

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

24 MARCH 2009

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

TRANSFORMING ADULT SOCIAL SERVICES- ACHIEVING A STABILISED AND SUSTAINABLE BUDGET

1. EXECUTIVE SUMMARY

- 1.1 Following the report presented to the meeting of the Finance and Best Value Overview and Scrutiny Committee on 21 January 2009, members requested an update in relation to money owed to the Council from historic Primary Care Trust (PCT) cases.

2. BACKGROUND

- 2.1 A report and presentation to Committee on 22 December 2008 were made to address concerns expressed in relation to the projected Departmental overspend for 2008/09. Following the presentation it was requested that a further report be made to the next meeting outlining progress being made.
- 2.2 Whilst only a short amount of time had passed since the December meeting a report was presented to Committee on 21 January 2009, which maintained that the projected outturn forecast remained at £3.5m.
- 2.3 At the January meeting members requested that a further report be brought forward regarding money owed to the Council from historic Primary Care Trust (PCT) cases.

3 MATTERS FOR CONSIDERATION

- 3.1 In 2005, the Department of Adult Social Services (DASS) and the then two Primary Care Trusts (PCT) agreed a set of local protocols for the joint resourcing of packages of care, where people had health and social care needs.
- 3.2 The protocols were developed in recognition by both DASS and the PCTs that a significant number of people had needs over and above those which a local authority would ordinarily be obliged to meet. Key to this local agreement was that retrospective consideration would be given in instances to a pre determined group of individuals with learning disabilities, where there was clear evidence of health needs. There were 31 individuals in total, 27 of whom were in Wirral based services. The remaining 4 were in placements outside Wirral; it is these 4 cases that are in dispute and some of the debt dates back to 2000/01. It must be noted, however, that since April 2005 Wirral PCT has agreed to appropriately fund these cases, going forward, on a "without prejudice" basis.

- 3.3 Working within the guidelines of “The Responsible Commissioner” the two Wirral PCTs determined that responsibility for the cases should be taken by the host authority; those authorities being in Yorkshire, North Wales and Kent. Each of the host authorities were contacted in respect of the individuals and, in each case, declined the responsibility of funding the care. The value of this outstanding debt is approximately £1.7m.
- 3.4 In an attempt to expedite the process, and in the light of a report on this matter to the Audit and Risk Management Committee on 31 January 2008, I wrote to the Strategic Health Authority (SHA) requesting that it intervenes and resolves the long standing matter. Arbitration on this matter was passed to Wirral PCT by the SHA. The PCT subsequently responded, acknowledging that it had taken on responsibility for the 4 cases since 2005 and wrote to the various “host” PCTs to try to negotiate appropriate contributions. I was subsequently contacted by the SHA 28 March 2008 who informed me that “The SHA has agreed that Wirral PCT will have a further month to try and finalise their local negotiations with the organisations involved and failing that, the SHA will then pick up formal arbitration with the relevant SHA and/or Welsh Board.”
- 3.5 On 21 January 2009 the PCT were contacted requesting an update on this matter and a response was received stating that ‘the PCT has fulfilled its agreement with DASS and the issue of historic debt should now be written off’. The view of Wirral PCT is that ‘there is no evidence pre-2005 that these individuals had qualifying health needs and that there is no prospect of the local PCTs accepting liability’.
- 3.6 The Department therefore wrote to the SHA on 19 February 2009, expressing the urgency with which this matter needed to be finalised and requesting formal arbitration. The SHA responded that “We had understood from the PCT that this matter had been resolved but had not been advised that this potentially left the Council with an outstanding amount to be paid”. The SHA agreed to contact the PCT Chief Executive and will now make a formal arbitration decision on the matter. The SHA acknowledge and appreciate that this needs to be concluded prior to the end of the financial year.

4. FINANCIAL AND STAFFING IMPLICATIONS

- 4.1 There remains an amount of £1.7m that has to be paid and is in dispute. This relates to the period from 2000/01 to 2004/05 and since this time Wirral PCT has taken on the health care responsibility “without prejudice”.
- 4.2 The Department has requested that the SHA make a formal arbitration over this matter and at this stage a response is awaited. The urgency of the conclusion of this matter has been stressed as it has a direct impact on the financial accounts of the Council.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 There are none arising directly from this report.

6. COMMUNITY SAFETY IMPLICATIONS

- 6.1 There are none arising directly from this report.

7. LOCAL AGENDA 21 IMPLICATIONS

7.1 There are none arising from this report.

8. PLANNING IMPLICATIONS

8.1 There are none arising from this report.

9. ANTI POVERTY IMPLICATIONS

9.1 There are none arising from this report.

10. SOCIAL INCLUSION IMPLICATIONS

10.1 There are none arising from this report.

11. LOCAL MEMBERS SUPPORT IMPLICATIONS

11.1 There are no specific implications for any member or ward.

12. BACKGROUND PAPERS

12.1 None used in the preparation of this report.

13. RECOMMENDATIONS

13.1 That Committee note the progress being made to bring this matter to an appropriate conclusion.

13.2 That it be noted that based on the response from the SHA the Council accepts the arbitration and agrees that, if necessary, the debts be cancelled.

JOHN WEBB
DIRECTOR OF ADULT SOCIAL SERVICES