

<b>SREPORT TO:</b>	Health and Wellbeing Scrutiny Committee 25 <sup>th</sup> January 2022
<b>SUBJECT:</b>	<b>SCRUTINY BUDGET CHALLENGE: ADULT SOCIAL CARE &amp; HEALTH DIRECTORATE</b>
<b>LEAD OFFICER:</b>	Annette McPartland Corporate Director of Adult Social Care & Health
<b>CABINET MEMBER:</b>	Cllr Janet Campbell Cabinet Members for Families, Health and Social Care
<b>PERSON LEADING AT SCRUTINY COMMITTEE MEETING:</b>	Annette McPartland, Corporate Director of Adult Social Care & Health
<b>PUBLIC/EXEMPT:</b>	Public

#### **POLICY CONTEXT/AMBITIOUS FOR CROYDON:**

A change in the way we deliver social care in order to reduce spend and live within our available resources is underway. This aligns to the following Croydon Renewal Plan priorities:

- We will live within our means, balance the books and provide value for money for our residents.
- We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy.

<b>ORIGIN OF ITEM:</b>	As part of its assurance process on the 2022-23 Council Budget, the Scrutiny & Overview Committee has asked its three Sub-Committee to identify and scrutinise specific budget proposals to deliverable, sustainable and do not create undue risk.
<b>BRIEF FOR THE COMMITTEE:</b>	The Health & Social Care Sub-Committee is asked to review the information provided on the identified budget proposals and reach a conclusion on the following:- <ol style="list-style-type: none"> <li>1. The savings are deliverable, sustainable and are not at unacceptable risk.</li> <li>2. The impact on service users and the wider community is understood.</li> <li>3. That all reasonable alternative options have been explored and no better options exist.</li> </ol>

## **1. EXECUTIVE SUMMARY**

- 1.1. In January 2021, Adult Social Care & Health provided this committee with a report of the 2021/22 budget development proposals. This was followed up in May 2021 with an update on progress against the finalised budget and associated change programmes delivering aligned budget reductions.
- 1.2. This report continues the series of budget paper updates; specifically on this occasion Scrutiny have request a 'deep dive' on two key areas:
  - The reduction of care packages; and
  - managing demand.
- 1.3. Scrutiny has provided key lines of enquiry for both areas, and the report reflects a response on each matter.
- 1.4. Before moving to the two areas of focus, this report will also provide an overview on the newly drafted Adult Social Care & Health Strategy. This is the key driver for how both packages of care and managing demand form part of the core offer to residents, carers and partners.
- 1.5. There is also a brief update on the 21/22 budget position, and 22/23 budget development.

## **2. NEW ADULT SOCIAL CARE & HEALTH STRATEGY**

- 2.1. The draft Adult Social Care & Health Strategy sets the direction for service delivery, transformation and improvement in Croydon for the next four years. It will go to Cabinet with a recommendation to adopt it, on 7 February 2022 (see Appendix for draft document).
- 2.2. It will provide clarity to our residents, carers, workforce, providers and partners, on the core adult social care offer provided by Croydon Council, and within its commitments to the One Croydon Alliance.
- 2.3. The draft Strategy forms part of the Council's Adult Social Care & Health improvement and transformation journey; and is also in response to the November 2020 Non-Statutory Report which recommended a 'review of the [Council's] adult social care eligibility criteria'.
- 2.4. It should be read alongside other strategic plans such as the Croydon Renewal Plan and the Croydon Health & Care Plan (currently being refreshed). The key objectives will be supported through business case evidenced and approved actions captured in the directorate's 'business development and improvement plan'.
- 2.5. The Strategy describes how we will target our offer and be clear in what we can affordably do for our residents and utilise peoples' strengths to maximise their independence. Where possible, we want to enable our residents to have their own front door, to live in the borough, and be connected to their communities.

- 2.6. During its lifetime, the Strategy will enable us to deliver one of our key objectives which is to manage Croydon's activity and expenditure on adult social care to the London average or below for younger adults; and the English average or below for older adults. At the same time, fulfilling all our statutory responsibilities and ensuring that our adults are supported and those at risk of abuse or neglect are safe.
- 2.7. Over the last 12 months, the primary focus against the above points, has been delivery of the budget reductions and a grip on spend, which we have achieved. Moving forward, the revised directorate business development and improvement plan will set out how, through operational and commissioning improvement actions, we will progress to the activity and budget targets.
- 2.8. Ultimately, the Strategy is one of the key means to enable Adult Social Care & Health in Croydon to go forward on a sustainable footing whilst ensuring that people who need services receive them.

