

	<h2 style="text-align: center;">Adults and Safeguarding Committee</h2> <h3 style="text-align: center;">20 September 2018</h3>
<b>Title</b>	<b>Adult Social Care Financial Recovery Plan 2018-19</b>
<b>Report of</b>	Cllr Sachin Rajput, Chairman of the committee
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
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## Summary

At the June meeting of the Adults and Safeguarding Committee, members requested a report setting out the financial recovery actions being taken in respect of the adult social care budget for 2018-19. The committee requested a risk assessment of the financial recovery plan. This report presents this information.

## Officer Recommendations

1. The Committee is asked to note the information on the adult social care financial recovery plan.

# 1. PURPOSE OF REPORT

## Introduction

- 1.1 The Adults and Safeguarding Committee has responsibility for all matters relating to vulnerable adults, adult social care and leisure services. The priorities for the year ahead are set out in the Corporate Plan 2018/19 Addendum, which is available online at <https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance>.
- 1.2 This report provides an update to the Committee on the 2018/19 adult social care budget position, delivery of existing medium term financial strategy (MTFS) savings, the additional budget pressures and the status of actions agreed to recover against these. It also includes a risk assessment of the recovery plan.

## MTFS savings

- 1.3 Table 1 sets out the previously agreed MTFS savings for adult social care for 2018/19. It should be noted that £359k of the £2,980k savings, which were originally planned to be delivered through demand management (i.e. reducing or delaying the need for care and support), have been achieved through a substitution of additional fairer contributions income (see line I2, below).
- 1.4 Table 1 also sets out the progress of delivery against the savings. This shows that £1,077k of savings have already been delivered, with all the remaining savings projected to be delivered this year.

**Table 1: Existing 2018/19 MTFS Savings, with risk adjustments.**

Ref	Opportunity Area	Original (£000s)	2018/19 Savings Delivered	2018/19 Savings Projected
<b>Efficiency</b>				
E1	3rd Party Spend (Inc. Prevention)	-294	-294	-294
E3	Transformation of Your Choice Barnet supported living and day-care services	-343	-109	-343
<b>Efficiency Total</b>		<b>-637</b>	<b>-403</b>	<b>-637</b>
<b>Income</b>				
I1	Better Care Fund	-148	-148	-148
I2	Fairer contribution income	0	-150	-359
<b>Income Total</b>		<b>-148</b>	<b>-298</b>	<b>-507</b>
<b>Reducing demand, promoting independence</b>				
R1	Supporting people in the community as opposed to high cost care packages and residential placements	-100	0	-60 <sup>1</sup>
R2	Carers Intervention programme – Dementia	-160	-59	-160
R3	<i>Extra-Care 1 (Ansell Court)</i>	-465	0	-465
R4	Independence of Young People (0-25 service, 18-25 element)	-150	0	0
R5	Assistive Technology	-500	-88	-500 <sup>2</sup>
R6	Older Adults – DFGs	-170	-122	-153
R7	Personal assistants	-50	-7	-36

<sup>1</sup> Delivery plans have recently been reviewed to ensure that £60k savings will be achieved in the rest of the financial year

<sup>2</sup> The rate of delivered savings should significantly increase during the rest of the year as investment costs are front-loaded

R8	<i>Support for Working Age Adults</i>	-350	-0	-350 <sup>3</sup>
R9	Mental Health clients moving to step down/independent accommodation	-250	-100	-113
<b>Reducing demand total</b>		<b>-2,195</b>	<b>-376</b>	<b>-1,837</b>
	<b>Grand Total</b>	<b>-2,980</b>	<b>-1,077</b>	<b>-2,980</b>

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<sup>3</sup> High confidence from the service on deliverability of these savings, with evidence of savings achieved to date. £0 showed in delivered savings due to ongoing work to validate exact amount

