
Report to Audit and Finance Committee, Clackmannanshire Council

Date of Meeting: 16 November 2017

Subject: Health and Social Care Partnership & Children's & Justice Services

**Report by: Chief Officer, Integration Joint Board & Head of Service,
Children's & Justice**

1.0 Purpose

- 1.1. This paper provides the Audit and Finance Committee of Clackmannanshire Council with current information on the financial performance of the services within the Health and Social Care Partnership. The services have been delegated to the Chief Officer for operational management since 3 July 2017.
- 1.2. The report also updates the Committee on the financial performance of Children's and Justice Services.

2.0 Recommendations

- 2.1. The Committee is asked to note the projected overspend within the services delegated by the Integration Joint Board to Clackmannanshire Council and the key pressures outlined in Table 1.
- 2.2. To note the financial performance of Children's & Justice Services

3.0 Considerations

Health and Social Care Partnership

- 3.1. The budget was agreed by the Integration Joint Board on 29 March 2017. The budget delegated to Clackmannanshire is £15.343m in line with the payment transferred to the Board from Clackmannanshire Council as a constituent partner. Services delivered by Clackmannanshire Council are in line with the Strategic Plan and the Directions.
- 3.2. The current position reported to the Integration Joint Board on 18 October 2017 is a risk of over spend across the Partnership of £3.246m, an upward movement from the projection in August 2017 of £2.118m. The overall position is reported in the outturn grid below.

3.3. Table 1:

Budgets Delegated to:	Delegated Budget	Current Projection	Previous Projection	Movement
	£m	£m	£m	£m
Clackmannanshire Council	15.343	(1.853)	(1.246)	(0.607)
Stirling Council	31.414	(0.860)	(0.860)	0.000
NHS Forth Valley (excl Set-Aside for Large Hospitals)	110.497	(0.533)	(0.012)	(0.521)
PARTNERSHIP TOTAL	157.254	(3.246)	(2.118)	(1.128)

3.4. In table 1[above] the projected over spend in NHS Forth Valley primarily relates to the prescribing budgets and a considerable amount of work is taking place to address this situation.

3.5. In respect of Clackmannanshire the key projected areas of pressure are within the Residential and Nursing Homes budget @ £0.931m and in care at home @ £0.727m. The projected over spend is now 12.1% of the delegated budget.

3.6. The service continues to experience continuing increases in demand and activity in both of these key areas.

3.7. A session is due to take place in late November 2017 with the voting members of the Integration Joint Board to consider the current budget pressures across the Partnership.

Residential & Nursing Homes

3.8. We know from the Strategic Needs Assessment that the number of older people in the Clackmannanshire area is rising – in particular in the 75 years plus age group. The increasing number of older people requiring support is reflected across the Partnership and NHS Forth Valley services and nationally.

3.9. The residential and nursing home activity has seen a 9.7% increase across all care groups from 2016/17, but the bulk of the activity relates to older people.

Table 2:

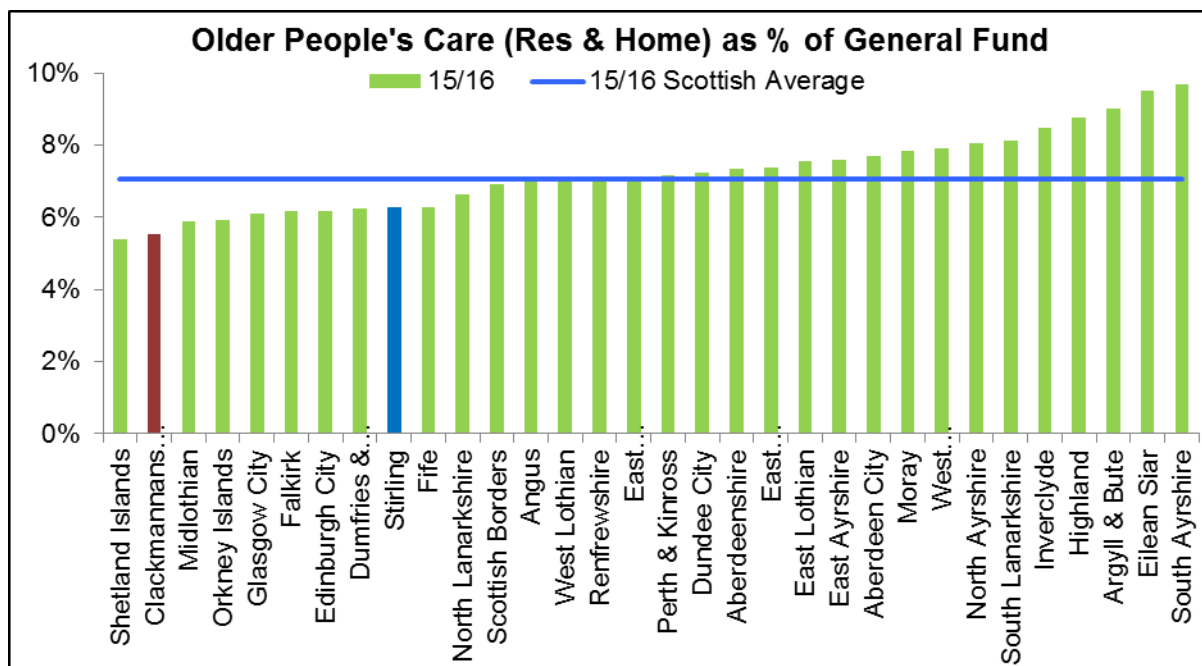
Month	Activity (All Care Groups)			Increase	
	Care Weeks	Bed Nights	Places	Places	%
Mar-17	10,161	71,127	195		
Sep-17	11,172	78,204	214	19	9.7%

3.10. Two thirds of the pressure relates to increased activity and a third due to increased costs in relation to the provisions of the National Care Home Contract, which sets out the costs of care home beds across Scotland and includes the impact of the implementation of the Scottish Living Wage within the rates. The service has a £1.049m cost increase compared to the previous year and is currently supporting 199

placements for older people over 65 years of age, with a further 15 people in privately run residential care homes.

- 3.11. The National Care Home Contract rate for placements is currently £667.09 per week.
- 3.12. A spot audit carried out of the care home placements in August 2017 confirmed that the placements being made were appropriate and the majority of people were over 75 years of age rising to people in their 90's. People had also been supported to live at home prior to admission to the care home and there was clear evidence of carer stress.
- 3.13. It is important to place the care home placement rate in context. This Partnership has a positive history of supporting people within their own homes – the recent performance report to the Integration Joint Board and the Annual Performance Report confirms that the Partnership and in particular Clackmannanshire supports more people at home than the Scottish average.
- 3.14. In addition there has been a relatively low spend [expressed as a % of the General Fund] on the care of older people. The 15/16 data in relation to spend on residential and nursing home beds as a % of the General Fund is shown below in table 3. Further updated data is due to be published by the Information Services Division of the Scottish Government by the end of 2017, which will give us a more accurate picture of the changing demand and spend across Scotland.

Table 3



- 3.15. The number of available placements within the Partnership is currently affected by a fire in a care home in the Fife area [where we had a number of placements] and a moratorium on another care home in Stirling stopping all new placements for the time being until care standards improve and are sustained. While this will limit the number of placements available further it will also place pressure on other areas such as care at home and hospital services.

Care at Home

- 3.16. Activity levels relating to care at home also continue to increase, reflecting the increasing pattern of referrals to the service as whole. The projected increase in hours being provided is 3.7% with the effect of this incorporated within the projected cost pressure of £0.727m.

Table 2

Other Cost Pressure Areas

- 3.17. There are a number of other areas of cost pressure indicated within the budget forecast including demand for respite, equipment and adaptations, and staffing costs due to absence levels, particularly within Menstrie House.

Delivery of Efficiency Programme

3.18. In	Care at Home Hours		
	2016/17	To March 17	548,855
	2017/18	September Projection	569,098
		Increase (%)	3.7%

common with all other services within Clackmannanshire Council the budget was set including efficiencies.

- 3.19. At this point in the financial year there is limited evidence of the impact of the delivery of the savings and efficiency programmes. Further to the agreement of the 2017/18 Partnership budget a savings programme totalling £1.2m was developed and the significant service change implications approved by the Integration Joint Board in June 2017 as part of a required Budget Recovery Plan.
- 3.20. The 2017/18 efficiency savings directly relating to Clackmannanshire and reported to the Council as part of the budget strategy paper are as detailed below:

SW 178 002	Policy	£524k	Proceeding. Review activity underway. Can be impacted by unforeseen changes in demand for services. Budget forecasts indicate service levels continue to outstrip the budget.
SW 178 001	Policy	£50k	Respite care for adults. On target to achieve savings in 17/18.

