

	<p>Adults and Safeguarding Committee</p> <p>26 November 2018</p>
Title	Business Planning 2019-2024
Report of	Chairman of the Adults and Safeguarding Committee
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	<p>Appendix A: Corporate Plan</p> <p>Appendix B: Additional priorities and approach to delivery</p> <p>Appendix C: Medium Term Financial Strategy (MTFS) and savings proposals for Committee</p> <p>Appendix D: Fees and Charges</p>
Officer Contact Details	<p>Dawn Wakeling – Strategic Director - Adults, Communities and Health Dawn.Wakeling@barnet.gov.uk 020 8359 4290</p> <p>Will Hammond – Head of Adults Transformation Will.Hammond@barnet.gov.uk 020 8359 5650</p> <p>Courtney Davis – Head of Adults Transformation Courtney.Davis@barnet.gov.uk 020 8359 4901</p>

Summary

The development of the Council's Corporate Plan and Medium Term Financial Strategy have been aligned to cover the next five years (2019-2024). This paper sets out the priorities for the Adults and Safeguarding committee that make-up the corporate plan, as well as committee specific priorities. It also sets out the savings proposals that have been developed for this period, totalling £14.1m, with an additional £0.8m identified in one off income, for approval by the Committee. Further, the report provides a progress update on the delivery of this year's (18/19) MTFS savings and recovery plans. The Committee is asked to note the progress of these as well as approve the proposals for using the additional 2018/19 winter funding announced by the Secretary of State for Health and Social Care in October 2018. A final budget will be considered by Policy and Resources Committee on 20 February 2019 before being recommended to Council on 5 March 2019. The final Corporate Plan will be published following this.

Officers Recommendations

- 1. That the Committee notes the corporate priorities in Appendix A; and approves the additional priorities and approach to delivery for the Adults and Safeguarding Committee, as set out in Appendix B**
- 2. That the Committee consider the MTFS proposals that relate to the committee as set out in Appendix C after having considered the initial equalities impacts and refer their comments to Policy and Resources Committee for eventual decision by Full Council.**
- 3. That the Committee consider the savings proposals for the next financial year as set out in Appendix C subject to the initial equalities impacts and refer them to Policy and Resources Committee for consultation and eventual decision by Full Council.**
- 4. That the Committee agrees the proposed fees and charges to take effect from 1 April 2019 – 31 March 2020**
- 5. That the Committee notes the progress made on in-year financial recovery**
- 6. That the Committee approves the proposals for use of the additional 2018/19 central government funding for winter, as set out in paragraphs 2.19-2.22.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required as part of the business planning process, to discuss and approve the priorities for the Adults and Safeguarding Committee to 2024. The report also seeks Committee approval for the savings programme within its authority to be recommended to Policy and Resources Committee. Additionally, the report sets out the in-year financial position of this Committee, with an update on the delivery of in-year savings and recovery actions to offset the in-year budget pressure.

2. STRATEGIC CONTEXT

- 2.1 The council wants to create successful places, achieve great outcomes, deliver quality services and develop resilient communities. But, like all councils, it faces an

increasingly difficult financial challenge, with funding sources not keeping pace with demand and uncertainty about how services will be funded in the future.

- 2.2 The council has successfully risen to its financial challenges thus far, evidenced by delivering savings in excess of £155million since 2010. It was highlighted at the June 2018 Policy and Resources Committee that the council faced difficulty in balancing its in-year position with a forecast overspend of £9.5m. Since then, hard work has resulted in this being reduced; however, there is still some way to go to fully balance.
- 2.3 Looking ahead, it is anticipated that these challenges will continue. Through refreshing the council's medium term financial strategy (MTFS) the council now faces an anticipated budget gap of £69.9m to 2023/24. This includes the savings of £17.3m already identified for 2019-20, plus a further gap of £52.6m to 2023/24.
- 2.4 To address that gap, the council will need to make some tough decisions about priorities and how limited funds are spent. This may mean that the council stops doing some things or does them in very different ways, as well as looking at how it can find opportunities to generate more income.
- 2.5 Despite the challenges, the council is ambitious for Barnet and the people that live and work here. During this time of significant challenge, the council has seen levels of resident satisfaction remain high both in terms of satisfaction with the council as well as with the range of local services. The latest Residents' Perception Survey (Autumn 2017) indicates that 85 per cent of residents are satisfied with Barnet as a place to live and 65 per cent feel that the council is doing a good job.
- 2.6 The council must now prioritise its limited resources effectively and develop plans for the next five years to deliver both statutory duties and ambitions for Barnet within these financial constraints. The council wants to ensure residents get a fair deal by maximising opportunities, sharing responsibilities with the community and partners, and working effectively and efficiently.
- 2.7 To ensure the council has a plan that reflects local priorities, as well as a financial strategy that will support a financially sustainable position, the development of the Corporate Plan and MTFS have been aligned to cover the next five years (2019-to 2024). This will help to ensure we have a medium-term plan of how we will allocate our limited resources in line with what we want to achieve for the borough. The priorities within the Corporate Plan will be approved by Policy and Resources committee on 11 December.
- 2.8 The Corporate Plan, known as Barnet 2024, is being refreshed to reflect the priorities of the new administration which was elected in May 2018, and resident feedback on what matters. Feedback has been captured through public consultation and engagement that took place over the summer of 2018. The Corporate Plan, Barnet 2024, will set the strategic direction of the council, including outcomes for the borough, the priorities we will focus limited resources on, and how we will approach delivery.
- 2.9 The three outcomes for the borough focus on place, people and communities:
 - A pleasant, well maintained borough that we protect and invest in

