

**ADULTS COMMITTEE REVIEW OF PROPOSED ADJUSTMENTS TO 2015/16
BUSINESS PLANNING PROPOSALS FOR ADULT SOCIAL CARE, OLDER PEOPLE
AND MENTAL HEALTH SERVICES**

To: **Adults Committee**

Date: **4th December 2014**

From: **Adrian Loades, Executive Director, Children, Families and
Adults Services**

Chris Malyon, Chief Finance Officer

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose:

Recommendation: **The Adults Committee is requested to:**

- a) note the update on the Council's overall financial position;**
- b) note the remaining milestones in the Business Planning process;**
- c) agree the use of additional funding allocated by the General Purposes Committee on 2nd December; and**
- d) note the further detail on the proposed performance indicators for the Business Plan 2015/16 and endorse them.**

<i>Officer contact:</i>
Name: Rebecca Hudson
Post: Head of Strategy and Partnerships, CFA Service
Email: Rebecca.hudson@cambridgeshire.gov.uk
Tel: 01223 714674

1. OVERVIEW

- 1.1 The Council's Business Plan sets out how the Council will spend our budget to achieve our vision and priorities for Cambridgeshire. Like all Councils across the country, we are facing a major challenge. Our funding is reducing at a time when our costs continue to rise significantly due to inflationary and demographic pressures. This means that despite the way in which we have been able to stimulate local economic growth and the improving national economy, the financial forecast for the Council continues to present huge challenges.
- 1.2 The Committee is asked to note the remaining milestones in the Business Planning process, which are:
- **December Service Committees** – agree use of additional £2.5m revenue funding allocated by GPC.
 - **GPC 6 January 2015** – report on Local Government Finance Settlement and any feedback from Service Committees in December.
 - **GPC 27 January 2015** – GPC recommends full draft Business Plan to Full Council (all sections).
 - **Full Council 17 February 2015** – draft Business Plan debated by Council.
- 1.3 The Medium Term Financial Strategy (MTFS) and the 2015 to 2025 Capital Strategy have both previously been agreed by GPC, and so will not be reported to GPC again until 27 January 2015.

2. FINANCIAL OVERVIEW (REVENUE)

- 2.1 Across the full five years of the Business Plan savings of £121.7m are required to balance the budget, with £32.1m of these in relation to 2015/16. The following table shows the total amount of savings / increased income necessary for each of the next five years, split by service block.

Service Block	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
Children, Families and Adults	-25,238	-25,566	-19,288	-16,066	-7,173
Economy, Transport and Environment	-4,491	-5,339	-3,925	-2,882	-1,170
Public Health	-764	-140	-131	-758	-416
Corporate and Managed Services	-882	-2,365	-443	-326	-568
LGSS Operational	-735	-793	-1,037	-774	-391
Total	-32,110	-34,203	-24,824	-20,806	-9,718

- 2.2 In some cases, services have opted to increase locally generated income instead of cutting expenditure. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.
- 2.3 Delivering the level of savings required to balance the budget becomes increasingly difficult each year. While Services have considered the gap across the full five year planning period when developing savings proposals, the focus has been on 2015/16 as it is a statutory requirement to present a balanced budget for the following year. At this stage in the Business Planning process the remaining unidentified savings are as follows:

Service Block	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
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Children, Families and Adults	-	-13,572	-10,992	-15,666	-6,773
Children, Families and Adults (DSG funded)	-	-318	-361	-400	-400
Economy, Transport and Environment	-	-1,496	-917	-2,876	-1,170
Public Health	-	-	-	-	-
Corporate and Managed Services	-	-343	184	-31	-289
LGSS Operational	-	-	-	-	-388
Total	-	-15,729	-12,086	-18,973	-9,020

3. CAPITAL PROGRAMME UPDATE

3.1 The draft Capital Programme was reviewed individually by Service Committees in September. It was subsequently reviewed in its entirety, along with the prioritisation of schemes, by the General Purposes Committee in October. Although no changes were made as a result of these reviews, Services continued to update the Capital Programme for the latest known position, which was summarised as part of the Service Committee reports in November. Several further amendments have been made, which include the following:

