



10 October 2016

Agenda Item: 7

**REPORT OF THE PROGRAMME DIRECTOR OF TRANSFORMATION,
ADULT SOCIAL CARE, HEALTH AND PUBLIC PROTECTION**

**SAVINGS AND EFFICIENCIES UPDATE AND PROPOSAL TO MAXIMISE
THE INCOME AVAILABLE TO THE COUNCIL'S DIRECTLY PROVIDED
ADULT SOCIAL CARE SERVICES**

Purpose of the Report

1. To update the Committee on progress with budget savings projects being delivered by the Adult Social Care, Health and Public Protection (ASCH&PP) department over the period 2016/17 to 2019/20.
2. To update the Committee on the progress of the Adults Portfolio of Redefining Your Council.
3. To seek Committee approval for the establishment of a full-time temporary Development Officer post for an initial period of 1 year, and for potential extension for a further year, subject to a review after the first year, from the date of recruitment to support the ASCH&PP department to maximise the income available to its directly provided social care services.
4. To seek Committee approval for the disestablishment of a full-time temporary Quality Development Officer post and the establishment of a part-time Business Support Administrator post for a period of one year to support the promoting independence in supported living and outreach services project.

Information and Advice

ASCH&PP Department's Savings and Efficiency Programme

5. The ASCH&PP department has already delivered efficiency savings of £67m over the period 2011/12 to 2015/16 through the delivery of savings and efficiency projects relating to Adult Social Care (excluding Public Protection savings).
6. This report updates Committee on progress, as at Period 5 2016/17, with the remaining projects falling under the remit of the Adult Social Care and Health (ASCH) Committee, approved by Full Council on 27 February 2014, 26 February 2015 and 25 February 2016. Please refer to **Appendices 1 and 2**.

7. This report also updates the Committee on progress in relation to the Adults portfolio of Redefining Your Council. Please refer to **Appendix 3**. Policy Committee also receives quarterly reports on progress against the Council's Strategic Plan and Redefining Your Council, with the next one due on 19 October 2016.
8. Please note that this report excludes progress on the savings projects falling under the remit of the Community Safety Committee, Public Health Committee, and the Business Support Services Review (ASCH&PP and Children, Families & Cultural Services) project, which falls under the remit of the Personnel Committee.
9. The overall financial position of the department, including savings at risk, is contained within the body of the financial monitoring report that is regularly considered by Finance and Property Committee, and its associated appendix. Any change requests approved to amend projects' savings targets and / or their profile of savings are also reported to Finance and Property Committee (see background papers).
10. The department's remaining savings targets, including the new projects approved in February 2016, are profiled as follows:

| 2016/17 | 2017/18 | 2018/19 | 2019/20 | Total |
|----------|---------|---------|---------|----------|
| £12.224m | £5.591m | £7.034m | £0.294m | £25.143m |

11. As Members are aware, each project is RAG (Red; Amber; Green) rated as defined in the status key within **Appendix 1**. Based on good practice from elsewhere, the County Council uses an 'experiencing obstacles' (yellow) category. This gives project managers a chance to highlight that aspects of a project are 'off target' without this necessarily meaning that there will be a resultant risk to overall savings delivery (e.g. some slippage in tasks within the plan etc.). In effect, the 'experiencing obstacles' category provides an early warning that action needs to be taken to rectify a problem and / or stop a position worsening so the project becomes 'at risk.' However, at this stage the scale of the issue, and any potential savings at risk, may be unknown and further work is required to ascertain this.
12. The current RAG rating of the 35 remaining projects as at Period 5 2016/17, and the breakdown of the remaining savings targets assigned to them, are provided in **Appendix 1**. This also shows any projects reporting exceptions and savings at risk of either slippage into future financial years and / or at risk of non-delivery. In summary, the position with regard to the achievement of the £12.224m 2016/17 savings target is as follows:
 - a. £1.679m savings (14%) will be realised by year end, from projects already completed / closed. Of this, £0.145m has been achieved in an alternative way.
 - b. £7.377m savings (60%) are on target to be achieved by year end.
 - c. At least £0.025m savings are anticipated to slip into future years. Additional slippage over and above this is being assessed so that it can be quantified and reported.
 - d. At least £0.032m is at risk of non-delivery by March 2017 and will need to be made up in future years. Additional savings at risk over and above this are being assessed so that it can be quantified and reported.

