

Adult Social Care Committee

Date: **Thursday 23rd October 2014**
Time: **10am**
Venue: **Edwards Room, County Hall, Norwich**

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

Membership

Ms S Whitaker (Chair)

Mr B Borrett	Mr C Jordan
Ms J Brociek-Coulton	Miss A Kemp
Mr D Crawford	Ms E Morgan (Vice Chair)
Mr J Dobson	Mr R Parkinson-Hare
Mr T East	Mr A Proctor
Mr T Garrod	Mrs A Thomas
Ms D Gihawi	Mrs M Somerville
Mrs S Gurney	Mr B Watkins

**For further details and general enquiries about this Agenda
please contact the Committee Officer:
Nicola LeDain on 01603 223053
or email committees@norfolk.gov.uk**

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A g e n d a

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

2. Minutes

To agree the minutes from the meeting held on 22nd September 2014.

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3. Members to Declare any Interests

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 an interest but can speak and vote on the matter.

4. To receive any items of business which the Chairman decides should be considered as a matter of urgency

5. Local Member Issues

Fifteen minutes for local members 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 or 01603 223230) by **5pm on Monday 20th October 2014.**

6. Recommissioning Homecare

Report by the Director of Community Services

To Follow

7. Strategic and Financial Planning 2015-18

Report by the Director of Community Services

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Group Meetings

Conservative	9:00am	Mezzanine 2
UK Independence Party	9:00am	Room 504
Labour	9:00am	Room 513
Liberal Democrats	9:00am	Room 530

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

Date Agenda Published: 15th October 2014



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Adult Social Care Committee

**Minutes of the Meeting Held on Monday 22 September 2014
10:00am Edwards Room, County Hall, Norwich**

Present:

Ms S Whitaker (Chair)

Mr R Bearman

Mr B Borrett

Ms J Brociek –Coulton

Mr D Crawford

Mr T East

Mr T Garrod

Ms D Gihawi

Mrs S Gurney

Mr C Jordan

Miss A Kemp

Mr A Proctor

Mrs A Thomas

Mr B Watkins

Mr W Northam

Mr B Watkins

Also present:

Mr J Joyce

1. Apologies

- 1.1 Apologies for absence were received from Michael Chenery of Horsbrugh, Ms E Morgan (Mr R Bearman substituting), Mrs M Somerville (Mr W Northam substituting) and Mr R Parkinson-Hare.

2. Minutes

- 2.1 The minutes of the meeting held on 7 July 2014 were approved by the Committee and signed by the Chair.

3. Declarations of Interest

- 3.1 Mr East declared an “other interest” in that a member of his family lived at a care home run by Norse.

4 Items of Urgent Business

- 4.1 There were no items of urgent business

5 Local Member Questions

- 5.1 There were no local member questions.

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

6.1 The Chair reported that she had received an email on behalf of the Health Overview and Scrutiny Committee proposing that a task and finish group be set up consisting of 3 or 4 Members from Adult Social Care Committee and 3 or 4 Members from the Health Overview and Scrutiny Committee to examine the transition of mental health social care from the NSFT to Norfolk County Council and its impact on service users. She said that she would be seeking further clarification from officers on the proposed terms of reference for the group before the matter was considered at the next meeting of this Committee.

6.2 It was pointed out that the Chair of the Independence Matters Enterprise Development Board had yet to be appointed and financial results for the first five months of trading were showing a small profit.

6.3 The projected surplus for NSFT for 2014/15 was £1m and not £5m as stated in the report.

7 Director's Update to Committee

7.1 The annexed report (7) by the Director of Community Services was received.

7.2 The Director reported on the Better Care Fund which was a national initiative aimed at creating a single pooled budget for health and social care services to work more closely together in local areas, based on a plan agreed between the NHS and local authorities. He said that this initiative would involve the transfer to the County Council of approximately £13m from the Clinical Commissioning Groups.

7.3 It was noted that the County Council was invoicing Care UK for the additional cash costs that were incurred as a result of a service failure. Because of the ongoing contractual commitments and negotiations that surrounded this issue it had been agreed at Cabinet that the detailed costs should not be publicised until the matter was concluded. The detailed costs would be made available to the Committee at the end of the process.

7.4 It was noted that the Mental Health social workers would return to the Council's direct management from 1st October 2014. Alison Simpkin has been appointed as the new Head of Social Care, Adult Mental Health, and was introduced to the Committee.

7.5 The Section 75 Agreement for an integrated management structure with NCHC would come into operation on 10 November 2014. Interviews would be held on 3 October 2014 for the Head of Integrated Care post and further management appointments would follow.

