



ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE
20 JANUARY 2020

JOINT REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES
AND THE DIRECTOR OF CORPORATE RESOURCES

MEDIUM TERM FINANCIAL STRATEGY 2020/21–2023/24

Purpose of Report

1. The purpose of this report is to:
 - a) Provide information on the proposed 2020/21-2023/24 Medium Term Financial Strategy (MTFS) as it relates to the Adults and Communities Department;
 - b) Ask members of the Committee to consider any issues as part of the consultation process and make any recommendations to the Scrutiny Commission and the Cabinet accordingly.

Policy Framework and Previous Decisions

2. The County Council agreed the current MTFS in February 2019. This was the subject of a comprehensive review and revision in light of the current economic circumstances.

Background

3. The draft MTFS for 2020/21–2023/24 was set out in the report considered by the Cabinet on 17 December 2019, a copy of which had been circulated to all members of the County Council.
4. This report highlights the implications for the Adults and Communities Department. Similar reports are being presented to respective Overview and Scrutiny Committees.
5. The views of this Committee will be reported to the Scrutiny Commission on 27 January 2020. The Cabinet will consider the results of the scrutiny process on 7 February 2020 before recommending a MTFS, including a budget and capital programme for 2020/21 to the County Council on 19 February 2020.

Service Transformation

6. The Council's Adults and Communities Department currently has an Adult Social Care Vision and Strategy, '*Promoting Independence, Supporting Communities*'; and a Communities and Wellbeing Strategy '*Providing Less, Supporting More*', both covering the period 2016 to 2020. The Department has developed a new integrated draft strategy from 2020 to 2024, setting out the vision, ambition and purpose for its work.

As part of its commitment to engagement with the citizens of Leicestershire, the Council will be consulting during winter on its new Strategy, '*Delivering Wellbeing and Opportunity in Leicestershire: Adults and Communities Department Ambitions and Strategy for 2020–2024*', which demonstrates how the Department will contribute to all five of the authority's Strategic Plan outcomes.

7. The draft Strategy builds on the current adult social care, adult learning and communities and wellbeing service strategies. It recognises the value of more closely bringing together all the Department's work since it is fundamental to the Council's role in promoting wellbeing. The ambition at the heart of the Strategy is to improve wellbeing for the people and communities of Leicestershire including their levels of happiness, prosperity and satisfaction with life, along with their sense of meaning, purpose and connection. It also sets out other ambitions for the Department including:
- Improved customer experience and satisfaction;
 - Providing high quality information and advice;
 - Promoting wellbeing through universal services;
 - Building a flexible, talented, motivated workforce, including apprentices;
 - Investment in social care accommodation;
 - Seamless transition from children to adult services;
 - Promoting independence;
 - Improved use of technology;
 - Working effectively with partners.
8. Within this frame of wellbeing, the draft Strategy sets out the Department's strategic approach for helping those at risk of, or in need of support, so that they can maximise their independence. As with the current Strategy this will be through a layered approach of preventing, reducing, delaying and meeting need.



9. The design and delivery of services will continue to be based on the “right” model, i.e. the right people (those who are at risk or need support to maximise their independence) receiving the right services, at the right time, in the right place and the Council working with the right partners.
10. At the same time, the Care Act 2014 places a duty on local authorities to integrate services with Health and other partners, both at an operational level and in respect to strategy and commissioning, in order to deliver joined up high quality services. The NHS Long Term Plan, Better Care Together (BCT) Programme and the development

of Integrated Care Systems (ICS) will provide a framework to develop new models of care across Leicestershire.

11. In order to support Leicestershire's vision for health and care integration, the Department was reorganised at an operational level during 2017 to a locality-based Care Pathway footprint. This was aligned with the new locality structures for primary care, in conjunction with Leicestershire Partnership NHS Trust's community nursing services and the County's two Clinical Commissioning Groups (CCGs).
12. The draft Growth and Savings for the 2020 MTFS (2020/21-2023/24) reflect the changes in demand for services and the transformation in the delivery of services to achieve the vision of the Adult Social Care Vision and Strategy.