## Additional budget pressures

- 1.5 The total adults net budget for 2018/19 is £95.4m. As at August 2018, the identified additional pressure on the adults budget was £4.4m. This is driven by the continuing pressure on care budgets due to several factors. There are increasing numbers of service users with more complex needs, for example (as at the end of quarter 1 18/19) there had been an 8% increase in use of nursing care and a 38% increase in homecare activity compared to the previous year. Complexity of care needs and inflation have also been pushing up care costs, such as homecare packages, for which the average cost is 10% higher than last year.
- 1.6 LB Barnet's challenge is echoed nationally, with the Joint Select Committee stating that 'social care [is] under great strain due to rising demand for services at a time of increasing costs and reductions in social care budgets'<sup>4</sup>. According to reports, the pressure from increasing levels of social care need based on increasing numbers of older adults and adults with disabilities has been estimated at 2.8%, contributing to a funding gap in London of over £250m by the end of the decade<sup>5</sup>. The recently published [National Audit Office Factsheet](#) sets out the links between increasing longevity, increasing social care needs (including complexity of need) and increases in the costs of care. There are now 850,000 people in the UK with dementia, seven in ten of whom have a co-morbidity.<sup>6</sup>

## Financial recovery plan

- 1.7 Officers have identified numerous recovery actions to offset this budget pressure. As at August, the total maximum value of these is £3.6m. They are set out in detail in table 2 below. It is important to note that the £3.6m value of these recovery actions is in addition to significant
- 1.8 This table includes the delivery and service risks. The delivery of these savings is governed through weekly meetings chaired by the DASS, and reported fortnightly to SCB. The right-hand column sets out how the service risks will be managed.
- 1.9 Based on month 4 finance reporting, the council's adult social care budget is therefore projected to overspend by £790k (approximately 0.8% of the total budget) in 2018/9.
- 1.10 Officers are continuing to identify further recovery actions and increase the impact of existing recovery plan actions, for example by deploying Barnet Integrated Locality Team social worker staff on case reviews.
- 1.11 A freeze on all non-essential spend and recruitment has been implemented, along with increased controls on authorisation of new and increased care and support plans, whilst ensuring statutory duties continue to be met.

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<sup>4</sup> House of Commons Health and Social Care and Housing, Communities and Local Government Committees report <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/768/768.pdf>

<sup>5</sup> ADASS Budget Survey, 2017 <https://www.adass.org.uk/media/5995/adass-budget-survey-2017-the-slides.pdf>; <https://www.londoncouncils.gov.uk/our-key-themes/health-and-adult-services/adult-social-care/social-care-funding-gap>

<sup>6</sup> House of Commons Health and Social Care and Housing, Communities and Local Government Committees report <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/768/768.pdf>

**Table 2: Recovery actions with value and delivery / service risk**

Action	Planned value (£000s)	Delivery Status	Delivery of saving risk rating (RAG)	Potential service impact	Mitigation / monitoring
<b>Income / Finance</b>					
Ensure Continuing Health Care Contributions are achieved where appropriate	408	In Progress		None	
Secure additional income through speeding up financial assessments in DP refunds	120	In progress	Recruitment for posts has begun, but some risk given difficulties with recruitment which may be mitigated by using an external provider.	None: income received is in line with Fairer Contributions Policy	
Capitalisation of equipment / telecare spend	100	Complete		None	
Negotiate for addition NHS funding for hospital work	90	Complete		None	
Ensure Transforming Care Income received	160	In Progress		None	
Realignment of Public Health Reserves	600	Complete		None	
Release of care package payment accruals	105	Complete		None	
Hold underspend in non-staffing budget	100	In Progress		None	
Negotiate with providers to constrain uplifts	1,330	In Progress		Potential impact on provider stability and willingness to work with the authority.	Inflationary awards agreed in contracts have been paid, and an evidence-based bidding process is carried out every year using a business case model. Fees to providers are aligned with our framework agreements, the care funding calculator (national tool), and our minimum pricing framework. The impact of inflationary constraints is monitored by senior managers and ongoing provider relationship management is part of the Commissioning and Care Quality functions.
<b>Staffing</b>					
Hold vacant posts. <b>NB</b> as at September 2018, 35 front line	N/A – this is	Complete		This reduces the overall capacity	Practice quality is monitored and managed through the A&C Quality Board and Barnet Adults Safeguarding