- Increase in scope for optimising the benefits of IT for Smarter Business Working scheme (+£1.3m);
- Increase in scope for Conditions, Suitability and Maintenance due to identification of current commitments (£1m);
- Reduction in scope for Sawston Primary according to revised requirements (-£2.3m; -£3.5m overall);
- Reduction in cost for Trinity School (-£1m);
- Reduction in cost for North West Cambridge Primary scheme (- £0.2m);
- Reduction in cost for Millfield Primary (-£0.3m);
- Rephasing/change of funding for Isle of Ely Primary (+£0.5m);
- Rephasing Northstowe 1st Primary scheme (+/- £1.7m);
- Rephasing of Early Years schemes (+/- £0.4m);
- Rephasing of MAC Market Towns Project (March) (+/- £0.2m); and
- Rephasing of Closed Landfill Sites (+/- £0.1m).

3.2 As a result, revised borrowing levels included within the draft Capital Programme result in the following levels of revenue debt charges:

Financing Costs	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
2014-15 agreed BP	39,227	43,577	44,382	44,870	-
2015-16 draft BP as per October committee cash limits	37,605	41,654	41,458	41,810	41,943
2015-16 draft BP as per current capital programme	36,716	41,554	42,283	42,354	42,501
Change since October	-889	-100	825	544	558

3.3 Despite the shortfall of £32m in Department for Education Basic Need funding as a result of the 2014/15 funding announcements, re-working, removing and rephasing schemes within the programme has actually managed to achieve a saving on the debt charges budget when compared to the 2014/15 Business Plan.

4. PROPOSALS FOR USE OF £2.5m BUSINESS PLAN FUNDING

- 4.1 During this year's Business Planning cycle, the General Purposes Committee (GPC) retained £2.5m revenue funding so that it could be allocated against significant pressures as they emerged. This £2.5m had originally been presented to GPC as an over-provision of revenue funding through the 2014/15 Business Planning cycle.
- 4.2 The GPC is scheduled to meet and agree the allocation of the £2.5m at its meeting on 2nd December. Given the proximity of this Adults Committee meeting to the GPC meeting, the Committee will receive a verbal update on the GPC decision at their meeting. For the purposes of this report, officers have worked on the basis of an approximate allocation to the CFA Directorate of £2m.
- 4.3 In consultation with the Chair and Vice Chair of both the Adults and the Children and Young People's Committees, officers have considered how the proposed GPC allocation could be used to support the delivery of some of the savings proposals that the Committee discussed in November. This thinking has included consideration of savings which are considered to be particularly high risk in terms of delivery, for example because they involve reducing demand for services when demand has been going up. Those savings proposals which have a significant impact on those who use our services have also been considered.
- 4.4 The proposed reductions to the savings proposals for Adult Social Care, Older People and Mental Health services are set out in the tables below, alongside the rationale for the proposals. It is important to emphasise that many risks remain within these savings proposals in terms of the impact they will have and they are almost all high risk in terms of our ability to deliver them because of the demand led nature of these services. Similarly there remain other proposals where there are risks in terms of both deliverability and impact.
- 4.5 The tables at appendix B have been amended since the Committee discussion in November to reflect the proposed adjustments to the savings proposals. Where possible, the savings are RAG rated according to the impact we consider they will have on those who use our services and according to the deliverability risk of the proposal.

