

# **INTEGRATED PLAN**

## **PART B - STRATEGIC DIRECTION AND FINANCIAL CONSEQUENCES**

### **Adult Care & Health Portfolio**

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# Adult Care & Health Portfolio

**Strategic Direction:** Services for adults who need care and support promoting independence, personalisation and choice

## Scope - key services provided

Care and support services for :

- Older People
- Adults with Learning Disabilities
- Adults living with Mental Health problems
- Adults with Physical Disabilities
- Family Carers
- Strategic oversight and development of provider market
- Safeguarding services for vulnerable adults
- Working with NHS to deliver integrated services

## Summary of budget

	16/17	17/18 forecast	18/19 forecast
Net Budget (Revenue)	£312.4m	£322.8m	£326.1m

## Summary of key priorities and programmes

- Transforming operational teams to further embed Care Act
- Returning to budget balance and delivering efficiencies
- Developing accommodation strategies for all user groups in partnership with key stakeholders
- Transforming Care Programme for people moving out of long-stay hospitals
- Progressing health integration initiatives
- Creating new 0-25 Service to support transition to adult care
- Establishing combined Disability Service for people with learning disabilities and people with physical disabilities
- Creating a combined money advice and work solutions service
- Developing a new Telecare strategy
- Setting up a Home Improvement Agency shared service with district councils

## Summary of key savings proposals

- Demand management, and community based and technological alternatives
- Improving value for money in care purchasing including from the voluntary sector
- Service redesign – day services, accommodation strategies
- Improving productivity and streamlining back office functions
- Joint working with NHS

## Key risks in achieving IP proposals

- Population pressures and fragility of care market
- Achieving financial balance in context of previous year overspend and new efficiency targets
- Ensuring adequate resource to deliver major proposals
- Maintaining financial contribution from NHS

## Capital Programme

	17/18	18/19	19/20
Capital Programme	£17.4m	£20.0m	£30.5m

## Key capital schemes:

- Care Home re-provision
- Capital works in establishments
- Vehicle replacement
- Disabled Facilities

## Health and Community Services Portfolio: Future Strategic Direction

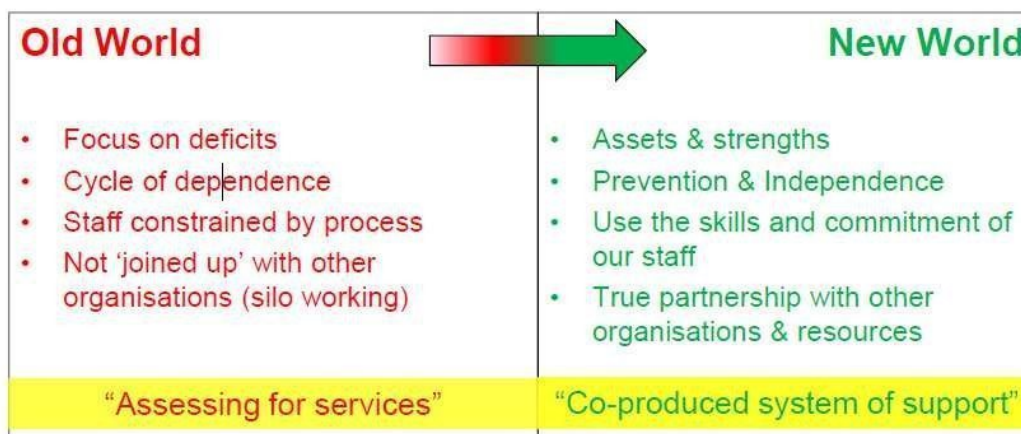
### 1. What are the key priorities for the portfolio over the period 2017/18 – 2019/20?

Adult social care is one of the core responsibilities of local authorities and is by far the Council's single biggest area of net spend. It is also one of our most noble duties, ensuring that those who are in need of care and support can receive it or be supported to live independently and within their own homes and families. Getting it right therefore matters.