8 Remodelling Home Care for Norfolk

8.1 The annexed report (8) by the Director of Community Services was received.

- 8.2** It was pointed out that the Council had agreed on a set of principles to guide its approach to commissioning home care which stressed the importance that the Council attached to the Unison Ethical Care Charter.
- 8.3** Members asked for the wording of paragraph 1.2 (f) of the report to be amended to explain what was meant by the words “shifting the responsibility” for support planning from social care/ contracted providers to the service user and homecare provider.
- 8.4** Members asked for the scoping options for the future delivery model for homecare to include the additional option of running the service in-house. Members also asked for all the options to give further consideration to ways to support the needs of those working in the sector, and to ways to assist in the development of flexible and sustainable local solutions, and for detailed costs of the commissioning intentions to be brought back to the Committee at the earliest opportunity.
- 8.5** **RESOLVED:**
1. To note the proposed overarching principles for the model of Home Support that were set out in the report
 2. Note the scoping options, including an in-house option, that would need to be appraised in terms of joint working
 3. Note the options to be explored through the role of the Public Services Social Value Act 2012 within the tendering process for new provision
 4. Note the engagement and interventions proposed to support change within the market and communities
 5. Note the risks and actions identified in section 4 of the report
 6. Agree the principle of aligning home care operational blocks within CCG boundaries
 7. Note the phased approach to re-commissioning in which existing contract end dates were adjusted.
 - 8 The report is to be brought back for further discussion at the next meeting of the Committee on 23 October 2014.

9 Joint Safeguarding Arrangements

- 9.1** The annexed report (9) by the Director of Community Services was received. The report set out how across both Children’s Services and Adult Services all parties could work together to effectively discharge the Council’s safeguarding responsibilities, develop joint approaches to learning and development, and develop a greater awareness of the fact that safeguarding was everyone’s responsibility.
- 9.2** It was suggested that the proposed Member safeguarding forum could be made up of four named Members of Children’s Services Committee and four named members of Adult Social Care Committee. It was further suggested that there should be an opportunity for substitute members to attend the forum. The names of those who were interested in serving on the forum would be sought after the meeting.

9.3 RESOLVED:

1. That Members of both Committees commit to the development of a shared Council wide approach to safeguarding work and to hold on an annual basis a joint member seminar on Council wide safeguarding work
2. To endorse the five priorities set out in the report and to recognise the fundamental shift in collaboration across Children's Services and Adult services that this represents
3. Agree to set up a Member safeguarding forum made up of Members from both Children's Services and Adult Social Care Committees along the lines of the approach suggested in paragraph 9.2 of these minutes.
4. To support the setting up of a whole council officer forum to raise the profile of safeguarding across the Council.

10 Adult Social Care Finance Monitoring Report Period 4 (July) 2014-15

- 10.1** The annexed report (7) by the Director of Community Services was received. This report provided the Committee with financial monitoring information, based on the position at the end of July 2014. It provided a forecast for the full year, analysis of variations from the revised budget, with recovery actions to reduce the overspend and the forecast use of ASC reserves.
- 10.2** It was noted that the Director had placed restrictions on the discretion given to Heads of Social Care when providing social care so as to increase the take up of the Norse Care voids. The use of Norse Care voids were being monitored by senior management.
- 10.3** Members expressed concern at the potential use of reserves to balance the budget. It was suggested that it would be useful to have the Council's Head of Procurement attend a future meeting of the Committee to explain the system wide review of procurement that was being undertaken in the Council in so far as it impacted on adult social services.
- 10.5** It was pointed out that financial pressures in Adult Social Care were being offset to some extent by additional recurring income received from the NHS but that the amount of this income fluctuated from one year to the next and was therefore hard to predict. The main priority for capital spending in Adult Social Care in 2014-15 continued to be the development of Housing With Care and Supported Housing provision.
- 10.6 RESOLVED to note:**
- a) the forecast revenue outturn position for 2014-15 at Period 4 of an overspend of £5.166m
 - b) The recovery actions being taken to reduce the overspend
 - c) The current forecast for use of reserves
 - d) The forecast capital outturn position for the 2014-15 capital programme

11 Budget Discussion Arising from Policy and Resources Committee on 5 September 2014 (Budget 2015/16 to 2017/18)

- 11.1** The Committee was invited to consider and comment upon information contained in a report by the Director of Community Services (circulated to the Committee with a supplementary agenda) that was based on details presented to the Policy and Resources Committee on 5 September 2014 that set out the context of the forecast additional funding shortfall of £17.5m for the County Council overall.
- 11.2** The Committee noted the Policy and Resources Committee had given indicative and not firm targets for budget savings to each service committee.
- 11.3** In order to inform the budget debate Members asked officers to prepare a brief summary of the statutory and non statutory tasks of each part of the Department and the key issues and themes that were consistently raised by residents and stakeholders in previous budget consultations.
- 11.4** Members asked to be informed about the work that the Department was undertaking with Suffolk County Council and the efficiency savings that could result from this.
- 11.5** Members also asked for further information and a presentation from the Head of Procurement (who was undertaking a countywide systems review) about the redesign of care pathways and the efficiency savings that could be achieved from this. Members asked officers to identify areas of service delivery (particularly adult preventative services) where by investing money in the next financial year this could result in savings in the next 8-10 years.

11.6 RESOLVED:

That the Committee be provided at its next meeting with the requested information.

12 Resources for Prevention

- 12.1** The annexed report (12) by the Director of Community Services was received.
- 12.2** Members noted the report.