Proposed Revenue Budget

13. The table below summarises the proposed 2020/21 revenue budget and provisional budgets for the next three years. The proposed 2020/21 revenue budget detail is shown in Appendix A.

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Original prior year budget	137,713	143,083	143,623	145,743
Budget transfers and adjustments	9,775			
Sub total	147,488	143,083	143,623	145,743
Add proposed growth (Appendix B)	2,845	1,735	2,290	2,350
Less proposed savings (Appendix C)	(7,250)	(1,195)	(170)	(100)
Proposed/provisional net budget	143,083	143,623	145,743	147,993

14. Detailed service budgets have been compiled on the basis of no pay or price inflation, a central contingency will be held which will be allocated to services as necessary.
15. The total gross proposed budget for 2020/21 is £241.647m with contributions from grants, Health transfers and service user contributions projected of £98.564m. The proposed net budget for 2020/21 totals £143.083m and is distributed as follows:

Net Budget 2020/21		
Demand Led Commissioned Services	£116.2m	81.2%
Direct Services	£16.2m	11.3%
Care Pathway – East Locality	£9.0m	6.3%
Care Pathway – West Locality	£7.4m	5.2%
Strategic Services	£5.1m	3.6%
Early Intervention and Prevention	£1.4m	1.1%
Department Senior Management	£0.8m	0.6%
Better Care Fund Contribution	(£18.1m)	(12.3%)
Communities and Wellbeing	£5.1m	3.6%
Department Total	£143.1m	

Other Changes and Transfers

16. A number of budget transfers (totalling a net increase of £9.8m) were made through the 2019/20 financial year and have now been adjusted in the updated original budget. These transfers are:
- £1.6m for pay and pension inflation transferred from the central inflation contingency;
 - £9.3m for price inflation (including residential fee review);
 - (£1.1m) transfers to and from other departments.
17. Growth and savings have been categorised in the appendices under the following classification:
- * item unchanged from previous MTFS;
 ** item included in the previous MTFS, but amendments have been made;
 No stars new item.
18. This star rating is included in the descriptions set out for growth and savings below.
19. Savings are highlighted as “Eff” or “SR” dependent on whether the saving is seen as an efficiency or a service reduction or a mixture of both. “Inc” denotes those savings that are funding related or to generate more income.

Growth

20. As in previous years, demographic growth and increasing needs are the main drivers of the need for budgetary growth within adult social care. However, the profile of service users and their care needs are constantly changing, which may impact on the services commissioned or the income received. The impact on the budget can be significant with gross demand led expenditure totalling c£176m.
21. The total growth required is £2.8m for 2020/21 and £9.2m over the next four years in total. The budget increases are outlined below and summarised in Appendix B to the report.

**** G10 Older People demand – £975,000 2020/21 rising to £4,390,000 by 2023/24**

22. People aged over 65 account for the majority of the Department’s care expenditure. This financial growth is required to meet the increasing numbers of older people with substantial and critical needs as well as the increasing fragility of existing service users. Future changes in demand are initially estimated using historic trends to produce a baseline forecast of the likely number and average cost of service users. During 2019/20, there has been an increase in the average number of home care hours provided. It is anticipated that this trend will be set to continue.

**** G11 Learning Disability demand – £1,030,000 2020/20 rising to £2,610,000 by 2023/24**

23. The level of Learning Disability support required is growing mainly due to costs of care packages for known service users transferring from Children’s services to Adults’ services (around 100 per annum), increasing levels of additional needs, and high cost placements. Future changes in demand are initially estimated using historic trends to

produce a baseline forecast of the likely number and average cost of service users. There is currently a significant increase in the numbers of social care placements in Children's services which may impact on Adults in the long term but cannot be quantified yet.