In Hertfordshire, as across the East of England, adult social care faces considerable challenges arising from:

- demographic pressures from rising population (D08-D11)
- the changing expectations and needs of people who rely on care and support
- rising care costs (L04)
- the fragility of the care market leading to supply side shortages, recruitment difficulties, and risk of supplier failure which create difficult market conditions
- the duties arising from the 2014 Care Act, which represents a fundamental shift in social care provision and less predictable demand

### The Care Act challenge - a 'fundamental shift' ...



The **Hertfordshire Health and Community Services Three Year Plan** guides Hertfordshire's response to the challenging environment and our continued work on the Care Act 2014; and provides the strategic direction and priorities for the Health and Community Services (HCS) Department:

- To inform, advise and advocate for people and their family carers
- To develop community based services – to help communities support each other
- To enable people for the future – keeping people independent and safe
- To personalise people's care choices and support services
- To commission quality services and safeguard adults when they are vulnerable.

We are working closely with partners as far as we are able to deliver these priorities, and this has been particularly seen in relation to work with and support NHS partners as they develop Sustainability and Transformation Plans. Hertfordshire's Health and Wellbeing Board is leading our ambition to integrate services with the NHS so that social care and health professionals work together to provide the best service for individuals. Services for people with learning disabilities or mental health conditions are already integrated, and integrated services for older people and younger people with complex needs are in development.

**Example**

'HomeFirst' and 'Rapid Response' initiatives in Hertfordshire mean that social care and health professionals work together to deliver access to rapid support within 60 minutes. This helps older and vulnerable people to remain at home rather than going into hospital or residential and nursing care.

A fundamental component of the Care Act is the 'suitability of accommodation' in meeting the care and support needs of older and vulnerable people. The Act sets an ambition for housing to support a more integrated approach. Partnership working with our local strategic housing authorities has therefore been a developing theme for us, and one which is set to grow in importance in the year ahead. We want to make sure that we influence and promote the development of good quality housing for local people with social care needs in Hertfordshire.

A large number of service providers deliver social care, and we work closely with the Hertfordshire Care Providers Association (HCPA), the provider umbrella organisation. Our work to sustain the market includes:

- High profile marketing initiatives to promote the importance, value and job satisfaction of working in the care professions
- Carefully targeting our financial resources to support the labour market, for example in supporting sustaining rates of pay so that the 'Hertfordshire Care Wage' remains competitive compared to other parts of the labour market (L04)
- Ensuring the high quality of service and monitoring performance against the Hertfordshire Care Quality Standard
- Strategies for mitigating cost pressures in the market, such as jointly commissioning with the NHS, procurement strategies, and use of technological solutions such as telecare (HCS04).

Family members and friends who act as unpaid carers are a critically important part of the care system in Hertfordshire. We will continue to prioritise support for carers so that they can continue to make their invaluable contribution. This involves:

- Information and advice
- Providing breaks for carers
- Financial and employment advice and support
- Peer support and support groups with other carers.

During 2016 a new Co-Production Board has been established to provide a forum for early strategic discussions with people who use services – working with them on reshaping care and support within the cash envelope available and taking their view on departmental priorities and projects.

The Department has seen significant cost pressures in the 2016/17 year and it will be a priority to ensure a return to financial balance in the year ahead.

It will be a priority for the Department to begin a strategic planning exercise that will coincide with the refreshing of the HCC Corporate Plan and the review of HCS’s own Three Year Plan. This will be an important opportunity to work with all our stakeholders to consider the long term vision for social care in Hertfordshire.

## 2. What are the key pressures and challenges facing your portfolio for 2017/18 – 2019/20?

The implementation of the **Care Act in 2015** changed national eligibility criteria, gave local authorities new duties and gave more entitlements to family carers to help them maintain their caring role. 2015/16 was the first full year of the new legislation and demand for a greater level of services is evident for carers and for people with learning disabilities, autism and Asperger’s where new eligibility criteria can be interpreted as being wider.