- 3.21. In addition to the above policy savings outlined to the Council the Integration Joint Board Budget Recovery Plan contains further activity to both develop services and align the spend to the available budget. An outline of the relevant areas of activity for Clackmannanshire is contained in appendix 1.
- 3.22. A range of short term management measures and longer term actions are also being developed to address the pressures. These are:

Short Term Management Actions

- Review of the management arrangements for Menstrie House and increased focus on absence management both within Menstrie and across the service areas. This includes a monthly absence management meeting.
- Monthly absence management meetings with HR established for each area of service to support the application of the attendance management policy.
- Review CCIS [the client based information system] and reconcile individual care plans to invoices. Over 5,000 desk top reviews have now taken place and an end of month reconciliation will now take place. The information on CCIS drives the projections for the budget and it is crucial that this is as accurate as possible.
- A further review of the invoicing system and the links to the care plans will also now take place. It would be beneficial for the Service to have some input from internal audit to support improvement and this request has now been made. There is considerable work ongoing within the Council to procure a new client based information system which should improve the links and information. In the short term we are reliant on a number of different systems to care plan, invoice providers and to record the budget.
- Vacancy management – only essential vacancies are now being filled. An example of an essential vacancy would be a care worker post within a registered service where there are Care Inspectorate minimum levels of staffing which must be maintained. A risk statement is prepared for any vacancies which are not filled.
- Eligibility criteria and service standards – the service has reviewed the service standards and is reviewing the application of the eligibility criteria for services to the top two tiers of 'critical' and 'substantial', meaning that only people with the greatest level of need will receive services. This is a measure previously agreed by the Council. It is a short term measure and is not sustainable over a longer period of time since it will lead to a deterioration in some of the key measures for the Partnership, build of waiting times for services and a reduction in the level of spend directed towards early intervention.
- A Resource Panel has been established covering all areas of the service to support joint, service manager decision making and equity of access to available resources. The Service Managers have lead responsibility for ensuring that there is no unavoidable expense and that the eligibility criteria for access to services is adhered to.

Longer Term Management Actions

- Carry out a base budget review of Menstrie to understand the full unit costs of provision and address the use of relief staffing. This action will be complete by end of November.

- Review of reablement care at home with support from iHUB to achieve the most cost effective service possible for the Partnership
- Review use of beds within Ludgate. This will be complete by December 2017
- Review use of rental properties across the service and where possible retract to a smaller, more sustainable number of buildings. The first stage of this will be complete by the end of December but the final outcome is dependent on the models for the delivery of learning disability and mental health services across the Partnership.
- Re focus individual reviews of need within older peoples and learning disability services. The reviews of individual needs are a key part of the management of resources and ensure that people have the right care to meet their needs. The individual reviews are ongoing and need to pick up pace to help address the pressures.

Children's & Justice

3.22 Budget

Children's and Justice Budget [2017/18] - £14.364m

As at March 2018 - £0.100k

Budget % - 0.61%

Over spend @ June 2017 - £0.88m

Variance Reduction – (£0.012)

- 3.23 Significant progress has been made on the management of the Children's Services budget; this is mainly due to robust budget management and gate keeping of resources. Of note is an underspend of £403,000 in residential school costs, this is attributed to more innovative care planning and alternative community based resources being utilised.
- 3.24 The main areas of pressure continue to be on external foster care placements. This matter is being addressed by robust foster care recruitment – the service are currently assessing 9 potential foster carers and, if all progress to become foster carers, this should contribute to lessen the spend on externally purchased placements.
- 3.25 The Service Managers have also modernised the recruitment adverts and processes which have assisted in recruiting a higher calibre of staff and the financial impact of this has reduced the spend on agency staff by 56%, and negated the need for the service to employ agency staff altogether.
- 3.26 The redesign of services and the establishment of the Intensive Family Support Service and Functional Family Therapy will offer strengthened community based resources to *Shift the Balance of Care* to supporting

children and their families at home, in their own communities when it is safe to do so.

