

**SUPPLEMENT TO THE AGENDA FOR**

# **Health & Social Care Overview and Scrutiny Committee**

**Friday 12 April 2013**

**10.00 am**

**The Council Chamber, Brockington, 35 Hafod Road, Hereford**

	<b>Pages</b>
<b>4. MINUTES</b>	3 - 8
<b>10. STRATEGIC PLAN FOR DELIVERING ADULT SERVICES</b>	9 - 28



HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of Health & Social Care Overview and Scrutiny Committee held at Council Chamber - Brockington on Friday 22 March 2013 at 10.00 am**

**Present:** Councillor JW Millar (Chairman)  
Councillor SJ Robertson (Vice Chairman)

Councillors: PA Andrews, PL Bettington, KS Guthrie, JLV Kenyon, MD Lloyd-Hayes, A Seldon and J Stone

**In attendance:** Councillor PM Morgan (Cabinet Member, Health and Wellbeing)

**Officers:** G Hardy (Governance Services Manager), G Dean (Scrutiny Officer), K O'Mahony (Assistant Director Children & Young People Provider Services), J Rzezniczek (Interim Head of Improvement), J Roughton (Head of Children & Family Casework), D Penrose (Governance Services)

**11. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors WLS Bowen MJK Cooper, PJ Watts and GA Vaughan-Powell.

**12. NAMED SUBSTITUTES (IF ANY)**

Councillor A Seldon substituted for Councillor GA Vaughan-Powell.

**13. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**14. MINUTES**

The Minutes of the Meetings held on the 1<sup>st</sup> and 7<sup>th</sup> of February were approved.

**15. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY**

A member of the public suggested that the Committee should consider what the impact of the proposed housing developments in Herefordshire would be on the County Hospital and other social services. The Chairman thanked her for her suggestion, and said that the item would be considered in the Committee's Work Programme.

**16. QUESTIONS FROM THE PUBLIC**

There were no questions from the public.

**17. WEST MIDLANDS AMBULANCE NHS TRUST**

The committee received a presentation on the work of the West Midlands Ambulance Trust from Mr Dug Holloway, Area Manager. During his presentation, Mr Holloway raised the following issues:

That the new 111 telephone number that had been introduced for non-emergency calls had gone live on the 19 March. There was concern about the amount of additional work it would generate for the Trust as some areas had seen an increase of up to 30% in workloads. To date, there had been little additional impact. The Trust had been running up to 30 different scenarios a day in order to ensure that the Service would be able to cope with calls. The staff who were operating the system had largely been working for NHS Direct, and had local knowledge of the County.

The Committee expressed concern that there was a potential for confusion amongst the public as to which phone numbers should be used in the future to deal with specific incidents. Mr Holloway concurred, and said that this matter, as well as the potential for escalation in calls to the Service, had been raised at the highest level by the Chief Executive of the West Midlands Ambulance Service NHS Foundation Trust.

- That the Trust had gained Foundation status on the 28 January 2013. There would be no change to the service that patients received, but it would mean that the Trust would be able to target funds in a way that would both more effectively manage and maintain current services with which the public are familiar, whilst developing future improvements.
- Vehicles would be replaced on a rolling five year plan. Sixty new ambulances would be brought into service over this period. Thirty five Rapid Response Vehicles and major response vehicles were being updated, as well as new four wheel drive vehicles that were being especially customised for the Service and would allow for faster response rates in rural areas.
- That there were 250 paramedics across the West Midlands area and the Service was looking to recruit additional staff.
- That the transformation programme had ensured that, through the Make Ready service, there was increased cover throughout the County.

In reply to a question, Mr Holloway said that the main concern for the Service was the rising level of demand. There had been a total of 19,983 callouts in 2011-12, and this had risen to 22,212 to date in the present year. This represented an 11% increase to date. There was also a concern about the financial situation at the County Hospital.

The movement of patients from the County Hospital was also an issue, and work was in hand to encourage the Trust to discharge and transfer patients at times when there were the greatest number of ambulances available.

- That work with local GPs to encourage the treatment of patients in their own homes would be beneficial.
- That the Ambulance Hub system was performing well, and the Service had moved from a target of reaching 74% of calls within 8 minutes, to 79% over the previous six months. Turnaround at the hospital had been reduced to an average of 27.5 minutes per vehicle. Clinical performance stood at 87% against a national average of 75%. No formal complaints had been made against staff in 2012-2013.
- That paramedics were being encouraged to treat patients in their own home wherever appropriate, rather than bringing them into the hospital. This was as part of a drive across the County to prevent patients from going into hospital unless they needed to

In reply to the Chairman's question regarding the number of hospitals in the region that had been at Level 4 over the previous two weeks, Mr Holloway said that this was of concern both to the Ambulance Service and the NHS. The hospitals had declared major incidents for their own internal organisations, and this had meant that more patients had stayed in hospital for longer periods, and that there had been a number of vehicles waiting outside hospitals whilst space was being made available. Whilst the Wye Valley Trust was being diligent in ensuring that all patients were safe, patients had been taken off ambulances and placed in corridors until beds were available. There had been no impact on the Ambulance Services performance, and additional crews would be brought in to accommodate delays.

The Chairman thanked Mr Holloway for his presentation.

#### **18. 2GETHER NHS FOUNDATION TRUST**

The Committee noted that, as a result of an unfortunate diary clash, neither the Chief Executive nor the Director of Service Delivery of the 2gether NHS Trust had been available to attend this meeting. The Committee expressed its concern at this situation and the Chairman requested that the Chief Executive of the Trust be invited to the next meeting.

#### **19. CHILDREN'S SAFEGUARDING - IMPROVEMENT NOTICE AND PROGRESS ON THE OFSTED RECOMMENDATIONS**

The Committee received a report on Children's Safeguarding from the Assistant Director Children & Young People Provider Services. In the ensuing discussion the following points were made:

- That following the Ofsted inspection of local authority arrangements for the protection of children in autumn 2012, the Council had received an Improvement Notice, which had been developed with the Council. This sets out the key areas of action which are essential to secure good child protection services within the next two years.
- The Improvement Board, which includes the Department for Education will drive the plan for improvement which has already been developed.
- One of the requirements of the Notice was a statement of expectation by the Council for safeguarding services in exercising of its lead role for Safeguarding and a plan of action, both of which had been endorsed by Cabinet.
- That the biggest risk was the recruitment and retention issues that the Council was experiencing, and the reliance on interim staff. Morale amongst social workers had been badly hit by the OFSTED judgement, and a number of staff had left the organisation.