posts are being held vacant	contained within budget projections			within the service.	<p>Board (BSAB). Quality performance indicators are reported to the BSAB Performance and Quality Assurance subgroup.</p> <p>Caseload levels and waiting times for service users are monitored closely by senior management. For example: in the three locality social work teams the average caseloads are 14, 12 and 18; in mental health teams the average caseload is 20; and in hospital teams the average caseload is 16. Since these additional posts were held, caseloads and waiting times have not changed significantly. The table below shows the complaints levels over the year: these have not shown a marked increase.</p> <p>Supervision support, training and development opportunities are available to staff. Our quality assurance processes monitor and improve the quality of supervision.</p>
Transition agency staff to fixed term / permanent posts	229	In Progress		None	
Hold Joint Commissioning Unit staffing vacancy	30	Complete		Small reduction in mental health commissioning capacity	Managed as part of business as usual by Assistant Director for Adults Joint Commissioning
<b>Commissioning efficiencies</b>					
Confirm Neighbourhood Services contract saving	40	Complete		None: no reduction in service level	
Maximise use of Your Choice Enablement contract, reducing need to broker other homecare	100	In progress	Some risk given need to maintain flexibility within provision to enable discharge to assess from hospital	None	
Commissioning efficiencies	150	Complete		None	
<b>Demand Management</b>					

Increase speed of hospital reviews	TBC	In progress	Commenced 10/9/18. Impact will be tracked going forward.	BILT resource realigned but should have neutral / positive client impact as reviews done quicker and eligible needs will continue to be met	
<b>Total</b>	<b>3,562</b>				

Summary of Complaints Data Dashboard Adults & Communities Compliments & Complaints								
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	June - 18	July-18	Total
<b>Statutory complaints received*</b>	<b>4</b>	<b>4</b>	<b>7</b>	<b>6</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>39</b>
<i>*Figures exclude Ombudsman requests. No corporate complaints received in periods.</i>								
<b>Complaints responded to</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>8</b>	<b>4</b>	<b>29</b>
<b>Complaints upheld/partially upheld (as proportion of those responded to)</b>	<b>100%</b>	<b>100%</b>	<b>33%</b>	<b>40%</b>	<b>67%</b>	<b>63%</b>	<b>0%</b>	<b>55%</b>
<b>% Responded to within 20 Working days</b>	<b>50%</b>	<b>50%</b>	<b>100%</b>	<b>80%</b>	<b>0%</b>	<b>63%</b>	<b>75%</b>	<b>62%</b>
<b>Compliments received**</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>11</b>	<b>7</b>	<b>9</b>	<b>9</b>	<b>51</b>

*\*\*Compliments exclude (Mental Health) Network figures*

## 2 REASONS FOR RECOMMENDATIONS

- 2.1 The report provides the Committee with relevant financial information about the council's adult social care budget position for 2018/19.

## 3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable.

## 4 POST DECISION IMPLEMENTATION

- 4.1 Officers will continue to implement the recovery plan actions set out in this report and continue to work on identifying further actions to improve the financial position.

## 5 IMPLICATIONS OF DECISION

### 5.1 Corporate Priorities and Performance

- 5.1.1 The delivery of the Medium Term Financial Strategy, and ensuring spending remains within budget through recovery plans, is critical to the delivery of the Corporate Plan. The Corporate Plan references the 'challenge of reduced budgets and increasing demand for services'.

- 5.1.2 As set out in the sections above, systems are in place to monitor the impact of savings initiatives and controls on the performance of our services.

