



## 2019/20 Budget Proposals

### Report of Adult Care and Health Overview & Scrutiny Committee

January 2019



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## 1. INTRODUCTION

A dedicated scrutiny workshop was convened for Members of the Adult Care and Health Overview and Scrutiny Committee on Thursday 6<sup>th</sup> December 2018 in order to discuss the budget proposals for 2019/20. This workshop provided committee members with an opportunity to examine in greater detail the budget proposals and saving plans affecting services that fall under the remit of the committee. Both budget proposals put forward were selected for further examination by the Chair and Party Spokespersons. This report summarises the proposals considered and the comments and suggestions of attending Members.

It was agreed that, following the workshop, a report summarising any recommendations would be produced by the Committee. Following approval, this report will be presented to the next meeting of the Adult Care and Health Overview & Scrutiny Committee in January 2019.

## 2. BUDGET PROPOSALS – OVERVIEW

### 2.1 Use of Grant Funding

#### Summary of Proposal

**A review of contractual obligations in order to identify financial savings in current public health contracts to find approximately £800,000 for reinvestment into other Council services that deliver public health outcomes.**

The Acting Director for Health and Wellbeing provided an overview of the current Public Health budgetary position alongside the proposed reviews into contractual obligations in order to identify efficiencies. The majority of Public Health funding is used to commission services – with £20 million of the budget being used to fund current contracts. The proposal put forward to Members of the Adult Care and Health OSC was that savings would be found within current contracts funded through grant money, and these savings re-invested into other Council services that have clear public health outcomes. It is proposed that there will be a re-allocation of grant funding to deliver one-off benefits for the next financial year.

The Public Health budget (less staffing costs) stands at £28.7m for 2019/20 – with all funding a result of the government grant for public health. This total has not changed from the previous year. However, Members were informed that uncertainty exists around the future funding of the public health function and it is therefore not practical to forecast savings beyond the life of the current grant funding which is due to end on 31<sup>st</sup> March 2020.

Members were informed that the current drug and alcohol treatment contract will finish on 31<sup>st</sup> January 2020. Following this, it is the intention to recommission this

service to create a two month period from February to March 2020 where an efficiency of £350,000 can be achieved. Although there was consideration given to delaying the recommissioning of this service, the risk to the service user was deemed to be too great - with any gap in provision affecting those accessing drug and alcohol treatment services.

It is also expected that smaller Public Health schemes will be reviewed as part of the budget setting process for 2019/20, with a view to achieving a further efficiency of £500,000.

This total of £850,000 will be used to fund other Council services and will allow more flexible use of Council resources towards meeting the budget deficit.

The Public Health grant is awarded on acceptance of a condition that the money received will be used against services that improve public health and have clear outcomes for population wellbeing. For this reason, the money that is reallocated will be used for services such as Housing, Licensing, and Environmental Health.

### **Summary of Member Comments and Workshop Discussions**

- Members were keen to seek assurance that the contract efficiencies found would not be at the expense of Wirral residents.

Members were advised that efficiencies would be achieved through recommissioning and would not affect service delivery. Furthermore, the Acting Director stated that linking with other services with clear benefits to population health and wellbeing (such as Housing and Licensing) fits well with the public health agenda and this should be the approach that is encouraged.

- Members asked if the reallocation of public health money could inadvertently end up subsidising services that should be funded by central corporate resources.

Members were informed that funding would be reinvested so that there could be an opportunity for central resources to be used for alternative purposes, thus positively impacting on the Council wide budget deficit.

- Members sought clarity on the role of GP funding within public health.

The Acting Director stated that, although GPs provide support for individuals, a more meaningful dialogue must be entered into with general practice in order to focus on a more collaborative partnership approach. In particular, users of the drug and alcohol service can be a challenging client group, and engagement can be difficult as they tend not to be forthcoming in accessing GP support for their wider health needs. This is an area where Public Health and general practice could provide a more complete service across Wirral.

- Members asked if it would be beneficial for Public Health to align more closely with NHS colleagues.

Members were advised that, although perhaps it may make financial sense for public health and general health services to be closely affiliated, the public health approach should be more holistic. Providing support for other Council services such as Housing and Licensing will result in better outcomes for Wirral residents.