** G12 Mental Health demand – £315,000 2020/21 rising to £1,145,000 by 2023/24

24. During 2019/20, the number of service users has slightly increased and there has also been an increase in additional needs. It is anticipated that this trend will be set to continue.

** G13 Physical Disabilities demand – £115,000 2020/21 rising to £665,000 by 2023/24

25. During 2019/20, the number of service users has slightly increased and this trend is expected to continue.

* G14 Transforming Care transfers from Health - £360,000 2020/21 ongoing

26. The national Transforming Care Programme (TCP) aimed to significantly reduce the numbers of people with learning disabilities and/or autism receiving assessment and treatment in inpatient settings.

27. There are currently 37 patients for which Leicestershire is the responsible local authority who will require discharge to community provision. This is an increase from the last reported figure for the MTFs, which was 23. This is due to a number of factors, including more individuals coming into scope of the programme and re-admissions to hospital because of placement breakdown. Twelve of these 37 are anticipated to be ready to leave hospital during the 2020/21 financial year.

28. These individuals often present with complex and challenging support needs, including physical and mental health conditions. As a result, their care package costs, especially at the point of discharge, can be high. Recent local work found that packages of care were on average around £3,000 per week (in residential), whilst external benchmarking had the figure closer to £4,500 (all placements). Should this average support cost per week continue the 12 anticipated discharges could total £1.87m-£2.8m per year.

29. The overall cost of these placements will be split between the local authority and Health. At the moment this funding decision is made on a case by case basis, making it a challenge to forecast the overall cost to the Council. However, local benchmarking suggests that for expensive packages Health can contribute 70% or more of the individual's care costs. An indicative forecast for the 12 anticipated discharges during 2020/21 is between £561,600-£842,400 and £360,000 is estimated for remaining cases but may be higher.

30. There are several factors that have influenced this final financial projection. These include:

- The number of people discharged during the 2019/20 financial year;
- The overall Health contribution to the support cost;
- Whether their placements are sustainable (do they require readmission);
- Changes in the individual's level of support in their community placement.

31. Any change to the above factors, with the first two representing the most variable, will result in a change to the overall support costs for the TCP cohort. At the end of Quarter three 2020/21 this financial forecast will be revisited with actuals from the year to date, with any necessary adjustments being made. In the meantime, work will be undertaken to further analyse Health contributions to historic and ongoing TCP placements.

G15 Smart Library Costs £50,000 2020/21 ongoing

32. This growth is for additional costs to use CCTV in order to monitor all libraries when they are in SMART self-access mode. Based in County Hall officers monitor each site as mitigation against disruptive and emergency situations.

Savings

33. Details of proposed savings are set out in Appendix C and total £7.3m in 2020/21 and £8.7m over the next four years in total.

Adult Social Care

* AC1 (Eff) Review of individual long term residential placement costs – £250,000 in 2020/21 ongoing

34. A team is in place to review high cost learning disability placements. Savings are expected to be achieved across social care and Health budgets (pooled budget). Reviews have been completed and care hour reductions agreed following an evidence-based methodology using occupational therapy expertise and monitoring equipment delivering savings in the region of £250,000 in 2019/20. The review of placements is also looking at the remaining savings being delivered through reducing accommodation costs, setting clear goals as part of a progression model to reduce staffing costs and ensuring that assistive technology equipment is integral to the placement.

* AC2 (Eff) Staff Absence £165,000 from 2020/21 ongoing

35. To reflect the support being put in place to reduce staff absence, a financial target has been allocated to all departments. This reflects the intention to meet or exceed the County Council's target of 7.5 days per FTE. The target is phased by 50% in 2019/20 and by 100% in 2020/21 to allow time for improvement to take effect. The Department is focusing on the areas with high levels of absence which should lead to a reduction in agency costs.