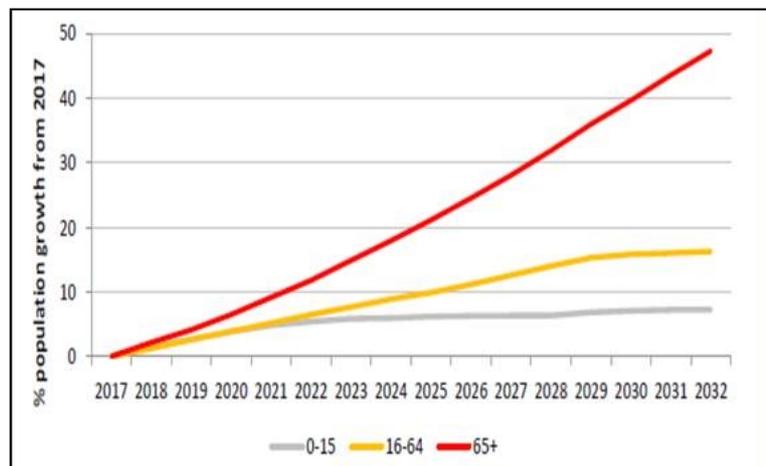
- Our residents live happy, healthy, independent lives with the most vulnerable protected
- Safe and strong communities where people get along well

The full list of corporate priorities for the next five years that support these outcomes, and the approach to delivery, can be seen in Appendix A.

- 2.10 To support delivery of the outcomes in the Corporate Plan, Barnet 2024, the theme committee will be responsible for delivering any corporate priorities that fall within its remit, as well as any additional priorities that relate to matters the Committee is responsible for under its Terms of Reference.
- 2.11 These priorities will inform an annual theme committee delivery plan which will set out the key activities, performance indicators/targets, and risks in relation to the corporate and committee priorities. Delivery plans will be approved by Theme Committees in early 2019 and will be refreshed on an annual basis.

Adult Social Care Context

- 2.12 A recent benchmarking exercise based on 2017 figures¹ showed that Barnet was the 31st lowest spending authority on adult social care out of 152 England authorities (where 1 = lowest and 152 = highest), decreasing from the 34th lowest in 2014.
- 2.13 The total adult social care net budget for 2018/19 is £95.4m. There is continued pressure on this budget, largely driven by the numbers of adults requiring care and support, the complexity of presenting care needs and inflation of providers' care costs. As an illustration, the graph below shows the significant increases of older adults in Barnet from 2017 onwards, and between 2014/15 and 2017/18, the number of LD clients we supported rose from 850 to 933.



- 2.14 Barnet's challenge is echoed nationally, with the Joint Select Committee for Health and Local Government 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'². According to reports, the pressure from increasing levels of social care

¹ Using national Adult Social Care Financial Reporting data, per head of population

² 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>

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 decade³. 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.

- 2.15 The Adult Social Care Outcomes Framework (ASCOF) 17/18, a national performance report⁴, showed that the Council:
- Maintained or improved on strong performance against key indicators for strengths-based practice, ranking highly in our comparator group of 16 authorities.
 - Had a 63.6% overall satisfaction rate (the proportion of people who were 'very' or 'extremely' satisfied with their care and support), second highest in our comparator group, an increase of 1.9% on the previous year
 - Continued to admit relatively few people to residential care, with the second lowest admissions rate for older adults and the fourth lowest for working age adults (within our comparator group)
 - Enabled positive outcomes for adults with learning disabilities, with 78.7% supported to live independently, an increase of 7.1% on the previous year
 - Performs less well in support people with mental health issues into employment and stable accommodation, respectively ranking 12th and 15th in the comparator group
 - Is improving performance in relation to joint working with the NHS, for example in numbers of delayed transfers of care (DToc) from hospital, which fell from 6.2 to 3.9 delays per day per 100,000 people.⁵

Corporate and Committee Priorities

- 2.16 The corporate priorities for the Adults and Safeguarding Committee, the additional priorities identified for approval, and the strategic approach to delivery is set out in Appendix B.

In year (2018/19) financial recovery

- 2.17 In September, the Committee received an update report on the Adults and Communities in year budget position, the achievement of savings, and progress with recovery actions to balance the budget position. This set out:
- That against an MTFS savings target of £3.0m, £1.1m had been achieved. Undeliverable savings from the original savings lines were substituted with additional fairer contributions income, meaning that the whole £3.0m savings target was projected to be achieved.

³ 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>

⁴ Run by NHS Digital. It measures how well care and support services achieve the outcomes that matter most to people. The ASCOF is used both locally and nationally to set priorities for care and support, measure progress and strengthen transparency and accountability. <https://digital.nhs.uk/data-and-information/publications/clinical-indicators/adult-social-care-outcomes-framework-ascof>

⁵ This is calculated using a rolling average across the 12 months in 17/18. Since November 2017, delays have been held at a substantially reduced level as reported in our quarterly performance report.

- That additional pressure on the Adults budget, driven by demography and complexity leading to increased spend on care, was £4.4m, before recovery savings were taken into account.
- That officers had identified recovery savings (which are additional to MTFS savings) totalling £3.6m, to offset this pressure, leading to a forecast annual overspend of £790k (approximately 0.8% of the budget).
- The service and delivery risks associated with the recovery savings, as well as the mitigating actions and governance arrangement in place to manage them.