### **3. BUDGET AND SAVINGS BACKGROUND AND PROGRESS**

- 3.1. Adult Social Care & Health accounts for more expenditure at Croydon than any other service, approximately 31% of net budget. The pressures in this area are felt across the country. However, we know that our cost base is too high and we can learn from other councils.
- 3.2. Working closely with a Local Government Association (LGA) Adults and Finance expert, we have reviewed every aspect of our budget. We have modelled plans to deliver significant savings over three years, based on LGA recommendations.
- 3.3. We are changing how we deliver social care in Croydon, in order to live within the council's available resources. The overall objective is to reduce Croydon's activity and expenditure on adult social care to the:
  - London average or below for younger adults; and
  - The English average or below for older adults by March 2024, whilst fulfilling all our statutory responsibilities.
- 3.4. The 2021/22 agreed budget growth (£28.940m) and savings (-£10.978m). On the advice of the LGA finance lead, the council set a revised budget to reflect current activity. This accounts for £23.048m of the overall growth.
- 3.5. Savings are focussed on contract, package and placement spend reductions. Further areas being developed to support the savings proposals include options appraisals for Provider Services; and a review of the LIFE service (hospital discharge and community reablement).
- 3.6. The 2021/22 budget is based on current activity (the 2020/21 outturn) with 3% added for demand growth and 4% added for inflation; a 7.5% saving on package of care spend is then applied to the revised budget achieved.

- 3.7. Total package of care savings amount to 7.5%, which is in the cash limit. LGA advice was that 5% package of care spend savings for 2021/22 would be challenging but achievable if implementation started as soon as possible with appropriate resources and focus. Given high spending on Adult Social Care & Health, higher savings should be achievable in later years – potentially 10% a year, as there is more time to plan, consult and implement savings.
- 3.8. The staffing reduction (-£2.199m) has been achieved through a mixture of deleting vacant posts, restructure and voluntary redundancy.

### 2021/22 financial period monitoring

- 3.9. Inclusive of achieving in year budget reductions, Adult Social Care & Health is also forecasting at Period 7, a £1.088m underspend, a positive movement of 0.219m from Period 6.
- 3.10. The directorate is forecasting to deliver 100% of budget reductions (£10,978m).

### 2021 - 2025 medium term financial strategy budget implications

- 3.11. Below shows the original Medium Term Financial Strategy (MTFS) budget reductions and growth approved at Cabinet in 2021 (table 1); and new additional budget reductions and growth proposals, being presented to Cabinet and Full Council in February 2022.

Table 1 Original MTFS	< Incremental >			
	21/22	22/23	23/24	24/25
	(£,000's)	(£,000's)	(£,000's)	(£,000's)
Savings	(10,978)	(10,785)	(9,665)	-
Growth	28,940	6,919	6,880	-
<b>Net proposals</b>	<b>17,962</b>	<b>(3,866)</b>	<b>(2,785)</b>	<b>-</b>

Table 2 New additional proposals	< Incremental >			
	21/22	22/23	23/24	24/25
	(£,000's)	(£,000's)	(£,000's)	(£,000's)
Savings	-	(4,734)	(19)	721
Growth	-	2,669	19	19
<b>Net proposals</b>	<b>-</b>	<b>(2,065)</b>	<b>-</b>	<b>740</b>

#### 4. REDUCTION OF CARE PACKAGES

**Key line of enquiry:** What safeguards are in place to ensure reductions to care packages do not lead to harm? What assessments will be undertaken in advance of any reduction being implemented?

**Key line of enquiry:** What action will be taken if it is assessed that any individual is suffering harm from the changes?

**Key line of enquiry:** How will the Cabinet Member and the senior managers in the directorate be assuring themselves on budget delivery and the safety of vulnerable residents.

- 4.1. The changes in Adult Social Care & Health are being made on operational decisions and practice, using relevant legislation frameworks. The statutory service offer remains the same, and as outlined in the principles below:
- Our social care service eligibility and service provision reflect the relevant legislation underpinning social care and health through the Care Act (2014), Mental Health Act 1983, Mental Capacity Act, Deprivation of Liberty Safeguards, The Children and Families Act, Children with Disabilities Act, and the current social care action plan related to the COVID Act.
  - All packages are assessed or reviewed, proportionately, through a strengths based approach, considering safeguarding, to meet the needs of the individual and carers.
  - Residents can access appropriate services provided in-house or commissioned by the Council, or delivered independently by the voluntary and community sector.
  - Where people have the financial means to pay a contribution, or to pay for their care in full, this will be in line with the self-funding legislations outlined in the Care Act and wider National policy.
- 4.2. Our spend control panel meets daily, and receives all new and reviewed package of care requests. The panel consists of adult social care, finance and commissioning heads of service. The purpose is to ensure all cases presented have considered the following:
- Strengths based approach, focussed on an individual's assets rather than need.
  - Best/appropriate use of placement options, i.e. using supported living, or shared lives, placement in extra care housing before residential homes.
  - Direct payments, which are personal budgets giving the resident and carer more control over how and where their care is purchased.
  - Assistive technology, such as ceiling hoists, to enable single rather than double handed care.
- 4.3. All budget holders report monthly on spend and forecast, this is followed up by a Director and Head of Service and finance monthly meeting; this is then

reviewed by the senior management team as a whole, to ensure timely and appropriate action/escalation can be planned and delivered to mitigate overspend. It is then promoted to the Directorate Management Team and to the Corporate Management Team.