In reply to a query from a Member, the Assistant Director went on to say that there is an apprenticeship scheme for newly qualified staff in place and the recruitment and retention group are considering a range of options to increase the number of permanent social workers employed. A career progression route was being developed to allow social workers to move to more senior levels of practice, as well as ways of making front line staff feel supported and rewarded.

- That referral rates were relatively constant, and a work flow analysis was in hand to ensure that no more cases were being taken in than should be, measured against a benchmark with other Local Authorities.

- That issues associated with Frameworki had not yet been sorted out, but that this was a major piece of work that was underway. The intention was to make the platform more user friendly, and this could take up to two years. There was a project plan in place with an order of priority of areas to address. A successful conclusion of this project would enhance the information available to managers, and enable more successful management of front line staff.
- That it was not clear that the £5k 'Golden Hello' initiative had been successful in attracting staff, although some staff had been successfully recruited through the initiative. It had only been available to the more experienced candidates with at least one years post qualifying experience. Of the fourteen social work vacancies, only one had been filled from the short list of candidates. This was a national issue, and the Council was competing with other authorities for a limited pool of staff.

In reply to a Member's question, the Assistant Director said that there was a sense of order, discipline and purpose within the improvement planning for the Service. The Improvement Board was working to ensure the implementation of the plan, and was the 'glue' to address the issues within the Improvement Notice, and oversaw the plan. The Service would be accountable through the Children's Safeguarding Board, which would also hold the Council's partners to account. The Improvement Board would shift responsibility back to the Safeguarding Board, which would be responsible for the adequacy of the safeguarding arrangements. This was a complex system, which was complex to repair.

A Member pointed out that the same issues kept arising, and that only three of twenty six local authorities across the region had been judged as being 'good'. All agencies needed to be accountable in order to ensure that there were no weak links. The Assistant Director Children & Young People Provider Services said that there were successive changes to the inspection system. She pointed to the Fostering Inspection Report, which read as though it was a good service, but the judgement overall was that it was adequate. The safeguarding aspect of the service was seen as adequate, together with leadership and management. Leadership and management was adequate due to shortfalls in the availability of management information. Quality of service and outcomes for children were both judged to be good.

In reply to a Member's question as to whether tablets would be given to staff to allow them to work remotely, the Assistant Director said that the Council was talking to other authorities that had been judged inadequate in order to share good practice and consider ways forward. Cambridgeshire had issued social workers with iPads, but as this was a considerable investment, a case would have to be made for such an initiative. It would be interesting to see whether this helped staff, and whether it aided staff retention issues.

In reply to a further question, she went on to say that substantial steps had already been taken in order to meet the timescale for the Improvement Notice. The audit of all cases had been a major task, and meant that the Service now knew exactly what was happening in each case, and that children were being seen in the requisite time scale. The Service was concentrating on a constant and steady improvement in order to ensure that it would meet the requisite targets.

**Resolved**

**That:**

- a) **The Improvement Notice from the Department of Education and the statement of expectation for children’s safeguarding in Herefordshire be noted; and;**
- b) **The progress to date in addressing the recommendations from Ofsted be noted.**

## **20. WORK PROGRAMME**

The Committee considered its Work Programme. The Chairman stated that following the Independent Inquiry into care provided by Mid Staffordshire NHS Foundation Trust Chaired by Robert Francis QC, it was important that there should be a fully functioning health scrutiny process in place that didn’t fail the residents of Herefordshire.

It was noted that the Task and Finish Group on the Review of the Scrutiny of Children's Safeguarding in Herefordshire was underway, and would draft initial interim recommendations by April.

The Chairman reported that he had attended a meeting at the County hospital on the future governance of the Wye Valley NHS Trust. He had written to Jesse Norman MP and Bill Wiggins MP concerning the matter in his role as Chairman of this Committee.

It was noted that the Access to Services Task and Finish Group had met, and would have its first full meeting to look at evidence on the 2 May.

The meeting ended at 12.35 pm

**CHAIRMAN**





<b>MEETING</b>	<b>HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>12 APRIL 2013</b>
<b>TITLE OF REPORT:</b>	<b>HEREFORDSHIRE COUNCIL ADULT SOCIAL CARE BUSINESS CHANGE AND SAVINGS PLANS PROGRESS REPORT AND HEALTH AND WELL BEING SYSTEM WIDE TRANSFORMATION PLANS</b>
<b>REPORT BY:</b>	<b>ASSISTANT DIRECTOR: PEOPLE'S SERVICES COMMISSIONING ADULTS</b>

**Classification:** Open

### **Wards Affected**

County-wide

### **Purpose**

To report on the intention of the Health and Well Being Board to establish a system wide Transformation Board to oversee an integrated approach to health and social care commissioning and savings plans over the next 3 years. (Appendix1). To review the People's Services (Adults) Budget Report which outlines the savings, risks and programme approach to delivery for 2013/14 (Appendix 2).

To endorse the 'Plan on a Page' for 2013/14 and 2013/16 which places much greater emphasis on communities; preventative interventions; promoting and maintaining well-being and consequently deferring and preventing the need for more expensive, acute and intensive health and social care interventions (Appendix 3 ).

### **Recommendation**

**THAT the Committee notes:**

- a) **the development as part of Health and Well Being Board governance structures a system wide approach to integrated commissioning**
- b) **Adult Social Care 13/14 savings and transformation plans and the governance structure to monitor delivery.**

### **Key Points Summary**

- Herefordshire Council Adult Social Care services have a significant transformation and savings agenda to deliver in the short and medium term. This requires a structured programme management methodology to ensure that change is managed effectively, benefits are realised and timescales and resources are aligned.

