined and will have experience in delivering similar projects	Takes time to set up, need a robust framework and engagement with preferred developers to get stakeholder s on board and overall framework approval. Need personnel in the council with existing skills around framework construction and delivery into the final product	Not being able to get a clear framework approved with interest from prequalified housing developers; seeking interest from the market may slow the initial delivery process.	Sufficient opportunities for development must exist to attract market interest.	Framework requires procurement process. Possibility of using existing frameworks to allow delivery in the short / medium term while bespoke framework is established.	Requires support from service commissioners and procurement. May require external advice from commercial, legal and financial sectors.	Hampshire CC
Institutional investment model	Allows greater level of capital to ensure a faster delivery of the extra-care model These models can be delivered	Need people with expertise within the council to understand and engage with	Need clarification around the long-term nature of the project and lease conditions.	Can deliver sizeable projects. Likely to invest in larger projects where there is a clear	Can take time to identify a suitable partner and is subject to market conditions and other forms of	Requires a partnership approach with fund, developer and provider.	

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
	<p>without reliance on HCA grants, are usually willing to invest in social good schemes and work with councils.</p> <p>Rent levels are set at affordable and in line with local housing allowance/eligible rents. and focus on efficiency by linking new property close to properties already managed</p>	<p>stakeholders</p>	<p>Limited risk to council as the risk is borne by the Fund, which takes on 100% of the risk in terms of development, construction, refurbishment and financing as required.</p>	<p>understanding of the strategy in place.</p>	<p>investment which funds can consider.</p>		
Conditional land disposal	<p>Removes uncertainty as clear conditions are attached to the land and can therefore bring forward willing developers in line with the requirements of the land and development scheme</p>	<p>If the conditions on the land disposal are too restrictive this may limit development and deter investors from coming forward to develop the land.</p> <p>This could prohibit the scale of development and interest in land and therefore conditions attached should not</p>	<p>Conditions attached to the land are too restrictive and no development takes place; slows pace of development and cost of development increases over time reducing viability and in the long-term being an inefficient approach to developing the land</p>	<p>Suitable to development at a range of scales, largely dependent on market interest and conditions rather than scale.</p>	<p>Can enable delivery in short term subject to planning and development timescales.</p>	<p>Land sales often achievable with existing skills and structures.</p>	

Delivery Approach	Advantages	Disadvantages	Risks	Scale of development	Timescale	LA resource requirement	Examples
		<p>be too stringent to reduce market interest.</p> <p>An element of profitability still needs to be considered in drawing up conditions, these need to be made clear to be realised by investors</p>					
Sale and leaseback	Council potentially receives a capital receipt.	Often requires guarantees over voids or tenancies to ensure development viability.	<p>Assurances need to be provided regarding voids, with LA liable to ensure rental income.</p> <p>Asset often reverts back to LA at end of long-lease.</p>	Suitable to development at a range of scales, largely dependent on market interest and conditions rather than scale.	Subject to available models in the market.	Can be delivered with existing skills and resources.	
Social investment models / charitable trusts	Delivers a socially beneficial outcome.	Requires identification of suitable partner and / or corporate commitment to a unique delivery method.	Requires commitment and assurances over demand / rent over longer term.	Can deliver sizeable projects. Likely to invest in larger projects where there is a clear understanding of the strategy in place.	Can take time to identify a suitable partner and is subject to market conditions and other forms of investment which funds can consider.	Requires a partnership approach.	

8 APPENDIX C - BARRIERS

Domain	Barrier	Significance C, H, M, L	Frequency H, M, L	Consequence
Strategy	Lack of high level plans and estate strategies which then can be knitted together to create an integrated approach to what is needed	High	Medium	Lack of cohesive planning
Strategy	There is no clear direction from the Council of what is needed for older people's housing i.e. numbers of houses required, location etc. and exacerbated by the public-sector cuts since 2010, and changes in administration	Critical	High	Ad hoc development ensues which may not be fit for purpose
Strategy/ Planning	CLARITY of what NCC wants and where it is wanted: <ul style="list-style-type: none"> • a clear plan so there is no ad hoc development • back up from NCC when a planning app goes in with required data and a clear route of how schemes are filled with a plan supported by data which is in the public domain 	Critical	High	Either ad hoc development takes place or none at all as developers look elsewhere
Strategy	No decision making in NCC and so many competing priorities – no clarity about what their priority is and therefore what to do with the assets	Critical	High	Opportunities for development are missed and potential for mixed messages about EC being issued
Strategy	NCC has not been prepared to act as a partner and share risk	High	Low	Developers will look for other opportunities outside of Norfolk so limited if any progress on building new schemes
Strategy	No consistency of approach and engagement	High	High	Developers will look for other opportunities outside of Norfolk where

				engagement is easier so limited if any progress on building new schemes
Strategy	Developers/Housing Associations struggle to get information out of the County on data so difficult to either put a strategic plan together to develop schemes or contact people direct to advertise the vacancies that Broadlands have	Critical	High	Developers will look for other opportunities outside of Norfolk where information is more forthcoming so limited if any progress on building new schemes
Strategy	The approach seems to be crisis management – people take what’s available rather than it being the right option – very reactive rather than proactive stance.	Critical	High	Vulnerable people end up in long term residential care which is not right for them and results in extra expenditure for NCC which could be avoided
Strategy	People obsessed with the Care Act and what it means and their rights – can we help people make the right choice rather than it being left to the client all the time	Low	Medium	A lack of understanding around what EC is and what it can provide will potentially adversely affect void levels
Strategy	County tend to think about dementia wings rather than involving a mixed economy	Low	Medium	Potential for inappropriate development to meet future demand
Strategy/external coms	GPs never mention EC/HwC when considering care solutions for their patients – it’s not on their radar	Medium	High	Marketing campaign - raise awareness
Strategy	Risk share - NCC seem unprepared to make any form of commitment in terms of a guarantee of onward revenue and risk sharing. NCC want the developer to carry all the risk but to have total control over the lets and have no Void Guarantee in place.	High	High	This is not an attractive proposition for people looking to invest in the county and so developers tend to take their business elsewhere.

Strategy/Demand	There is a clear need to know early on what to build and where to build it	High	Medium	Developers get frustrated and look for easier pickings
Governance				
Governance	Need to get all the key players round the table which is a fundamental requirement to sustainability. No joined up thinking	High	High	Decisions either take too long or don't get made at all and opportunities are missed
Governance/ Leadership	Leadership – there is a clear need for someone in authority who can make things happen and say what is required	Critical	High	Decisions don't get made, no direction or strategy is formulated and actioned
Governance/ Leadership	Historical legacy of lack of definitive action	High	Medium	Decisions don't get made, no direction or strategy is formulated and actioned leading to frustration by all parties
Governance	No agency singularly responsible for HWC	Critical	High	Difficult to make decisions and co-ordinate the overall process
Governance	NCC wanted to control development of EC rather than enable it resulting in very cumbersome processes	High	High	Process is difficult to understand so doesn't get used and service users end up in residential care rather than EC
Governance	The relationship between NCC with Local Authorities and Housing Associations varies considerably	Medium	High	Makes the process of developing EC that much more complicated than it needs to be and a possible inconsistent approach to EC across the county with all the attendant issues that will bring
Governance	Relationship between NCC and Norse – SLAs in place but more token than real and not measured.	High	High	Any development would have to exclude Norse or be on a totally different basis –

				need real SLA with KPI and monitoring mechanism
Governance	Engaging with NCC is not very easy:- Difficult to find right person to make decision – very bureaucratic and risk averse and unable to make decisions quickly Skills of elected Members making decisions on EC questionable – Overlap between needs of Adult Social Care and Housing with Care and Health – no joined up thinking	Critical	High	Leads to a very complex care landscape and a confused approach to EC characterised by duplication and missed opportunity, slow decision making, long lead times, unnecessary expenditure.
Governance	NCC has experienced quite a lot of market interest in developing supported housing in the past but couldn't capitalise on this because the Council "couldn't get their ducks in a row"	High	Medium	Loss of opportunity and reputational damage
Commercial				
Finance	When thinking about future HwC schemes there is a clear division between people who can afford to pay for a home and those who can't and this needs to be factored into any business/financial modelling at the outset and when considering the tenure mix.	High	Low	Lack of robust financial modelling
Finance	Last year revenue going into supported housing was cut by £5.2m	High	Low	Services are expected to do more for less and this will only be possible with a robust model of EC
Finance	Confusion about revenue funding i.e. how it works, levels etc and how much capital could be made available by NCC	High	Low	Lack of robust financial modelling