**Population expansion means demand for support continues to grow** as shown in the table below. Through to 2030 Hertfordshire is expected to see a 49 per cent growth in the population over 65, well above the UK average rate of 35.6 per cent. Substantial growth in the over 85 population is also anticipated. (D08-D11)

**Table of population growth forecasts**

	Older People 65+	Older People 85+	Adults with Learning Disabilities	Adults with Physical Disabilities
Current population (2015)	194,300	28,500	21,100	71,000
% Rise in population since 2010	13.1%	15.9%	4.5%	3.3%
Forecast population by 2020	225,500	46,700	22,100	75,200
Forecast population by 2030	290,900	67,700	24,200	79,100
Percentage increase 2015-2030	49.72%	57.9%	14.69%	11.40%

In addition, people who rely on care and support **have changing expectations and needs**:

- Younger people with disabilities are living longer with more complex health and care needs. They may have increasingly challenging behaviour. They want to have fulfilling things to do in the daytime and feel safe to be part of their community. They want their services to be personalised to their specific care and support needs. They want to see an effective transition of their support and services when they become adults.
- People with mental health problems say they want to participate in high quality recovery programmes and have the stigma associated with mental ill-health be eliminated.
- The average age of older people who need support gets higher every year, with more people being frail with multiple long-term health conditions like heart disease and diabetes – but with a desire to stay at home and be as independent as they can.

**Changes to the benefits system** including disability benefits, and housing policy changes have also impacted some lower income households and we have seen an increase in demand for financial advice and for additional care services to keep people independent at home that might previously have been met informally within families.

Strategies to deal with the impact of rising volumes and greater complexity of requirements involve:

- Ensuring social care services are offered only where there appropriate levels of need which cannot be met by an individual's own personal care and support network, such as a family carer or local community groups (HCS01; HCS02; HCS12; HCS13)
- Supporting unpaid carers to sustain their caring responsibilities
- Fostering approaches such as Specialist Care at Home which promote independence and rehabilitation, rather than dependence on formal care (HCS03)
- Facilitating and enabling people who want to be responsible for arranging for themselves how they will meet their care and support needs which can make for more cost-effective solutions
- Working with NHS partners on new ways to support growing need and complexity
- Designing improved ways of supporting young people in making a planned transition to adult services via the council's new 0-25 Service
- Using telecare and consolidating provision of alarm technology to ensure people have the confidence to remain independent in their own homes and help reduce pressure for more costly forms of care (HCS04; HCS09)
- Developing our work solutions service to create stronger linkages across support for people seeking to return to employment and adult learning services. (HCS20)

- Maximising the efficiency of our workforce by improving our technology to facilitate mobile working thereby freeing productivity and capacity to meet rising demand. (HCS23)

There are strong indications of the **care market across the East of England becoming strained** in terms of its sustainability. Factors influencing this include:

- High employment, an ageing care workforce, coupled with high vacancy and turnover rates and greater competition with other sectors to fill vacancies. Recent survey work with a number of lead providers indicates ongoing challenges in relation to turnover and recruitment.
- Pressure to increase the rates we pay for care, as workforce pressures in particular lead to higher care costs. This is particularly acute when emergency action needs to be taken to guarantee ongoing support when providers fail, or in securing placements to facilitate prompt discharge from hospital.
- Closer working with the NHS and the drive to provide the most appropriate care at the lowest cost has indirectly led to cost pressures for social care. For example, closer working on hospital discharge means older people are discharged earlier than before from acute care and require larger care packages or short-term bed-based services to enable them to return home. The average size of a homecare package in the East of England has increased from 7.5 hours per week to 11 hours over the last 2 years. Success in new enablement schemes has mitigated this to an extent.
- An increasing shortage of home care services, which is a significant and ongoing concern. On a typical day in Hertfordshire, there are around 200 people on the 'pending list' waiting for long-term homecare services. Work on homecare capacity undertaken earlier this year identified a shortfall of 6,100 hours in mainstream homecare (3.6% of mainstream homecare hours required) for the month of April, demonstrating the lack of availability in the market.
- The impact of self-funders who pay significantly more for residential and nursing care fees than local authorities; this makes some providers reluctant to take local authority-funded placements at lower rates.