- Change management and project management control, with a specific focus on deliverables for 13/14 as set out in appendix 3, will be achieved through the Business Change Programme (BCP) and will go live at the beginning of April. This will ensure a robust governance structure for projects agreed by the Directorate Leadership Team. The outcomes will be: change that benefits service users, carers and the wider community; service improvements and savings.
- The council like many other local authorities faces increasing demand for adult social care services, at the same time as central government funding is decreasing. The council's approach is to significant savings and shift the focus to prevention and early intervention to effectively manage demand and improve outcomes so more people can live independently for as long as possible. Priority in future service delivery will focus on helping people recover, recuperate, and rehabilitate so they are able to live as independently as possible.
- However key to achieving this fundamental shift in approach, is a whole system and integrated approach to commissioning that includes statutory partners such as the NHS and housing, but also creating a new relationship with communities, voluntary sector partners and individuals themselves to take responsibility for their own health. The key areas of pressure for adult social care in Herefordshire specifically are
  - Demographic pressures are resulting in increased demand from older people who have substantial and critical needs, therefore eligible for adult social care support. Recent changes to the Fairer Charging policy help manage this demand as people who are assessed as needing to make a contribution towards their care are choosing alternative ways of meeting their needs. In addition, children reaching adulthood with very complex needs requiring high cost care packages often known as 'transition' cases are increasing in number and will continue to do so over the next few years.
  - Previous years have delivered savings within adult social care, for example through better contracting, applying eligibility, and managing down the costs of providers. The introduction of some prevention schemes on a limited basis such as a Handy Person scheme have also made a contribution. However, to deliver further savings a more radical approach is required that relies also on a system wide transformation programme with key partners. This will need to focus on large scale prevention and early intervention.
  - This more transformational change includes managing the demand for formal social care intervention: helping people who may be at risk of needing health and social care support to remain independent for as long as possible; building the capacity of communities to support people in new ways; prioritising the development of services that support people's recovery after an accident or episode of ill-health (including reablement, intermediate care, crisis response and telecare); ensuring that personalisation works for those with on-going needs so they are able to plan and direct their own support and have a choice of cost effective solutions.
  - These approaches need to be underpinned by an effective provision of services through an outcome based approach to assessment, commissioning and measurement of success;
  - Partnership working, particularly with the NHS; integrated care pathways and joint commissioning plans will need to make the best use of resources; maximise financial savings and improve outcomes for communities;
  - Co-production of solutions with service providers, community groups and people who use services is essential;
  - Fundamental change to behaviours and new ways of working are more important than changing structures. The energy, commitment and professional skills of staff employed across the sector needs to be harnessed to find new and better ways of meeting individuals' needs.

- The development of more appropriate performance indicators, bench-marking and a more robust evidence base to achieve a better sector-wide understanding of what works is a pressing need.
- The Health and Well Being Board has acknowledged the need for a system wide approach and has proposed that it takes forward a transformation programme that brings together an integrated approach to commissioning. The programme, will align and map the interdependencies between all of the different stakeholders activities. Using the joint strategic needs assessment, it will identify where a collaborative approach will enhance transformation and the shift will promote health and well-being through effective development of universal services, a clear focus and business case for prevention services. A coherent message to local communities, families and individuals about how to look after and protect optimal health and well being will also be part of the approach.

## **Alternative Options**

- 1.1 No alternatives are proposed.

## **Reasons for Recommendations**

- 2.1 To enable scrutiny to review and comment upon the strategic direction for transformation and the programme to deliver savings in 2013/14.

## **Introduction and Background**

- 3.1 Please see attached reports for further information.

## **Key Considerations**

- 4.1 Please see attached report for further information

## **Community Impact**

- 5.1 The Transformation of Adults Services forms part of the council's approach contained in the Corporate Plan, and in the Health and Wellbeing Strategy. Community impact is assessed as part of the delivery of schemes wherever appropriate.

## **Equality and Human Rights**

- 6.1 The public authority duty will be considered in the implementation of each scheme, and has also been considered as part of the formulation of the Strategic Delivery Plan for Transforming Adults Services.

## **Financial Implications**

- 7.1 These are set out in the attached report (Appendix 2).

## **Legal Implications**

- 8.1 Steps taken which have the effect of reducing availability of services to clients; reducing payments to providers or increasing charges to clients is vulnerable to legal challenge in relation to both the decision making process or the reasonableness of the decisions

themselves. Whereas legal challenge cannot be ruled out care has been taken to comply with all legal requirements to minimise the likelihood of a successful challenge.

- 8.2 From reading the Key Points Summary it appears likely that some procurement will take place. The services under discussion will fall within Part B of the EU procurement regime which gives more latitude in terms of procedures to be followed. Nonetheless there remain obligations around the principles of Equal Treatment, Transparency, Proportionality and Non-discrimination. These can be met by following the Council's Contract Procedure Rules in any procurement required by the strategy.

## **Risk Management**

- 9.1 Risks associated with this area of work are significant in terms of service delivery, safeguarding and ensuring the council meets its statutory responsibilities effectively. There are risks to the wider council if the budget savings are not achieved in year. The Director for People's Services is actively managing the delivery programme in close consultation with the rest of Leadership Team, the Chief Finance Officer, and Lead Member for Health and Wellbeing.

## **Consultees**

- 10.1 Initial discussions with partners, customers and staff indicate support for the strategic direction of travel.

## **Appendices**

- 11.1 System Wide Transformation Report (Appendix1).  
11.2 People's Services Budget Report (Appendix 2)  
11.3 Plan on a Page 2013/14 and 2013/16 (Appendix 3)

## **Background Papers**

- 12.1 None identified.

## Appendix 1

### System Wide Transformation

The medium-term future holds three key challenges:

- An increase in demand for health and social care associated with an ageing population and changing expectations;
- A reduction in the growth of public funding for health and social care;
- The predominance of chronic health conditions, which means more people require long term, complex care and support.

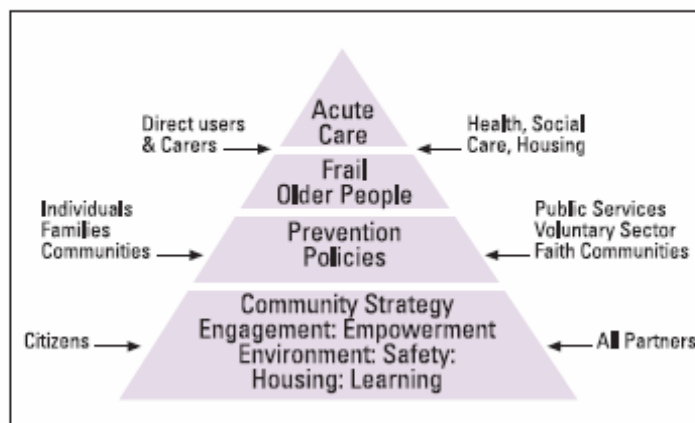
A priority in these circumstances is for an enhanced range of community services and preventative work. The menu of options is huge- from telecare, through to the Expert Patient Programme and other self-care approaches. Community based initiatives and person centred care are crucial.