2.18 The updated position, based on September (month 6) budget monitoring is that:

- An additional £144k of financial savings have been delivered, with all remaining savings still projected to be achieved.
- The forecast annual overspend on the Adults 2018/19 budget has increased by £791k. This has been the result of a one-off transfer of £300k of IT (Mosaic) project staff costs from capital to the revenue budget and £491k of additional client care costs.
- Officers have identified £350k of additional recovery savings, through further capitalisation of equipment and assistive technology costs, increasing the total recovery savings to £3.9m.
- £3.1m of these recovery savings have been delivered, with officers currently forecasting that the remaining £0.8m will all also be delivered.
- A full breakdown of the status of each recovery saving and the associated risks is contained within Table 1, below. Confidence in delivering additional income through financial assessments and Transforming Care has increased since the last report to Committee. Assessed service impacts and mitigations remain the same.
- Based on month 6 finance reporting, the Council's adult social care budget is therefore projected to overspend by £1.23m (1.3% of the total budget) in 2018/19. The forecast includes projected care spend over the 2018/19 winter period. The forecast overspend may be offset by the recently announced central government winter funding allocation of £1.4m (see below). However, there remains a risk that actual pressures over the winter period could be worse than currently forecast. Based on previous years, the impact of this could be estimated at an additional £400k, but this is hard to calculate with certainty at this point in the year. This risk will be kept under close review, with revisions to the forecast being made if required.
- Officers are therefore continuing to identify further recovery actions and increase the impact of existing recovery plan actions.

Table 1: Recovery actions with status

Action	Planned value (£'000s)	Delivery Status	Delivery of saving risk rating (RAG)	Potential service impact	Mitigation / monitoring
Income / Finance					
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	£120k likely to be secured by increasing capacity within the team	None: income received is in line with Fairer Contributions Policy	
Capitalisation of equipment / telecare spend	100	Complete		None	
Additional capitalisation of equipment / telecare spend (new saving)	350	Complete		None	
Negotiate for addition NHS funding for hospital work	90	Complete		None	
Ensure Transforming Care Income received	160	Complete		None	
Realignment of Public Health Reserves	600	Complete		None	
Release of care package payment accruals	105	Complete		None	
Further Underspend in DU (non-placements)	100	Complete		None	
Negotiate with providers	1,330	Complete		Potential impact on	Inflationary awards agreed in contracts have been paid, and an

to constrain uplifts				provider stability and willingness to work with the authority.	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.
Staffing					
Hold vacant posts.	N/A – this is contained within budget projections	Complete		This reduces the overall capacity within the service.	Practice quality is monitored and managed through the A&C Quality Board and Barnet Adults Safeguarding Board (BSAB). Quality performance indicators are reported to the BSAB Performance and Quality Assurance subgroup. 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 12 (from 14 in September), 12 (16) and 18 (16); and in mental health teams the average caseload is 20. Complaints levels remain steady. Supervision support, training and development opportunities are available to staff. Our quality assurance processes monitor and improve the quality of supervision.
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
Commissioning efficiencies					
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	100	In progress	Some risk given need to maintain flexibility within provision to enable	None	

homecare			discharge to assess from hospital		
Joint Commissioning Unit budget underspends	150	Complete		None	
Demand Management					
Increase speed of hospital reviews	TBC	In progress	Tracking underway	BILT resource realigned but should have neutral / positive client impact as reviews done quicker and eligible needs will continue to be met	
Total	3,912				

2018/19 Central Government Winter Funding

- 2.19 In October 2018, the secretary of state for health and social care announced an additional £240m for local authorities in England to help address increased demand for care over the winter period. The funding will be distributed in accordance with the relative needs formula (RNF). Barnet's allocation is £1.4m. The funding must be used for: reducing delayed transfers of care (DToC); helping to reduce extended lengths of stay; improving weekend discharge arrangements; and speeding up the process of assessing and agreeing what social care is needed for patients in hospitals.
- 2.20 Councils must consult NHS partners on their plans to use the funding and report to the Department of Health and Social Care on its use, stating the amount of care additional to plan that the funding will be used to buy.
- 2.21 It is proposed that the funding is used to purchase care and support for people with eligible care needs, that is above annual planned levels of activity and budgets. This will likely be for older adults people with physical disabilities and people with mental health problems, facilitating discharge from hospital. This is in line with the funding conditions and reflects areas of pressure for the NHS in terms of hospital discharge.

Adults and Safeguarding Committee Savings

- 2.22 To address the budget gap between 2019 and 2024, Theme Committees have been asked to set out savings proposals to contribute to the council's overall savings requirement.
- 2.23 As set out in table 2, £13.8m of savings relating to this Committee have currently been identified. In addition, two one-off sources of income have been identified, each of an estimated value of £400k. These are noted separately from the savings line as they are not a recurring saving. These are:
- In 19/20, the sale of leisure centre naming rights if a willing sponsor can be found; and
 - In 20/21, windfall income from the impact of the new pre-paid card solution, based on historic unspent funds.

Table 2: Adults and Communities Savings: amounts identified (£000s)

Year:	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Maximum savings identified	-£6,330	-£3,586	-£1,724	-£1,332	-£1,092	-£14,064
One off income (not an ongoing saving)	-£400	-£400				-£800

- 2.24 The approach to identifying savings has been guided by the council's Priority Spending Review (PSR) process, which set out four themes to support the identification of savings: decommissioning, efficiency, income and managing demand. The table below shows how savings have been identified against each of these themes. Several savings lines are continuations or expansions of savings that

had previously been identified for 19/20, as part of the last MTFS cycle. These are underlined in the table below.