Commercial	Nominations – For Developers/Housing Associations to be attracted to Norfolk, as with any county, there needs to be some form of guarantee in place to ensure once a place is built, it is filled	High/Critical	Medium	Developers will look to provide other forms of housing, e.g. general needs where voids aren't an issue
Commercial	High void rates due largely to a very slow and protracted nominations process	Critical	High	Has the potential to make new schemes uneconomic and thus prompt developers to look elsewhere to develop EC housing or build other types of accommodation
Commercial	Councils don't take into account the correlation between grant, rental allowed and income and affordability. Investors are looking at a 6% return which is commensurate with the associated risk margin/profit margin necessary for a robust investment model.	High/Critical	Medium	Lack of robust financial modelling
Commercial	Lack of commercial awareness by NCC on how to turn strategy into actual developments and that Housing Associations are businesses and have to make money	High	Medium	Missed development opportunities for new schemes, high void rates when new developments are not filled
Commercial	Seems to be no understanding of the urgency that Housing Associations face and the need for them to make money as they are a commercial enterprise. Urgency only comes when there is a crisis.	Medium	Medium	Fails to promote a good working relationship and ultimately results in increased expenditure which could be avoided
Commercial	Viability is also a challenge = need a suitable site which was cheap or gifted land and find a local builder who could build at a good rate plus grant from Homes England	High	Medium	Where this cannot be achieved, Developers/Housing Associations will look elsewhere
Commercial	Build costs have continued to climb	High	High	This has to be factored into any financial modelling
Commercial	Rent Cap – the rent cap exists which prevents Housing Associations raising rents above certain limits.	Critical	High	The changes that may come into effect with the rent cap are not yet fully known

				but there effect is not likely to be positive for EC
Planning				
Planning	Developers and Housing Associations need a clear route through the planning process and support from NCC to bring schemes to a fruition in as short a time as possible.	High	Medium	The lack of a clear route will at best prolong development lead times and at worst prompt Developers/Housing Associations to look outside the county. NCC need to find suitable sites and making it easy for developers to acquire these sites and the required planning permission to develop new HwC schemes.
Land/Property	One Public Estate Agenda is a source of public land – but not enough of it to develop schemes of a size which would be economically viable.	High	Low	Has significant implications for the delivery model
Land/Property	Land is always going to be an issue, especially in North Norfolk as the sea curtails further development northwards, so have to move south. Land with planning permission for housing is extremely high in value	High	Medium	Has significant implications for the delivery model
Planning	The 7 District Council planning functions to work as separate entities whereas they need to work together	High	Low	A lack of coordinated planning leads to an uncoordinated approach to planning and a lack of uniformity across the county
Planning	ASC never been asked if any more care homes were needed when thinking about planning and development.	High	Low	The key is good market intelligence, knowledge of land in areas to develop, good prevalence modelling
Product and Process				

Process	NCC has no formal process or business model for engaging with Developers/Housing Associations/the market	Critical	High	Makes it extremely difficult for developers to engage with the county and all adds to the time and cost required to get a scheme off the ground
Process	No internal support/team/resource to assist Developers/Housing Associations with the NCC internal “process stuff” required to get a scheme moving,	High	High	Makes it extremely difficult for developers to engage with the county and all adds to the time and cost required to get a scheme off the ground
Process	Lack of clarity on how HwC schemes operate and are utilised – the definition has been abused – dysfunctional commissioning function but borne out of necessity because NCC want to get best value out of the 15-year contract with Norse	Critical	High	Lack of clarity adds to the duplication of effort, missed opportunities and general increase in time frames and costs. Also, reputational damage to NCC
Process	Relationship with Norse is dysfunctional and strained – investors and developers don’t want to get involved in the politics and complications caused by the nature of the relationship	High	Medium	Developers/Housing Associations will look elsewhere to a more stable climate in which to work
Process	VOIDS – Target is on average 2 to 3 weeks but can be anything up to 10 to 12 weeks.	High	Medium	No guarantees provided so Housing Associations prefer to put their cash where it’s safer – not prepared to shoulder all the risk themselves.
Process	Difficult to get workforce to do home support, especially in North of county so limits the potential for development of schemes in north of county	Medium	Medium	Can result in lots of travelling which is not effective and expensive for NCC
Process	Social workers are focussed on helping people and although they are becoming more commercially aware, their time is limited and so need to focus on the care side. Not enough of them to do all the assessments required	High	Medium	A significant programme of change management will be required to bring about the required changes in developing a commercial attitude as well as a caring one.

Process	Nominations Process – on average the nominations process for special needs/ housing for older people takes 100 days and more. Because the process is complicated it takes a long time and so staff will also avoid using it	Critical	High	The impact of this is a high void rate which makes developers and HA unwilling to invest in Norfolk
Product	The person who might use the service and the families don't know what EC is.	High	Medium	Because people don't know what it is they don't use it so older people potentially end up in the wrong facility for their needs. A marketing campaign is required.
Process	Practitioners work at a pace and therefore the process needs to be simple and it's not	High	High	A complex process will either be ignored, or local work arounds developed which increase the cost of running a service
Process/awareness	Because it's a very complex thing to sort out social workers shy away from it – it needs to be easy for social works to get people in housing with care at an early stage so its a positive choice for the client	High	High	A complex process will either be ignored, or local work arounds developed which increase the cost of running a service
Process	Process Management - NCC processes and the way they are managed do not enable quick and fleet of foot decisions to be made which are frequently required when an investment opportunity exists.	High	High	Poor processes and poor management lead to slow decision making and missed opportunities
Data/joined up thinking	NCC struggles with information and data i.e. don't know where data is and how you can pull it all together to make decisions – no joined up thinking – people struggle to provide evidence to support any recommendations	High	High	Slow decision making and missed opportunities
Product and Proces	Culture – There is a fundamental misunderstanding by NCC that HAs need to make money. The council also fails to realise it has to complete for the resources of Has	High	High	NCC staff need to have more of an understanding of commercial reality

ASSISTIVE TECHNOLOGY POSITION STATEMENT

NORFOLK COUNTY COUNCIL EXTRA CARE HOUSING

DATE: 03 JULY 2018

DOCUMENT CONTROL SHEET

DOCUMENT TITLE	ECH– Assistive Technology Position Statement
ISSUE	1.0 Final
STATUS	
CONTROL DATE	03/07/2018

RECORD OF ISSUE

Issue	Status	Author	Date	Check	Date	Authorised	Date
0.2	Draft	KF	03/07/18				

APPROVED FOR ISSUE

Name	Signature	Date

DISTRIBUTION

Name	Role

Summary

Despite significant technological advancements over the past few decades, the implementation of assistive technology (AT) within Extra Care Housing (ECH) schemes across the UK has largely remained the same, using outdated and inefficient products and services that do not contribute to the independence, quality of life and safety of the resident. While AT is only one component of a broader, more holistic care package, it must be implemented properly to provide the best possible care to tenants at the best possible price.

The purpose of this document is to clearly define assistive technology, illustrate how it improves the quality of life of the service user, and how it can reduce costs for the provider while improving the quality of care. Ultimately, the aim is to provide a baseline that all ECH schemes must meet. This is to ensure that AT enhances the quality of care provided to residents of such schemes.

Definition

Assistive technology is broadly defined as ‘any product or service designed to enable independence for disabled and older people.’

It is important to note however that the definition of AT has undergone a shift in emphasis over recent decades from a previous emphasis on compensating for the user’s disabilities, to the current emphasis on utilising the user’s abilities to foster their independence.

A 1991 study of assistive technology defined it as ‘devices and techniques that can eliminate, ameliorate or compensate for functional limitations.’ In recent years, the definition and goal of assistive technology has shifted from (dis)-ability to ability, meaning that the technology is not meant to make up for a perceived deficit within an individual, but rather to enhance the abilities that he or she may possess for them to live a more fulfilled and independent life. For example, the Audit Commission, writing in 2000, defined AT as ‘Equipment that enables children and adults who require assistance to perform essential activities of daily living to maintain their health and autonomy and to live a life as full as possible.’

While the term ‘assistive technology’ covers a wide range of technologies, this document focuses exclusively on the application of AT within ECH schemes.

Examples of assistive technology

Traditional examples of AT can be as simple as grab rails and walking aides. However, this document is primarily concerned with more modern forms of AT. The most common AT service/product within homes in the past few decades is the pull cord that alerts someone that the inhabitant has fallen or needs help. While the simplicity of this AT has made it popular and widely implemented, it has obvious drawbacks. For example, if the client falls out of reach of the pull cord, or is unconscious, he or she will not be able to pull the cord, and the care staff will not be alerted that the accident or emergency has occurred.

Digital forms of AT – the focus of this document – seek to ameliorate this deficiency by using sensors that can detect abnormalities (for example, a fall), and alert care staff immediately without the need for the tenant to push any buttons or pull a cord. These advanced, digital forms of AT include the following types of installation:

- Sensors which manage risks such as fire, flood or gas leaks
- Personal pendants which enable clients to request assistance and may include built-in fall detectors
- Sensors which will alert staff if the user's behaviour has diverged from the norm; e.g. they have not got up at the normal time or they have not moved for a period of time
- Epilepsy, occupancy or incontinence sensors which reduce/remove the need for intrusive night-time checks
- Environmental sensors to control curtains, heating and lighting
- Door contact sensors which can be used to monitor eating, medication compliance or wandering
- Sensors to monitor visitors such as care and support or health workers
- Access control and automatic door openers
- Aids to support bathing and toileting
- Cognition and communication aids
- Wearable sensors and activity trackers

Hardware and software (mechanical and digital systems)

AT encompasses both physical and digital products and infrastructures.

The connection between hardware and software is demonstrated most clearly when considering how the data collected by the hardware is communicated to the care staff, which is a crucial component of AT. Advancements in this sector provide the possibility for tenants to live a more connected and fulfilled life and allow for care/medical staff to monitor their health and safety remotely.

Internet access and AT for homes

While the goals and definitions of contemporary AT have not changed significantly since its shift in emphasis towards “independence”, recent technological advancements, particularly in the field of Internet of Things (IoT), have invited a more diverse group of actors and institutions to engage with AT, resulting in an expanded idea of what AT of the future will be capable of. Access to internet communication is an essential part of a quality of life that affects health, social engagement, and well-being.

The Government now sees Internet connectivity as a basic human right and has voiced a commitment to giving everyone 10mb Internet by 2020 so it is likely all modern ECH schemes will be required to provide connectivity (which is also likely to be a chargeable service). Traditional AT tends to rely upon a hardwired fixed telephone line, which, like internet solutions, have their own weaknesses – yet these do not provide a future proofed solution given fixed telephony may be phased out in the medium to long term.

How assistive technology improves quality of life

When implemented correctly, AT can significantly improve the quality of life of a resident, their family members and care workers. AT can be used across the spectrum of “care need” from those with low care need (below 9 hours/week), medium care need (10 – 15 hours/week) to those with high care need (15+ hours/week).

Sensors detect events that traditional monitoring cannot. For example, service users who have fallen and hit their head in the bathroom are found after no movement is detected in the remainder of their home after their entry to the bathroom, or after the fall is automatically detected by a wearable fall detector.