13. Performance Monitoring Report

- 13.1** The annexed report (13) by the Director of Community Services was received.
- 13.2** The report provided performance monitoring and management information to enable the Committee to undertake their key responsibilities, informing Committee Plans and providing contextual information to many of the decisions that were taken.
- 13.3** The Committee asked for future performance monitoring reports to be placed higher up on the agenda and contain more information about the risks that had a “red” rating which should be placed at the start of the report. It was noted that Appendix c to the report contained national indicators.

14 Exclusion of the Public

14.1 The Committee excluded the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the item below on the grounds that it involved the likely disclosure of exempt information as defined by Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

14.2 The Committee was presented with the conclusions of the public interest tests carried out by the report author and resolved to confirm the exclusion.

15 Exemption from Contract Standing Orders for Mental Health block Contracts

15.1 The Committee received a report from the Director of Community Services that explained the work that was being done by mental health commissioners to deliver more supported housing as alternatives to residential care and to make savings. Work to develop step down facilities, and a new pathway to minimise delayed discharges from mental health acute hospitals was expected to deliver better outcomes for service users and enable NSFT to reduce out of county admissions.

15.2 RESOLVED

That the Committee approve as an exemption to Contract Standing Orders under Standing Order 9.14 in respect of the services listed in section 2 of the report to allow an extension to the current block contracts for the periods identified and to give the option of a block contract for one year for a new service development.

The meeting closed at 1.45 pm

CHAIR



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Adult Social Care Committee

Item No. 7

Report title:	Strategic and Financial Planning 2015-18
Date of meeting:	23 October 2014
Responsible Chief Officer:	Harold Bodmer, Director of Community Services
Strategic impact The proposals in this report will contribute towards the County Council setting a legal budget for 2015/16 which sees its total resources of £1.4billion spent on meeting the needs of residents.	

Executive summary

This report sets out additional savings proposals for the services under the remit of the Committee to close the projected shortfall for 2015/16.

The Council overall continues to face a challenging financial position, and the additional savings are in addition to those already agreed by Full Council and consulted on.

In making recommendations about additional savings, Members will want to take into account previous views expressed by users and residents in recent consultation. The report gives high level summary of these views and signposts to more detailed feedback.

The paper highlights the continued financial risks facing the Council as a whole, and the risks and issues associated with proposals specific to services covered by this Committee. Members are asked to recommend a set of proposals to Policy and Resources Committee, highlighting those which will require further formal consultation.

Recommendations

The Committee is asked to:

- a) Endorse the schedule of additional savings set out in Appendix A**
- b) Recommend the individual savings as set out in Appendix A, or identify replacement savings to equivalent value**
- c) Note any risks set out in section 2.5 relating to savings already consulted and agreed upon**
- d) Review arrangements to ensure tight control on revenue budgets and highlight any issues or risks to Policy and Resources Committee**

1. Proposal

- 1.1 Norfolk County Council is due to agree its new budget and plan for 2015-18 on 16 February 2015.
- 1.2 The Council continues to face an unprecedented set of financial challenges. In the current year, (2014/15) a total of £69m savings are being implemented; a further £40m of savings have been consulted on and agreed for 2015/16.
- 1.3 The role of the Policy and Resources Committee in developing the budget is set out in the Council's constitution. It confirms the committee is required to provide guidance to service committees, publish the financial context and timetable for preparing the budget and recommend a budget for approval by Full Council. (Part 7

– Rules of Procedure; 7.3).

- 1.4 As reported to Committees in September, an additional 'gap' for 2015/16 needs to be met, and Members have had initial discussions to consider efficiency savings towards that gap.
- 1.5 At Policy and Resources Committee on 29 September 2014, there was a review of the position to date and an update on the outcome of the Better Care Fund agreement for Norfolk.
- 1.6 The Committee noted that efficiency savings of around £11m had been identified to date, and as a result of the outcome to date of the Better Care Fund, a further £1.7m needed to be found. However, this was on the assumption that there were no overspends on the current revenue budget (2014/15), and that all savings for 2015/16 already consulted on and agreed by Full Council were delivered.
- 1.7 The suggested apportionment of the remaining £1.7m shortfall is as follows:
- | | |
|------------------|-------|
| Children's: | £310k |
| Adults: | £395k |
| Cultural: | £105k |
| ETD: | £385k |
| Fire and rescue: | £ 95k |
| Resources | £320k |
| Finance general: | £ 85k |
- 1.8 The County Council faces a number of financial risks which need to be planned and accounted for. These are:
- The budget proposed does not allow any further variations. If the risks above, or new risks, materialise the County Council will need to identify additional savings
 - Government funding assumptions are uncertain for 2015-16 and beyond. When the Chancellor's Autumn statement is announced on 3 December 2014 and the Local Government finance settlement follows two weeks later, we will have greater clarity regarding funding for Norfolk County Council in 2015-16 and future impacts on Local Government funding
 - Better Care Fund – whilst a £6.8m reduction has been included within the new budget assumptions reported to Policy & Resources Committee on 29 September 2014, this is subject to formal confirmation, in two stages (October 14 and February 15) and therefore could change
 - Changes in legislation, such as the Care Act, have result in additional responsibilities and as yet unquantified additional pressures. These pressures are not currently included within the budget plans, under the assumption that the additional responsibilities will be fully funded
 - Overspends for 2014-15 reported within Monitoring are to be managed by the end of the financial year. Plans are in place but if these strategies prove unsuccessful, additional costs will need to be incorporated within the budget and additional savings will need to be identified
 - Termination of the residual waste treatment (Willows) contract
- 1.9 We would expect the majority of risks identified in para 1.8 to be clearer by mid December. Any changes arising will need to be addressed in January Committees.