**1.1** The need to meet growing demand with diminishing resources requires greater emphasis on innovation and productivity. As a whole system in Herefordshire this means improving the quality, productivity and value for money of health and social care services in ways that will maintain financial balance and provide opportunities to invest in responses to changes in the local population. The productivity challenge for the Herefordshire health and social care system over the next 5 years is twofold:

1. Identify savings to enable investment to fund increased demand.
2. Deliver savings targets.

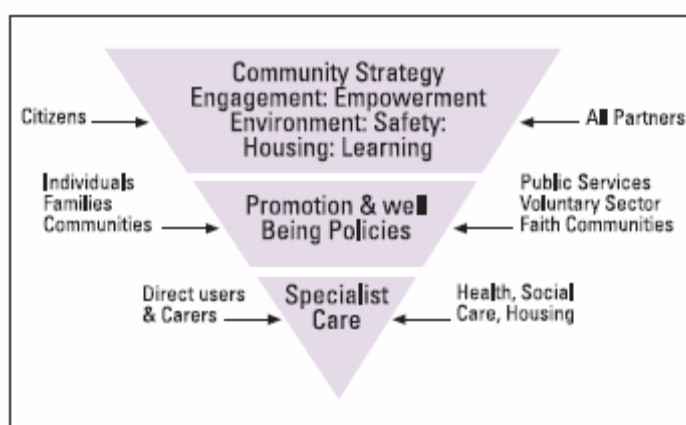
**1.2** The ASC strategic approach is to place much greater emphasis and investment on promoting and maintaining well-being and consequently deferring and preventing the need for more expensive, acute and intensive interventions. 'All our Tomorrows: Inverting the Triangle of Care' states most resources for adults are focused on those with the most severe needs. Central to ASC transformation is inverting the 'triangle of care'. In figure 1 the statutory services are concentrated at the tip of the triangle.

**Support for Older People Today *Figure 1***



**1.3** The objective is to reverse the trend by inverting the triangle so that the community strategy and promotion of well-being is at the top of the triangle and the extension of universal services for all adults is seen as crucial to all agencies, see Figure 2.

## Support for Older People Tomorrow *Figure 2*



- 1.4** Nationally, 85% of older people do not use council care services. They may use other services, such as housing, leisure and adult education that play an important role in keeping them active and independent. Commitment and investment directed to keeping adults healthy and maintaining their independence at home will contribute to the savings Herefordshire Council £9.1m (net council budget 15042m 2013/14\*, £12.53m 2014/15 and £13.7m 2015/16), Clinical Commissioning Group Quality Innovation Productivity Performance gap of £9m 2013/14 and Wye Valley Trust £8.8m 2013/14 have to achieve.

\*savings target for Adult Social Care to deliver balanced budget for 13/14 is £7.9m, current 12/13 forecast overspend £8.3m

## **2. Vision for Transformation in Herefordshire**

Our vision is for Herefordshire to be a place where adults thrive and feel empowered to live life as they want, controlling for themselves any support they need. Delivering this vision involves a comprehensive approach to vulnerable adults that addresses the needs of individuals at an early stage through to end of life. Transformation sets out a vision for Herefordshire in which people are independent, active, participatory citizens with a sense of well-being and good quality of life. Promoting the independence of adults through a strategic shift to primary care, health promotion, prevention and early intervention will produce better outcomes and greater efficiency for the health and social care system.

## **3. Impact of Ageing on Public Expenditure**

- 3.1** The ageing population is expected to place increased demands upon the health and social care system. Although national projections provide an indication of the potential implications for public expenditure, there are a wide range of factors that will shape outcomes in the longer term. For example, promoting healthier lifestyles and technological change (Telecare) will affect outcomes in health and social care as individuals are able to live longer and more independently. Nationally:

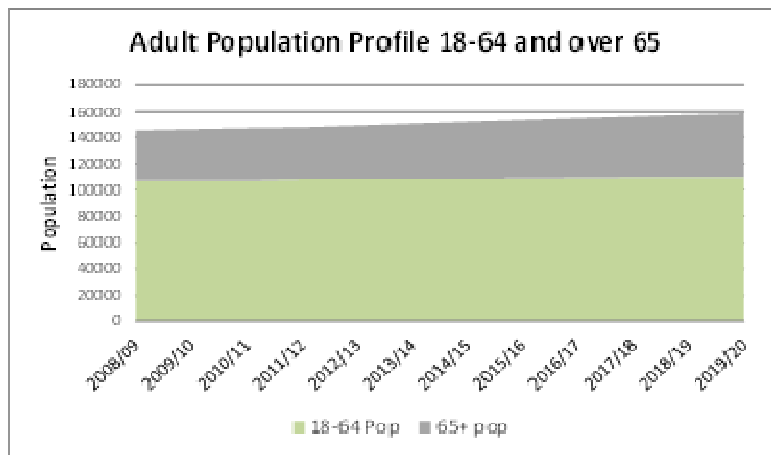
- There are currently around four people under the age of 65 to every one person above that age. By 2029, this ratio will fall to three to one, and by 2059 it will become two to one.
- Approximately 1.26 million adults receive local authority-funded social care now. Over 1.7 million more adults are expected to need care and support in 20 years' time.
- In the next 20 years, the number of people over 85 in England will double, and those over 100 will quadruple.
- A fifth of the population of England is over 60, and older people make up the largest single group of patients using the NHS.
- Older people in the UK use three and a half times the amount of hospital care of those under 65, and almost two-thirds of general and acute hospital beds are in use by people over 65.

- Older people currently account for nearly 60% of the £16.1 billion gross current social care expenditure by local authorities, and despite a recent downward trend, those aged over 65 still account for approximately 40% of all hospital bed days, with 65% of NHS spend being on those aged over 65.
- Injury due to falls is the leading cause of mortality in older people aged over 75 in the UK.



Rising to the challenge

## Current Adult Population Profile



Herefordshire  
Council

2

Working together for the people of Herefordshire



Herefordshire

- 3.2** Locally, the key challenge is the over-reliance on acute hospital care and placements in intensive residential and nursing care. As hospital admissions rise opportunities for rehabilitation are reduced, there is an increase use of expensive care home places, and less money for rehabilitation and preventative services- thereby leading to yet more hospital admissions. Secondary care capacity is like motorway capacity: for as long as it exists it will be filled. What is required, therefore, is a whole system change which involves:
- Reconfiguring secondary care and community services to secure a shift in capacity to the provision of care and support in or near people's homes;
  - More sustained investment in truly integrated, responsive and easily accessible community services, rehabilitation and reablement;
  - More sustained, comprehensive and targeted investment in preventative activity;
  - Action to address issues around culture and expectations to build confidence in the new system.
- 3.3** The challenge is explicit in 'NHS 2010-2015' which states this change will only be delivered through hospital-based care being re-structured. It expects the NHS to draw on the 'creativity and ingenuity of its staff to redirect resources across the system' and to 'divert resources further upstream'.
- 4. Inverting the triangle of care: the evidence base**
- 4.1** Evidence on the case for inverting the triangle is available from the national evaluation of a number of pilots. A systematic appraisal of studies that evaluated health and social care from an economic perspective has found that integrated early intervention programmes can generate savings between £1.20 and £2.65 for every pound spent.
- 4.2** The Kaiser NHS Beacon sites have improved services as a result of working closer together. For example, one area has reduced its use of acute clinical beds for emergency admissions

of older people, virtually eliminated delayed transfers of care, and improved access to intermediate care . The Audit Commission states that small investment in services such as housing and leisure can reduce or delay care costs and improve wellbeing. Early intervention can improve wellbeing and save money. One county saves £1 million a year on residential care costs by providing telecare services (North Yorkshire).