### 5.2 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The 4 adults budget and forecast, after consideration of recovery plan actions, is below:

	2017/18			2018/19			
	Budget	Outturn	Variance	Budget	Actuals (month 4)	Projection (month 4)	Variance
Staffing	13,031,938	12,254,340	-777,598	14,396,000	5,631,982	14,350,492	-45,508
Non-staffing	5,998,455	5,487,100	-511,355	5,498,000	355,696	4,897,827	-600,173
Placements	68,146,216	70,642,604	2,496,388	75,516,262	17,716,686	76,953,765	1,437,503
Total	87,176,609	88,384,044	1,207,435	95,410,262	23,704,364	96,202,084	791,822

### 5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. The council's contract management framework oversees that contracts deliver the expected services to the expected quality for the agreed cost. Requirements for a contractor to deliver activities in line with Social Value will be monitored through this contract management process.



## 5.4 Legal and Constitutional References

- 5.4.1 Section 151 of the Local Government Act 1972 states that: “without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”. Section 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.
- 5.4.2 Section 28 of the Local Government Act 2003 (the Act) imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such action as it considers necessary to deal with the situation. Definition as to whether there is deterioration in an authority’s financial position is set out in sub-section 28(4) of the Act.
- 5.4.3 The Council’s Constitution (Article 7, Article 7 – Committees, Forums, Working Groups and Partnerships) sets out the responsibilities of all council Committees. The responsibilities of the Adults and Safeguarding Committee include:
- (1) Responsibility for all matters relating to vulnerable adults, adult social care and leisure services.
  - (2) Work with partners on the Health and Well Being Board to ensure that social care interventions are effectively and seamlessly joined up with public health and healthcare and promote the Health and Wellbeing Strategy and its associated sub strategies.
  - (3) To submit to the Policy and Resources Committee proposals relating to the Committee’s budget for the following year in accordance with the budget timetable.
  - (4) To make recommendations to Policy and Resources Committee on issues relating to the budget for the Committee, including virements or underspends and overspends on the budget. No decisions which result in amendments to the agreed budget may be made by the Committee unless and until the amendment has been agreed by Policy and Resources Committee.
  - (5) To receive reports on relevant performance information and risk on the services under the remit of the Committee.
- 5.4.4 The council’s Financial Regulations can be found at:  
<http://barnet.moderngov.co.uk/documents/s46515/17FinancialRegulations.doc.pdf>
- 5.4.5 Section 2.4.3 states that amendments to the revenue budget can only be made with approval as per the scheme of virements table below:

Virements for allocation from contingency for amounts up to and including £250,000 must be approved by the Chief Finance Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the approved bottom line are approved by the Service Director
Virements between services (excluding contingency allocations) up to and including a value of £50,000 must be approved by the relevant Chief Officers
Virements between services (excluding contingency allocations) over £50,000 and up to and including £250,000 must be approved by the relevant Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee.

## 5.5 Risk Management

- 5.5.1 MTFs risks are managed using the Barnet Project Management Toolkit and approach. They are reported to the Adults, Communities and Health Programme Board and contained

with the monthly highlight report. Recovery plan risks are included within recovery plans that are managed through SCB.

## **5.6 Equalities and Diversity**

5.6.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

5.6.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.6.3 In order to assist in meeting the duty the council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet's diverse communities by engaging with them.

This is also what we expect of our partners.

5.6.4 This is set out in the council's Equalities Policy together with our strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

5.6.5 Progress against the performance measures we use is published on our website at: [www.barnet.gov.uk/info/200041/equality\\_and\\_diversity/224/equality\\_and\\_diversity](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## **5.7 Corporate Parenting**

5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

## **5.8 Consultation and Engagement**

5.8.1 Consultation and engagement was carried out as part of the MTFS budget planning cycle. Officers continue to have due regard for consultation and engagement requirements in the development of recovery plan actions and have sought legal advice where necessary.

## **5.9 Insight**

5.9.1 Not applicable.

## **6 BACKGROUND PAPERS**

6.1 None.