2 Evidence

2.1 Adult Social Care Strategy

- 2.1.1 Under the new system of governance from May 2014 - the Adult Social Care Committee is responsible for the commissioning and quality standards of adult social care services for people in Norfolk. It incorporates all those services, from protection to residential care, that help people live fulfilling lives and stay as independent as possible. It oversees the protection of vulnerable adults. The specific functions are: Adult social care, Support for carers, Protection for vulnerable adults and Supporting People.
- 2.1.2 The strategy for Adult Social Care is to maintain care for vulnerable adults, enable preventative support and join up services with Health whilst reducing costs through more efficient working in the face of growing demand for a growing population of vulnerable adults. The Committee plans to consider the following items over the next year:-
- a) Help to live at home
 - b) New model of social work
 - c) Quality Assurance framework
 - d) Carers strategy
 - e) Market position statement
 - f) Healthwatch Norfolk protocol
 - g) Safeguarding annual report
 - h) Charging policy
 - i) Care Act
 - j) Better Care Fund

2.2 Transformation of Social Care

- 2.2.1 The department has been successfully transforming services to deliver improvements, better outcomes for people and making savings for a number of years.
- 2.2.2 This has reduced the cost of the service, and enabled the department to manage the increased demand for care while making savings.
- 2.2.3 Examples of completed transformation include:
- a) Restructured care and assessment management (social worker) teams and reduced staff
 - b) Externalised the in house home care service and used the savings to set up the Reablement service and the Swifts team (24/7 emergency response)
 - c) Reviewed the Reablement service to reduce costs and make it more accessible
 - d) Transferred the 26 in house residential homes to Norse Care with a redevelopment programme
 - e) Set up Independence Matters as a social enterprise following the redesign of in house day services and reductions in the staff
 - f) Removed the subsidy from Community Meals and introduced an improved service
 - g) Improved the hospital discharge services
 - h) Implemented an Integrated Community Equipment Service, with NHS partners
 - i) Introduced and roll out Personal Budgets
 - j) Launch of Harwood Care and Support Charter
 - k) Set up Later Life Care Planning service (partnership with Care Aware)
 - l) Rationalisation of Service Level Agreements with the voluntary sector
 - m) Introduced charging for day services

- n) Reduced scale and capacity of the Sensory Support Service
- o) Rationalised offices
- p) Ensured that people receive the free personal care funded by NHS that they are entitled to (Continuing Health Care)
- q) Reduced staff in Business Support
- r) Transferred the Assistive Technology service to Norse (N-able) so that it could be traded to people who fund their own care
- s) The Living Well in the Community Fund, providing funding for innovative preventative projects in the community
- t) Rationalised transport routes making efficiencies
- u) Implemented the finance modules in Care First

2.2.4 Current transformation work being carried out by Adult Social Care includes:

- a) Refocusing personal budgets - reducing the amount of funding in personal budgets for Well Being and Transport
- b) Implementation of the Care Act
- c) Transfer of Mental Health staff to NCC management
- d) Integration of the social work teams with Norfolk Community Health &Care
- e) Review of Care Arranging Service
- f) Reviewing packages of care for people with learning difficulties and people with physical disabilities, including housing
- g) Electronic monitoring of home care providers
- h) Preparing for the end of the national Independent Living Fund in 2015
- i) Remodelling of home support/care to be more flexible and deliver improved outcomes for people
- j) Implementing 29 integration projects with the Clinical Commissioning groups as set out in the Better Care Fund plan.

2.3 **Big Conversation Savings 2011-14**

2.3.1 In 2011-14 the Council agreed the following savings:

	Big Conversation Savings	2011-12 £m	2012-13 £m	2013-14 £m
A1	Organisational Review	-0.419	0	0
A2	Business Support Review	-0.122	0	0
A3	Reduce scale and capacity of quality assurance service	0	-0.185	0
A4	Ensuring all those entitled to free personal care (Continuing Health Care) receive it	-0.620	-0.620	-0.620
A5	Reduce spend on training	-0.300	0	0
A6	Limiting inflation uplift to the independent and third sector	-4.804	-1.563	0
A7	Rationalising office and building costs	-0.748	0	0
A8	Re-design the assessment service	0	0	-1.500
A9	Re-design hospital discharge process	-0.557	0	0