** AC3 (Inc) Increased service user income – £100,000 in 2020/21 rising to £400,000 by 2023/24

36. Department for Work and Pensions increases in benefits payments should provide additional chargeable income. Monitoring of income levels continue, with levels for 2019/20 being reported above target. It is anticipated that income from older people will rise faster than inflation as a result of the protection of over 65s benefits by the Government. This should help to maintain income levels in line with the target and will mitigate the impact of potential reductions in the income from under 65s.

* AC4 (Eff/SR) – Place to Live – reduced cost of care - £25,000 in 2020/21 rising to £50,000 in 2021/22

37. The first 'Place to Live/Social Care Investment Plan' project is the development of Brookfield in Great Glen into 20 units for working age adults with learning disabilities. This will cost approximately £2.5m which is estimated will deliver annual social care savings of £50,000 pa plus net rental income of £150,000 pa (included in Corporate Resources property savings). Refurbishment work is underway at Brookfield and it is anticipated that this will be completed by the end of the financial year. Prospective tenants are currently being allocated to the flats, the majority of those being current care home residents. The saving is on track to being delivered through the project or other accommodation reviews. Further schemes will be brought on line in 2021, however the savings will be attributed to the revised TOM and will therefore not show as an additional MTFs saving line.

** AC5 (Eff) Implementation of revised TOM - £5,000,000 saving 2020/21 rising to £6,000,000 in 2021/22

38. The new TOM is being developed to assure alignment to the Department's strategic approach and to ensure it is operating effective and efficient operations. In order to help understand the improvement opportunities available through the Design and Implementation of a new TOM, the County Council commissioned independent specialist consultancy, Newton Europe, to undertake a diagnostic analysis, design and implement a programme of improvements in partnership with the service.

39. The approach being adopted is not about cutting services, but about placing the best and most independent outcome for the service user at the heart of any changes to enable joint improvement of outcomes, staff ways of working and financial performance.

40. The total opportunities identified are summarised below:

Programme	TOM Workstream	Target Financial Opportunities
Older Adults	Improvements to Reablement Care Pathway	£3.8m
	Consistent and enhanced decision making	£1.7m
	Quality improvements to process for assessment and reviews	£1.3m
Working Age Adults	Improve independence of identified individuals from residential care to supported living	£0.9m
	Consistent and enhanced decision making	£1.4m
	Quality improvements to process for assessment and reviews	£1.3m
	Total	£10.4m

41. The total programme benefits are forecast to be between at £10.4m/year and £13.6m/year. Whilst the majority of these forecast benefits are cashable (up to £10.8m), those identified as "Quality" are benefits being re-invested to improve the service quality (up to £2.8m).

42. The current potential cashable savings identified are £7.8m and after taking into consideration the savings already achieved within the 2019 MTFS, £6m of additional savings have been built into the 2020 MTFS. Any further savings identified will be built into future financial plans.
43. The TOM programme is on track to deliver the anticipated service user, staff and financial benefits forecast at the outset of the programme and will create an exciting foundation for future improvement in the Council as a whole.

**** AC6 (Eff) Reduced financial growth following demand management improvements demand £1,000,000 in 2020/21 onwards**

44. This saving relates to changes in demand across all services areas arising from savings in 2019/20 which are likely to be ongoing, for example increased levels of service user income.

AC7 (Inc) Additional BCF (Better Care Fund) Income £400,000 in 2020/21 ongoing

45. Additional income from the annual uplift on the protected social care element of the BCF.

Communities and Wellbeing

**** AC8 (Eff/SR) Implementation of Revised Service for Communities and Wellbeing - £310,000 in 2020/21 rising to £450,000 in 2022/23**

46. The delivery of this saving will be through the following activity:

	2020/21	2021/22	2022/23	2023/24
Restructure of Communities and Wellbeing Service	£310,000	£70,000	£30,000	0
Collections Hub - Restructure of Museums and Heritage			£40,000	

Restructure of Communities and Wellbeing Service

47. Approximately £410,000 has been identified by a proposed restructuring of the Communities and Wellbeing Service. This has focused on the county funded libraries and heritage and museums service. The draft Human Resources action plan is scheduled to be launched in mid-January 2020 with the new structure implemented from July 2020.