2.25 The overall savings strategy can be summarised as:

- Building on recent successes such as the implementation of strengths-based practice, to ensure that we maximise the independence and therefore reduce the cost of both new and existing clients;
- Reducing spend on staffing and preventative contracts; focussing on the delivery of statutory (Care Act 2014) duties in a way that minimises the chance of creating additional demand and cost in the system;
- Improving our efficiency using digital solutions, meeting client needs in more cost-effective settings and reducing bad debt / mis-spending of direct payments; and
- Generating additional income wherever possible, with a particular focus on our leisure provision

Table 3: Savings identified against themes

Theme	Savings identified
Decommissioning	<ul style="list-style-type: none"> • Rescoping and targeting of prevention contracts leading to savings of £670k across the MTFS period while maintaining an effective prevention offer • Reductions to staffing budgets totalling £800k, in addition to absorbing pressures from unified pay and reward uplifts and continuing to hold vacancies.
Efficiency	<ul style="list-style-type: none"> • A reduction to printing costs totalling £50k • Implementing a pre-paid card solution to ensure that underspent or mis-spent direct payments are returned to the Council. The predicted impact of this is £500k ongoing saving, in addition to the one-off windfall mentioned above • Reducing levels of bad debt by £200k • Meeting eligible needs in the most cost-effective settings, rather than prioritising community-based placements, with an expected impact of £425k.
Income	<ul style="list-style-type: none"> • Utilisation of the Better Care Fund and Improved Better Care Fund totalling circa £2m • Changing VAT structures within the GLL (leisure) contract to realise £500k of additional income • Increasing income through leisure provision, up to £2.7m over the period.
Managing demand	<ul style="list-style-type: none"> • Maintaining affordable levels of inflation on care and support packages, while continuing to meet statutory duties, with an impact of £3m over the period • Continuing to maximise the use of assistive technology to reduce dependency on traditional care services across client groups, reducing care costs by £300k • Building and using additional Extra Care Housing services, saving circa £460k from residential care costs. • Reducing spend on Learning Disabilities services through: continued transformation of Your Choice Barnet supported living

	<p>and day care services; increasing the independence of those transitioning from Families and Education services; and working with current clients, their families and providers to maximise independence. These savings total circa £1.5m</p> <ul style="list-style-type: none"> • Reducing spend on older adults and clients with physical disabilities, by using technology, equipment, adaptations and strength based working to promote the independence of existing clients. These savings total circa £190k • Reducing spend on Mental Health provision by continuing to review clients and put in place more independence-focussed care packages.
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2.26 Table 4 sets out the full list of savings initiatives, along with the profiling of identified savings across each year of the MTFS period. Greater detail, including the approach to managing equalities impact and consultation, is contained in Appendix C. Each proposal has been risk-assessed, with the most significant risks contained within section 6.5.

Table 4: Savings initiatives by MTFS year

Ref	Title (<u>continuation / expansion of previous MTFS proposal</u>)	2019/20	2020/21	2021/22	2022/23	2023/24	Total
		£000	£000	£000	£000	£000	£000
E2	<u>Staffing reductions</u>	(682)	(113)				(795)
E3	<u>Transformation of Your Choice Barnet</u>	(227)	(369)				(596)
E4	<u>Rescoping and targeting of prevention contracts</u>	(370)	(255)	(43)			(668)
E5	<u>Reduction in cost of assistive technology management costs</u>		(155)				(155)
E6	<u>Meeting eligible needs in more cost-effective settings</u>	(424)					(424)
E7	<u>Reduction of printing</u>	(25)	(25)				(50)
I1	<u>BCF</u>	(647)					(647)
I2	<u>iBCF</u>	(1,391)					(1,391)
I3	<u>Maintaining affordable levels of inflation on existing care packages</u>	(1,000)	(500)	(500)	(500)	(500)	(3,000)
I4	<u>Prepaid card solution</u>	(250)	(250)				(500)
I5	<u>Reduction of bad debt</u>	(100)	(50)	(50)	(50)	(50)	(300)
I8	<u>VAT efficient leisure contract</u>		(61)	(124)	(159)	(185)	(528)
I9	<u>Additional leisure (SPA) income</u>	(249)	(1,096)	(747)	(373)	(258)	(2,723)
R1	<u>Increasing the independence of older adults / clients with physical disabilities</u>	(192)					(192)
R5	<u>Assistive Technology</u>	(300)					(300)
R8	<u>Support for working age adults</u>	(285)	(500)	(100)	(150)		(1,035)
R9	<u>Mental Health service user independence</u>	(188)	(112)				(300)
R10	<u>Extra-Care Housing 2 (Stagg House)</u>		(100)	(160)			(260)
R11	<u>Extra-Care Housing 3 (Cheshir House)</u>				(100)	(100)	(200)

Further savings

- 2.27 Officers are continuing to explore options for further savings to support the Council's overall financial position. If achieved, these would total circa £5.5m of savings. However, there are currently no finalised proposals for **how** these would be achieved. They include:
- An additional 5% staffing reduction in 22/23, with a value of approximately £725k
 - An additional £800k saving on care spend for older adults / clients with physical disabilities, for example through more targeted prevention, reducing hospital admissions and using Occupational Therapists to reduce the needs for double handed care.
 - The use of robotics / emerging technology in later years, dependent on functionality, market readiness and cost
 - An additional £2.5m saving on care spend for clients with a Learning Disability, based on reducing spend per population for this client group to the level of the lowest quartile of London authorities
 - An additional £1.5m saving on care spend for clients with Mental Health needs, based on reducing spend per population for this client group to the level of the lowest quartile of London authorities.