4.0 Conclusions

Health and Social Care Partnership

- 4.1 This report sets out the significant areas of challenge for the Health and Social Care Partnership services. While the projections do relate to a relatively early period of the financial year and have the potential to be improved through efforts to deliver the savings and efficiency programmes and improved management of processes there is an increasing risk that the budget will be over spent in year.
- 4.2 There are limited options for the service to reduce costs further in year set against increasing evidence of demand and increased complexity. This, coupled with the anticipated financial outlook for future years, indicates the need for a far more radical approach to service design and delivery than has been taken thus far. The traditional approach to savings and efficiencies taken in recent years is having a diminishing return and, whilst still of some value, will not in itself deliver sustainable service models in the face of reducing resources, increasing demand and complexity.
- 4.3 It is critical that efforts to further examine and design sustainable service delivery models continues to take place and in a collegiate manner across the Partnership while supporting and maximising further opportunities for integration of services.

Children's & Justice

- 4.4 The work taking place to develop the services and the impact is outlined above.

5 Sustainability Implications

- 5.1 As noted within the body of the paper.

6 Resource Implications

6.1 *Financial Details*

- 6.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes X

- 6.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes X

- 6.4 *Staffing- not applicable*

7 Exempt Reports

7.0 Is this report exempt? No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Equalities and Human Rights Impact Assessment is not required at this stage in relation to the report, which is for noting. Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

APPENDIX 1 - BUDGETS DELEGATED TO CLACKMANNANSHIRE COUNCIL			
	Annual Budget £m	Projected Expenditure £m	Projected Variance £m
Employee Related Expenditure	7.306	7.280	0.026
Premises Related Expenditure	0.011	0.011	0.000
Transport Related Expenditure	0.048	0.043	0.005
Supplies and Services	0.376	0.496	(0.120)
Misc Third Party Payments	0.569	0.300	0.269
Transfer Payments	0.442	0.604	(0.162)
Nursing Homes	7.049	7.980	(0.931)
Residential Homes	2.903	3.172	(0.269)

Housing with Care	0.257	0.218	0.039
Respite	0.000	0.197	(0.197)
Care at Home	6.665	7.392	(0.727)
Day Care	0.327	0.302	0.025
Housing Aids and Adaptations	0.202	0.202	0.000
Management Support	0.129	0.129	0.000
Strategy Services	0.110	0.110	0.000
Garden Aid	0.105	0.105	0.000
Resource Transfer (Health)	(6.161)	(6.162)	0.001
Income	(4.995)	(5.185)	0.190
Grand Total	15.343	17.195	(1.853)

Appendix 2 – Budget Recovery Plan

The following is an extract from the wider Budget Recovery Plan for the Integration Joint Board. The longer term actions are part of the Transforming Care programme, which are reported to the Board.

IJB Ref	Action	Svce Manager /owner	Sub Action	MCB Ref	Notes
1b	Review of needs [general]	Linda Melville	Review all care packages for older adults over 7 hrs per week [excluding LD & MH]	SW 008 172	Review programme underway.
2b	Care at Home	Janice Young	Review of Care at Home model including reablement	-	Transforming Care
3b	Commissioned Services	Jim Robb	Review 3 rd Sector Services- LD & MH	-	
4b	Learning Disability	Jim Robb	Review all LD care packages		
5b	All Care Groups	Jim Robb/Janice Young	Review respite		
6	Learning Disability	Jim Robb	Review operational model for LD service		Transforming Care
8a	Mental Health	Jim Robb	Review operational model for MH service		Transforming Care
8b	Mental Health	Jim Robb	Review all MH care packages		
10	Menstrie House	Janice Young	Review baseline budget, building review & model of care		Transforming Care
11b	Ludgate	Janice Young	Day Care review		Transforming Care- with NHS services
12a	ADL & Equipment	Linda Melville & Janice Young	Review standards & eligibility with Stirling		

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)


Yes (please list the documents below) No

Integration Joint Board *Financial Report 18 October 2017*

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Shiona Strachan	Chief Officer	Extension : 2018
Celia Gray	Head of Service & CSWO	Extension : 5017

Approved by

NAME	DESIGNATION	SIGNATURE
Shiona Strachan	Chief Officer, Health & Care Integration	
Nikki Bridle	Depute Chief Executive	