Collections Hub

48. The Cabinet approved the development of a Collections Hub on the County Hall campus in June 2018. The option approved offered two potential schemes - a new build with capital costs of £36m and a refurbishment of an existing County Council

building with capital costs of £16m. Following further work a proposal was agreed that reduced the capital costs to £13m. This would deliver over two phases a relocation of the Record Office (phase one) and a base for the museum collections through a refurbished Eastern Annexe (phase two).

49. The agreed proposal will continue to resolve the requirement of the Record Office for additional capacity. If not progressed, the requirement will remain and require resolution to avoid a risk that we fail to meet statutory obligations.
50. Given the option chosen, £40,000 has been identified through phase two due to cessation of property costs for the Barrow store and savings from the museums and heritage service have been built into the wider restructuring of Communities and Wellbeing. Work is currently being undertaken to identify if the service can deliver additional efficiency savings or service reductions through a Transformation Unit strategic challenge.

Savings under development

51. Further savings will be required to close the budget shortfall that rises to £19m in 2022/23.
52. To help bridge the gap a number of departmental initiatives are under development to generate further savings. These are outlined below, once business cases have been completed savings will be confirmed and included in a future MTFS.

Social Care Investment Plan (SCIP) [formerly 'Place to Live']

53. The most significant cost in adult social care is for residential placements. The overall strategic goal is to reduce the number of people placed in residential care and increase the number supported in community settings. Part of the solution to increasing the supply of community accommodation is by implementing the SCIP. The overall approach to the SCIP and an Investment Prospectus was agreed by the Cabinet in June 2019.
54. A number of developments are already underway, the first project is the development of Brookfield in Great Glen into 20 units for working age adults with learning disabilities. This will cost approximately £2.5m and will deliver annual social care savings of £50,000 pa. A robust evaluation process has been developed to ensure future schemes deliver a minimum return on investment.
55. Investment options being investigated include:
 - Direct financial investment by the Council to develop more capacity in the sector, for example, develop appropriate accommodation support for service users;
 - A partnership with a care and/or accommodation provider could both increase capacity to deliver a more sustainable market whilst at the same time reduce average care costs.
56. For the majority of provision, the Council proposes to use a range of flexible frameworks to identify the most suitable provider to deliver the care and support but will consider delivering the care directly as an option when developing outline business cases for new schemes.

57. In October 2019, the Cabinet approved a delegated acquisitions appraisal process for properties along with delegated powers for capital funding of schemes. This included the allocation of £10m capital funds to this year's Capital Programme and approval to build a 36-bed specialist Dementia care scheme on the Workspace 17 site in Coalville, where work is now underway to develop the detail of the service model. Savings from moving service users into new accommodation is included under the TOM programme and property rental income included in Corporate Resources.
58. This £10m capital is being made available on an invest to save basis as it will generate significant revenue savings in care and support costs in the medium to long term. The details of the mechanism for linking the capital investment and revenue saving elements are currently being worked through.

Digital technology

59. The Department is currently reviewing the use of assistive technology and its digital offer to local residents with a view to agreeing a new approach to delivering alternative forms of care. Discussions are taking place with potential suppliers to support assessment and service provision. There is evidence of significant savings being achieved in other local authorities such as Hampshire County Council through embedding technology in the Care Pathway. These are being reviewed and analysed to determine if a business case can be brought forward. It is anticipated that savings in the region of £500,000 could be achieved.