Across all years (2016/17 to 2019/20), at this stage it is anticipated that £0.717m is at risk overall. As and when any additional slippage, savings and / or savings at risk are quantified, they will be reported to Committee.

13. Within a portfolio(s) of programmes and projects of the scale of that being undertaken by the Department, it is to be expected that some projects will have delivery issues, which ultimately may result in failure to meet some or all of the savings. This is particularly the case where change has been overlaid on change and where projects are more transformational. For those projects reporting exceptions in **Appendix 1**, further detail on the reasons for these, and mitigating action in place to manage these, is provided in **Appendix 2**.
14. Of those projects currently on target to achieve their 2016/17 savings target, a case study example of progress being made by one of these is the *Targeted Reviews* project. This project builds on previous savings projects which aim to maximise people's independence, and thus reduce the cost of community care in younger and older adults, by reviewing packages of care, ensuring they remain sufficient to meet the needs of individuals in the most cost effective way. The project is delivering savings by focussing the work of the Central Review Team on reviewing packages of care falling into the categories detailed below:
 - a. Direct Payment packages - where surplus amounts have been identified, linking with the recoup project underway within Direct Payments.
 - b. New packages that have been set up, particularly following hospital discharge, including individuals who have not received re-ablement and may only need a short time limited service.
 - c. People who have two carers where, through the use of equipment, this can be reduced to one carer.
 - d. Packages of care which have not yet received an annual review.
15. Prioritising these reviews has resulted in enabling people to maintain their independence, health and well-being and reduced the cost of the package, realising significant savings for the Council. Savings in excess of £0.800m (assuming full year effect) have been recorded since April 2016, and this is ahead of the savings target for 2016/17 of £0.480m. Additionally, the focussing of this activity significantly reduces the backlog of overdue reviews, supporting the Council in meeting its objectives of timely review of all care packages.

Adults Transformation Portfolio Update

16. A quarterly update on key achievements for the five programmes that comprise the Portfolio, is contained in **Appendix 3**. The Portfolio is reporting good progress in achieving key outcomes and benefits required from the programme. The update also provides a forward view for the next three months. It is intended to include these key achievements, milestones and progress on savings in the next Council-wide Performance and Redefining Your Council Progress Update to Policy Committee.

Proposal to Maximise the Income Available to the Council's Directly Provided Social Care Services

17. The Council runs a range of directly provided social care services, for example Day Services, County Enterprise Foods (the Meals Service) and Short Breaks units. It is proposed that the services explore the viability of a range of ideas designed to generate new income and / or maximise the income available to the Council through trading.
18. The overall aim of this work would be to:
- Support services to work in a more commercially focused way.
 - Promote the greater community use of the services and their assets.
 - Develop a range of new business opportunities that have been identified in order to generate additional income to support the longer term viability of services.
 - Explore additional new business opportunities.
 - Review current charging processes to maximise income for the Department.
19. Although not exhaustive, some of the income generating opportunities that have been identified include:
- Offering people who fund their own care, or other private customers who do not have an assessed care need, the opportunity to purchase care and support from the Council's Day Services and Short Breaks units.
 - Offering neighbouring local authorities the opportunity to purchase spare capacity in the Council's Short Breaks units.
 - Increasing the range of services that people can purchase from County Enterprise Foods (the Meals Service) to support them to continue living independently in their own homes for longer.
 - Increasing the County Horticulture & Work Training services' farm shop sales and looking for opportunities to hold events for the public on the horticulture sites.
 - Reviewing the Short Breaks booking policy to ensure that the use of its resources are maximised.
20. It is proposed that a new temporary post of Development Officer (subject to job evaluation which will determine the grade, costs and authorised car user allowance) is established for an initial period of 1 year, and for potential extension for a further year, subject to a review after the first year. The post will provide commercial expertise and work alongside managers and staff working in Direct Services, and the Council's Commercial Development Unit, to undertake this work.
21. It is anticipated that the surplus income generated from developing the initiatives will, as a minimum, cover the cost of the temporary appointment. If the initial work to explore and develop the initiatives conclude that this may not be the case, the continuation of the post will be reviewed. Scrutiny of progress against the various initiatives will be included as part of the existing Direct Services delivery group agenda. Member oversight will be provided via update reports to this Committee.
22. This proposal will allow the Council to explore areas where, subject to Local Authority powers to trade, additional income could be generated by its directly provided social care services. In addition, by helping the services to work in a more commercially focused way, this proposal will also support work already underway within the department to explore alternative service delivery models for some of the directly provided social care services.