- 4.4. The Cabinet Member is briefed monthly on budget; and for personal assurances, has attended both the daily spend control panel and the operational reviews team meeting.
- 4.5. Further, there are a range of resident engagement groups in existence; we will work collaboratively with service users and their carers as we make service changes, engaging as appropriate.
- 4.6. Key to this, is our intention to review the strategy, noted earlier in this report, with partners and Croydon residents within 18 months of publication. The strategy has an accompanying equality impact assessment (EqIA). During the next 18 months, we will revise and update the EqIA, as and where we identify both positive and negative impacts on our residents and carers. This will be used to inform the next version of the strategy.
- 4.7. During 2022, and annually thereafter, the adult social care and health directorate will also publish a revised 'Local Account' (last published in 2017). Local accounts are annual reports designed to give local residents a clear picture of the achievements we have made in adult social care; how well we are performing, the changes and challenges we are facing and our plans for future improvements.

## 5. MANAGING DEMAND

<p><b>Key line of enquiry:</b> how will demand be managed to ensure the budget is delivered?</p>
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- 5.1. Our intention is to manage demand at every stage of intervention across the Adult Social Care & Health system, by working with partners to provide residents with the right help at the right time. As a system we will facilitate access to non-statutory preventative services, where appropriate, to improve health and wellbeing and/or we will intervene early to help residents stay well, live independently and prevent further need for services.
- 5.2. We are currently developing a programme of work to help us manage demand. We will help clients that need our services most whilst diverting those with lower level needs to more appropriate community based services. This approach will have a positive impact on council spending. The programme is large and complex and will take time to deliver, it is multi-faceted and steeped in research.
- 5.3. We will work closely with our voluntary and community sector partners to divert residents from Adult Social Care & Health by developing a shared and comprehensive offer of non-statutory support that is widely advertised, allowing residents and their carers to help themselves by independently seeking out services as much as possible, signposting where appropriate,

when needs are at a lower level. We will develop a preventative approach with partners, working with the NHS to address dementia care, stroke and falls prevention, for example, and with Public Health to encourage people to eat better, exercise more, develop healthy relationships and lead purposeful lives, again this will help minimise dependency on statutory services. Preventative interventions should begin to see a tail off in demand over the course of time.

- 5.4. We will explore how the front door, for both the community and acute hospitals, needs to adapt. We will review how initial inquiries are managed and resolved at first contact to ensure that the most appropriate help is given to our residents at the right time and by the right partner. We will look to strengthen the front door as a result of this analysis. We will also assess how we respond to demand from our acute hospitals and what improvements can be made there.
- 5.5. We will change practice to stop inadvertently bringing people into the social care system when less formal responses are more appropriate, such as access to re-ablement. We will review how initial offers of help are designed so that they reduce the need for longer term solutions and we will review our approach to people with long term needs so they have opportunities for greater independence. We will not assess at times of crisis but work with residents and their carers to utilise assets and assistive technology from the outset; we will only assess after a 'crisis' has passed to determine what support is actually required.
- 5.6. A skilled and stable workforce with a sound understanding of asset based assessments is key to managing demand. The delivery of care built on personal, family and community resources cannot be underestimated. We will ensure social work practices are consistent across the organisation through ongoing training. Practitioners should help people manage their own risks, and by working in partnership with carers, reviews should be geared towards promoting independence, where possible.
- 5.7. We have been reviewing the needs of working age residents with high cost packages of care. Their needs have been reassessed and the cost of their care has been recalculated using our Care Cubed cost benchmarking tool, which is already delivering savings for the council. CareCubed has been used to support negotiations in 3 cases. Additionally, negotiations are under way with several other complex cases (some with costs in excess of £5k per week) and CareCubed is being used. Bi weekly support sessions have been scheduled in with Social Workers, Commissioners and an Expert CareCubed user to discuss cases and provide guidance. More detailed analysis will be provided in a report to the General Purpose and Audit Commission on 3 February 2022.
- 5.8. This work is ongoing and will address the needs of residents currently within the adult social care system. The approach outlined above will apply to new residents and we anticipate system wide savings and improvements will follow in the implementation phase.

- 5.9. We will be reshaping our relationship with providers of Adult Social Care & Health services. Our ambition is to encourage providers to move residents to more independent living rather than formal care. We will be looking to develop clear outcome based specifications for each contract that incentivise delivery.
- 5.10. We will measure how well we are meeting our objectives through effective performance management, this will help us determine what interventions are having an impact and delivering financial efficiencies.

## **6. NEXT STEPS**

- 6.1. The directorate has been on a significant and demanding journey over the last 12 months, getting a grip on spend, practice quality, performance data and budget reductions; all the while responding to the needs of our residents in general and within the Covid environment.
- 6.2. Moving forward there remains much still to achieve, including genuine resident and carer voice, delivering the budget, managing demand, information advice and guidance, commissioning new services, shaping the market with providers including the voluntary and community sector, use of technology; and where appropriate integration of services with health.
- 6.3. Final growth and budget reductions for the directorate are progressing to Cabinet and Full Council in February 2022, meaning our core focus now turns to finalising the 'business development and improvement plan 22-25, as well as the borough's journey towards Integrated Care Systems.

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### **CONTACT OFFICER:**

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### **APPENDICES TO THIS REPORT**

Appendix 1 - Draft Adult Social Care and Health Strategy