The use of an incontinence sensor to send a discreet SMS alert (not a siren or a pager) to a care giver stops people being left wet or woken up and regularly checked to see if they are wet. Not only can they be changed as and when needed and disruption kept to a minimum, but positive and preventative interventions can be put in place and data used to manage the condition.

Digital AT communication aids mean people can, not only speak to loved ones, but can video call them too at the touch of a button. This reduces social isolation, can be used for easy access to services (e.g. hairdresser, taxi, meal services), and can reduce or even eliminate expensive phone call and visit costs (particularly when a family member is not in proximity).

Care workers can be monitored to check that the care being commissioned is being delivered and the quality of care is good. Although it is crucially important to spot where performance needs to be improved, it can also be used to spot and celebrate good performance.

Medication reminders are sent to an in-home tablet device. The user acknowledges they have taken it by a simple "ok" button, and an alert created if they have not acknowledged it. This can be coupled with a sensor on the medication cupboard or dispenser with an accompanying alert issued only when medication isn't taken in the appropriate time window. This promotes independence and self-management of medication, while giving others reassurance that it won't be forgotten or missed.

Data collected gives workers a better understanding of the behaviour of the people in their care. They can time interventions better to suit them and have greater insight into their conditions. In-home communication devices can be used to get feedback through automated survey tools. Daily interactions done by the same person create a better customer experience than a stream of different support workers.

Cost savings, how assistive technology saves money

In addition to improving the care service provided and quality of life of the service user (as illustrated in the above sections), AT has the potential to provide significant cost savings for the care provider and/or Local Authority, with cashable efficiencies already proven in various ECH schemes. The initial costs of setting up AT infrastructure are often more than offset by the longer-term cost savings that can be achieved. Previously efficiencies promised by classic AT have been hard to quantify due to the limitations of the devices at allowing safe reduction in manpower (alarms to pagers or classic door alarms to warden control systems do not allow for this).

The cost savings associated with AT are primarily derived from changes to staff structures within ECH schemes. Specifically, when proper AT is implemented into a housing scheme, the care provider may be able to reduce the number of waking night care staff by replacing them with sleep-in care staff

(where real-time alerts wake the worker in a potential emergency – for example, when a seizure is detected, or someone wanders from their flat at night); reduce staffing ratios; or share night time support across schemes.

Despite costing more to implement, there is no evidence to suggest the “Waking Night” system is any safer than a “Sleep-in” system utilising digital the sleep-in system can enable better safeguarding as workers are directed to where they are needed most, and customers have a better experience with quicker, better informed responses. With the “waking nights” system, the care worker may be required to do scheduled checks, often waking the service user multiple times throughout the night to check on them. This leads to an irregular sleep cycle that can worsen the health of many individuals. With the ‘sleep in’ system, however, this need to check is reduced or eliminated, as the monitors will immediately inform staff if any abnormalities, such as a seizure or enuresis, occur.

In respect of Norfolk County Councils’ ECH Programme, there is potential for the use of digital AT to support “sleep-in” care workers as a possible alternative to the provision of waking staff during the period 10pm to 7am. There is also potential to look at the impact of digital AT on daytime staffing structures; for example, the provision of support remotely from a centralised location using in-home tablets for non-manual tasks.

AT can also be used to support reablement and provide evidence of its impact (e.g. teach people how to use a microwave and have data to support that they are using it to prepare meals). For any ECH Scheme, using technology to best support people to help themselves, will likely reduce care need and provide long term saving to care packages

Implementation of AT within a 60 apartment ECH can potentially deliver significant cost saving – in the region of £40,000 - while supporting a greater level of independence for the service user.

AT Infrastructure: basic building requirements (generic)

All new build and retrofit schemes must meet certain connectivity requirements to implement the appropriate digital AT.

At the most basic level, this includes internet connectivity throughout the scheme and ideally into each individual unit. If an Ethernet cable is the preferred method, some digital AT data controllers will themselves provide Wi-Fi, the costs of which can be charged to residents.

Bandwidth and latency requirements will vary depending on what form of AT is used. Communication aids that use video calling functionality probably have the highest demands on both (bandwidth = min. 300kb/s, latency = under 250ms).

Barriers to delivery and steps required for adoption

The rollout of AT nationwide has been varied, with no set standard of which technology to adopt or how best to go about delivering the technology. This has been compounded by the limitations of standard/traditional AT equipment that is entirely reactive and has not been shown to deliver significant cost saving efficiencies.

Difficulties associated with procurement have also been a barrier to the implementation of digital AT; e.g. tenders specifying traditional AT and preventing non-compliant bids. Digital AT can usually be bought outside of OJEU procurement process. Most cloud-based services can be bought directly through the G-Cloud on the Digital Marketplace.

Care providers will often deploy traditional equipment to tick the “Assistive Technology” box when building new schemes, often not looking at the alternatives and/or the best solution for the residents. There is often a one size fits all approach taken rather than looking to personalise AT to the individuals it is meant to help.

Smart assistive technology has recently started to emerge. This Smart assistive technology completely replaces older versions of AT. The new technology delivers significantly more functionality and better customer experience through improved interconnectivity via wireless networks.

Privacy concerns of the individual and security risks to the system must be considered when choosing any digital AT; but the benefits of keeping residents safer, more secure and better looked after is often seen as a beneficial trade for the use of data. It is made clear to residents when signing up to any service what their data is to be used for. Mitigation factors must be in place to minimise risk and keep customer data secure.

Providers should be brought on board early in the process to ensure the benefits of using AT and creating efficiencies is understood. The introduction of AT is about standard of care and the encouragement of independent living, providers should not see AT simply as a top down approach by the County to reduce funding costs.

All stakeholders (e.g. social workers, OTs etc.) should be trained in the benefits of AT so that referrals are made and communicated clearly with citizens and their families.

Conclusion

AT can provide substantial care service benefits, both in terms of the level of care for an individual but also in the substantial care cost savings that AT can bring.

Service users will need to be advised appropriately to bridge any issues that they or their immediate family may have regarding their individual privacy. Any concerns should be addressed by communicating the benefits of digital AT its non-intrusive nature. All digital AT systems and installations will need to ensure that they are designed and operated to be as secure as possible.

Providers will need to be approached early in the development and planning process to ensure new or retrofitted schemes and buildings are designed to accommodate future installation of digital AT.

Further reading

Audit Commission, 2000. Fully Equipped: The provision of equipment to older and disabled people by the NHS and social services in England and Wales. London: Audit Commission.

Fisk, M., 2007. Good practice for telecare services in the UK. *Journal of Assistive Technologies*, 1(1), pp. 48-52.

Lansley, P., McCreadie, C. & Tinker, A., 2004. Can adapting the homes of older people and providing assistive technology pay its way? *Age and Ageing*, Issue 33, pp. 571-576.

Perry, J., et al., 2012. Targeted Support and Telecare in Staffed Housing for People with Intellectual Disabilities: Impact on Staffing Levels and Objective Lifestyle Indicators. *Journal of Applied Research in Intellectual Disabilities*, Volume 25, pp. 60-70.

Pope, A. M., & Tarlov, A., 1991. *Disability in America: Toward a national agenda for prevention*. Washington, DC: National Academy Press.

Tinker, A., 2003. Assistive technology and its role in housing policies for older people. *Quality in Aging - Policy, practice and research*, 4(2), pp. 4-12.

Ward, G., et al., 2012. Fall Detectors: A review of the literature. *Journal of Assistive Technologies*, 6(3), pp. 202-215.



CARE MODEL FOR EXTRA CARE IN NORFOLK

DISCUSSION PAPER
Version 1.0 Final

DATE: JULY 2018

Care model

Research identified the primary issues for all extra care stakeholder groups when considering the commissioning of care and support services, was the increasing drive towards personalisation of services, service user choice and control and transfer of risk from NCC to the service provider.

A long list of models was considered and evaluated using a set of parameters that identified the degree to which an approach exposed NCC to risks regarding central government policy direction on personalisation, central government policy direct on procurement practice, satisfying stakeholder needs (particularly in terms of service providers and the approach being attractive to them), scalability, costs and regulatory issues

Following the evaluation, it was evident that the Provider Freedom and Responsibility approach is the most appropriate approach for NCC. The key reasons for this are:

- It allows NCC to effectively balance the needs and requirements of all key stakeholders;
- it minimises the risks resulting from central government policies regarding personalisation and procurement practices;
- it minimises the regulatory risks;
- it is at the worst cost neutral to NCC although there is evidence that over the medium term it could result in cost savings to NCC due to a reduction in overheads for commissioning, running procurements and contract management.

In order for the Care Model to be implemented it will be necessary for NCC to undertake a change programme to shift care commissioning practice and increase client take-up of Direct Payments.

The long list of approaches considered:

- Status Quo, a Bundle Approach – NCC commissions block contracts, point of choice for service user is when they move into the scheme.
- Bundle with an Opt-Out – NCC commissions block contracts, point of choice for service user is when they move into the scheme although they are informed that they can opt out of the service procured.
- Fixed Flexibility – NCC commissions block contracts, point of choice for service user is when they move into the scheme and take up the service offer after assessing their other options.
- Acting Guarantor – NCC pump primes the service set up costs. It then reverts to micro commissioning approach.
- Micro Commission – NCC chooses the provider but care and support service packages are spot purchased by the council or service user.
- Provider Freedom and Responsibility – in response to demand a developer-provider partnership brings forward a market ready scheme that does not require commissioning certainty from NCC. Point of choice for service user is in moving into the scheme as a lifestyle choice using their Direct Payment (or other benefits payment mechanism) to fund.

Further supporting evidence relevant to the Solution Design is also supplied as additional evidence base documents. They include:

- Delivery Model: detailed research and options appraisal relating to the delivery method.
- Demand and extra care for Homeowners and Self-funders: detailed research, analysis and recommendations relating to the push / pull issues of demand from the population sectors who own their own homes currently and who may (or may not) self-fund their care and support services.
- Barriers report outlining the challenges to delivering ECH in Norfolk with detailed feedback from developers and those in NCC and the District Councils involved with this work.
- Extra Care Position Statement: a definition of extra care to be applied across Norfolk including its purpose, eligibility criteria and key features.