Proposal to change the post associated with the promoting independence in supported living and outreach services project

23. A Quality Development Officer post (QDO) was originally approved for 2 years until March 2017. This post has recently become vacant and an initial recruitment did not enable the Council to refill the post. The priority work of this post over the next few months is to monitor provider returns and check the data against the Council's internal systems to ensure savings are being made by the providers as reported. As systems to undertake this have now been set up, and the post is no longer required to provide additional quality monitoring of the services themselves, it is proposed that this post is disestablished and a new part-time (0.5 fte) Business Support Administrator post at Grade 4 is established in its place.
24. The QDO post was full time to March 2017, but experience at 2014/15 and 2015/16 year end suggests that work on the provider returns and the updating of financial systems to reflect the savings will take until year end of March 2018 as any changes during the year may affect the level of savings attributable. Therefore it is proposed that the newly established post is for 18 months at a cost of £15,792 plus NI and pension (Grade 4) compared to £16,170 plus NI and pension for 6.5 months of Quality Development Officer (Band A) time which was remaining since the post holder left.

Other Options Considered

25. There are no other options to outline in relation to the savings and efficiency elements of the report as this aims to update Committee on existing budget saving projects currently being delivered by the ASCH&PP Department.
26. The initiatives described against the proposal to maximise income available to the Council's directly provided social care services could be progressed by officers working within the existing Direct Services structure. However there is no spare capacity or appropriately skilled staff to undertake this work alongside business as usual activity. It is felt that it would therefore take much longer to develop, test and implement the initiatives.
27. A QDO post was being advertised at the time the existing post holder left and therefore if there had been enough suitably qualified applicants a QDO would have been appointed to fulfil the remainder of the 2 year post. A further advertisement could be undertaken to continue to try and recruit a QDO but it is unlikely that other candidates will come forward for a short contract. The nature of the work required has changed significantly since the post was established and therefore is felt that a Business Support Administrator could complete the work necessary.

Reason/s for Recommendation/s

28. The proposal to maximise income available to the directly provided adult social care services will allow the Council to explore areas, where subject to Local Authority powers to trade, income could be generated on a cost recovery basis which, by contributing to existing overheads, will help to reduce the subsidy for the services and support the

Council to deliver savings against the current budget. This proposal will also support work already underway within the department to explore alternative service delivery models for some of the Direct Services.

29. The proposal to disestablish the QDO post and establish a Business Support Administrator post for a longer period but part time better reflects the support required at this stage of the promoting independence in supported living and outreach services project.

Statutory and Policy Implications

30. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

31. The progress in achieving the 2016/17 to 2019/20 savings targets for each project is detailed in **Appendices 1 and 2**.
32. The proposal to maximise the income available to the Council's directly provided adult social care services, recommends the establishment of a full time temporary Development Officer post. The post will be funded from the additional income generated as a result of the work to explore income generating initiatives. Any shortfall in the funding of the post will be met from the Direct Services budget. Any additional income realised over and above the cost of the post will reduce the subsidy that the services require from the Council.
33. The proposal to disestablish the QDO post and establish a Business Support Administrator post will have minimal change to the total level of funding required as identified in **paragraph 24** but will move some of the cost into the next financial year. The funding for this post is already coming from the savings made in the project.

Human Resources Implications (SJJ 15/09/16)

34. The expected grade for the post of Development Officer is Band D; however this post has not been evaluated or allocated an anticipated grade by job evaluation. Once the grade has been confirmed the post will be recruited to using the County Council's vacancy control process.
35. The Quality Development Officer post will be disestablished and the new Business Support Administrator post required will be supplied by business support functions.
36. The recognised trade unions have been consulted and no comments received.

Public Sector Equality Duty Implications

37. The equality implications of the projects were considered in Equality Impact Assessments undertaken, published and considered as part of the 2014/15, 2015/16 and 2016/17 budget consultation process.
38. The proposal to establish the temporary Development Officer post will not in itself have an impact on the current staff and service user group. However, depending on the nature of the individual income maximising initiatives, as work to explore them in more detail commences, consideration will be given to the necessity to complete Equality Impact Assessments for them on a case by case basis.