Core leisure fees and charges

- 2.28 Section 6.4 of this paper references the Council's financial regulations including fees and charges.
- 2.29 The core fees and charges for the Adult Social Care Services are reviewed for care at the same time as changes to DWP benefits/allowances, normally notified of these changes around January/February of each year.
- 2.30 All changes to fees and charges for clients who receive a chargeable care service from 9th April 2019, where the increase in fees and charges are by an amount of less than 2% above the rate of inflation, will be approved via Chief Officers Decision as per procedure. Increases above the 2% will be approved by The Adults and Safeguarding Committee, as the relevant Theme Committee responsible for agreeing the introduction of new fees and charges.
- 2.31 The changes apply to the assessment of contributions towards residential, respite and community-based services care services.
- 2.32 Contributions towards the cost of community based services are made in accordance with the Council's Fairer Contributions Policy. The Fairer Contributions Policy has already been subject to a committee report and officer delegated powers report. Fees and charges are assessed on ability to pay, taking into account assessable income, savings and outgoings.
- 2.33 The core fees and charges for the leisure contract sit below the rate of inflation (CPI) and have been approved via Chief Officers Decision in line with the council's constitution.
- 2.34 The leisure contract fees and charges schedule provided for a new service: a nursery provision at Burnt Oak Leisure Centre. The Adults and Safeguarding Committee, as

the relevant Theme Committee, is responsible for agreeing the introduction of new fees and charges.

- 2.35 The nursery provision at Burnt Oak Leisure Centre is a new service scheduled to open in early 2019. The draft schedule attached as Appendix D includes a pricing structure for Burnt Oak Nursery.
- 2.36 Pricing has been designed and informed by market research and an evaluation of nursery services within the Burnt Oak locality. The nursery pricing structure will be fully compliant with the government entitlement scheme, providing free nursery hours for 2 and 3 year olds.
- 2.37 This responds to findings of the Council's 2015 childcare sufficiency assessment which identified Burnt Oak as having the lowest number of 2 year olds accessing free entitlement to early year's education due to a shortage of nursery places. There are a disproportionately high number of disadvantaged families in areas such as Burnt Oak and Colindale where regeneration over the next five years will create more affordable housing and jobs for local people, further supporting the requirement for additional childcare services.
- 2.38 The proposed nursery fees and charges have been reviewed and approved as acceptable by the Council's Early Years' service.

3. REASONS FOR RECOMMENDATIONS

- 3.1 Local Government continues to face significant reductions in funding and increased demand for services, as set out in the above context. These challenges require longer term, robust financial and strategic planning and the recommendations in this report support this.
- 3.2 By law, the council is required to set a balanced budget. These proposals are the best way of doing that by meeting financial requirement and delivering outcomes and ambitions for Barnet.

4. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 4.1 The alternative option is not to approve the MTFs and the additional priorities. This, however, is not considered to be good practice and may expose the council to the risk of not achieving the savings targets.

5. POST DECISION IMPLEMENTATION

- 5.1 As part of recommendation 1, following approval of the priorities that sit within this committee, plans will be developed to deliver these. If the Adults and Safeguarding Committee approves recommendation 2 made by this report, then the savings proposals will be referred to Policy and Resources Committee on 11th December as part of the Council's Medium Term Financial Strategy (MTFS). Public consultation on the MTFS will commence in December.

6. IMPLICATIONS OF DECISION

6.1 Corporate Priorities and Performance

- 6.1.1 The Council's corporate plan, which sets out the outcomes, priorities and approach, has been refreshed for 2019 to 2024, alongside the Medium Term Financial Strategy for the same period. The updated corporate priorities can be seen in Appendix A. Committees may also have specific additional priorities they will deliver alongside this. The performance indicators/targets for the corporate and committee priorities will be updated in early 2019 as part of the theme committee delivery plans.

6.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 6.2.1 The Adults and Safeguarding Committee savings programme will enable the council to meet its savings target as set out in the MTFS. These budgets will be formally agreed each year, and individual proposals will be subject to appropriate consultation and equality impact assessments where necessary. For this reason, the proposals are subject to change.

6.3 Social Value

- 6.3.1 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.

6.4 Legal and Constitutional References

- 6.4.1 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.
- 6.4.2 Section 31A of the Local Government Finance Act 1992 requires billing authorities to calculate their council tax requirements in accordance with the prescribed requirements of that section. This requires consideration of the authority's estimated revenue expenditure for the year in order to perform its functions, allowances for contingencies in accordance with proper practices, financial reserves and amounts

required to be transferred from general fund to collection fund.

- 6.4.3 Local authorities owe a fiduciary duty to council tax payers, which means it must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term, the need to strike a fair balance between the interests of council tax payers and ratepayers and the community's interest in adequate and efficient services and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers.
- 6.4.4 The Council's Constitution (Article 7, Article 7 – Committees, Forums, Working Groups and Partnerships) sets out the responsibilities of all council Committees.
- 6.4.5 The responsibilities of the Adults and Safeguarding Committee can be found here: <http://barnet.moderngov.co.uk/documents/s47983/08Article7CommitteesForumsWorkingGroupsandPartnerships.doc.pdf>. Responsibilities 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.
- 6.4.6 The council's Financial Regulations can be found at: <http://barnet.moderngov.co.uk/documents/s46515/17FinancialRegulations.doc.pdf>
- 6.4.7 For the fees and charges within their remit, theme committees approve changes to fees and charges that are above CPI inflation by 2% or more, the introduction of new fees and charges, and changes to fees and charges outside the normal annual cycle.
- 6.4.8 Changes to fees and charges approved by Theme Committees, must be reported to Policy and Resources Committee for noting.
- 6.4.9 Some of the proposals, particularly around savings resulting from alternative support packages, placements and use of prepaid cards, relate to savings resulting from operational decisions being made in a different way and are therefore estimated savings. Decisions on care packages will continue to be made on a case by case basis, within the legal framework. The saving is therefore an indicative saving and its deliverability will be dependent on a number of factors. As part of the budget setting process, Policy and Resources Committee will consider the need for an appropriate contingency to cover any savings that are indicative and may not be met due to operational decisions. Some of the proposals in the MTFs relate to proposals that

are at a very early stage. These proposals will be subject to further business planning and decision making to test whether they can be delivered and what the impact of such a proposal will be. These proposals will be considered in further detail during future business planning reports.