A10	Remove council subsidy for community meals	-0.600	-0.600	0
A11	Re-design of day services provision	0	-7.707	0
A12	Savings on transport costs as a result of changes to day services	0	-6.141	0
A13	Supporting more people with mental health problems to live independently	-0.500	-0.500	-0.500
A15	Reduce the scale and capacity of the sensory support service	-0.464	0	0
A16	Reduction in specialist advice	-0.333	-0.597	0
A17	End the council's HIV/AIDS service	-0.064	0	0
A18	Reduce the scale and capacity of mental health services	-0.511	-1.100	0
A19	Reduce the scale and capacity of some learning difficulty services	-0.410	0	0
A20	Reduced and redesigned management and support arrangements as consequence of service redesigns	0	-0.535	0
A21	Reduce the scale and capacity of the equipment service	-0.913	0	0
A22	Reduction in spending on prevention services (this included reduction in Voluntary Sector grants, reablement, Supporting People, teleshopping and Assistive Technology)	-1.000	-5.500	-6.500
	Other savings			
	Increased income from service user contributions due to the growth in the number of older people	-1.900	-0.998	-1.108
	Increased income from service user contributions due to the growth in the number of people with physical disabilities	-0.023	-0.023	-0.023
	Increased income from service user contributions due to the growth in the number of people with mental health problems	-0.004	-0.004	-0.004
	Total Savings	-14.292	-26.073	-10.255

2.3.2 **Please note:** The savings from re-design of day services provision (A11) and on Transport costs as a result of changes to day services (A12) were subsequently reduced to £5.85m in total, following further analysis and work. This was agreed by Cabinet on 8 August 2011: "Use of Personal Budgets for Day Activities".

2.3.3 2011-12 was the first year the Council was allocated £11.357 million to be transferred from the PCTs in Norfolk to support joint working on social care

between the County Council and NHS. This meant that the Council did not have to implement all the savings that were originally planned, for example the savings from Prevention were £5m less that would otherwise have had to be made in 2011-12.

2.3.4 The majority of these savings were successfully delivered, with the exception of mental health savings (A13 and A18) and some of the prevention savings listed in A22. Work continues to deliver these savings.

2.4 2014-17 Putting People First Savings

2.4.1 The 2014-17 savings as agreed by Council in February 2014 are:

		2014-15 £m	2015-16 £m	2016-17 £m
4	Re-negotiate contract for buying and leasing mini-buses	-0.090		
4	Reducing the costs of business travel	-0.108	-0.099	-0.090
4	Renegotiate Norse Care recharge		-0.106	
4	Renegotiate residential contracts re day services		-0.100	
6	Electronic Monitoring of Home Care providers			-0.500
6	Review block home care contracts	-0.300	-0.100	
6	Review of agreement with Mental Health Trust	-0.500		
6	Review of Norse Care agreement for the provision of residential care	-2.000	-1.000	-1.500
6	Review of respite care	-0.300		
8	Reduction in Business Support	-0.100		
8	Community Safety	-0.110		
8	Decommission offices, consolidate business support		-0.150	
9	Reducing controllable spend in Community Services	-0.640		
9	Reduce training budget	-0.500		
13	NHS: Invest to save	-1.804		
14	Further Savings from PCSS (Personal Community Support Service)	-0.250	-0.250	
14	Review Care Arranging Service		-0.140	
18	Reducing hospital admissions by increasing investment in care for people most at risk	-4.196	-15.000	
18	Joint senior manager posts with Health	-0.200		
18	Integrated occupational therapist posts with Health		-0.100	
18	Assistant grade posts working across both health and social care		-0.050	
20	Trading Assessment and Care Management support for people who fund their own care			-0.050
20	Economic Development securing more funding for key care services		-0.750	-0.750
30	Change the type of social care support	-0.200	-0.200	

		2014-15 £m	2015-16 £m	2016-17 £m
	that people receive to help them live at home (Remodelling Home Support)			
31	Reduce funding for non-core social care activities for people receiving support from Adult Social Care through a personal budget	-2.000	-6.000	-3.000
32	Cut the costs of the contract with the provider delivering community health support to people with a learning disability	-0.960		
33	Changing how we provide care for people with learning disabilities or physical disabilities	-1.000	-2.000	-3.000
34	Work better with the NHS to deliver the Reablement and Swifts Services and look to share costs equitably.		-3.000	
35	Scale back housing-related services and focus on the most vulnerable people	-1.200	-1.200	
36	Reduce the number of Adult Care service users we provide transport for	-1.800	-0.150	-0.150
37	Stop ongoing (revenue) spend on the Strong and Well programme	-0.500		
66	Charge transport to self-funders	-0.140		
	Putting People First savings	-18.898	-30.395	-9.040

3 Consultation feedback

- 3.1 Whilst any proposals which impact on users will need to be the subject of formal consultation, over the last four years the Council has learned a great deal through extensive budget consultations with residents and stakeholders. A summary is included below:
- 3.2 **Council efficiency** - Residents expect the County Council to spend their money efficiently. They don't want to be asked to endorse what they see as 'common sense' efficiency improvements and what should be a continuing drive to cut our own costs. There is some support for rationalisation based on priorities and statutory duties. There is a balance of views on taxation – but consistent desire for value for money.
- 3.3 **Vulnerable people** – there is concern that older people and people with disabilities are being disproportionately affected by reductions in social care and other budgets. There is a feeling that proposals do not recognise the growing number of potentially vulnerable older people and carers and a strong concern that Council priorities do not overtly mention vulnerable people. We received a consistent view that reductions in preventative services are a 'false economy'
- 3.4 **Rurality and accessibility** - people are acutely aware of Norfolk's rurality and expect the Council to be in tune with this. There is a particular concern about changes to mobile services and transport in rural areas and specifically, about the impact on older people and isolation. We received well-articulated and strongly expressed views expressing concern about the costs and dangers younger

people face to get to school and college.