Adult Social Care Committee

Item No.....

Report title:	Strategic and Financial Planning 2019-20 to 2021-22
Date of meeting:	8th October 2018
Responsible Chief Officer:	James Bullion - Executive Director of Adult Social Services

Strategic impact

This report provides an update on the Service Committee's detailed planning to feed into the Norfolk County Council's (the Council) budget process for 2019-20. The Council's budget setting activity is informed by a range of documents including the Medium Term Financial Strategy, and the Council's Vision and Strategy. Together these documents help to set the context for medium term service and financial planning, which support the development of a robust, balanced budget for 2019-20.

In particular, the report sets out Adult Social Care Committee's (Committee) specific proposals for savings in the context of the approach to developing options that was agreed at the Committee's meeting in September 2018. Savings are now presented for consideration and recommendation to Policy and Resources Committee, which will agree the savings to go into the consultation process for 2019-20 budget setting later in October 2018.

The report also provides the latest information about the Council's overall budget planning position, including the forecast budget gap for 2019-20 to 2021-22.

Executive summary

This report forms part of the strategic and financial planning framework for Service Committees. It provides an update on the Council's budget setting process and sets out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2019-20. The report details the link between the Council Strategy, the Norfolk Futures transformation programme, and the development of transformation and savings plans relevant to this Committee.

For Adult Social Services, the demographic trends and the patterns of demand are significant factors in service and budget planning. The growth in the number of older people is a strength because older people are often an asset to our communities. However projections produced by the Office of National Statistics (ONS) show that Norfolk's population is ageing more rapidly when compared to other places, and it is people aged 85 and over who often have complex needs which affects their health and wellbeing as well as impacting on demand for health social care. Collectively, health and social care are supporting more people with learning disabilities who are living longer. Wider social factors are also influencing demand, for example people's general health and wellbeing, loneliness and isolation.

The report confirms Adult Social Service's strategy for changing and improving services for residents, but also living within demand. It describes the protection and expansion of prevention services and reablement services, the embedding of strengths based working, ambitious housing development and exploitation of digital innovations. Alongside this, integration continues to be a priority, strengthening collaboration between our integrated health and social care teams and primary care to help people maintain their independence.

Adult Social Care Committee is recommended to:

- 1) Consider the continuing progress of change and transformation of adult social care services**
- 2) Note the Council's latest budget assumptions and pressures, including revised council tax planning assumptions, and the resulting revised forecast budget gap of £45.322m, which has been updated by Policy and Resources Committee to reflect the latest available information and following Service Committee input in September 2018 (paragraph 4.3 and table 1)**
- 3) Approve the proposed savings for the 2019-20 budget round for recommendation to Policy and Resources Committee in October (table 6), in particular confirming those savings that are recommended to require consultation as set out in paragraph 6.4**
- 4) Consider and identify any further key areas of risk in relation to 2019-22 budget planning for the Committee's budgets, including any additional pressures and the robustness of existing planned savings as set out in table 4, noting that any changes may impact on the overall budget gap and will require additional offsetting savings to be found**
- 5) Agree the budget planning timetable (section 7)**

Appendix A - Detail of existing 2018-19 to 2021-22 Savings programme already agreed by County Council (p241)

1. Introduction

- 1.1 The County Council agreed the 2018-19 Budget and Medium Term Financial Strategy (MTFS) to 2022 at its meeting 12 February 2018, at the same time as it agreed a new Strategy for the County Council, Norfolk Futures. The Council has a robust and well-established framework for strategic and financial planning which updates the MTFS position through the year to provide Members with the latest available financial forecasts to inform wider budget setting work across the organisation.
- 1.2 In July 2018, Policy and Resources Committee considered how the 2019-20 budget planning process would be aligned with the Council's Strategy, Norfolk Futures. The Committee agreed: budget assumptions and key areas of risk in relation to 2019-22 budget planning, the budget planning principles and guidance for 2019-20, and commissioned Service Committees to begin developing savings proposals.
- 1.3 In September, Adult Social Care Committee:
 - a) Agreed the proposed approach and key themes to focus on in developing savings proposals for 2019-20 to 2021-22, including how the principles of the Council's Strategy, Norfolk Futures, would inform and shape budget planning activity, having regard to the existing savings for 2019-20 and beyond which were agreed as part of the 2018-19 budget round
 - b) Commissioned officers to develop detailed savings proposals to be presented to the Committee for consideration at this meeting in order to help close the forecast 2019-20 to 2021-22 budget gap
- 1.4 This report builds on the position reported to Service Committees in September 2018 and represents the next stage of the Council's budget planning process. In particular, the paper sets out details of the saving proposals identified for 2019-20 and subsequent years, for the Committee's consideration.

2. County Council Strategy and Norfolk Futures

- 2.1 The report to Policy and Resources Committee sets out how the Council's Vision and Strategy will inform the development of the 2019-20 Budget.
- 2.2 Caring for our County, the vision for Norfolk, approved by Members in February 2018, outlines the Council's commitment to playing a leading role in:
- a) Building communities we can be proud of
 - b) Installing infrastructure first
 - c) Building new homes to help young people get on the housing ladder
 - d) Developing the skills of our people through training and apprenticeships
 - e) Nurturing our growing digital economy
 - f) Making the most of our heritage, culture and environment
- 2.3 The Council's Strategy for 2018-2021 – Norfolk Futures – will provide the mechanism to enable these ambitions for the County across all its activities.
- 2.4 Norfolk Futures will deliver these transformational commitments in a context where demand for our services is driven both by demographic and social trends, and where increasingly complex and more expensive forms of provision are becoming prevalent.
- 2.5 Norfolk Futures is guided by four core principles that will frame the transformation we will lead across all our work:
- a) Offering our help early to **prevent and reduce** demand for specialist services
 - b) **Joining up** work so that similar activities and services are easily accessible, **done once and done well**
 - c) Being **business-like** and making best use of **digital technology** to ensure value for money
 - d) Using evidence and data to **target our work** where it can make the most difference
- 2.6 Under the banner of Norfolk Futures we will deliver sustainable and affordable services for the people who need them most. The whole Council needs to change to keep up with increasing demands and ever better ways of working.
- 2.7 These principles frame the transformation that we must lead across all our services and activities. This is all underpinned by evidence and political support, to change how the Council works and how we work with the people of Norfolk.
- 2.8 By 2021 the strategy and underpinning Service Plans will have moved the Council towards a more sustainable future with affordable, effective services. This means that we will have radically changed the ways we do some things. We will know our citizens and manage their needs effectively using the best evidence to enable the most appropriate outcomes. We will be working jointly across the Council on our biggest challenges by default, and changing the way we work to reflect new technology and ways of working. This will enable us to work smarter, better and plan long term to be the Council the County needs.
- 2.9 These principles frame the transformation across all our services and activities and we currently have seven priorities to help us to deliver the strategy:
- a) Safer Children and Resilient Families
 - b) Promoting independence for Vulnerable Adults
 - c) Smarter Information and Advice
 - d) Towards a Housing Strategy
 - e) Digital Norfolk
 - f) Local Service Strategy

g) Commercialisation

- 2.10 Further information about the Norfolk Futures priorities relevant to this Committee, and how they will inform and support 2019-20 budget planning, are set out below.

3. 2019-20 Budget Planning

- 3.1 The Medium Term Financial Strategy (MTFS) was agreed in February 2018 including £78.529m of savings and with a remaining gap of £94.696m. The MTFS provided the starting point for the Council's 2019-20 Budget planning activity. Full details of cost pressures assumed in the Council's MTFS are set out in the 2018-19 [Budget Book](#).¹ The September report to this committee set out:

- a) Budget planning principles 2019-20
- b) Budget assumptions 2019-20
- c) Council tax assumptions
- d) Budget risks identified
- e) Indicative savings requirements

3.2 2018-19 budget position

- 3.2.1 The latest information about the 2018-19 budget position is set out in the budget monitoring report elsewhere on the agenda. Budget planning for 2019-20 is based on the assumption that the 2018-19 Budget is fully delivered (i.e. that all savings are achieved as planned and there are no significant overspends). Further pressures in the forecast 2019-20 Budget have been provided for as detailed later in this report.

3.3 Latest forecast budget gap 2019-20 to 2021-22

- 3.3.1 In September, following feedback from Service Committees, Policy and Resources Committee then considered the latest planning information and an updated budget position. The current position, taking into account the changes agreed by Policy and Resources Committee, and assuming that new savings can be identified at the required level of £22.089m for 2019-20, is shown in Table 1 below. Changes in the Council's funding assumptions have mitigated some of the identified pressures.
- 3.3.2 Assuming that collectively Service Committees are successful in identifying savings at the indicative level required for 2019-20 (as identified in the July Policy and Resources report), the latest gap position indicates **a reduced forecast gap of £45.322m for the period 2019-20 to 2021-22, with a small £0.609m gap remaining to be closed in 2019-20.**
- 3.3.3 Policy and Resources Committee will receive a further update on the overall gap position for the County Council in October. The budget position and the associated assumptions are kept under continuous review, and will be updated to reflect any changes arising from the Government's Autumn Budget, or further information about the Council's funding position as it becomes available up until budget-setting by County Council in February 2019.

