

ADULTS, COMMUNITIES AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE – 24 JANUARY 2012

MEDIUM TERM FINANCIAL STRATEGY 2012/13 TO 2015/16

MINUTE EXTRACT

The Committee considered a joint report of the Director of Adults and Communities and the Director of Corporate Resources which provided information on the proposed 2012/13 to 2015/16 Medium Term Financial Strategy (MTFS) as it related to the Adults and Communities Department. A copy of the report marked 'B' is filed with these minutes.

The Chairman welcomed Mr D A Sprason CC, Cabinet Lead Member for Adults and Communities and Mr E F White CC, Cabinet Lead Member for Health, to the meeting for this item.

Arising from discussion the following points were raised:-

General

- (i) The financial impact of the transformation of schools into academies would be felt across the County Council. For the Adults and Communities Department, this equated to an additional £3.5 million of savings which would be achieved through the reviews of eligibility criteria and charging for services and an additional savings requirement of £200,000 from the review of libraries, arts and heritage.
- (ii) The Department was facing challenging times given the need to reduce budgets whilst dealing with the growth in the elderly population and people with disabilities. The Director indicated that he had a high level of confidence in achieving the savings requirement for 2012/13. With regard to 2013/14 and subsequent years, this was less certain but given the disciplines now embedded within the Department around financial and demand management he expected that the required savings would be delivered.
- (iii) It was evident that a significant proportion of the savings would need to be achieved by the Health and Social Care sectors working more closely together, particularly around commissioning and contracting. The Department was already working closely with NHS partners on this and the work done particularly around reablement was an indication of what could be achieved. The Cabinet Lead Member for Health commented that the Shadow Health and Wellbeing Board in Leicestershire had allowed for good engagement between all partners, especially the newly formed Clinical Commissioning Groups and there was recognition amongst members of the Shadow Health and Wellbeing Board of the need for greater joint working.

- (iv) With regard to the Dilnot Commission, the Committee was advised that it was too early to make any provision in the budget at this stage as much would depend upon the level at which the cap on financial contributions by individuals for their long term care would be set.
- (v) With regard to the recent judicial review on residential care fees, the Committee was advised that any costs would be met from corporate contingencies and reserves. At this stage it was not possible to give a precise figure of the impact on the contingencies and reserves as discussions and consultation with the residential care home providers were ongoing.

Growth

- (vi) The additional growth of £120,000 for the Quality Assessment Framework was to meet an expected increase in the number of providers that would qualify for the quality payments. These quality payments were separate from the normal fee structure payable to residential and nursing care providers.

Savings

- (vii) The Committee was advised that should personal budgets be increased by inflation in future years there would be an increase in the savings requirement for the Department.
- (viii) The Department was exploring ways in which it could assist in signposting self funders to appropriate care and support arrangements. This was particularly important in preventing such service users from accessing unnecessary and expensive care and support before they needed to and thereby having to subsequently rely on publicly financed care.
- (ix) There was no evidence that service users with moderate needs were deteriorating more quickly since the change to eligibility criteria which meant that only service users with substantial or critical needs were eligible for long term County Council funded services. The assessment process identified risks which would be monitored and any service users classed as moderate who posed a risk of deterioration were reclassified as having substantial needs.
- (x) With regard to the savings to be made using the Resource Allocation System to ensure that service users received the most cost effective allocation to achieve their outcomes, the Committee was advised that this would be done following an individual reassessment. Whilst for some service users this might result in a reduction in the amount of funding they received, personal budgets allowed greater scope for flexibility and creativity in the use of available resources. There would be no blanket reduction and some service users might be allocated additional resources after reassessment, as currently happened.

- (xi) The level of savings to be made from the Libraries, Heritage and Arts Review were still of the order of 40%, even after including the additional £200,000 savings requirement placed on the service as a result of schools converting to academies. The new structure outlined in paragraph 26 of the report referred to a management restructure being completed by June 2012.
- (xii) At this juncture, there was no proposed closure of libraries or museums. However, in line with the recommendations of the review, discussions were ongoing with various bodies and agencies about new service delivery models.
- (xiii) The Committee was advised that there were 100 new Extra Care units being established in Market Harborough by a private provider. In addition, the County Council had indicated that it would earmark resources from the sale of the Council's elderly persons' homes towards the development of Extra Care facilities at Catherine Dalley House and the Silverdale site. County Council officers were working closely with housing officers and developers with a view to promoting Extra Care Schemes. However, recent national funding changes had impacted on the financial model and as a consequence resulted in a slowdown of investment in Extra Care. A progress report on the Extra Care Strategy would be submitted to the Cabinet in March.
- (xiv) The proposed increased funding from fairer charging and the removal of subsidy would be the subject of consultation over the coming months.
- (xv) The savings requirement arising from the review of voluntary sector activities was a continuation of the strategic review of the voluntary sector which had been previously agreed and the ending of block contracts for day services as personal budgets were rolled out.

NHS funding for support for social care

- (xvi) The Committee welcomed the transfer of funding from the NHS to support social care. The Committee was advised that the Shadow Health and Wellbeing Board had supported the NHS Social Care transfer proposals

Capital Programme

- (xvii) The Committee noted the Capital Programme.

RESOLVED:

- (a) That the report and information now provided be noted;
- (b) That the comments of the Committee be forwarded to the Scrutiny Commission for consideration at its meeting on 1 February 2012.