3.5 **Council Tax** – this was a hot topic during the last two consultations, both of which resulted in a freeze. Last time over a quarter of respondents who expressed a view about Council Tax, overtly supported the freeze and over half supported an increase - albeit in most cases a small rise. Many people are well informed about the difficulties of agreeing Council Tax and Government penalties for increases.

3.6 There were many responses to the Putting People First Consultation, and a link to the summary of findings relating to services covered by this committee is included [here](#)

4 Specific proposals for services

4.1 Policy and Resources Committee were advised that officers would be categorising savings for Committees as follows:-

- a) Better procurement and commissioning
- b) Better ways of working including digital transformation
- c) Income generation

These categories have been applied to the proposals below. The first three proposals below have been included in the £11m savings described in section 1.6 above. The fourth proposal relates to the £0.395m additional required saving as set out in paragraph 1.7.

4.2 **Norse Care Rebate (Better Ways of Working)**

4.2.1 The agreement with Norse care provides for a rebate of £1m to be paid each year to the Council. In the past the rebate has been allocated to the Adult Social Care Residential Care Reserve to be used to reshape residential provision. The proposal is for the rebate to be allocated to the Adult Social Care revenue budget on an ongoing basis.

4.2.2 This will reduce the funding available for the change of residential care provision. The residential care reserve had a balance of £2.33m at 31 March 2014 and the Adult Social Care capital programme in 2015/16 is estimated to have provision of £7m for capital schemes, with the main emphasis being on the development of Housing with Care schemes. The council has in the past made a capital contribution to the development of Housing with Care schemes and the above figures are net of a contribution made to the new dementia unit in Gorleston built by Norsecare and a £3m contribution to the housing with care unit under development in Bowthorpe. For example, there are therefore sufficient funds to make a capital contribution for at least three further similar Housing with Care Units and this could cover developments for the next five years.

4.2.3 Members may consider reviewing this budget saving in three years time in the light of progress at that time on the redevelopment of the Norsecare homes and other housing schemes.

4.3 **Transport (Better procurement and commissioning)**

4.3.1 The Council provides transport from home to Day Care facilities for service users who have a care package, if needed. The transport is provided by Norse and taxis. The transport is co-ordinated with Children's Home to School transport and students transport.

4.3.2 The proposal will seek to enable and use existing community based transport solutions paid for from Personal Budgets by service users with reduced or no subsidy from the Council. The concept is based on the success of using local

providers for community meals for Adult service users with no subsidy from the Council. A possible benefit of such a scheme would be that, as with meals, this would not necessarily be restricted to our service users.

- 4.3.3 The risk of changes affecting the transport of children and students will be managed by dialogue with officers and the risk of the savings impacting on Norse will be managed by dialogue with Norse. Both risks will be addressed by the phasing of the implementation which is why the savings in 2015/16 are low.

4.4 **Residential Care**

- 4.4.1 Through more effective use of block contracting and the management of vacancies across the care sector it is considered possible to save a further £0.100m per annum.

4.5 **Proposal for additional £0.395m saving**

- 4.5.1 This report explains the considerable transformation that has been taking place in Adult Social Care. The only area untouched in the transformation program is the redesign of the whole pathway, although some of this was picked up in the Assessment and Care Management Review. The Customer Services review is looking at the first part of this as part of its testing of redesign work, and discussions have taken place with consultants who have done end to end reviews of this process in other authorities

- 4.5.2 This option was not pursued because the department's capacity for taking on additional major transformation programs was limited, given the work in hand to implement the Care Act, agree the Better Care Fund, return the management of Mental Health social work to the council and share management of the locality teams with NCHC.

- 4.5.3 However, rather than undertake a wholesale program we are engaging on work with HP and the procurement team on areas of the pathway where we believe there to be further efficiencies. This work will take six to eight weeks and will link information from Oracle on spend, with Carefirst information about individuals to focus on high cost care packages. It will also examine differences between localities in spending and will aim to reduce the use of residential care placements by ensuring that full use is made of supported living schemes and community alternatives.

- 4.5.4 It is unlikely that significant savings will be made until 2016/17 but it is proposed that this approach will deliver the additional savings of £395 k set out in section 1.7.

4.6 **Alternative savings**

- 4.6.4 If Members decide not to proceed with any of the proposals, then alternatives will need to be identified to the same value. There remain a number of risks and unknowns in the current financial climate, and for this reason, Members may want to consider how they would find any further savings if once the settlement is finally known, there is still a gap.