Health and Social Care Integration

National Policy Context – the NHS Long Term Plan

60. Health and social care integration continues to be a top priority for both the County Council and its NHS partners. Developing effective ways to co-ordinate care and integrate services around the person and provide more of this care in community settings are seen nationally and locally as key to improving outcomes and ensuring high quality and sustainable services for the future.
61. The direction of travel from an NHS policy point of view is that local health and care systems will 'evolve' from Sustainability Transformation Partnerships (STP) into ICS by 2021. This expectation was reinforced in the NHS Long Term Plan which was published in January 2019.
62. The County Council's Cabinet report (in February 2019) summarised the content of the NHS plan publication (which set out the policy and delivery requirements of the NHS for the next five years) and analysed the likely implications for the Council.
63. ICS' do not have a statutory basis, but rest on the willingness of NHS organisations to work together, and with local authorities and other partners, to improve health and care across a geographical footprint.
64. In Leicester, Leicestershire, and Rutland (LLR), a joint programme of transformation, known as "Better Care Together (BCT)" - the LLR's STP, has been in place for a number of years. The STP will transition to become an ICS by 2021 in line with the national policy.

65. The draft NHS Long Term Plan for LLR was submitted to NHS England at the end of September in line with national requirements. The document set out how requirements of the Long Term Plan will be delivered for LLR, including how it is intended that the LLR will transition to become an ICS by 2021. Feedback on the draft submission has been received from NHS England during October. The Plan has been updated to reflect the feedback and was re-submitted to NHS England in November. However, the national timetable to finalise and publish each STP/ICS five-year plan has been delayed by the General Election and a date for publication in 2020 has not yet been given.
66. ICS arrangements involve a three-tier configuration of the health and care system, namely System (LLR), Place (upper tier authority) and Neighbourhood (30,000-50,000 populations comprised of neighbouring GP practice populations, which became formal Primary Care Networks from 1 July 2019).
67. The County Council is a strategic partner to the NHS at the system level and already contributes to various NHS workstreams that operate across LLR within the BCT Partnership. For example, key areas for this would be workforce planning, economic development, digital/data integration and community services redesign.
68. However, the majority of the County Council's integration work with NHS partners is operational, concentrated at the neighbourhood and place tiers where it is developing and implementing joint models of care in the community, improving hospital discharge and associated joint commissioning arrangements.
69. These priorities tend to be in the delivery of social care, public health and prevention, housing, and other services in support of the wider determinants of health and wellbeing, which also involve joint working with district councils.

Better Care Fund (BCF)

70. The Council has received funding from the NHS through the BCF since 2014/15 in line with levels determined by Government. The BCF's purpose is to help the Council finance the delivery and transformation of integrated health and care services to the residents of Leicestershire, in conjunction with NHS partners.
71. The Leicestershire BCF pooled budget comprises a number of sources of funds with the largest component sourced from CCG budgets. The amount each CCG contributes to its local BCF pooled budget is mandated by NHS England and known as the annual "minimum allocation".
72. In the Spring Budget of 2017, the Government made a non-recurrent, national grant allocation of £2bn, covering the three-year period 2017/18–2019/20. This along with ongoing funding announced in the Autumn 2015 spending review, is known as the improved Better Care Fund (IBCF). The IBCF is allocated to local authorities, specifically to meet social care need, assist with alleviating pressures on the NHS, with emphasis on improving hospital discharge, and stabilising the social care provider market.

73. In the Autumn Budget 2018, an announcement was made that additional funding of £240m nationally for Winter Pressures funding would be available. From 2019/20 this has been incorporated into the BCF Plan.
74. The BCF Plan for Leicestershire in 2019/20 was formally approved on 23 December 2019 by NHS England and is summarised in the table below:

	2019/20 £m
CCG Minimum Allocation	39.2
IBCF - Autumn 2015 review	11.4
IBCF (additional adult social care allocation) - Spring 2017 Budget	3.4
IBCF (Winter Pressures) - Autumn Budget 2018	2.4
Disabled Facilities Grant	3.9
Total BCF Plan	60.3