**4.3** The evaluation report of the Partnerships for Older People Projects (PoPPs) showed care spending on older people fell by £2,166 per person per year after using preventative services, while individuals reported better outcomes for themselves. For every £1 spent on PoPP services, £1.20 was saved in spending on emergency hospital beds. As well as reductions in emergency bed days, productivity gains in other areas of health service activity were indicated:

- Hospital overnight stays reduced by 47%;
- Accident and emergency attendances reduced by 29%;
- Clinic or outpatient appointments reduced by 11%; and physiotherapy/occupational therapy appointments reduced by 8%

## **5. Herefordshire Transformation: An integrated approach**

**5.1** Transformation is informed by five government initiatives. They are:

- Open Public Services Act
- Localism Act
- Putting People First;
- Transforming Social Care;
- Care and Support Bill

**5.2** The Open Public Services Act is based on the theory that market competition between providers improves the quality of services experienced by service users, and will make them more effective, through improving social outcomes, and reducing costs. It identifies an important role for local government as that of having responsibility for ensuring free competition. The policy framework is based on 5 principles:

- Choice of providers for service users
- Decentralisation
- Diversification of providers – ‘any qualified provider’
- Fair access to public services
- Accountability to users and taxpayers.

**5.3** The Localism Act outlines new freedoms and flexibilities for local government and new rights and powers for communities and individuals. ‘Putting People First’ calls for an integrated health and social care system in every part of the country, based on close partnership working and driven by joint strategic needs assessments. It promotes integrated approaches with the NHS and children’s services, and innovative work with the voluntary/private sector. A follow-up local authority document, Transforming Social Care, gave greater detail about the nature of changes required. A number of key outcomes have been identified for adults. These are that people should be able to:

- Live independently;
- Stay healthy/recover quickly from illness;
- Exercise maximum control over lives and participate as active, equal citizens;
- Sustain family life where children are not inappropriate carers;



- Have best quality of life;
- Retain maximum dignity and respect.

The aim is that the local integrated health and social care system should include these key elements:

- A universal information, advice and advocacy service;
- Telecare – which should be ‘integral’ to people’s lives, not marginal;
- Transformed community equipment services using local retail outlets;
- Robust systems to act on and reduce the risk of abuse;
- Services which reduce the need for intensive social care intervention and equip people with the skills to live independently.

It is recognised that carers have a central role to play and should be treated as experts and care partners.

- 5.4** The Care and Support Bill provides enabling legislation for these reforms under the following headings: Communities and Prevention; Information and Assessment; Social Care Market and Workforce; Health-related measures and Safeguarding Adults.

This policy framework is geared to a focus on the assets in communities to support residents; diversification and a plurality of providers; greater individual and collective responsibility for health and well-being, which all contributes to reducing the demand for health and social care services.

## **6. Outcomes**

Transformation in Herefordshire looks to achieve outcomes in 4 key areas

- Greater engagement of vulnerable adults as valued partners in planning for a fulfilling life;
- Better health and well-being achieved through preventative, practical and self-help services and support to prevent decline, and access to information, leisure, transport, appropriate housing and day/social opportunities;
- Improved ability to cope with critical points and transitions through the availability of rehabilitation, reablement and community support, avoidance of inappropriate admissions to hospital or residential care and timely discharge from hospital;
- Extended use of community based housing and support

## **7. Adult Social Care Transformation: Inverting the Triangle**

An essential ingredient of ASC Transformation is the engagement of a range of partners across Herefordshire in a whole system approach with a focus on a substantial number of initiatives, programmes and projects. These include high impact changes: promoting healthy lifestyles (primary prevention), targeted prevention: integrated care pathway redesign, Reablement, Telecare, Day Opportunities and Tertiary Prevention Personal Budgets and Reviews. The transformation workstreams draw on evidence that concludes preventative interventions impact on the health and well-being of adults.

## **8. Conclusion**

An essential ingredient of ASC Transformation is the engagement of a range of partners across Herefordshire in a whole system approach with a focus on a substantial number of initiatives, programmes and projects.

These high impact changes: accessing community assets and strengthens: promoting healthy lifestyles (primary prevention), providing timely information and advice to appropriately divert people away from adult social care; targeted prevention to enable people to maintain their independence in their own homes integrated, Reablement, Telecare, Day Opportunities. This

involves a number of significant programmes of work that are all aimed at preventing a person from becoming ill or frail; helping some-one to manage a condition as well as possible or prevent a deterioration in an existing condition(s). The Plan on a Page attached describes the direction of transformation to achieve a financial sustainability health and social care economy over the next 3 years.

# Peoples Service Budget Review 2013/14

## Financial Summary – Adult Social Care

### Executive Summary – Overall People’s Services Budget

The People’s Services budget review is being considered in two parts and this paper predominantly focuses on the Adult Social Care budget for 2013/14, however this section will provide the headlines for the overall People’s Services budget to ensure the overall directorate position is clear as all aspects of the People’s Services directorate are facing pressures these and need to be understood in their entirety. In summary the directorate is predicting a net over spend in 2012/13 of £6.762m, this comprises an over spend of £8.331m in adult social care, partially offset by savings in all other service areas.

The £8.3m over spend in adult social care is the net position after delivery of £3.7m of savings in year out of a total savings target of £8.0m. Of the total overspend £4.3m is attributable to the savings shortfall which principally comprises the inclusion of some cost avoidance savings and slippage on some savings schemes. Some savings targets were also set at unrealistic levels. The other £4m contributory factor is in relation to existing packages (£3.5m) and net in year growth.

Savings across other service areas have been delivered through a combination of vacancy management and strict cost control. It should however be noted that within Children’s Provider services there are now pressures in the Safeguarding service which are mitigated by savings elsewhere.