Older People and Mental Health services

Older People and Mental Health services (2015/16 savings)	Current saving (£k)	Proposed adjustment (£k)
<p>Transforming Lives / management of new demand at first point of contact (A/R.6.203)</p> <p>We propose that this saving is significantly reduced for 2015/16 and carried forward to 2016/17. Transforming Lives will not be fully implemented until October 2015 and new ways of working will take time to embed. It will be challenging to release savings on this scale over the winter period (October to April). Furthermore, the Older People and Mental Health Directorate already has significant savings associated with management of demand.</p> <p>The impact of significantly reducing this saving is that there will be a more realistic and deliverable expectation of the savings that will be delivered by Older People's Services</p>	500	-400

through either reducing the care that is offered at first point of contact or reducing spend on existing packages of care and support. This will mean that older people will experience a more carefully managed reduction in the costs of care and support paid for by the County Council.		
<p>Continuing Health Care (A/R.6.207)</p> <p>The required savings are ambitious and at the upper end of what may be possible. The process to recruit and train Continuing Health Care (CHC) Assessors, establish the necessary changes to working practice with health sector colleagues and gear up for people's care to be funded differently will take time. It will be difficult to achieve full year savings in 2015/16 and we propose reducing the target in recognition of this timeline.</p> <p>Reducing the target would mean that the saving would be more likely to be delivered effectively and the transition process from existing to new arrangements would be more effectively managed. The impact on older people would be that they would be less likely to directly experience the consequences of the work the Council will need to do to negotiate this process with NHS colleagues.</p>	650	-200
<p>Reablement (A/R.6.211)</p> <p>The reablement service will transfer to the Council on 1st April 2015 and at this stage the detail of the way the service operates isn't known, nor whether we will also transfer some financial risks and pressures that we were not aware of. It is also likely that negotiations related to the transfer will expose some issues about overheads, management costs and respective funding contributions between the Council and the NHS.</p> <p>The reablement service is a critical service for older people and key to successful transfer from hospital and returning to independence. The impact of removing this saving is that the reablement service will be able to continue to work at current levels and this will mean that older people are less likely to be delayed in hospital and more likely to achieve full independence.</p>	80	-80
<p>Older people with mental health needs (dementia) (A/R.6.214 and A/R.6.217)</p> <p>As for Continuing Health Care (described above), there are concerns about whether the savings target associated with reducing the cost of mental health packages is too ambitious. Older people with dementia often have very complex needs and it can be challenging to find providers who are able and willing to meet these needs. Delivering</p>	504	-150

<p>such a challenging savings target in this area at the same time as trying to identify new capacity and provision is likely to result in older people with dementia receiving a slower response and less support due to the difficulties in accessing appropriate care.</p> <p>Reducing this savings target will mean that the chances of delivering it will be increased and older people with dementia are less likely to directly experience the impact. The current saving (of £504k) is a reduction of more than 10% of the service's total budget (£4.8m).</p>		
TOTAL OPMH services		-830

Adults Social Care services

Adult Social Care services (savings 2015/16)	Current saving (£k)	Proposed adjustment (£k)
<p>Absorb increased need in Learning Disability packages (A/R.6.109)</p> <p>This saving will be achieved through reducing the expectation that all increased needs (due to changes in the level of need for existing service users or due to their family carers not being able to provide the same level of care) are met within existing budgets. This will mean that there will be a more limited response to meeting any increased need, whether it is due to changes in the health or behaviour of the person with learning disabilities or due to a family carer having to reduce the amount of care they provide.</p> <p>Reducing the savings target would increase the ability to respond to these increases in need and would allow us to identify a proportion of people and families/carers with the most significant changes in need and to provide extra help.</p>	1388	-280
<p>Absorb increased need in Physical Disability packages (A/R.6.121)</p> <p>This saving will be achieved through reducing the expectation that all increased needs (due to changes in the level of need for existing service users or due to their family carers not being able to provide the same level of care) are met within existing budgets. This will mean that there will be a more limited response to meeting any increased need, whether it is due to changes in the health or behaviour of the person with physical disabilities or due to a family carer having to reduce the amount of care they provide.</p> <p>Reducing the savings target would increase the ability to respond to such increases in need and would allow us to identify a proportion of people and families/carers with the</p>	231	-46

most significant changes in need and to provide extra help.		
TOTAL ASC services		-326

