

7 October 2019

Agenda Item: 8

REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING AND INTEGRATION

PROGRESS REPORT ON BUDGET, SAVINGS AND IMPROVING LIVES PORTFOLIO

Purpose of the Report

1. The purpose of this report is to set out the Department's current financial position.
2. It also provides a progress report to the Committee on the Improving Lives Portfolio, which is the programme of work delivering service transformation and budget savings for the Adult Social Care Department over the period 2018/19 to 2020/21.

Information

3. The information contained within this report is provided on a quarterly basis. The reports to Adult Social Care and Public Health Committee in March 2019 and June 2019 are available as background papers to this report.
4. The Improving Lives Programme Status Report, attached as **Appendix 1**, provides both a summary of cashable savings at a programme level as well as a status report. A quarterly update, as at the end of June 2019, on progress against the Improvement and Change Portfolio set out in the Adult Social Care and Public Health Departmental Strategy is attached as **Appendix 2**.

Current Financial Position

5. As at the end of July 2019, the Adult Social Care and Public Health Department is forecasting an in-year underspend of £5.327m before reserves and £4.856m after accounting for reserve movements.
6. Public Health are forecasting an underspend of £0.42m before reserves due to lower than anticipated spend on Children's services, offsetting a forecast overspend on substance abuse and sexual health services. Any net underspend will be added to reserves at year end.

7. The £4.856m underspend in Adult Social Care is across the County as represented in the table below:

Department	Annual Budget £ 000	Actual to Period 4 £ 000	Year-End Forecast £ 000	Latest Forecast Variance £ 000
<u>ASCH Committee</u>				
Strategic commissioning, Access & safeguarding	(18,229)	(9,484)	(22,544)	(4,315)
North Nottinghamshire Division	51,164	19,786	51,294	130
Mid Nottinghamshire Division	98,749	39,143	96,450	(2,299)
South Nottinghamshire Division	78,972	24,580	80,555	1,583
Transformation	677	(5,918)	672	(5)
Public Health	4,405	(6,140)	3,984	(421)
Forecast prior to use of reserves	215,738	61,967	210,411	(5,327)
Transfer to / (from) reserves (ASC)	(8,778)	-	(8,728)	50
Transfer to / (from) reserves (PH)	(4,405)	-	(3,983)	421
Subtotal	(13,183)	-	(12,711)	471
Net Department Total	202,555	61,967	197,699	(4,856)

8. Client Contributions from Older Adults are £3.6m greater than budget due to increased residential and nursing placements.
9. Across the districts, Older Adults are forecasting an underspend of £1.92m, due to underspends on External Assessment beds, Direct Payments, and Employee costs offsetting overspends in Long Term Residential & Nursing Care and Homecare.
10. While Younger Adults are forecasting an overspend of £0.95m, the largest areas of overspend are Direct Payments and Residential & Nursing Care although these are partly offset by underspends on Employee costs and additional Joint Healthcare funding.
11. The Adult Social Care Strategy has a focus on early intervention and supporting people to help themselves before their needs escalate. The Department has also increased its investment in short term services to help people recuperate after an illness or hospital admission. This has helped the Department to manage the demand for, and costs of, home based and community services.
12. However, despite the overall in-year forecast underspend, the Department is still experiencing some financial pressures. For example, there has been an increase in spend against the budget for residential and nursing care placements. This reflects the increasing complexity and need of service users with long term care needs. Work to reduce the number of admissions, and find better alternatives to residential and nursing placements, continues.
13. Due to the current overall positive budget position, the Department has removed some of the mitigating actions it had put in place to avoid a potential overspend situation, such as holding or delaying staff recruitment.

Overall savings position

14. The 2019/20 budget for Adult Social Care includes £12.884m of permanent savings. This is a combination of approved savings schemes of £12.575m, and ancillary savings of £308,000, which the Department is required to deliver during 2019/20.
15. **Appendix 1** provides an update on the current delivery statuses of the programmes and projects in the Improving Lives Portfolio. Although this shows that some projects are experiencing obstacles in the delivery of their savings target for this year, the Department is on track to deliver approximately 90% of its savings for the year. For those projects that are not on track to deliver their savings this year, the issues of concern are relatively minor in nature. For several projects, the early delivery of savings will impact the ability to achieve future years savings targets. The delivery of savings is therefore monitored across all years of a project's delivery profile. Including early delivery from previous years, it is projected that current savings targets will have been exceeded by £2.886m by March 2020. Overall, across the period 2018/19 to 2020/21, the Improving Lives Portfolio is still forecasting to over-achieve its savings target in its entirety.
16. As an example of service improvement, work has been undertaken to increase the capacity and effectiveness of the Council's reablement service. This service provides short-term support to people in their own homes to help them maximise their independence by regaining skills and confidence after a period of illness or a hospital admission. Between April and August 2019, 938 people completed a programme of reablement, 181 more people than for the same period last year.
17. An example of reablement support is described below:

Because of a fall at home and a stay in hospital, Mrs F lost confidence in her mobility and found it more difficult to get dressed. Mrs F was referred to the Council's reablement services and over a period of 3 weeks, with the support of an Occupational Therapist and Reablement Support Workers, regained her ability to dress independently again. Mrs F missed being able to tend to a mule that lived in a field alongside her home. The Occupational Therapist came up with a safe technique to help Mrs F get in and out of her home using a walking frame. Mrs F practiced daily with the help of the Reablement Support Workers and now, having built up her confidence again, is able to visit the mule independently to give him a biscuit and guide him to his stable at bedtime.

Extension of the Improving Lives Portfolio

18. Currently, the Improving Lives Portfolio has three programmes of work to deliver service transformation in line with the Adult Social Care Strategy. Whilst work continues to deliver the current scope of the Improving Lives Portfolio by March 2020, work is also underway to agree the governance of future transformation activity up to March 2023, and to ensure that it aligns with the programmes described within the refreshed Adult Social Care and Public Health Departmental Strategy for 2019-2021, which are:
 - Prevention and promoting independence

- Integrated Health and Social Care, and partnerships
- Delivery of high-quality services.

Appendix 2 provides a quarterly update, as at the end of June 2019, on progress against these programmes.

19. The future governance of the Improving Lives Portfolio will also reflect the remodelled Adult Social Care Senior Leadership Team structure that Committee approved in September 2019.
20. Work continues to identify further opportunities to release efficiencies and to transform services and Committee will continue to receive regular updates on progress.

Other Options Considered

21. No other options on reporting have been considered as this is the method of reporting approved by Adult Social Care and Public Health Committee and Improvement and Change Sub-Committee.

Reason for Recommendation

22. To keep the progress of the Improving Lives Portfolio under review by Committee.

Statutory and Policy Implications

23. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Data Protection and Information Governance

24. The data protection and information governance requirements for each of the savings projects is being considered on a case by case basis and Data Protection Impact Assessments will be completed wherever necessary.

Financial Implications

25. The department is currently forecasting a net underspend of £4.856m due to the reasons outlined in **paragraphs 8 -10**.
26. Progress, as at the reporting period ending July 2019, in achieving the 2018/19 to 2020/21 savings targets for each existing programme is detailed in **Appendix 1**.

Public Sector Equality Duty Implications

27. The equality implications of the Adult Social Care & Health savings and efficiency projects have been considered during their development and, where required, Equality Impact Assessments undertaken.

Implications for Service Users

28. As above, the implications of the savings projects on service users have been considered during their development.

RECOMMENDATION

- 1) That Committee considers whether there are any further actions it requires arising from the information contained in the report.

Paul Johnson
Service Director, Strategic Commissioning and Integration
Adult Social Care

For any enquiries about this report please contact:

Jennifer Allen
Strategic Development Manager, Adult Social Care Transformation Team
T: 0115 9772052
E: jennifer.allen@nottsccl.gov.uk

Constitutional Comments (EP 16/09/19)

29. The Adult Social Care and Public Health Committee is the appropriate body to consider the content of the report. If Committee resolves that any actions are required, it must be satisfied that such actions are within the Committee's terms of reference.

Financial Comments (KAS 25/09/19)

30. As at the end of July 2019, the Adult Social Care and Public Health Department is forecasting an in-year underspend of £5.327m before reserves and £4.856m after accounting for reserve movements.
31. The savings currently forecast to be delivered by the end of this financial year are £2.886m more than the cumulative target due to the early delivery of savings. This has been factored into the department's forecast financial position and is contributing to the in-year underspend position.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

[Adult Social Care and Health – Senior Management Structure](#) – report to Adult Social Care and Public Health Committee on 9th September 2019

[Adult Social Care and Public Health Departmental Strategy for 2019-2021](#)

[Progress Report on Budget, Savings and Improving Lives Portfolio](#) – report to Adult Social Care and Public Health Committee on 10th June 2019

[Progress Report on Budget, Savings and Improving Lives Portfolio](#) – report to Adult Social Care and Public Health Committee on 4th March 2019

Electoral Division(s) and Member(s) Affected

All.

ASCPH679 final