

MEETING	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	16 NOVEMBER 2012
TITLE OF REPORT:	QUARTERLY REPORT OUTLINING SAVINGS THAT ARE BEING ACHIEVED THROUGH THE STRATEGIC PLAN FOR DELIVERING ADULT SERVICES
REPORT BY:	ASSISTANT DIRECTOR: PEOPLE'S SERVICES COMMISSIONING (ADULTS, CHILDREN & HEALTH)

Classification: Open

Key Decision

This is not a key decision

Wards Affected

County-wide

Purpose

To note the progress being made and risks associated with achieving the savings targets established for adult services for 2012/13

Recommendation

THAT:

- (a) **scrutiny committee note and comment on the report and recommend actions that will enhance the approach being taken**

Key Points Summary

- The total savings target established for 2012/13 was £7.956m on a budget of £50.04m. This represents a significant challenge and an ambitious programme of work has been established. Some of the results of the work areas have changed from what was originally envisaged, through detailed consultation work (for example changes to the charging proposals).
- Budget savings have been profiled across the financial year and the cumulative target at the end of quarter 2 was £1.849m, of which £1.691m has been achieved.
- A recent review of information across local authorities, published by the Association of Directors of Adult Social Services (ADASS) indicated that:

- The national position for 2011/12 was predicted to be 0.6% under spend on Adult Social Care (ASC) whilst Herefordshire was 11.4% over spent.
 - ❖ Statistical neighbours overall are reporting to be on budget with a range of 97% to 105% spend versus budget.
- Nationally 82% of demographic pressures have been funded for 2012/13 compared to just 16% in Herefordshire.
 - ❖ Our comparator group has funded on average 76% of demographic pressures although this ranges from 100% funding to 41% in York and 46% in Shropshire.
- The national average savings target for adult social care in 2012/13 is 6.75% (median 5.63%) versus 15.9% for Herefordshire.
 - ❖ Our neighbours are predicting savings across ASC of 6.5% which is in line with the national picture.
- Feedback from a recent (September) regional Adult Social Care finance leads meeting also indicated that many other Local Authorities are predicting overspends for 2012/13 in ASC. Other authorities in the region are pursuing many of the same savings and transformation activities as Herefordshire.
- Herefordshire has established a transformation plan for Adult Services, including a vision and guiding principles for the next five years. Contained within this are a range of transformation activities that should improve services for adults, including enabling adults to arrange their own care and support more effectively, whilst also making best use of public money.
- The transformation plan activities are reviewed on a monthly basis by a group chaired by the Director of People and involving senior leaders from Wye Valley NHS Trust and 2gether Foundation Trust. The group has focused on delivery and also what else can be done to address the budget position.
- The recent review of Older People confirmed the activities undertaken or planned by Herefordshire and observed that there were a lot of actions all being planned or put in place at the same time. There are therefore issues of timing and capacity which the Director of People is addressing.
- Work by LG Futures in support of the root and branch approach is highlighting areas specifically with regard to mental health, learning difficulties, and younger adults where the council and partners could investigate whether we can do more to make the best use of public money. This would be covered by the Root and Branch Review of Vulnerable People, but the directorate is planning to incorporate activities to address these areas in its budget planning for 2013/14.

Alternative Options

7.1 No alternatives are proposed.

Reasons for Recommendations

8.1 To enable scrutiny to review and comment upon the actions taken to transform services and achieve budget savings required for 2012/13

Introduction and Background

9.1 Please see attached report for further information.

Key Considerations

10.1 Please see attached report for further information

Community Impact

11.1 The Strategic Delivery Plan for Transforming 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

12.1 The public authority duty is 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

13.1 These are set out in the attached report.

Legal Implications

14.1 Steps taken which have the effect of reducing availability of services to clients; reducing payments to providers or increasing charges to clients are 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.

Risk Management

15.1 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 of People is actively managing the delivery programme in close consultation with the rest of Herefordshire Public Services Leadership Team, the Chief Finance Officer, and Lead Member for Health and Wellbeing.

Consultees

16.1 not applicable for this report

Appendices

17.1 Adult Social Care Transformation Plan Update Report.

Background Papers

18.1 None identified.