## 2.2 Mitigating Adult Social Care demand through maximising independence and wellbeing

### Summary of Proposal

**A number of savings plans and mitigations have been formulated to meet the cumulative gross budget deficit of £7.8m forecast for Adult Social Care in 2019/20. This includes a focus on service delivery efficiencies, service quality improvements and income generation, as well as use of national grants and funding.**

The Director of Care and Health introduced a presentation that provided a breakdown of the Adult Social Care budget; how the budget is made up, sources of income, the key areas of expenditure and how people receive support. The budget for 2018/19 is £148.7m – with the majority of this money providing services based on formal assessments of need. The Director assured Members that these services are ‘demand-led’ and not dictated by budget, and gave an overview of types of services that benefit from Adult Social Care funding – such as reablement, Shared Lives services, domiciliary care and supported living. Over recent years, there has been a shift of focus to community based care such as domiciliary support; with £59.4m directed towards community care services in 2018/19.

The Assistant Director for Health and Care Outcomes provided more detail on how proposed efficiencies in 2019/20 would lead to budget savings. Alongside a breakdown of expected grant funding and income, there will be clear focus on improving current performance and promoting independence and wellbeing in order to deliver further efficiencies.

Wirral’s Better Care Fund allocation for 2019/20 is scheduled for a net increase of £3.5m, which will primarily be used for the protection of social care services. It is also expected that efficiency targets of £2.3m will be achieved for 2019/20 through delegated arrangements with Wirral Community Foundation Trust and Cheshire and Wirral NHS Partnership Trust. Discussions are set to continue with these partners to ensure this target is achievable. Members were informed of Adult Social Care’s intention to use the £1.8m government ‘winter pressures’ grant in order to cover the costs of increasing demand for domiciliary care. This additional funding will contribute to reducing pressures on primary NHS services over winter.

In addition to this, further efficiencies will be realised by the promotion of supported accommodation as an alternative to residential and nursing care. This move will encourage more independence and achieve cost effectiveness, with a projected saving of £600,000. It is also envisaged that complex care packages will be reviewed on a regular basis to deliver savings of approximately £400,000.

Ensuring that best practice is delivered consistently will result in further efficiencies in 2019/20; this includes use of the ‘Trusted Assessor’ in domiciliary care alongside implementation of improved models for supported living, accommodation based services and flexible support. Alongside this, a predicted saving of £100,000 will be

realised by effective commissioning of preventative services for complex needs, and use of assistive technology as well as a Homesharing pilot scheme.

Members were advised that there are a number of cost pressures and potential challenges associated with the budget for 2019/20, although these reflect similar issues that have affected Adult Social Care in previous years and will present expected risks that can be mitigated.

Notably, consideration was given to the impending increase in the National Living Wage (NLW) and the subsequent effect on service provider fees. Members were informed that in order to keep fee rate increases in line with the 4.9% NLW increase, an investment of approximately £4m would need to be found as opposed to the £3m built into the forecast. Alongside this, there is also some uncertainty around further funding streams; including a reduction to the Independent Living Fund Grant and the potential cessation of the Adult Social Care Grant, of which Wirral received £1.1m in 2018/19.

### **Summary of Member Comments and Workshop Discussions**

- Members requested clarification around how nursing homes are funded.  
The Director of Care and Health provided an overview of how NHS funded nursing care functions. Members were advised that nursing homes are part-funded by the NHS – with a standard weekly rate of funding across England. Adult Social Services fund the remaining part of nursing care, with potential top up fees payable by the resident dependant on the level of care and the home chosen.
- Members asked if there is any difficulty in finding specialist homes for dementia patients.  
Members were advised that the majority of residents admitted to residential care homes are admitted for ‘non-physical’ reasons. Wirral has seen an increase in demand for care of elderly, mentally impaired residents – however, there has also been an increase in providers. There has been a consistent vacancy capacity of around 8% in Wirral and therefore enough market supply for those who need it. It is, however, increasingly difficult to find care home vacancies at the Council’s “usual rate”, with more and more residents and families electing to pay ‘top up’ fees. Members were also informed that some residential homes are dual registered and can provide residential care for persons with general needs, but can also provide nursing care if those needs become more complex.
- Members asked if GPs contribute any funding to the care sector.  
Members were advised that although GPs do not directly contribute financially to adult social care services, they do receive an allocation of funds dependent on the number of frail, older persons registered with them, in order to support their general wellbeing.
- Members showed concern that there may be a ‘drop off’ in providers if funding had to be negotiated around the NLW increase.