¹ <https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2018-22.pdf?la=en>

Table 1: Latest forecast budget gap 2019-20 to 2021-22²

	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m
Forecast gap as reported to September Service Committees (agreed at 16 July 2018 Policy and Resources)	22.089	48.454	24.153	94.696
Pressures				
Children's Services budget pressures including LAC	5.000	2.000	2.000	9.000
Children's Preventing Radicalisation pressure	0.120	0.000	0.000	0.120
Children's Centres saving delay	1.700	-1.700	0.000	0.000
Adult market pressures	2.000	0.000	0.000	2.000
Leap year pressure in Adult Social Care	0.550	-0.550	0.000	0.000
Property savings (including income targets) at risk	1.500	1.000	0.500	3.000
Pressure from 2019-20 national pay award and associated salary scale changes	0.345	0.000	0.000	0.345
Total new pressures	11.215	0.750	2.500	14.465
Proposed mitigations				
Collection Fund	-4.688	0.000	0.000	-4.688
Council tax tax base (additional 1.5%)	-5.918	-6.305	-6.341	-18.564
MRP pressure reprofiled	0.000	-5.000	5.000	0.000
Additional capital receipts	0.000	-10.000	0.000	-10.000
2% Council Tax increase 2021-22	0.000	0.000	-8.498	-8.498
Total mitigations	-10.606	-21.305	-9.839	-41.750
Delivery of 2019-20 savings target (as identified at 16 July 2018 Policy and Resources)	-22.089	0.000	0.000	-22.089
Latest forecast gap for planning purposes (24 September 2018 Policy and Resources)	0.609	27.899	16.814	45.322

3.3.4 In view of the budget gap and the difficulty in identifying future year savings, Policy and Resources Committee has been recommended to consider incorporating a planning assumption that council tax in 2021-22 be increased by 1.99% as shown in Table 1 above. The level of council tax is ultimately subject to agreement by Full Council each year, and there will be an opportunity to consider the required level of council tax in light of any future Government announcements relating to the Fair Funding Review and Comprehensive Spending Review. The MTFs planning position set out in this paper is therefore based on the following council tax increase assumptions (and also assumes there is no scope to increase the Adult Social Care precept in 2019-20 under the current terms set out by Government):

² As presented to Policy and Resources Committee September 2018 (please note this does not reflect any amendments arising from Policy and Resources Committee decisions in September).

Table 2: Council Tax assumptions (as per Policy and Resources Committee 24 September 2018)

	2019-20	2020-21	2021-22
Assumed increase in general council tax	2.99%	1.99%	1.99%
Assumed increase in Adult Social Care precept	0.00%	0.00%	0.00%
Total assumed council tax increase	2.99%	1.99%	1.99%

- 3.3.5 The planned 2.99% increase in council tax is based on the current understanding of updated assumptions and flexibility offered by the Government in the 2018-19 local government finance settlement. Any reduction in this increase will require additional savings to be found. The assumed council tax increases are subject to Full Council's decisions on the levels of council tax, which will be made before the start of each financial year.
- 3.3.6 Assumptions around increases in the council tax base have been increased to 2.0% (from the original assumption of 0.5% annual growth), based on recent trends.
- 3.4 Key budget risks 2019-20**
- 3.4.1 Uncertainties remain about a number of items **which have not currently been reflected in the budget planning assumptions**, but which could potentially result in an increase in the overall gap. As a result, additional pressures, which have not currently been provided for, may arise in 2019-20 relating to:
- a) Further pressures arising within Service Committee budgets including:
 - i. SEN High Needs pressures (Children's)
 - ii. Pressures relating to the Health system (Adults)
 - b) Increasing the level of the General Fund reserve
 - c) Changes in the forecast 2018-19 level of savings delivery to allow for any mitigation of undeliverable savings
- 3.4.2 The risks and assumptions relating to the 2019-20 Budget will continue to be monitored and updated as budget planning activity proceeds.
- 4. Savings allocation**
- 4.1 The following Table 3 sets out indicative savings required to close the identified gap by Committee which were agreed by Policy and Resources Committee and reported to Service Committees in September 2018. As set out above, there may be an opportunity for the level of savings required in 2020-21 and 2021-22 to be reduced in future years based on the latest budget planning position.

Table 3: Indicative savings by Committee based on original forecast gap

	2019-20 £m	2020-21 £m	2021-22 £m	Total £m	Proposed share of new savings %
Adult Social Care	-9.626	-19.527	-9.745	-38.898	41%
Children's Services	-5.726	-12.064	-6.037	-23.827	25%
Environment, Development and Transport	-2.820	-5.988	-2.962	-11.770	12%
Communities	-1.647	-6.262	-3.115	-11.025	12%
Digital Innovation and Efficiency	-0.369	-0.736	-0.373	-1.477	2%
Business and Property	-0.154	-0.180	-0.045	-0.379	0%
Policy and Resources ³	-1.747	-3.697	-1.875	-7.319	8%
Total	-22.089	-48.454	-24.153	-94.696	

- 4.2 Existing savings in the Council's MTFs are shown by Committee in Table 4 below. These are the savings agreed as part of the 2018-19 (and earlier) budget process and will need to be delivered **in addition** to any new savings proposed to close the remaining budget gap.

Table 4: Planned net recurring savings 2018-19 to 2021-22

Committee	2018-19 Saving £m	2019-20 Saving £m	2020-21 Saving £m	2021-22 Saving £m	Total Saving £m
Adult Social Care	-27.290	-9.351	-13.700	-3.900	-54.241
Children's Services	-2.641	-4.342	-2.000	-2.000	-10.983
Environment, Development and Transport	-1.440	-0.310	-0.350	-1.850	-3.950
Communities	-1.803	-0.435	-2.786	-1.500	-6.524
Business and Property	-1.051	-2.075	-2.050	-1.150	-6.326
Digital Innovation and Efficiency	-0.726	-1.000	-0.700	0.000	-2.426
Policy and Resources ⁴	4.952	1.356	-0.387	0.000	5.921
Grand Total	-29.999	-16.157	-21.973	-10.400	-78.529

³ Including Finance General

⁴ The net savings position for Policy and Resources Committee reflects the reversal of a number of significant one-off savings from 2017-18, such as the use of the Insurance Fund and the use of Capital Receipts totalling £11.299m. The gross savings to be delivered by Policy and Resources Committee budgets in 2018-19 are £6.347m.

5. Adult Social Services Transformation

- 5.1 The strategy for Adult Social Care has embedded the core principles set out within Norfolk Futures and firmly works towards the agreed vision for Norfolk.
- 5.2 We have a clear vision – to support people to be independent, resilient and well. To achieve our vision, we have a strategy – Promoting Independence – which is shaped by the Care Act with its call to action across public services to prevent, reduce and delay the demand for social care. We want to move to a way of working across the service – and with our partners – which supports people earlier before their ability to manage deteriorates. In the past we recognise that we have relied heavily on formal services, focusing on what people cannot do, rather than looking at their strengths and the existing support around them. Across health and social care, we are seeking a shared ‘home first’ culture which helps people keep and regain independence.
- 5.3 Promoting Independence has these main elements:
- 5.3.1 **Prevention and early help** – empowering and enabling people to live independently for as long as possible through giving people good quality information and advice which supports their wellbeing and stops people becoming isolated and lonely. We will help people stay connected with others in their communities, tapping into help and support already around them – from friends, families, local voluntary and community groups. For our younger adults with disabilities, we want them to have access to work, housing and social activities which contribute to a good quality of life and wellbeing.
- 5.3.2 **Staying independent for longer** – for people who are most likely to develop particular needs we will try and intervene earlier. Certain events, such as bereavement or the early stages of an illness like dementia can be a trigger for a rapid decline in someone’s wellbeing, but with some early support we can stop things getting worse and avoid people losing their independence and becoming reliant on formal services. Our social care teams will look at what extra input could help people’s quality of life and independence – this might be some smart technology, some adaptations to their homes to prevent falls, or access via telephone or on-line to specialist tailored advice. When people do need a service from us, we want those services to help people gain or re-gain skills so they can live their lives as independently as possible. This could mean, for example, a spell of intensive reablement after a stay in hospital to restore their confidence and their ability to do as many day to day tasks as possible.
- 5.3.3 **Living with complex needs** – for some people, there will be a need for longer term support. This might mean the security of knowing help is available for people with conditions like dementia, and that carers can have support. We will look at how we can minimise the effect of disability so people can retain independence and control, after say a stroke or period of mental illness. For some people, moving into residential care or to housing where there are staff close by will be the right choice at the right time, but such decisions should be made with good information and not in a crisis.
- 5.4 The key focus areas will be:
- a) **Building capacity and living well** - the Living Well - 3 conversations approach and the recruitment and project activity that will provide the capacity to delivery this model and remove the backlogs

- a) **Learning disabilities** - the range of projects focused on promoting independence and delivering savings for individuals with learning disabilities
- b) **Integrated short-term support** - the establishment of schemes to deliver against the Better Care Fund and High Impact Change Model alongside other projects that are targeting reductions in Delayed Transfers of Care and improvements to the interface between Health and Social Care
- c) **Technology enabled service** - the development of the Technology Enabled Care Strategy including the future role of assistive technology will ensure that decisions to commit future savings targets to these areas are based on robust evidence
- d) **Housing** – 10 year Programme to stimulate the development of 2,842 Extra Care units, investing NCC land and capital where appropriate, to meet future forecast need and support older people to stay independent in their local communities. This is in partnership with district councils, social landlords, developers and providers

5.5 The four core principles of Norfolk Futures are embedded in Promoting Independence:

- a) Offering our help early to **prevent and reduce** demand for specialist services – we have sustained our early help and prevention so that we engage with people sooner and because we see this as an invest to save for the future. Through social prescribing, community development workers, support for loneliness, better advice and information we are supporting people to keep their well-being and stay independent. Our reablement service is core to helping to prevent and reduce demand; we know that 61% of people who benefit from reablement need no further services from us, so investment in this service gives savings for the future as well as delivering better outcome for people by helping them to stay in their own home
- b) **Joining up** work so that similar activities and services are easily accessible, **done once and done well** – our integration and collaboration with the NHS is designed to join up skills and care for people who use our services. We have a network of schemes across Norfolk for avoiding admission to hospitals through joint working with teams of professionals from the NHS, social care and the voluntary sector
- c) Being **business-like** and making best use of **digital technology** to ensure value for money. We already have an assistive technology service which supports people to stay independent, and we see an expansion of this service – and new innovations – as critical for helping to transform care for people in the future
- d) Using evidence and data to **target our work** where it can make the most difference – working with health partners to join up evidence and exploit benefits to wider health and social care system. For example, using public health data to target early help and prevention work within the community and primary care to reduce crisis events and admissions to hospital