75. £17m of the CCG minimum allocation into the BCF is used to sustain adult social care services. The national conditions of the BCF require a certain level of expenditure to be allocated for this purpose. This funding has been crucial in ensuring the Council can maintain a balanced budget, while ensuring that services are protected; unnecessary hospital admissions are avoided; and the good performance on delayed transfers of care from hospital is maintained.
76. In addition to the required level of funding for sustaining social care service provision, a further £6m of Leicestershire's BCF funding has been allocated for social care commissioned services in 2019/20. These services are aimed at improving carers' health and wellbeing, safeguarding, mental health discharge, dementia support and crisis response.
77. Any reduction in this funding would place additional pressure on the Council's MTFs, and without this BCF funding there is a real risk that the Council would not be able to manage demand or take forward the wider integration agenda. This is also a key consideration for senior officers when negotiating with CCG colleagues as part of the BCF Refresh.

Plans for the BCF for 2020/21 and Beyond

78. As part of the one-year Spending Round announced in September, it was confirmed that the Government remains committed to the integration of health and social care and that the BCF will continue into 2020/21. The NHS contribution to adult social care will increase by 3.4% (up to £24.2m for Leicestershire if confirmed). This emphasised that, as the NHS works with local government on plans for enhanced and improved Primary and Community service, they should also be working together on continued integration of health and social care, as well as alignment to wider local government services such as housing.
79. The provisional Local Government Financial Settlement sets out the Government's proposal that the IBCF funding will continue into 2020/21, this should be at the same funding levels as the current year. However, although funding will be at the same level,

it should be noted that costs have increased by 7.8% nationally in response to National Living Wage and other cost pressures.

80. The funding from the Winter Pressures Grant will continue into 2020/21 and be rolled into the IBCF spend. Therefore, this will be tied to the IBCF conditions and not only ringfenced for alleviating winter pressures on the NHS.
81. Additionally, notification has been received informally that the BCF arrangements are likely to continue in some form for a further three years; however, formal confirmation of this has not yet been received and is linked to decisions about the national BCF policy review.
82. A national review of the BCF policy was undertaken earlier in 2019/20, which will feed into the BCF policy framework for next year and beyond. It is expected this will reflect the ongoing ambitions of the NHS Long Term Plan with regard to integrating health and care, and any further policy and funding developments in relation to adult social care that may be announced in the meantime.
83. The Council's MTFs and departmental financial planning assumptions for 2020/21 reflect the assumptions it has been notified about so far in terms of the future of the BCF. It is therefore important to recognise the ongoing reliance placed on these sources of funds and the risks to the Council's MTFs and the Department's sustainability plans should there be major changes, especially if these are enacted at short notice.

Other External Influences

84. There are a number of areas of funding that influence the achievability of the MTFs for the Department. For example:
 - The Care Act 2014 initiated a number of changes to social care legislation that were due to take effect from April 2016. These changes have now been postponed until 2020;
 - Impact of legislative changes are expected relating to a review of the Mental Health Act and the replacement of Deprivation of Liberty Safeguards with the Liberty Protection Safeguards, and others, but details are still awaited;
 - Increasing costs of care mainly due to increases in the National Living Wage and shortages of workforce in the care sector in certain rural areas.

Other Funding Sources

85. For 2020/21, the following other funding is expected to be received:
 - Adult Social Care Winter Pressures Grant of £2.4m to support winter pressures in adult social care and the NHS. The grant determination states that the funding may only be used for supporting the local health and social care system to manage pressures that are in addition to existing budgets (see also paragraph 72 above about the amalgamation of the winter pressures grant with the IBCF from 2020/21.)
 - Former Independent Living Fund grant of £1.2m is to be paid to the County Council in 2020/21 which provides support packages, usually alongside local authority funding, to help disabled people live independently in the community;

- Service users eligible for Continuing Health Care - £13.6m through the Learning Disabilities Pooled Budget and for non-Learning Disability service users (£2.9m);
- Social Care in Prisons Grant - £102,000 which is anticipated to be ongoing;
- Local Reform and Community Voices Grant - £51,000 for Deprivation of Liberty Services in Hospitals;
- War Pension Scheme Disregard Grant - £103,000;
- Funding to support Adult Learning from Skills Funding Agency estimated to be £3.4m and Education Funding Agency £86,000.