- 4.6 ***The Committee is asked to comment on the proposed adjustments to the savings proposals and endorse them.***

Proposed Performance Indicators for Adult Social Care, Older People and Mental Health services

- 4.7 At the meeting in November, the Committee asked for further information on the proposed performance indicators for the Adult Social Care, Older People and Mental Health services, which will form part of the Strategic Framework for the 2015/16 Business Plan.
- 4.8 The proposed performance indicators are set out below and the rationale for their inclusion and how they are measured is set out in Appendix A.
- Proportion of adults in contact with secondary mental health services (aged 18-69) in employment.
 - Proportion of adults with a learning disability (aged 18-64) in employment.
 - Proportion of people who use services who feel safe.
 - Proportion of people using adult social care services who have control over their daily life.
 - Proportion of eligible service users receiving Self-Directed Support.
 - Proportion of eligible service users receiving Direct Payments.
 - Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services.
 - Proportion of new Physical Disability users requiring no further service at end of reablement phase.
 - Proportion of new Older People users requiring no further service at end of reablement phase.
- 4.9 ***The Committee are asked to consider the further detail on the proposed performance indicators for the 2015/16 Business Plan and endorse them.***

5. ALIGNMENT WITH CORPORATE PRIORITIES

5.1 Developing the local economy for the benefit of all

There are no significant proposals linked to delivery of this priority.

5.2 Helping people live healthy and independent lives

The proposals in the report supporting this priority include:

- Assisting more ASC users to take up personal budgets to influence the type of care they want to meet their needs.
- Using Community Navigators to help older people find their way to activities they would enjoy or find useful.
- Expansion of our reablement scheme, which helps those adults with social care needs to return to, or remain in, their homes.

- The range of measures to manage the triggers of demand for Adult Social Care services by helping people to stay healthy for longer.
- Working with communities to support vulnerable adults and older people, as well as carers and their families, to enable them to live as independently as possible.

5.3 Supporting and protecting vulnerable people

The proposals in the report supporting this priority include:

- Investing in more sheltered housing for older people to reduce demand for residential facilities.
- Supporting people with physical and sensory disabilities.
- Supporting adults and older people with mental health problems.

6. SIGNIFICANT IMPLICATIONS

6.1 Resource Implications

There are significant resource implications associated with the proposals set out in the current Business Plan and that we are considering for future years. Our proposals seek to ensure that we are using the most effective use of available resources across the health and social care system. The implications of the proposals will be considered throughout the Business Planning process and the Committee will be fully informed of progress.

6.2 Statutory, Risk and Legal Implications

The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget. Advice will be sought on possible legal implications and brought back to the Committee during the Business Planning process.

6.3 Equality and Diversity Implications

The size of the financial challenge means that services will continue to seek to improve their effectiveness, but the level and range of services that can be provided is generally reducing. The scale of the savings requires a fundamental review and change of service provision that will lead to very different way of working across CFA services compared to current arrangements.

6.4 Engagement and Consultation Implications

Our Business Planning proposals are informed by our knowledge of what communities want and need. They will also be informed by the CCC public consultation on the Business Plan and will be discussed with a wide range of partners throughout the process (some of which has begun already). Community Impact Assessments (CIAs) for the savings proposals for 2015/16 were sent to the Committee in October and November.

6.5 Localism and Local Member Involvement

The proposals set out in this report, particularly in the latter years, are predicated on empowering communities (both geographical and of interest) to do more for themselves, as we shift our focus from meeting the needs of individuals to supporting communities

and families. As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities.

6.6 Public Health Implications

A number of the proposals within this report will have implications for the health of vulnerable adults and older people. We are working closely with Public Health colleagues to ensure our emerging Business Planning proposals are aligned.