6. Committee response

6.1 Service Committees considered service-specific budgeting issues in September 2018. These include:

- a) The forecast outturn position for the service at the end of August 2018 is a £1.990m overspend. This risk is mitigated on a one-off basis by the business risk reserve, but recurrent cost pressures will need to be managed within the forward plans for the service
- b) Risk of part non-delivery of 2018-19 savings on a recurrent basis. The in-year financial pressures, include delivery of £27m of savings to deliver a balanced budget position. Currently the service is on track to deliver £21.8m of savings in 2018-19. Savings that cannot be achieved in full or recurrently will place additional pressure on the budget in 2019-20 and budget plans will need to be adjusted to reflect revised forecasts
- c) Cost of care provision. The costs facing the market continue to be monitored and reviewed and will form part of the decision for the annual uplift of prices. Issues affecting quality and market capacity can affect the cost of securing care and additional pressures have been identified.
- d) Financial pressures across the local health system could have a negative impact on the adult social care budget. At present there is no financial pressure built into the social care plans for the impact of health savings targets

6.2 2019-20 Budget proposals

6.2.1 Adult Social Care has already committed to delivery of savings for 2019-20 of £9.351m, which was part of the 2019-22 £26.951m savings for the service agreed by County Council in February 2018. The existing programme of savings is shown at **Appendix A**.

6.2.2 Our financial strategy for achieving these savings is:

- a) To invest in early intervention and targeted prevention to keep people independent for longer
- b) To invest in excellent social work which helps people regain and retain independence, and reduces, prevents and delays the need for formal social care
- c) To commission services which enable and re-able people so they achieve and maintain as much independence as they can and reducing the amount of formal social care they need
- d) To reduce the proportion of people who are placed in permanent residential and nursing care
- e) To lead and develop the market for social care so that it is stable and sustainable and aligns with the ambitions of Promoting Independence
- f) To work with health partners to reduce system demand and improve outcomes
- g) To increase the use of technology to enable more people to live independently for longer
- h) To charge people appropriately for their care and providing welfare rights support
- i) To strengthen the contract management of our commissioned contracts, and pursuing efficiencies in all areas of our work

6.2.3 Our planning suggests that whilst hugely challenging, given the trends and pressures, this financial strategy avoids an inevitable retreat to providing statutory minimum services and helps achieve a sustainable model of service for the medium term.

6.2.4 Alongside this strategy, Committee has already recognised the importance of continued lobbying central government to address the longer term funding issues associated with providing social care. The Council has responded to calls for evidence surrounding the long term financial sustainability of adult social care and the service has engaged with local government groups ahead of the Government's Green Paper on the future of both health and social care, which is now expected later in the financial year.

6.2.5 Our financial strategy takes account of the need to be a strong partner in the health and social care system, and the additional funding announced by the Government is critical to protect social care, provide stability in the care market and play a significant role in reducing delayed discharges of stay in hospitals – acute, community and mental health.

6.2.6 **Additional savings proposal for 2019-20**

In order to address the increase in pressures previously agreed, and to meet this Committee’s share of the additional overall council budget gap, further savings are required. Table 5 below sets out the revised position including existing and proposed savings.

Table 5: Overall savings for Adult Social Care 2019-22

	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m
Existing savings programme	-9.351	-13.700	-3.900	-26.951
Additional savings proposals	-8.543	-1.557	-1.800	-11.900
Total new savings target	-17.894	-15.257	-5.700	-38.851

6.2.7 The existing savings programme is largely through demand management savings and maximising the benefits to social care of new technology. Additional savings have avoided focus on reducing demand from existing services and have focussed on large scale preventative invest to save proposals; efficiency savings and income.

6.3 **Helping people to return home through accommodation based reablement to prevent long-term residential; 2019-20 £1.000m savings.**

6.3.1 *Why is this being considered?*

In line with the Council’s Promoting Independence Strategy, there is an aim to maximise the independence of more people and reduce the number of people going into residential care. During the last twelve months the service has piloted two models of accommodation based reablement, which provides an alternative for people who are medically fit to be discharged from hospital but not well enough to go straight home and also people who are living at home but at risk of going into residential care. A commissioned service and in-house service has been developed. The service works with people to regain their independence in a safe environment, usually after an illness or injury and return home following the reablement programme. Previously this could have meant a stay in a residential setting and potential permanent loss of independence. The pilots were initially funded through the improved better care fund, but have demonstrated a return on the investment through more people being able to return home and a reduction in needs. This proposal would see a continuation of this saving.

6.3.2 *What would be required?*

The proposal is based on creating a permanent service, with a continuation of the mix of in-house and commissioned services, as well as some increase in provision in line with need.

6.3.3 *What are the implications of the proposal?*

There has been a positive response to the accommodation based reablement services, both in relation to positive outcomes for individuals, which have led to increased numbers of people able to return home and service user feedback. The proposal will embed the service within the offer for people in Norfolk as well as enable increased provision. It will enable more people to be re-abled and stay in their own homes.

6.4 Helping people to stay at home through home based reablement to prevent, reduce and delay long-term home care packages; 2019-20 £2.000m savings

6.4.1 Why is this being considered?

Following review of outcomes and identification of the need for increased capacity the service is expanding the in-house home based reablement service to increase capacity by 15%. The joint investment with Clinical Commissioning Groups in additional staffing has been made in 2018-19 working with people to reduce the ongoing level of care and support required. This extra supply will enable an estimated additional 800 people to be re-abled each year, with existing outcomes suggesting that 61% of people are full re-abled and do not require long term services or readmission to hospital, providing a saving for both health and social care. Those people that do need ongoing care need smaller packages.

6.4.2 What would be required?

The proposal is for the continuation of the expansion of home based reablement service. Recruitment is ongoing and along with retention is a challenge for the service as for the whole health and social care system.

6.4.3 What are the implications of the proposal?

The proposal is an invest to save and will enable more people in Norfolk to be re-abled and supported to remain independent in their home for as long as possible.

6.5 Start of a ten-year housing development programme to develop Extra Care Housing across Norfolk to prevent need for long-term residential care; 2021-22 £0.200m savings

6.5.1 Why is this being considered?

The Council's priorities include on a focus on housing. To help people to remain independent, the service has developed a new housing strategy for older people. This identified that there will be a shortage of extra care housing with care in Norfolk over the next ten years, with the need for an additional 2,842 units. Extra Care Housing is the term used nationally to describe housing for people that supplies some care provision and offers self-contained accommodation with staff available 24 hours a day. Schemes include apartments that are rented or owned by individuals who require a level of care. Individuals renting a flat may be able to claim housing benefit if eligible. Having the right type of housing options available for older people is key for helping people to remain in their own home and prevent crisis and can prevent or delay the need for residential care. Savings are generated from the prevention of spend.

6.5.2 What would be required?

A full business case has been developed setting out the aims of the programme. This is presented to Committee elsewhere on this agenda in the report titled Living Well –Homes for Norfolk. The programme will work with a range of developers in the market to build schemes and has developed a business model, which will allow some financial support to enable the development of affordable homes in some areas. This is a ten-year programme and due to the lead in times for build and implementation, revenue savings will not be deliverable until 2021-22, but will increase after that with the potential for an annual £2m revenue savings by the completion of the programme.

6.5.3 What are the implications of the proposal?

The proposal is to increase the number of extra care housing with care units in Norfolk. This would increase the availability of alternative housing for people who are experiencing increasing care needs or reduction in mobility and provide an earlier preventative alternative to residential care.

6.6 Making changes to our Adult Social Care charging policy to come in line with the national guidance; 2019-20 £1.000m savings; 2020-21 £1.000m savings.

6.6.1 Why is this being considered?

In Norfolk, we have not reviewed some parts of our policy since the introduction of the Care Act in 2014 and we are now out of step with the national guidance and with our neighbouring councils. We plan to consult on moving to the national guidance for the minimum income guarantee – this is the minimum amount that people are guaranteed to be left with each week before any charge for care can be made.

6.6.2 In Norfolk we are already in line with the minimum income guarantee level for older people, but we do not follow the guidance for younger adults which sets a lower rate. We therefore propose to consult on moving to the nationally set lower rates for people aged 18-24 and 25 to pension age, but not change the rate for older people.

6.6.3 We would use around £1m of the additional income to support this change, including to build up new services for working age adults. This would include better support and advice for. We would also invest in employment support, since we are out of step with other areas on the number of people with learning disabilities in work.

6.6.4 As part of this charging review, we would also seek to align with Government guidance about people in receipt of Personal Independence Payments (PIP). A change in legislation means that the council is now able to take into account a higher level of payment – known as enhanced PIP – when calculating someone's income. Previously, this has been excluded.

6.6.5 What would be required?

Subject to the outcome of the consultation and final proposals, the council would develop new services to improve financial advice and access to employment for working age adults, to enable enhanced services to be up and running prior to any changes. Some people will see no change to their charges or would continue to not contribute towards the care costs, due to their particular circumstances. However, others would see an increase in the amount that they are asked to contribute towards their care costs. We would ensure that everyone affected is contacted to discuss the impact for them. The implementation process, such as timescale, would be determined following the responses from the consultation.

6.6.6 What are the implications of the proposal?

The proposal will bring Norfolk's charging policy more in line with other councils in the region, but would increase the amount that some service users pay towards their care costs. The proposal would enable some of the additional income to be reinvested to improve services to support working age adults into employment opportunities and to improve financial advice for individuals.