5 In-year spending pressures

5.1 As at the end of July 2014 (Period Four) the forecast revenue outturn position for 2014-15 was a £5.166m overspend for Adult Social Care.

Summary	Revised Budget	Forecast Outturn	Forecast Variance		Previously Reported (2)
	£m	£m	£m	%	£m
Management, Finance and Transformation	-3.994	-5.962	-1.968	49%	-1.963
Commissioning	75.051	76.921	1.870	2%	2.658
Business Development	4.512	4.503	-0.009	0%	-0.036
Human Resources	1.204	1.196	-0.008	0%	0.000
Safeguarding	235.600	240.033	4.433	2%	2.216
Prevention	10.076	10.958	0.882	9%	0.881
Service User Income	-72.832	-72.866	-0.034	0%	-0.100
Total Net Expenditure	249.617	254.783	5.166	2%	3.656
Recovery actions	0.000	-1.510	-1.510		0.000
Total after recovery actions	249.617	253.273	3.656	1%	3.656
Approved use of ASC Reserves	0.000	-2.052	-2.052		-2.052
Non approved use of ASC reserves	0.000	-1.604	-1.604		-1.604
ASC Total after use of reserves	249.617	249.617	0.000	0%	0.000

5.2 The overspend is primarily due to an increased expenditure forecast for Purchase of Care (POC) showing an overspend of £3.755m.

5.3 Purchase of Care

5.3.1 The POC budget was overspent in 2013/14 by £4.008m and a similar level of spend is being forecast for the current financial year. Residential care for Older People is the main budget with pressure, having a forecast overspend of £4.405m.

5.3.2 Also the POC forecast anticipates only a partial achievement of budgeted savings from 2013/14 and 2014/15. In 2013/14 savings were not achieved for Mental Health where progress has been slower than expected to move people from residential care to living in the community.

5.3.3 In 2014/15 significant savings are budgeted for wellbeing, transport and Learning Difficulties/Physical Disabilities packages which carry significant financial risks. The revised budget reflects an additional £1m of one-off funding to phase in the 2014-17 savings for wellbeing and transport activities for people receiving support from Adult Social Care through a personal budget.

5.3.4 The main reason for the increase in the POC period 4 forecast recognises that the overspend last year has persisted into the first four months of 2014/15 which due to the extra information from a further two months is clearer than in period 2.

5.4 Recovery actions

5.4.1 Services are required to take recovery actions to avoid or mitigate an overspend prevailing at the end of the year. This is a prior consideration before the use of

reserves is considered. The following action has been taken in Adult Social Care:

- 1) Scrutiny of purchase of care spend by Senior Managers. This includes weekly reporting of any decisions to not use block purchased residential care places
- 2) Scrutiny of any decisions made to override the personal budget allocation for an individual
- 3) Scrutiny of all high cost packages of care
- 4) Scrutiny of all high cost transport arrangements

5.4.2 In addition the 2014/15 Norse Care rebate of £1m is proposed to be used to support the revenue budget instead of being transferred to the residential reserve for transformation of residential care.

6 Delivery of savings for 2015/16 already consulted on and agreed by Full Council in February 2014.

6.1 Whilst there is slippage in achieving some of the savings in 2014/15, it is assumed that all the savings required for 2015/16 will be achieved. Any shortfall will create budget pressures for 2015/16.

6.2 It is forecast that the costs of the Care Act in 2015/16 will be met from government grant and the Better Care Fund. Any shortfall will create budget pressures for 2015/16.

6.3 It is forecast that the Better Care Fund will provide £6.853m less than budgeted for 2015/16 and that £0.800m will be required from ASC earmarked reserves to fund a shortfall from Norfolk West CCG that will be repaid in the following two years. Any further shortfall will create further budget pressures for 2015/16.

7 Issues, risks and innovation

7.1 The risks to the Adult Social Care budget for 2015/16 are shown below:

- 1) the 2014/15 budget will overspend by more than forecast at period four which will need to be funded from reserves or carried forward into 2015/16
- 2) the slippage in achieving the 2014/15 approved budget reductions will increase the pressures in 2015/16. In particular, risks are associated with changes in personal budgets and changes in the services for people with learning disability and physical disability
- 3) the additional savings in 2015/16 arising from actions initiated in 2014/15 will not be fully achieved
- 4) some of the approved savings due to commence in 2015/16 will slip or not be achieved
- 5) there will be a further shortfall to the funding budgeted from the Better Care Fund
- 6) government funding will be insufficient to meet all the additional costs of the Care Act
- 7) the new savings shown in Appendix A will not be achieved

8 Business case for invest to save

8.1 At this stage there are no proposals for Invest to Save although further work is in hand to consider whether a business case can be brought forward in relation to

home care changes.