6.4.10 All proposals emerging from the business planning process will need to be considered in terms of the council’s legal powers and obligations (including, specifically, the public-sector equality duty under the Equality Act 2010).

6.5 Risk Management

6.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Risks associated with the saving proposals will be outlined within the theme committee reports as each proposal is brought forward for the Committee to consider.

6.5.2 An integral part of the Theme Committee delivery plans will be identifying any risks to delivering the corporate or committee priorities and key activities.

6.5.3 The initial risk assessment has identified the following as the most significant risks:

Project / savings line	Risk description(s)	Mitigation approach (if possible)
All demand management savings	<ul style="list-style-type: none"> • Savings are inherently unpredictable given that they are linked to individual circumstances and needs • Barnet is a low-spending authority on social care, and has already delivered significant efficiencies and minimised ‘overprovision’. Savings are therefore often reliant on meeting complex needs in different ways, which is challenging • Monitoring of savings is complex due to the challenges of predicting ‘baseline’ demand and avoided costs. 	<ul style="list-style-type: none"> • Service and finance colleagues will continue to work closely together to maximise savings achieved and evidence of this.
Staffing reductions	<ul style="list-style-type: none"> • Reductions could lead to deterioration in service delivery (e.g. longer waiting times) • Reductions in capacity could impact the ability of the service to deliver other financial savings lines (e.g. those dependent on completing social work reviews). 	<ul style="list-style-type: none"> • Proposals are being developed that take advantage of existing vacancies and maintain front line provision • Service performance, quality and satisfaction is monitored by senior managers and reported to members.
Refocussing of	<ul style="list-style-type: none"> • Changes to contracts could lead to increased cost / demand elsewhere in 	<ul style="list-style-type: none"> • Changes have been designed to minimise impact, but any

prevention offer	the system	impact will be tracked
Meeting eligible needs in more cost-effective settings	<ul style="list-style-type: none"> • Could result in a deterioration of service as some clients may not receive the offer of community-based support, which may be their / their carers' preference. This could also result in increased numbers of complaints. 	<ul style="list-style-type: none"> • Residential care will only be put in place where appropriate to meet eligible needs. The views of clients, families and carers will continue to be taken into account through assessment, support planning and reviews.
Provider inflation	<ul style="list-style-type: none"> • Negotiations could impact on market stability and the quality of care if provider profitability is threatened. This could lead to increased cost elsewhere in the system and impact clients if they have to transition to other providers. 	<ul style="list-style-type: none"> • Officers will need to continue maintain an element of flexibility and work closely with providers to avoid reductions in service levels / provider failure.
Bad debt	<ul style="list-style-type: none"> • Achievement of the savings will require the implementation of a more robust recovery process and effective cross-departmental working. It could result in increased numbers of complaints. 	<ul style="list-style-type: none"> • Officers will work closely with colleagues across the councils and members, and take a targeted approach to debt recovery
VAT efficient leisure contract	<ul style="list-style-type: none"> • Achievement of this saving is dependent on complex legal and tax arrangements and may therefore not materialise if legal and HMRC assurance is not received. 	<ul style="list-style-type: none"> • Completion of a thorough legal and HMRC review

6.5.4 Risks will be reviewed quarterly (as a minimum) by the Adults Communities and Health Programme Board and any high-level risks will be reported to the relevant Theme Committee and P&R Committee.

6.6 Equalities and Diversity

6.6.1 Equality and diversity issues are a mandatory consideration in the decision-making of the council. The Equality Act 2010 and the Public-Sector Equality Duty require elected Members to satisfy themselves that equality considerations are integrated into day-to-day business and that all proposals emerging from the business planning process have taken into consideration the impact, if any, on any protected group and what mitigating factors can be put in place.

6.6.2 The public-sector equality duty is set out in s149 of the Equality Act 2010. A public authority must, in the exercise of its functions, have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and

- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.6.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
 - c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 6.6.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include steps to take account of disabled persons' disabilities.
- 6.6.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, the need to:
- a) Tackle prejudice; and
 - b) Promote understanding.
- 6.6.6 The relevant protected characteristics are:
- Age;
 - Disability;
 - Gender reassignment;
 - Pregnancy and maternity;
 - Race;
 - Religion or belief;
 - Sex; and
 - Sexual orientation.
- 6.6.7 Where there are changes to service delivery, these will impact on individuals in different ways. However, at each stage of the process, the council will conduct an equalities impact assessment (EIA) to ensure that where some current and future clients are impacted, proper measures are considered to minimise the effect as far as possible. Those affected by any changes resulting from any of the proposals will be engaged, as set out in Appendix C under 'Consultation'. Where necessary, proposals will not be implemented or agreed until members have fully considered the equality impacts and responses to any consultation.
- 6.6.8 The revenue savings sheet shown as Appendix C indicates that an equalities impact assessment has been carried out for eight savings proposals of which five are showing a positive/neutral impact on equalities and customer satisfaction as follows: E3 Transformation of Your Choice Barnet supported living and day-care services, R1 increasing independence of older clients and clients with physical disability through

adaptations and strengths based work, R5 Assistive Technology, R8 Support for Working age adults and R9 Mental Health service users moving to step down/independent accommodation. The equalities impact for E6, meeting eligible needs in more cost-effective settings, shows a potential negative impact where a council-funded community placement is the individual/family preference. However, the scale of the impact has been assessed as minimal as the views of the client will continue to be considered when devising support plans and eligible needs will continue to be met. The equities impact for E7, reduction in printing costs, shows no impact.