6.7 Full year effect of invest to save increasing support for people to claim welfare benefits and reduce the number of people that do not make a contribution towards their care; 2019-20 £1.400m savings

6.7.1 Why is this being considered?

As part of service improvement, adult social care has invested resources within the welfare benefits and income teams to increase capacity to ensure that our charging policy is consistently applied and to provide support for people to claim welfare benefits. This is increasing the number of people that are able to contribute towards their care costs, in line with the current charging policy.

- 6.7.2 *What would be required?*
The invest to save is increasing the capacity of the team to provide support to individuals and ensure that assessments are completed at least annually and individuals are supported when circumstances change. The saving reflects the full year effect from this investment. The proposal supports the consistent application of the current charging policy and does not make any changes to the process or assessment.
- 6.7.3 *What are the implications of the proposal?*
Initial work identified that reviewing financial assessments annually benefits service users by making sure that their circumstances are kept up to date, meaning that any contributions are fair and affordable and that service users are supported to claim any benefits to which they are entitled.
- 6.8 **Review of budgets, risks, and inflation assumptions to deliver a saving without a direct impact on services; 2019-20 £1.000m savings**
- 6.8.1 *Why is this being considered?*
There are a number of budgets where requirements and needs have changed for the next financial year. The budget review has identified opportunities to reduce budgets and release previously allocated resources where spend is no longer needed or where assumptions, including inflation assumptions, have been revised.
- 6.8.2 *What would be required?*
The budget review has been completed and the adjustments can be made as part of the budget setting process.
- 6.8.3 *What are the implications of the proposal?*
The review will not lead to a reduction in services, however, this will reduce overall flexibility to mitigate financial risks.
- 6.9 **Reducing staff travel costs; 2019-20 £0.100m saving**
- 6.9.1 *Why is this being considered?*
The service has delivered underspend within staff travel budgets. New ways of working, use of Skype rather than travelling and use of pool cars will enable this reduction to be sustained.
- 6.9.2 *What would be required?*
No further action is required.
- 6.9.3 *What are the implications of the proposal?*
There are no adverse implications from the proposal.
- 6.10 **Shift to prevention within the health and social care system; 2019-20 £1.000m saving; 2020-21 £1.000m saving; 2021-22 £1.000m saving**
- 6.10.1 *Why is this being considered?*
The health and social care system in Norfolk and Waveney has a clear vision for transformation. This is based around supporting people to enjoy good health for as long as possible and stay independent and in control of their lives. Key to this is strengthening primary and community services so that people can stay in their own homes, and return to their usual place of residence after a stay in hospital.
- 6.10.2 The Norfolk and Waveney Sustainable Transformation Programme (STP) is currently reviewing patterns of demand and care across the whole health and social care system. It is recognised that the balance of spend in health and social care needs to 'shift left' to reallocate funding to provide the right level of investment in communities, through social

care, primary care and community health and reduce demands on hospital, which is both the most costly environment in which to support people and also most in demand.

- 6.10.3 There is a compelling case for investment in prevention because of the savings it can achieve across the whole system. Our work has shown that for every £1 spent on prevention there is a return of around £3.50 elsewhere in the system. This proposal therefore seeks a transfer from health spending within the Norfolk and Waveney system to social care. The proposal is a cautious view of the invest to save potential in social care to deliver savings elsewhere in the system.
- 6.10.4 *What would be required?*
The investment could be through a number of preventative measures, including building capacity, focussed work to target the people most at risk – including frailty and falls prevention and continuing to develop the preventative offer across Norfolk.
- 6.10.5 *What are the implications of the proposal?*
The shift in the system is placing more pressure on social care. The proposal is seeking health investment to both protect and enhance services, with ambition to work with health partners to in particular focus on prevention and frailty management to reduce risk of admissions to hospital.
- 6.11 **Saving resulting from impact of social prescribing, where new social prescribers work with GPs to direct people to alternative preventative solutions before they require social care, helping to prevent and delay formal social care needs.; 2020-21 £0.600m saving; 2021-22 £0.600m saving**
- 6.11.1 *Why is this being considered?*
The saving represents the financial benefit being targeted from implementation of social prescribing. Social prescribing and the use of social, as well as purely medical interventions, to address the causes of ill health are increasingly recognised as part of an integrated and preventative approach to improving and transforming health provision. Social prescribing is part of the Norfolk and Waveney STP. Its aim is to build on existing community networks, working with GPs, district councils, social care and the voluntary community sector to identify resources available in a community and act as a referral pathway to housing and welfare advice, mental health support, healthy lifestyles, alcohol services, falls prevention, financial and benefits advice, befriending and community activities to support outcomes for people. The model is transferable and flexible for local needs, providing a co-ordinate range of options for health and care services to refer to, to support patients.
- 6.11.2 *What would be required?*
The programme is being rolled out for people aged 18 years or over, registered with a GP practice and living in the Norfolk and Waveney who have specific needs – i.e. a chronic disease or long term condition, including mental ill health, mild or moderate depression or anxiety; needs that challenge their independence; loneliness or social isolation or frequently attend the GP surgery and have advice and support needs that cannot be adequately addressed by primary care, for example housing needs. Locality schemes are now in place and the pilots will be evaluated in 2019/20 after they have been up and running for a year. In addition, the Council has been successful in gaining a social impact bond through the Life Chances Fund, which will provide further financial support during implementation and evaluation of the invest to save benefits.
- 6.11.2 *What are the implications of the proposal?*
The savings to the system will be derived by the reduction in demand for medical care and formal long term social care services. The expectation is that eventually 1,600

people will be seen within locality focused social prescribing services, reducing, delaying or preventing need to 300 people. The saving is forecast from 2020-21. This is because it is expected that there will be a lead in time due to the early preventative nature of the service.

6.12 Financial adjustment to payment timescales for people in receipt of direct payments to align the income with their outgoings, following an audit recommendation; 2019-20 £1.000m saving; 2020-21 £1.000m cost pressure as one-off saving

6.12.1 *Why is this being considered?*

Where people choose to take their personal budget as a direct payment, payment is made into a direct payment account for the individual, who is then able to manage the use of the funds in line with their care and support plan – i.e. the service user may choose to pay a personal assistant to provide care services. Direct payment accounts remain County Council funds but are not available for other purposes. Currently these payments are transferred into the service user's direct payment account six weeks in advance. So, a payment to support services during the month of August would be made into the account in the middle of June. A previous audit review of direct payments highlighted that balances held within service user's direct payment accounts are higher than the level needed, based on evidence of payments and cashflow. This represented a small financial risk to the Council and did not demonstrate the best use of resources. The proposal will see funds being transferred to direct payment accounts four weeks in advance instead of the current six weeks. This provides a one-off cash flow benefit to the Council, but also ensures that balances held in direct payment accounts are not unnecessarily high.

6.12.1 *What would be required?*

The change would not reduce any personal budgets to service users. All direct payment holders would still have the same amount available to spend monthly. The proposal will require a review of each direct payment account and for one month only, there would be a reduction in the transfer to bring in line with the new timing for payments. All service users would be notified in advance, with clear information and dedicated staff available to discuss any concerns and to enable any alternatives arrangements to be made in exceptional circumstances.

6.12.2 *What are the implications of the proposal?*

The proposal does not change the resources available to service users to meet care needs and represents a cashflow adjustment only. The change will result in a reduction in the balances held in direct payment accounts, which will reduce financial risk and enable better use of resources. Balances that are more than what is needed can be released to spend on other cost pressures for social care.

6.13 One-off saving through the use of repairs and renewals reserve, which is no longer required for the original purpose. 2019-20 £0.043m saving

6.13.1 *Why is this being considered?*

Adult Social Care has had a small amount within reserves for repairs and renewals for a number of years. The original requirement for the fund was to meet the cost of purchasing and repairing specific equipment. The need for the reserve has changed over time as equipment is procured differently via leases and larger equipment needs are capitalised. The proposal is therefore to release this funding for general revenue spend during 2019-20.

6.13.2 *What would be required?*

If approved the reserve would be used towards the cost pressures for the service and reduce the need for additional savings in 2019-20.

What are the implications of the proposal?

As a use of reserves, the benefit will be for 2019-20 only and will result in a cost pressure in the following financial year.

Table 6: New 2019-20 Saving Proposals

Proposal	2019-20	2020-21	2021-22	2019-22 Total	Risk Assessment
Note: savings are shown as a negative figure	£m	£m	£m	£m	RAG
Extending accommodation based reablement offer	-1.000			-1.000	GREEN
Extension of home based reablement offer	-2.000			-2.000	GREEN
Extra care housing programme			-0.200	-0.200	GREEN
Full year effect of invest to save increasing support for people to claim welfare benefits and reduce the number of people that do not make a contribution towards their care	-1.400			-1.400	GREEN
Revise the NCC charging policy for working age adults to apply the government's minimum income guarantee amounts	-1.000	-1.000		-2.000	GREEN
Budget review – reprofile commitments and inflation	-1.000			-1.000	GREEN
Reducing staff travel costs	-0.100			-0.100	GREEN
Shift to community and preventative work within health and social care system – demand and risk stratification	-1.000	-1.000	-1.000	-3.000	RED
Reduction in demand due to social prescribing		-0.600	-0.600	-1.200	AMBER
Adjustment to payment timescale for direct payment to improve cashflow in line with audit recommendations	-1.000	1.000		0.000	GREEN
One off use of repairs and renewals reserves no longer required	-0.043	0.043		0.000	GREEN
Total new savings proposed	-8.543	-1.557	-1.800	-11.900	

6.13.4 The Committee's discussions about proposed new savings will be reported to Policy and Resources Committee in October 2018 and used to inform development of the Council's 2019-20 Budget to enable an overall assessment of the budget position to be made.