**Figure 1**

<b>Peoples Services Budget Summary</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2012/13 Variance</b>
Directorate*	(14,005)	533	533	533	384
Children's Provider Services	21,666	17,600	17,700	17,802	558
Children's Commissioning	16,049	10,521	10,454	10,454	597
Adult Social Care	47,169	48,797	55,173	62,450	(8,331)
<b>Total People's Services</b>	<b>70,879</b>	<b>77,451</b>	<b>83,860</b>	<b>91,240</b>	<b>(6,792)</b>
EHTS/ Other budget adj	1,398	0	0	0	30
<b>Total per FRM / Control totals</b>	<b>72,277</b>	<b>77,451</b>	<b>83,860</b>	<b>91,240</b>	<b>(6,762)</b>
Indicative savings target			(4,465)	(7,186)	
<b>Potential adjusted future years budget</b>	<b>72,277</b>	<b>77,451</b>	<b>79,394</b>	<b>84,054</b>	
<b>Overall Council budget per FRM</b>	<b>143,359</b>	<b>150,296</b>	<b>144,682</b>	<b>138,043</b>	
<b>Peoples Services % total Council Budget (indic)</b>	50%	52%	58%	66%	
Savings to be allocated per FRM			(8,665)	(12,398)	
<b>Key Notes</b>					
Public Health Grant (Memorandum)		7,753	7,970	TBC	
*includes central DSG and EIG in 12/13 budget. For 13/14 DSG offset to individual services					
* does not include DSG budget for schools (included in Peoples Services directorate)					

## Executive Overview Adult Social Care

The overall Adult Social Care (ASC) budget for 2013/14 is set at £48.8m. This is a net increase of £1.5m compared to 2012/13. The previous 3 years position is shown in figure 2 below. This shows the extent of the financial challenge facing the council to deliver the net saving of £6.8m to reduce expenditure from the current 2012/13 projected.

When the full year equivalent baseline budget is taken into account for new packages arising in 2012/13 a further cost commitment of £1.2m is created giving a true total savings requirement to deliver a balanced budget of **£8.0m**.

The net increase in budget from 2012/13 to 2013/14 of £1.6m comprises £0.96m of additional grant income, £2.5m of additional funding and a net allowance of £0.7m of inflation (after contractual commitments) giving a total additional funding of £4.16m, however savings requirements reduce this sum by £2.64m to give the net budget increase of £1.6m.

The savings target of £7.9m is almost identical to that set for 2012/13 of which approximately 47% is expected to be achieved. The savings proposals for 2013/14 are all anticipated to be cashable, but nevertheless remain very challenging\*.

*\*(An estimate of the amount of risk of slippage is shown below in summary and included in full in the detailed savings analysis included in the budget book which accompanies this report).*

Additional risk factors associated with delivering a balanced outturn for adult social care are the assumption that zero growth in spot purchase package costs will be delivered in 2013/14, this requires major changes of direction to achieve in the light of year on year trends of increasing numbers, and creates a potential pressure for 13/14.

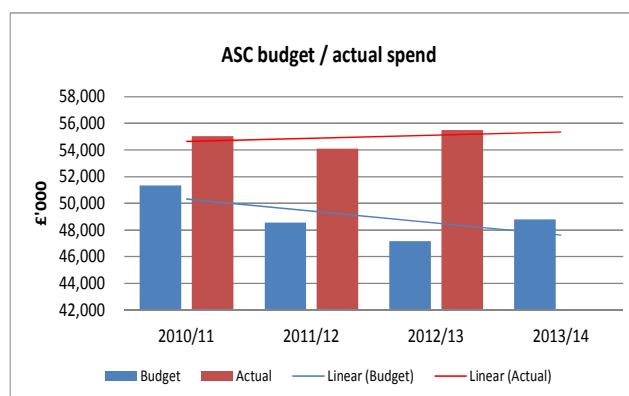
The Wye Valley Trust currently has responsibility for all community care and adult social care teams and this places a further risk on delivery.

Figure 2 below shows the adult social care budget and actual / forecast expenditure over the past 3 years and comparison to 2013/14 budget.

**Figure 2**

### Budget vs Actual/forecast expenditure profile

Adult Social Care £'000	2010/11	2011/12	2012/13	2013/14
Budget	51,342	48,550	47,169	48,797
Actual / Forecast	55,039	54,094	55,500	
Overspend	(3,697)	(5,544)	(8,331)	
Overspend %	(7%)	(11%)	(18%)	
Overspend if budget @ 10/11 base		(2,752)	(4,158)	
Overspend % vs base 10/11		(5%)	(8%)	
Budget Change year on year		(2,792)	(1,381)	1,628
Cumulative budget change v 10/11		(2,792)	(4,173)	(2,545)



*\*Please note the 2012/13 forecast is the end of January position –including adjustment for quality & review which was included under commissioning in the January Cabinet report)*

### Outturn 2012/13

The overall outturn for Adult Social Care for 2012/13 (adjusted to include the adults Quality & Review team) is a net over spend of £8.3m. This is after achieving £3.7m out of a savings target of £8.0m. Of the shortfall in 2012/13 approximately £2.0m has been identified as cost avoidance or non cashable savings, (£1.2m assistive technology being the single largest item).

### Budget Setting and Delivery of Savings Plans

The issues encountered in 2012/13 of setting detailed cashable savings targets and fully costed

budgets have been addressed in setting the draft budget for 2013/14 through a combination of actions. Firstly a zero based approach has been adopted on all spot purchase budgets using end of January actual client numbers and costs with a zero growth assumption. All contracts have been reviewed and only contractual inflation uplifts included. Non contractual savings have been modelled in detail and assumptions agreed with the interim AD – Commissioning & Operations to enable tracking and monitoring of achievement.

The Chief Executive has also introduced monthly budget control meetings. These are chaired by the Chief Finance Officer and will be held for each directorate with the intention that each area can be challenged about budget delivery.

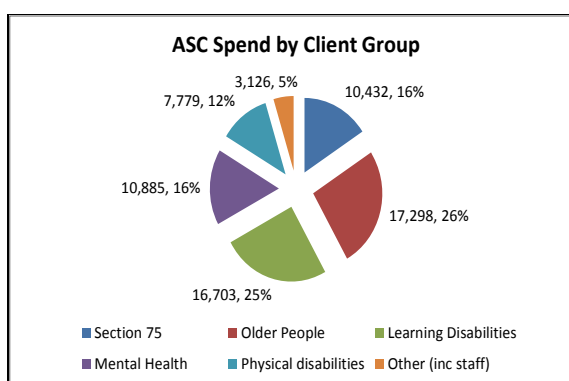
Financial monitoring of the delivery of the savings will be through the financial sustainability group. Every savings target is allocated to a cost centre and will have an owner responsible for delivery. Fortnightly meetings are already in place between corporate finance and the interim AD – Commissioning & Operations. The level of detail in which the budget has been created will enable accurate tracking of the delivery of the demand management and cost of care savings which has not been possible in 2012/13.