9 Assessing the impact of the savings proposals

- 9.1 Under the Equality Act 2010, public bodies must in exercise of their public functions have due regard to:
- Eliminating unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
 - Advancing equality of opportunity between people from different groups
 - Fostering good relationships between people from different groups
- 9.2 It is up to public bodies how they go about implementing the duty, however they must be able to provide evidence upon request that due regard has genuinely been paid.
- 9.3 At the time of writing this report, individual equality impact assessments are being started on proposals that potentially have an impact on identified groups with protected characteristics. This process will include engagement with relevant groups, which will form a core part of the evidence used to prepare the assessments. Once a final set of proposals is agreed for consultation, then arrangements for relevant engagement will be finalised.
- 9.4 A full equality impact assessment report will be published alongside the Policy and Resources budget papers for 26 January 2015. This is consistent with legislation and will allow Members sufficient time to inspect each proposal's equality impact assessment (along with all the other relevant evidence), prior to the meeting on 26 January 2015 to agree the recommendations to Full Council on 16 February 2015.

10 Financial Implications

Local Government funding will continue to reduce in the future. With likely continued protection of health budgets, other government departments will take a larger proportion of future spending reductions, regardless of which party wins the next general election.

Any decision by Committees to remove savings, therefore creating further pressures, or any new pressures that are identified, will need to be offset by corresponding value of savings.

The efficiency savings of £11.303m are split by committee as follows:

2015-16 Savings (£m) by Committee and Theme							
Theme	Adult Social Care	Children's	Communitites	Environment, Development & Transport	Policy & Resources	Total	%
1 - Digital Transformation, BWOW	200	937	328	1,835	1,045	4,345	
2 - Procurement, commissioning	1,000	0	0	970	300	2,270	
3 - Income generation, Trading	0	0	450	475	3,254	4,179	
Subtotal 1-3	1,200	937	778	3,280	4,599	10,794	95%
4 - Demand Management	0	400	109	0	0	509	
Subtotal 4	0	400	109	0	0	509	5%
Total	1,200	1,337	887	3,280	4,599	11,303	100%

As part of the budget planning process a suite of reports will be taken to the Policy & Resources Committee in January 2015. The suite will include:

- Revenue & Capital Budget 2015-16
- Statement on the adequacy of Provisions and Reserves 2015-18

- c) Robustness of estimates 2015-18
- d) Medium Term Financial Strategy 2015-18
- e) Capital Strategy & Programme 2015-18
- f) Asset Management Plan 2015-18

11 Next steps

- 11.1 All service committees are meeting during October to consider the implications of latest financial forecasting, and proposals for savings. It is anticipated that a set of proposals will come forward from Committees that will enable the Council to achieve a balanced, sustainable budget. However, in the event of any outstanding shortfall, it will be for Policy and Resources to identify proposals or action to close the gap.
- 11.2 At its meeting on 27 October 2014, Policy and Resources Committee will receive advice and recommendations from Committees and in light of this will:
- a) Review all proposals from Committees to ensure that collectively they will enable the Council to achieve a balanced, sustainable budget
 - b) Agree any proposals which require more detailed formal consultation because of their impact on specific users or residents
 - c) Agree arrangements for assessing the impact of any proposals in line with Equalities legislation, ensuring there are sound arrangements for individuals and groups directly affected by potential proposals to have an opportunity to voice their views
- 11.3 In November, Committees will be able to note any feedback to date from the consultation and engagement so far. The consultation will close on 19 December 2014 and at the January 2015 round of meetings, Committees will review the findings and public consultation, the outcome of the local government settlement, other risk and impact assessments and agree final proposed budget savings.
- 11.4 It is the role of Policy and Resources Committee to recommend a set of proposals to Full Council. This will take place at its meeting on 26 January 2015, and Full Council on 16 February will agree the Council's budget.

12 Background

Report to Policy and Resources Committee 29 September 2014 – Strategic and Financial Planning 2015/18 – from page 13

[Report to Policy & Resources Committee 29 September](#)

Report to Policy and Resources Committee 5 September 2014 - Strategic and Financial Planning 2014/17 -Setting the budget and developing the County Council Plan for 2015/18

[Report to Policy Resources Committee 5 September](#)

Report to Adult Social Care Committee - Adult Social Care Finance Monitoring Report Period 4 (July) 2014-15

[ASC Finance Monitoring Report - Period 4 \(July\) 2014-15](#)

Report to Adult Social Care Committee - Budget 2015/16 to 2017/18

[Budget 2015/16 to 2017-18](#)

Officer Contact

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

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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.

Appendix A

Budget Savings 2015-18 Adult Social Care Committee		2015-16	2016-17	2017-18
		£m	£m	£m
ASC001	Residential care. Process improvements for more effective management of residential care beds	-0.100		
ASC002	Redesign ASC pathway. Work with HP and procurement to drive out further efficiencies		-1.500	
ASC003	Service users to pay for transport out of personal budgets, reducing any subsidy paid by the Council	-0.100	-0.900	-0.800
ASC004	Norse care rebate. The proposal is for the rebate to be allocated to the Adult Social Care revenue budget on an ongoing basis, rather than to the ASC Residential Care Reserve as previously.	-1.000		
	Newly identified Savings	-1.200	-2.400	-0.800
	Share of £1.7m additional savings 2015-16	-0.395		
	Total	-1.595	-2.400	-0.800