Safeguarding of Children and Adults at Risk Implications

39. In respect of the proposal to maximise income available to the Council's directly provided social care services, the priority for the services will continue to be the provision of safe services for Nottinghamshire County Council residents with assessed social care needs. A full assessment of any safeguarding implications involved in the sale of services to neighbouring local authorities or to people who are not known to the Council and / or who fund their own care, will be made as part of the development of each initiative.

Implications for Service Users

40. The implications of the projects on service users were considered in the Outline Business Cases and Options for Change undertaken during their development that were published and considered as part of the 2014/15, 2015/16, and 2016/17 budget consultation process.
41. In relation to the proposal to maximise income available to the Council's directly provided social care services, people who currently access adult social care Direct Services will be able to continue to access these services and have their outcomes met as now. In addition, it is hoped that the proposal will promote increased use of the services within communities and also offer up new opportunities to service users.

Ways of Working Implications

42. It is proposed that the Development Officer will report to a Group or Service Manager within the Direct Services structure. It is envisaged that the post holder will work flexibly across the services. Scrutiny of progress against the various business development initiatives will be included as part of the existing Direct Services delivery group agenda. Member oversight will be provided via update reports to this Committee.
43. The Business Support Administrator will report to a business support officer within the business support unit with specific job related day to day supervision being provided within the strategic commissioning team.

RECOMMENDATION/S

That the Committee:

- 1) notes the progress with budget saving projects being delivered by the Adult Social Care, Health and Public Protection department over the period 2016/17 to 2019/20, as detailed in **Appendices 1 and 2**.
- 2) notes the key achievements of the Adults Portfolio of Redefining Your Council, as outlined in **Appendix 3**.
- 3) approves the establishment of a full-time temporary Development Officer post for an initial period of 1 year, and for potential extension for a further year, subject to a review after the first year, from the date of recruitment to support the Adult Social Care, Health and Public Protection department to maximise the income available to its directly provided social care services.
- 4) approves the disestablishment of a temporary Quality Development Officer post at Band A and the establishment of a Business Support Administrator post at Grade 4 for 18 months.

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Constitutional Comments (KK 19/09/16)

44. The proposals in this report are within the remit of the Adult Social Care & Health Committee.

Financial Comments (MM 29/09/16)

45. The financial implications are contained within paragraphs 31 to 33 of the report.

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.

- Report to Policy Committee, 13 November 2013: Savings Proposals 2014/15 – 2016/17 and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Full Council, 27 February 2014: *Annual Budget 2014/15* and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 12 May 2014: *Overview of Savings Projects to be delivered 2014/15 to 2016/17 by the Adult Social Care and Health Department.*
- Report to Adult Social Care and Health Committee, 3 November 2014: *Overview of Departmental Savings and Efficiencies Programme.*
- Report to Policy Committee, 12 November 2014: *Redefining Your Council: Transformation and Spending Proposals 2015/16 – 2017/18.*
- Report to Finance and Property Committee, 19 January 2015: *Financial Monitoring Report: Period 08 2014/15* and Appendix.
- Report to Full Council, 26 February 2015: *Annual Budget Report 2015/16* and associated published Options for Change and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 30 March 2015: *Transformation Resource – Overview of Departmental Requirements.*
- Report to Adult Social Care and Health Committee, 1 June 2015: *Overview of Departmental Savings and Efficiencies Programme – Adult Social Care, Health and Public Protection.*
- Report to Finance and Property Committee, 14 September 2015: *Financial Monitoring Report – Period 4 2015/2016.*
- Report to Adult Social Care and Health Committee, 2 November 2015: *Departmental Savings and Efficiencies Programme – Adult Social Care and Health.*
- Report to Policy Committee, 9 December 2015: *Spending Proposals 2016/17 – 2018/19.*
- Report to Full Council, 25 February 2016: *Annual Budget 2016/17* and associated published Outline Business Cases and Equality Impact Assessments.
- Report to Adult Social Care and Health Committee, 7 March 2016: *Departmental Savings and Efficiencies Programme – Adult Social Care and Health.*
- Report to Adult Social Care and Health Committee, 13 June 2016: *Update on the Transformation Portfolio.*
- Report to Finance and Property Committee, 18 July 2016: *Financial Monitoring Report: Period 2 2016/2017.*

Electoral Division(s) and Member(s) Affected

All.

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