### Budget Overview

The breakdown of the key components are summarised in figures 3 and 4 below. Figure 3 shows the gross, income and net expenditure analysed by client group, whilst figure 4 shows the same but analysed between contractual commitments, spot commissioning arrangement and other costs.

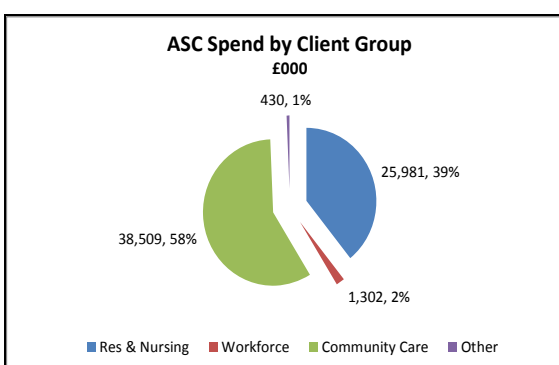
**Figure 3 Budget by Client Group**

Budget 2013/14 £k	Expend	Income	Net
Section 75	10,432	(1,002)	9,431
Older People	17,298	(4,978)	12,320
Learning Disabilities	16,703	(5,288)	11,415
Mental Health	10,885	(2,000)	8,886
Physical disabilities	7,779	(802)	6,976
Other (inc staff)	3,126	(3,356)	(230)
<b>Total</b>	<b>66,223</b>	<b>(17,426)</b>	<b>48,797</b>



**Figure 4 Budget by Activity**

Budget 2013/14 £k	Expend	Income	Net
Res & Nursing	25,981	(7,286)	18,695
Workforce	1,302	0	1,302
Community Care	38,509	(10,090)	28,419
Other	430	(50)	380
<b>Total</b>	<b>66,223</b>	<b>(17,426)</b>	<b>48,797</b>



### Savings Plans

The savings plans for 2013/14 have been developed in a high level of detail with costed models of savings to be derived from demand management activities and cost reduction plans.\* Having detailed plans does not ensure delivery, but does enable accurate tracking and monitoring of achievement against the savings targets.

Savings plans have been developed with four key themes and will be monitored and reported in

this format. The major headlines and estimate of financial risk associated with non achievement of savings are shown in figure 5 below:

**Fig 5**

Summary		Total Saving	2013/14	2014/15	13/14 amount at risk
<b>Total contract renegotiation / re-engineering</b>		<b>(3,323.3)</b>	<b>(3,323.3)</b>	<b>0.0</b>	<b>1,626.7</b>
Total reduction residential & nursing placement demand		(1,234.9)	(466.2)	(768.7)	233.1
Total reduction Personal budgets / domiciliary care demand		(2,590.4)	(1,146.6)	(1,443.8)	573.3
<b>Total Demand Management</b>		<b>(3,825.3)</b>	<b>(1,612.8)</b>	<b>(2,212.5)</b>	<b>806.4</b>
Target 20% reduction in average cost PB's / dom care spot places reviews/ RA		(3,593.1)	(317.0)	(3,276.1)	158.5
Target reduction (18%) in avg cost of res / nursing spot places CFC / reviews		(1,923.2)	(165.7)	(1,757.5)	82.8
C04376	MH-Supported accom-Spot Dis. Court £50k/sub misuse £150k	(200.0)	(200.0)	0.0	100.0
<b>Total Cost of Care</b>		<b>(5,716.2)</b>	<b>(682.7)</b>	<b>(5,033.6)</b>	<b>341.3</b>
Additional Income Generation		(500.0)	(500.0)	0.0	184.6
C04693	AD-S75-2gether Out of Hours / AMPH service	(50.0)	(50.0)	0.0	25.0
C04276	LD-Supported Accom-Spot Transitions	(75.0)	(75.0)	0.0	37.5
C04277	LD-Adult Placement-Spot Transitions	(25.0)	(25.0)	0.0	12.5
C04272	LD-Residential-Spot Out of county placements	(300.0)	(300.0)	0.0	150.0
	Transformation / RAS RAS reduction	(900.0)	(900.0)	0.0	450.0
C04696	Supporting People Programme Reduction existing care	(100.0)	(100.0)	0.0	50.0
C04696	Supporting People Programme Target reduction package costs	(173.0)	(173.0)	0.0	86.5
C04010	Transition Team Funding Target reduction - workforce	(200.0)	(200.0)	0.0	200.0
<b>Other Savings</b>		<b>(2,323.0)</b>	<b>(2,323.0)</b>	<b>0.0</b>	<b>1,011.5</b>
<b>Total Savings</b>		<b>(15,187.8)</b>	<b>(7,941.8)</b>	<b>(7,246.1)</b>	<b>3,785.9</b>

The above summary table indicates the current finance view that at least 50% of the savings need greater certainty of delivery.

## Key Issues / Risks

The overarching risk to delivery is the scope, breadth and depth of savings required and speed of change necessary given the demands in the service.

The key risks and issues identified:

- £3.3m of savings from renegotiation of contracts / redesign of community care service (currently Wye Valley Trust) all of which require negotiation to deliver.
- To deliver the demand reductions requires current growth trends to be stopped and reversed. Whilst plans are being implemented to deliver this change of direction the speed of change required to deliver this scale of reduction (8% on residential and nursing placements and 13% on personal budget and domiciliary care) when year on year growth has been experienced is a significant challenge.
- A zero growth budget has been assumed, with savings to be delivered from demand management, there is a risk that initially placements will continue to increase until new approaches are in place and working across the service. Essential to achieving this are an efficient and effective reablement service (not currently the case), clear and effective signposting service to prevent potential customers becoming service users and an effective review service which manages clients out of the system in a safe and controlled manner.
- Cost of care reductions carry the same level of risks as for other savings proposals. Delivery is in part dependent on an effective and recurrent review process and setting care packages at the appropriate level through accurate resource allocation system (RAS) and / or care funding calculator.
- Other savings carry the same levels of risks due to the need to consult on further changes / time to redesign RAS model.

- Current high level of vacancies and reliance on interim staff
- Current Open Book review of Older People nursing and residential homes may identify need to uplift prices.