6.14 2019-20 Budget proposals requiring consultation

6.14.1 Our budget proposals for 2019-20 assume that council tax will increase overall by 2.99%. As in previous years we are inviting comments on this approach via our consultation hub on Citizen Space

- 6.14.2 Where any of our individual budget saving proposals require consultation, we will publish them on the Council's consultation hub, Citizen Space. We will make any consultation documents available in other formats on request, make extra effort to find out the views of people who may be affected and carry out impact assessments. Our consultation will take place between November and the end of the year. Consultation feedback on both individual budget proposals and council tax will be available for Committees in January 2019.
- 6.14.3 We will promote opportunities for people to have their say on budget proposals and council tax – through the Your Norfolk residents' magazine, news releases, online publications and social media.
- 6.14.5 As part of the 2019-20 budget planning process, it is considered that consultation will be required prior to a decision on reviewing the charging policy and the ways in which support to services users could be improved. This will involve both the corporate budget consultation and stakeholder consultation. All service users will be contacted about the proposals in order to seek the opinions of people more likely to be directly affected.

7. Conclusion

- 7.1 The financial context is challenging for Adult Social Services, not just in Norfolk, but across the country. The need for savings is driven because of a shortfall between our demand and rising costs, and the amount of money we get from tax, grants and income.
- 7.2 In this financial year, we are working to make savings of £27 million and we have pre-existing savings commitments for 2019/20 to 2021/22 amounting to £26.951m; so the new savings proposals of £11.9m over the same period bring the total to £38.851m.
- 7.3 Adult Social Services has a clear strategy for changing and improving services for residents, but also living within demand. It means we have to have priorities and choices. Promoting Independence re-shapes how we work to ensure the way we support people is sustainable in the face of increasing demand and a challenging financial climate.
- 7.4 In identifying how we will meet the short-fall over the next three years, we have been guided by our strategy to increase spending on prevention and reablement where there is a clear benefit in line with Promoting Independence strategy. Our unique non-statutory Swifts services has been sustained; we are continuing to expand home based and accommodation based reablement, some of which is now funded by CCGs, and increasing investment in assistive technology. This is supported by a programme of change for our workforce and the wider care workforce introducing a strengths-based model of working. We are planning for the future with an ambitious programme of housing development to give greater choice and independence for people.
- 7.5 Critical to our strategy is working with partners in health, strengthening our links between integrated community teams and primary care, in line with the Health and Wellbeing Board's strategy and the Sustainable Transformation Partnership (STP) vision In Good Health.

8. Budget Timetable

- 8.1 The Council's overarching budget setting-timetable for 2019-20 was agreed by County Council in February as part of the 2018-19 Budget. The timetable is updated as further information becomes available (for example about the timing of Government announcements). The latest version of the timetable is set out in Table 7 below:

Table 7: Budget setting timetable 2019-20 to 2021-22

Activity/Milestone	Time frame
County Council agree recommendations for 2018-22 including that further plans to meet the shortfall for 2019-20 to 2021-22 are brought back to Members during 2018-19	12 February 2018
Spring Statement 2018 announced	13 March 2018
Consider implications of service and financial guidance and context, and review / develop service planning options for 2019-22	February – June 2018
Member review of the latest financial position on the financial planning for 2019-22	July 2018
Development of savings proposals 2019-22	June – September 2018
Member review of service and budget planning position including savings proposals	Committees in October 2018
Consultation on new planning proposals and council tax 2019-22	November to December 2018
Chancellor's Autumn Budget 2018	TBC November / December 2018
Provisional Local Government Finance Settlement	December 2018
Service reporting to Members of service and financial planning and consultation feedback	January 2019
Committees agree revenue budget and capital programme recommendations to Policy and Resources Committee	Mid-January 2019
Confirmation of District Council tax base and Business Rate forecasts	31 January 2019
Final Local Government Finance Settlement	TBC February 2019
Policy and Resources Committee agree revenue budget and capital programme recommendations to County Council	28 January 2019
County Council agree Medium Term Financial Strategy 2019-20 to 2021-22, revenue budget, capital programme and level of council tax for 2019-20	11 February 2019

9. Financial implications

- 9.1 Potentially significant financial implications for the Committee's Budget are discussed throughout this report. Any implications of the Autumn Budget and the three changes expected to be implemented in 2020-21 will be reflected as far as possible in the Council's 2019-20 budget planning, and these impacts will need to be refined as further information is made available by Government.
- 9.2 Specific financial risks in this area are also identified in the Corporate Risk Register, including the risk of failing to manage significant reductions in local and national income streams (RM002) and the potential risk of failure to deliver our services within the resources available over the next three years commencing 2018/19 to the end of 2020/21.
- 9.3 Risks relating to budget setting are also detailed in the Council's budget papers. There is a risk in relation to the Comprehensive Spending Review and the Fair Funding Review that a failure by the Government to provide adequate resources to fund local authorities could lead to a requirement for further service reductions, particularly where the Fair Funding Review results in a redistribution between authority types or geographical areas.

10. Issues, risks and innovation

- 10.1 Significant risks, assumptions, or implications have been set out throughout the report.
- 10.2 Equality issues were considered in the Equality Impact Assessment of 2018-19 budget proposals. Decisions about significant savings proposals with an impact on levels of service delivery will require public consultation. As in previous years, new 2019-22 saving proposals, and the Council's Budget as a whole, will be subject to equality and rural impact assessments later in the budget-setting process.
- 10.3 The additional savings proposed have sought to avoid significant increase to targets to reduce demand, which based on our cost and demand model would be challenging. However, savings for future years will seek to reduce and shift management of need, as new and expanded early intervention and prevention schemes are implemented. The risk is increased by the level of savings the service is already committed to deliver. The current savings programme is set out in **Appendix A**.
- 10.4 Due to the level of transformation that the service is driving, there is risk from the shift in culture required. This applies to all stakeholders, including staff, the public, the medical profession, service users and their families. The Living Well strengths based approach to social work will drive this from the profession's perspective, but requires support from all areas of the Council and our partners. For example, ensuring health professionals champion supporting people home first from hospital and maximise the opportunities through reablement. Driving cultural change within the organisation will support mobile working as well as embedding a culture of customer first and continuous improvement.
- 10.5 In line with the Norfolk Future priorities, the Promoting Independence programme of work is continuing to implement significant changes, which is transforming practice, workforce capacity, choice for service users and commissioning of new services. The actions to deliver the corporate priorities, targeting promoting independence for vulnerable adults, smarter information and advice, a Norfolk housing strategy, digital Norfolk and commercialisation, will enhance delivery of the adult social care programme and help mitigate delivery risk.

11. Recommendations

11.1 Adult Social Care Committee is recommended to:

- 1) Consider the continuing progress of change and transformation of adult social care services**
- 2) Note the Council's latest budget assumptions and pressures, including revised council tax planning assumptions, and the resulting revised forecast budget gap of £45.322m, which has been updated by Policy and Resources Committee to reflect the latest available information and following Service Committee input in September 2018 (paragraph 4.3 and table 1)**
- 3) Approve the proposed savings for the 2019-20 budget round for recommendation to Policy and Resources Committee in October (table 6), in particular, confirming those savings that are recommended to require consultation as set out in paragraph 6.4**
- 4) Consider and identify any further key areas of risk in relation to 2019-22 budget planning for the Committee's budgets, including any additional pressures and the robustness of existing planned savings as set out in table 4, noting that any changes may impact on the overall budget gap and will require additional offsetting savings to be found**

5) Agree the budget planning timetable (section 8)

12. Background Papers

12.1 [Norfolk County Council Vision and Strategy](#)

[Norfolk County Council Revenue and Capital Budget 2018-22 \(Item 4, County Council 12 February 2018\)](#)

[Norfolk County Council Budget Book 2018-22](#)

[Strategic and Financial Planning 2019-20 to 2021-22 \(Item 10, Policy and Resources Committee, 16 July 2018\)](#)

[Strategic and Financial Planning reports to Committees in September 2018](#)

[Strategic and Financial Planning 2019-20 to 2021-22 \(Item 9, Policy and Resources Committee, 24 September 2018\)](#)

Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

Officer Name:	Tel No:	Email address:
James Bullion	01603 223175	james.bullion@norfolk.gov.uk
Simon George	01603 222400	simon.george@norfolk.gov.uk
Fiona McDiarmid	01603 223810	fiona.mcdiarmid@norfolk.gov.uk



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 18001 0344 800 8020 (textphone) and we will do our best to help.

Detail of existing 2018-19 to 2021-22 Savings programme already agreed by County Council

Saving Description	2018-19	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m	£m
Promoting Independence - Reablement	-0.500				-0.500
Promoting independence - younger adults	-6.794	-5.307	-5.000		-15.937
Promoting independence - older people	-4.665	-3.393	-5.000		-10.025
Remodel contracts for support to mental health recovery	-0.275				-0.275
Housing with Care	-0.500	-0.500			-1.000
Promoting Independence - Integrated Community Equipment Service - expand service so through increased availability and access to equipment care costs will be reduced	-0.250				-0.250
Building resilient lives: reshaping our work with people of all ages requiring housing related support to keep them independent	-3.400				-3.400
Radical review of daycare services	-2.500				-2.500
Align charging policy to more closely reflect actual disability related expenditure incurred by service users	-0.230				-0.230
Review charging policy to align to actual disability related expenses	-0.400				-0.400
Transport	-0.700	-1.000			-1.700
Accommodation based reablement	-0.550				-0.550
Prevent carer breakdown by better targeted respite	-0.686				-0.686

Saving Description	2018-19	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m	£m
Investment and development of Assistive Technology approaches		-0.300	-0.500	-0.700	-1.500
Maximising potential through digital solutions	-0.049	-0.951	-2.000	-3.000	-6.000
Procurement of current capacity through NorseCare at market value		-0.600	-1.000		-1.600
Capitalisation of equipment spend	-2.300				-2.300
Reduction in funding for invest to save	-0.191				-0.191
One-off underspends in 2017-18 to be used to part fund 2018-19 growth pressures on a one-off basis	-3.000	3.000			0.000
Total Adjusted 2018-22 proposals	-27.290	-9.351	-13.700	-3.900	-54.241