Source Documents	Location
Cambridgeshire County Council Business Plan for 2014/15	http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2014_to_2015

APPENDIX A

GUIDANCE ON PROPOSED PERFORMANCE INDICATORS

Indicator	Proportion of adults in contact with secondary mental health services (aged 18-69) in employment. (ASCOF 1F)
Rationale	Supporting someone with their employment aspirations is a key part of the recovery process. Quantified employment outcomes demonstrate quality of life improvement because employment is a wider determinant of health and social inequalities
Numerator	Number of working age adults (18-69 years) who are receiving secondary mental health services and who are on the Care Programme Approach recorded as being in employment.
Denominator	Number of working age adults (18-69 years) who have received secondary mental health services and who were on the Care Programme Approach at the end of the month.

Indicator	Proportion of adults with a learning disability (aged 18-64) in employment. (ASCOF 1E)
Rationale	The measure is intended to improve the employment outcomes for adults with a learning disability, reducing the risk of social exclusion. There is a strong link between employment and enhanced quality of life, including evidenced benefits for health and wellbeing and financial benefits.
Numerator	Number of working-age learning-disabled clients known to CASSRs during the period, who are in employment.
Denominator	Number of working-age learning-disabled clients known to CASSRs during the period.

Indicator	Proportion of people who use services who feel safe. (ASCOF 4A)
Rationale	Safety is fundamental to the wellbeing and independence of people using social care, and the wider population. Feeling safe is a vital part of users' experience and their care and support. There are legal requirements about safety in the context of service quality, including CQC essential standards for registered services. The measure uses data from the Adult Social Care Survey (ASCS).
Numerator	In response to Question 7a, those individuals who selected the response "I feel as safe as I want".
Denominator	All those that responded to the question.

Indicator	Proportion of people using adult social care services who have control over their daily life. (ASCOF 1B)
Rationale	A key objective of the drive to make care and support more personalised is that support more closely matches the needs and wishes of the individual, putting users of services in control of their care and support. Therefore, asking users of care and support about the extent to which they feel in control of their daily lives is one means of measuring whether this outcome is being achieved. The measure uses data from the Adult Social Care Survey (ASCS).
Numerator	In response to Question 3a, those individuals who selected the response 'I have as much control over my daily life as I want' and 'I have adequate control over my daily life'.
Denominator	All those that responded to the question.

Indicator	Proportion of eligible service users receiving Self-Directed Support. (Local Measure)
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Rationale	Self-Directed Support (SDS) offer clients flexibility in how their care is provided and ensures that care packages are responsive to their individual needs and wishes.
Numerator	The number of eligible service users receiving self-directed support.
Denominator	The number of eligible service users.

Indicator	Proportion of eligible service users receiving Direct Payments. (<i>Local Measure</i>)
Rationale	Research has indicated that direct payments make people happier with the services they receive
Numerator	The number of eligible service users receiving direct payments.
Denominator	The number of eligible service users.

Indicator	Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services. (<i>ASCOF 2B (Part 1)</i>)
Rationale	This measures the benefit to individuals from reablement, intermediate care and rehabilitation following a hospital episode. It captures the joint work of social services and health staff and services commissioned by joint teams, as well as adult social care reablement.
Numerator	Number of older people discharged from hospital to home or to a residential or nursing home who are still at home, three months after discharge.
Denominator	Number of older people discharged from hospital to home or to a residential or nursing home.

Indicator	Proportion of new Physical Disability users requiring no further service at end of reablement phase. (<i>Local</i>)
Rationale	Evidence shows that timely bursts of social care reablement, focusing on skills for daily living, can enable people to live more independently and reduce their need for ongoing homecare support.
Numerator	The number of new PD users requiring no further service at end of reablement phase.
Denominator	The total number of new PD users completing a reablement package within the period.

Indicator	Proportion of new Older People users requiring no further service at end of reablement phase. (<i>Local</i>)
Rationale	Evidence shows that timely bursts of social care reablement, focusing on skills for daily living, can enable people to live more independently and reduce their need for ongoing homecare support.
Numerator	The number of new OP users requiring no further service at end of reablement phase.
Denominator	The total number of new OP users completing a reablement package within the period.