## **Key Assumptions in 13/14 Budget**

- All spot purchase budgets have been built from a zero base using actual client activity and expenditure as at the end of January (based upon financial activity)
- Only contractual inflation has been applied.
- A 2% top slice has been applied to spot purchase budgets creating a pool to fund RAS reductions
- A 2% increase has been applied to fee income in line with corporate policy.
- All pay budgets have received a 1% uplift with corresponding uplift to NI and pension costs.
- All grants have been included within the budget including S256, LD and social fund (with matching expenditure) for completeness. Book consultant. Costs have been based upon anticipated requirements.
- Anticipated demand reduction of 55 (8%) placements in residential and nursing across all client groups
- Anticipated demand reduction of 200 (13%) placements in personal budgets and domiciliary care across all client groups





HEREFORDSHIRE'S ADULT SOCIAL CARE BUSINESS CHANGE PROGRAMME – 1 YEAR PLAN ON A PAGE 2013/14



<b>Context</b>	<p><i>Herefordshire is a place where adults live independently, and are active participatory citizens with a sense of well being and good quality of life</i></p> <p>* Building social capital within local communities * Making a strategic shift to prevention and early intervention * Improving health &amp; well being through preventative services * Facilitating access to universal services                  * Integrated working across the health and social care system * Commissioning support for critical points and transitions to maintain people in their own homes * Improve quality and safety of care * Empower service users and carers to control the support they need* * Improve sustainability of health and social care system</p>					
<b>Vision</b>						
<b>Objectives</b>						
<b>Work Programmes</b>	<p>Modernising Safeguarding Adults Programme (MS)</p> <p>Shaping the Market, a Sector led Approach Programme (MS)</p> <p>Wye Valley NHS Trust Next Stage Integration Programme (HC)</p> <p>ASC Systems, Business Process and Infrastructure re engineering ( HC)</p>	<p>Prevention &amp; Early Intervention Programme ( MS)</p> <p>Financial Sustainability ( Delivering Savings and Medium Term Financial Strategy Planning Programme) (HC)</p>	<p>One Herefordshire Approach to Transformation Programme ( MS)</p> <p>ASC Developing the Right Workforce for Herefordshire Programme ( HC)</p> <p>ASC Specific Commissioning and Procurement 13/14 Implementation Programme ( MS)</p>			
<b>Outcomes Framework</b>	<p>Adult Social Care Outcomes Framework 2013/14</p>					
<b>Outcomes 2013/14</b>	<p><b>Communities</b> Extended use of community support networks and resources People exercise maximum control over their lives</p>	<p><b>Health &amp; Well Being</b> Better health and well being achieved through preventative, practical and self help services</p>	<p><b>Diversion</b> Interventions to avoid inappropriate admissions to hospital or residential care</p>	<p><b>Live Independently</b> Stay healthy and recover quickly from illness</p>	<p><b>Access Opportunities</b> Have best quality of life through access to leisure, appropriate housing and social activities</p>	<p><b>System Transformation</b> Service users experience a seamless health and social care system Financial sustainability</p>
<b>Aspirations 2015/16</b>	<p>* Implemented health &amp; wellbeing transformation programme                  * Implementation of Personalisation and the Care and Support Bill * Developed market offering greater choice and control to individuals * Shift from over reliance on residential and nursing care through effective commissioning of help to live at home alternatives* Financially balanced health and social care economy</p>					
<b>Cross Cutting Themes</b>	<p>* Service user, Carer &amp; Stakeholder Involvement * Quality &amp; Safeguarding * Prevention * Partnership Working * Workforce * Governance &amp; Assurance</p>					
<b>Strategic Performance Measures</b>	<p>Reduction in admissions to residential and nursing homes - % of people supported to achieve and maintain independence - % of people completing a period of reablement with reduction or ending of care - % contacts sign posted to other agencies- delivery against national Outcomes Frameworks- Market development is evidence based and informed by service user analysis- delivery of financial savings</p>					



HEREFORDSHIRE'S APPROACH TO THE ADULT TRANSFORMATION PROGRAMME — 3 YEAR PLAN ON A PAGE 2013/16



<b>Context</b>	181,000 population	13/14 ££48.641 net budget 13/14	High and rising population aged >65	Financially challenged CCG/acute providers	High and rising prevalence of LTC	Geographically dispersed population
<b>Vision</b>	<p><i>Herefordshire is a place where adults live independently, and are active participatory citizens with a sense of well being and good quality of life</i></p>					
<b>Objectives</b>	<p>* Building social capital within local communities * Making a strategic shift to prevention and early intervention * Improving health &amp; well being through preventative services * Facilitating access to universal services                  * Integrated working across the health and social care system * Commissioning support for critical points and transitions to maintain people in their own homes * Improve quality and safety of care * Empower service users and carers to control the support they need * Improve sustainability of health and social care system</p>					
<b>Work Programmes</b>	<p><b>Community/Sustainable Systems</b>                  Community strategy and Capacity Building                  Building social support networks                  Housing Options</p>	<p><b>Demand Management</b>                  Universal Offer                  Customer Contact                  Information &amp; Advice                  Market Shaping                  Carers Support</p>	<p><b>Prevention &amp; Early Intervention</b>                  Partnership on implementation of community teams with virtual wards and neighbourhood teams as a service continuum</p>	<p><b>Integrated Commissioning</b>                  Integrated care pathways                  Help to live at Home: reablement; telecare/Assistive Technology/Home Care</p>	<p><b>Service Developments</b>                  Day Opportunities                  Supported Living Options</p>	<p><b>System reconfiguration</b>                  Next Stage Integration                  Self Directed Support                  Care &amp; Support Bill</p>
<b>Outcomes Framework</b>	<p>ASC / Public Health and Health Outcomes Framework  <b>Communities</b>                  Extended use of community support networks and resources                  People exercise maximum control over their lives</p>	<p><b>Health &amp; Well Being</b>                  Better health and well being achieved through preventative, practical and self help services</p>	<p><b>Diversion</b>                  Interventions to avoid inappropriate admissions to hospital or residential care</p>	<p><b>Live Independently</b>                  Stay healthy and recover quickly from illness</p>	<p><b>Access Communities Opportunities</b>                  Have best quality of life through access to leisure, appropriate housing and social activities</p>	<p><b>System Transformation</b>                  Service users experience a seamless health and social care system                  Financial sustainability</p>
<b>Aspirations 2015/16</b>	<p>* Implemented health &amp; well being transformation programme                  * Developed market offering greater choice and control to individuals * Shift from over reliance on residential and nursing care through effective commissioning of help to live at home alternatives* Financially balanced health and social care economy</p>					
<b>Cross Cutting Themes</b>	<p>* Service user, Carer &amp; Stakeholder Involvement * Quality &amp; Safeguarding * Prevention * Partnership Working * Workforce * Governance &amp; Assurance</p>					
<b>Strategic Performance Measures</b>	<p>Reduction in admissions to residential and nursing homes - % of people supported to achieve and maintain independence - % of people completing a period of re-ablement with reduction or ending of care - % contacts sign posted to other agencies- delivery against national Outcomes Frameworks- Market development is evidence based and informed by service user analysis- delivery of financial savings</p>					