6.6.9 An equalities impact assessment has not been carried on income lines apart from I4 prepaid cards where a minimal positive impact is anticipated. An assessment will be carried on I3 Maintaining Affordable Levels of Inflation, as part of the provider negotiations process which will take place next year. Similarly, an equalities impact assessment has not been carried on line E4, Rescoping and targeting of prevention contracts, as this will be assessed on a contract by contract basis. Equalities will be considered on E5, R10 and R11 Extra Care Housing as proposals develop.

6.6.10 An EIA will be undertaken for E2 Staffing efficiencies prior to the launch of formal consultation. All human resources implications will be managed in accordance with the Council's Managing Organisational Change policy, which supports the Council's Human Resources Strategy and meets statutory equalities duties and current employment legislation.

6.7 Corporate Parenting

6.7.1 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. The outcomes and priorities in the refreshed Corporate Plan, Barnet 2024, reflect the council's commitment to the Corporate Parenting duty to ensure the most vulnerable are protected and the needs of children are considered in everything that the council does. Young people in care, and care leavers, who, when aged 18, meet eligibility criteria for adult social care, will be affected by these proposals in the same way as other disabled adults who require support under Care Act (2014) criteria.

6.8 Consultation and Engagement

6.8.1 As a matter of public law, the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in four circumstances:

- Where there is a statutory requirement in the relevant legislative framework
- Where the practice has been to consult, or, where a policy document states the council will consult, then the council must comply with its own practice or policy
- Exceptionally, where the matter is so important that there is a legitimate expectation of consultation
- Where consultation is required to complete an equalities impact assessment.

6.8.2 Regardless of whether the council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be

considered as proper consultation if:

- Comments are genuinely invited at the formative stage
- The consultation documents include sufficient reasons for the proposal to allow those being consulted to be properly informed and to give an informed response
- There is adequate time given to the consultees to consider the proposals
- There is a mechanism for feeding back the comments and those comments are considered by the decision-maker / decision-making body when making a final decision
- The degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting
- Where relevant and appropriate, the consultation is clear on the reasons why and extent to which alternatives and discarded options have been discarded. The more intrusive the decision, the more likely it is to attract a higher level of procedural fairness.

6.8.3 Public consultation and engagement on the Corporate Plan took place between 16 July 2018 and 23 September 2018. The findings from this have been considered and incorporated into the draft document.

6.8.4 A total of 287 questionnaires were completed and 141 residents attended the three Question Time Leader led events.

6.8.5 Key headlines from the consultation are as follows:

- A clear majority of those responding to the questionnaire agree with all the outcomes the council is proposing to focus on for the next five years, with around nine out of ten respondents (90%) agreeing with each of the councils proposed outcomes.
- There was a similar level of agreement for the priorities set out under each outcome, with 80-90% of respondents agreeing with each of the priorities. The one exception to this was 'Delivering on our major regeneration schemes' where six out of ten agreed.
- Around 80% also agreed with the approach the council has outlined to deliver its outcomes over the next five years.
- When residents were asked to comment further, the main feedback was that they wanted more detail on how the priorities would be delivered and funded. This has resulted in more detail around the strategic approach to delivery being included in the draft corporate plan.
- Further comments on the outcomes, priorities and approach were very varied, the most common themes were around: street cleansing, tackling enviro-crime and anti-social behaviour, improving air quality and investing in sustainable transport methods. This feedback has now been incorporated and reflected in the draft plan.

6.8.6 Public consultation with residents and businesses on the overall budget for 2019-2024 will commence on 12 December 2018, subject to agreement from the P&R Committee on 11 December 2018. The final budget will then be recommended to P&R Committee on 20 February 2018 ahead of final approval at Full Council on the 5 March 2019.

6.8.7 In terms of service specific consultations, the council has a duty to consult with residents and service users in a number of different situations including proposals to significantly vary, reduce or withdraw services. Consultation is also needed in other circumstances, for example to identify the impact of proposals or to assist with complying with the council's equality duties. Service specific consultations will take place where necessary in line with timescales for any changes to be implemented.

6.8.8 Where appropriate, separate service specific consultations have already taken place and a link to the report presenting findings of the consultation is provided within the MTFs spreadsheet (Appendix C). Apart from public consultation on the overall budget, no service specific consultations are due to take place for the 2019/20 savings.

7. INSIGHT

7.1 The proposals in this paper have been informed by national benchmarking and local service data wherever this was accessible. Officers have also conducted best practice reviews into effective savings initiatives in other councils and organisations, including reviews of neighbouring councils' savings plans.