Capital Programme

86. The proposed Adults and Communities capital programme totals £30.2m (see Appendix D). The main source of external funding for the programme is the BCF grant programme (£15.7m), which is passported to District Councils to fund major housing adaptations in the County. The balance of the programme (£14.5m) is discretionary funding.
87. The main schemes in the capital programme for the Department are:
- Records Office Relocation (£10m total project cost - £7m in 2020/21-2023/24)*
Plans are being developed to relocate the records office and ensure provision of adequate storage capacity to meet future need.
 - Development of Hamilton Court/ Smith Crescent site in North West Leicestershire (£3.730m total project cost - £0.9m in 2020/21 – 2023/24)* - The project involves moving existing tenants and residents to alternative properties/services, demolishing the existing buildings and redeveloping purpose-built supported living, short breaks and Community Life Choices on the site.
 - The Trees Refurbishment (£1.110m total project cost - £0.5m in 2020/21 - 2023/24)* - The project involves internal reconfiguration and refurbishment of Cedarwood and Beechwood units at The Trees in Hinckley. These two units are dated in terms of their facilities and equipment, with internal room sizes becoming challenging to provide support for people with complex and multiple needs. A Care Quality Commission inspection of The Trees highlighted issues relating to the standard and quality of the accommodation.
 - SCIP (£6.1m total project cost and in 2020/21 – 2023/24)* - The SCIP involves the purchase and development of properties to meet the needs identified within the Social Care Accommodation Development Plan, which was approved by the Cabinet on 25 June 2019. The programme specifically includes £5.5m for the development of a specialist dementia care facility in Coalville and £600,000 to create supported living and transitions units at New Ashby Court in Loughborough. The remainder will be used to increase the supply of community-based accommodation options, for example, in the form of extra care and supported living, subject to business cases.

Future Developments

88. Below is a summary of provisional capital bids expected to be made by the Department. These have yet to be formally approved and are subject to business cases:

- a) *Collections and Learning Hub (Phase Two)* – To co-locate the Council's museums and learning collections into a single facility at the Eastern Annexe. This forms part of the Communities and Wellbeing Strategy to reduce the number of collection locations.
- b) *SCIP* – Other potential accommodation opportunities are being investigated which may require capital investment.
- c) *Digital for Adults & Communities* – To use equipment and technology to provide less intrusive and more cost-effective care options, which enhance people's independence and supports them to be less reliant on formal care.

Background Papers

None.

Circulation under local issues alert procedure

None.

Equality and Human Rights Implications

89. Public authorities are required by law to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation;
- Advance equality of opportunity between people who share protected characteristics and those who do not;
- Foster good relations between people who share protected characteristics and those who do not.

90. Many aspects of the County Council's MTFs may affect service users who have a protected characteristic under equalities legislation. An assessment of the impact of the proposals on the protected groups must be undertaken at a formative stage prior to any final decisions being made. Such assessments will be undertaken in light of the potential impact of proposals and the timing of any proposed changes. Those assessments will be revised as the proposals are developed to ensure decision makers have information to understand the effect of any service change, policy or practice on people who have a protected characteristic.

91. Proposals in relation to savings arising out of a reduction in posts will be subject to the County Council Organisational Change policy which requires an Equality Impact Assessment to be undertaken as part of the action plan.

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Appendices

Appendix A – Revenue Budget 2020/21

Appendix B – Growth

Appendix C – Savings

Appendix D – Capital Programme 2020/21 – 2023/24