The Assistant Director assured Members that everything will be done to negotiate effectively with providers and to ensure funding is targeted correctly. Wirral has developed and sustained good relationships with care providers.

- Members queried if it might be necessary to commission care providers from outside of Wirral, or to expect Wirral residents to have to travel across the region to receive support.

There is a commissioning framework currently in development, through the Joint Strategic Commissioning Board, to commission complex care across the six local authorities in Merseyside with potential to bring commissioning efficiencies and greater oversight of the market across a wider footprint. This could mean a wider breadth of care providers, however Wirral residents will be supported close to home, and care staff will primarily be recruited from within Wirral. In addition to this, Members were advised that on previous occasions where national providers have been commissioned, outcomes have not been as positive as when locally obtained. A recent domiciliary care commissioning process has emphasised providers working together on a local basis and the requirement for social value.

Members commented that it may be beneficial to carry out open recruitment exercised from community centres, to target members of the immediate locality that can provide care within their neighbourhoods. In addition, social landlords may also be able to assist in care sector recruitment locally. Officers welcomed these suggestions and advised that they would pass these comments onto commissioners in those areas of the market.

- Members sought clarification on the scale of care banding and eligibility. Assurance was given to Members that all operational delivery partners are required to apply the same national eligibility criteria as set out in the statutory guidance of the Care Act 2014. However, even if a person does not meet the eligibility criteria for funded support, they will be directed elsewhere or offered advice on how their needs can be met. Local Authorities also focus on early intervention to help maintain independence and wellbeing, and potentially delay a situation where longer-term care and support might be required.

- Members noted that plans proposed that high value packages of care were reviewed annually and requested further detail around this.

Officers informed Members that all packages of care should be reviewed annually, and that there is a focus on ensuring these reviews are all carried out going forward. Particular emphasis will be given to reviewing packages of care that exceed £1000 per week which are a smaller number of cases. Reviews take place to guarantee that the best interests of the person are being met, and ensure their package of need is the best option for them. In an environment where technology is continually improving, it is important to ensure that the possibility of providing support differently is explored.

- Members requested further detail around how the allocation of care providers works across Wirral.

The Director of Care and Health advised that care providers generally work in 'zones' across Wirral. Alternatively, there may be occasions on which a service user

chooses to have their support delivered by a specific provider, or is in receipt of a Direct Payment. Nursing Care is generally provided on the basis of patient choice, however, availability and affordability can both impact on this.

- Members asked if there were any consultations planned in regard to recommissioning of services.

There are no current plans for formal consultation although some efficiency plans may require engagement with service users and providers.

### **3. CONCLUSIONS**

Members agreed to the Health & Care savings and efficiency plans put forward as part of the budget proposal process under the Committee's service remit.

Members suggested that community centres and groups, along with social landlords, were included in any care sector recruitment exercises and planning.

Members welcomed the innovative approach to cost saving through schemes such as the HomeSharing Pilot, and the added social value and focus on wellbeing associated with such programmes.

Members were assured by officer responses to concerns, and thanked them for their reports and presentations.



## **Appendix 1 – Workshop Attendance**

### **Members of Adult Care and Health Overview & Scrutiny Committee:**

Cllr Julie McManus (Chair)  
Cllr Bruce Berry  
Cllr Wendy Clements  
Cllr Phil Gilchrist  
Cllr Sharon Jones (Vice Chair)  
Cllr Tony Norbury  
Cllr Leslie Rennie

### **Officers:**

Julie Webster, Acting Director for Health and Wellbeing  
Graham Hodkinson, Director for Care and Health  
Jason Oxley, Assistant Director Health and Care Outcomes  
Mathew Gotts, Principal Accountant  
Alexandra Davidson, Scrutiny Officer  
Anna Perrett, Scrutiny Officer

### **Apologies:**

Cllr Gerry Ellis  
Cllr Samantha Frost  
Cllr Christina Muspratt  
Cllr Irene Williams