8 BACKGROUND PAPERS

8.1 Relevant previous decisions are indicated in the table below.

Item	Decision	Link
Adults and Safeguarding Committee 20 November 2014	Decision Item 7 -Business Planning	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MIId=8098&Ver=4
Policy and Resources Committee 10 June 2014	Decision Item 6 - Corporate Plan and Medium Term Financial Strategy 2015/2016 to 2019/2020	https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MIId=7856&Ver=4
Policy and Resources Committee 17 February 2015	Decision Item 9 – Sport and Physical Activity Review Outline Business Case	http://barnet.moderngov.co.uk/documents/s21208/Sport%20and%20Physical%20Activity%20Review%20Revision%20Outline%20Business%20Case.pdf
Adults and Safeguarding Committee 19 March 2015	Decision Item 8 – Adults and Safeguarding Commissioning Plan	Item 8 – Adults and Safeguarding Commissioning Plan
Policy and Resources Committee 24 March 2015	Decision Item 9 –The Better Care Fund 2015-2016– Agreement to enter into a Pooled Budget with NHS Barnet CCG	http://barnet.modern.gov.co.uk/documents/s22197/The%20Better%20Care%20Fund%202015-2016%20Agreement%20to%20enter%20into%20a%20pooled%20fund%2

Item	Decision	Link
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Policy and Resources Committee 9 July 2015	Decision Item 10 - Business Planning – 2015/16- 2019/20	http://barnet.moderngov.co.uk/documents/s24390/Finance%20and%20Business%20Planning%20Medium%20Term%20Financial%20Strategy%20201617%20to%20201920.pdf
Adults and Safeguarding Committee 12 November 2015	Decision Item 7 - Business Planning – 2015/16	http://barnet.moderngov.co.uk/documents/s27181/Adults%20and%20Safeguarding%20Business%20Plan%202016-2017.pdf
Adults and Safeguarding Committee 12 November 2015	Decision Item 12 – A new Operating Model for Adult Social Care	http://barnet.moderngov.co.uk/documents/s27171/A%20new%20operating%20model%20for%20adult%20social%20care.pdf
Policy and Resources Committee 16 December 2015	Decision Item 7 - Business Planning – Medium Term Financial Strategy 2016-20 Decision Item 12 - The relocation and redevelopment of Church Farm Leisure Centre and the redevelopment of Barnet Copthall Leisure Centre	http://barnet.moderngov.co.uk/documents/s28174/Business%20Planning%20Medium%20Term%20Financial%20Strategy%202016-20.pdf http://barnet.moderngov.co.uk/documents/s28130/The%20relocation%20and%20redevelopment%20of%20Church%20Farm%20Leisure%20Centre%20and%20the%20redevelopment%20of%20Barnet%20Copth.pdf
Council 1 March 2016	Report of Policy and Resources Committee - Business Planning 2016-20	http://barnet.moderngov.co.uk/documents/s30002/Report%20to%20Council%20-%20Business%20Planning%202016-20.pdf
Adults and Safeguarding Committee 7 March 2016	Decision Item 7 - Updated Commissioning Plan Decision Item 9 – Adults Social Care Delivery Model project Outline Business Case	http://barnet.moderngov.co.uk/documents/s30106/Commissioning%20Plan%202016-17.pdf http://barnet.moderngov.co.uk/documents/s30109/Alternative%20delivery%20model%20for%20Adult%20Social%20Care.pdf
Adults and Safeguarding Committee 16 June 2016	Decision Item 7 - Review of Your Choice Barnet Contract	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MId=8671&Ver=4

Item	Decision	Link
Adults and Safeguarding Committee 19 September 2016	Decision Item 9 - Revised Business Case on Adults Social Care Alternative Delivery Model and Implementation of the New Operation Model	http://barnet.moderngov.co.uk/documents/s34553/Revised%20Business%20Case%20on%20Adult%20Social%20Care%20Alternative%20Delivery%20Vehicle%20and%20Implementation%20of%20the%20Ne.pdf
Adults and Safeguarding Committee 10 November 2016	Decision Item 11 -Business Planning	https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MIId=8674&Ver=4
Adults and Safeguarding Committee 23 January 2017	Decision Item 10 -Prevention and Early Support Review Consultation Report	https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MIId=8675&Ver=4
Policy and Resources Committee 17 February 2017	Decision Item 9 -Sport and Physical Activity Review Revised Outline Business Case	https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MIId=7865&Ver=4
Delegated Powers Report: Changes to the Council's Fairer Contributions Policy	Changes to the Council's Fairer Contributions Policy	https://barnet.moderngov.co.uk/mglssueHistoryHome.aspx?IId=34588&optionId=0
Budget Council, Council Tuesday 7 March, 2017	Decision Item 11- Report of Policy and Resources Committee – Business Planning 2017-2020	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MIId=8819&Ver=4
Policy and Resources Committee Tuesday 27 June, 2017	Decision Item 15 Business Planning 2017-20	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MIId=8736&Ver=4
Adults and Safeguarding Committee 19 September 2017	Decision Item 8 - Revised business case on adult social care alternative delivery vehicle and implementation of the new operating model	http://barnet.moderngov.co.uk/documents/s42239/Final%20recommendations%20on%20adult%20social%20care%20alternative%20delivery%20vehicle.pdf
Adults and Safeguarding Committee 6 November 2017	Decision Item 7 Business Planning	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MIId=9233&Ver=4

Item	Decision	Link
Policy and Resources Committee 5 December 2017	Decision Item 10 Business Planning Medium Term Financial Strategy and draft budget 2018-2020	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8739&Ver=4
Policy and Resources Committee 13 February 2018	Decision item 13: Business Planning 2018-2020	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8742&Ver=4
Budget Council, Council 6 March 2018	Decision item 12: Report of Policy and Resources Committee Business Planning 2018-20	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9162&Ver=4