Market pressures can make it difficult for providers to sustain the quality of care they give, and the council has had to take action to respond to cases of provider failure during the year. Further, people say that they want to see the same staff delivering their care to build up a relationship with them and not have to repeat their needs. This is a basic expectation which, when not met, translates to higher complaints from people and pressure on care providers.

The Care Act 2014 requires local authorities to ensure there is a **sustainable and diverse market** for care and support, and to this end we are:

- Working actively to promote and develop the care workforce. Our Good Care campaign saw the Executive and Deputy Portfolio Member helping to showcase



the crucial role of care professionals across high profile local media channels, with a view to raising the profile of careers in the sector

- Maintaining wage rates in the care sector following the introduction of the National Living Wage (L04)
- Taking over the collection of service user contributions for residential and nursing care, reducing bureaucracy and helping provider cash flow
- Championing the Herts Care Standard to promote the vital importance of good quality care and carrying out monitoring of care providers to spot and work to resolve problems before services fall into serious concerns procedures
- Working with HCPA to support providers to succeed, grow and be sustainable
- Continually reviewing our market strategies and making these widely available through our 'Market Position Statements' which show how we wish to see the market develop
- Closely monitoring and challenging rates paid to providers to avoid price escalation
- Looking at innovative ways for the council to respond to the risk of provider failure
- Working increasingly with NHS partners to commission and procure care services in a joined up way, using our combined leverage to influence the market.

### 3. What are the key projects/programmes that the portfolio will deliver 2017/18 – 2019/20?

The Department has a range of programmes and projects through which to meet key objectives and deal with key pressures. Key projects to 'run the business' include:

- Reviewing our entire social work approach and practice to ensure we work in ways that **support independence and rehabilitation, building networks in the community** as an alternative to formal care (HCS01; HCS02; HCS12; HCS13). This ensures a personalised care planning approach for each person, maximising their independence at each stage and making connections for people in their local community.
- Continued work to transform our **day service opportunities** across our whole range of provision to make these more modern and flexible for people of all ages. These will include more opportunities for people to access mainstream leisure and community services, and the development of our day services to meet a wide range of needs and make better use of our buildings. Demand for something new is coming particularly from young people with disabilities who are transitioning to adulthood and want to work, volunteer or have very personalised services to meet their needs. (HCS16)
- Further work on our **accommodation programme for people with learning disabilities**. This involves a shift from residential care homes into modern

supported living services where people are tenants rather than residents and the service has an emphasis on improving people's health, employment or volunteering opportunities and integration into their local community. (HCS12)

- Continuing our involvement in the national '**Transforming Care**' programme to move people with very high care needs out of long-stay independent hospitals into a personalised care package of support the community. (OP12)
- Developing relations with housing providers and district councils as strategic housing authorities to ensure that the future **accommodation needs** of all service user groups are fully understood and programmes to meet these are developed; particular areas of focus include our future approach to Flexi Care provision, accommodation for people recovering from mental ill health and our capital programme for care homes.

Key projects to 'change the business' include:

- Working with Children's Services on the implementation of 'SEND' reforms (Special Educational Needs and Disabilities) and the creation of the **single 0-25 Together Service**. This will help in managing demand for future services and supporting young people who are making the transition to adulthood and their parents.
- Creating a new **lifelong disability service** which will bring together teams that support people with physical disabilities and people with learning disabilities – all working to a long-term care management practice model that helps people develop their skills, maximise their independence and design a personalised care and support package for their life.
- Developing new approaches to services service to promote access to training and employment and promote financial independence. (HCS20)
- Key projects / programmes that will contribute to supporting HCC's cross-cutting Transformation programmes include:
- Development of a new strategy for **telecare and other assistive technology** to ensure an appropriate range of preventative services which allow people to remain independent in their own home, as part of the council's work on prevention. (HCS04; HCS09)
- Our **Enabling the Worker Programme** which is facilitating staff to work in a more mobile way, and will contribute to corporate targets to reduce the council's accommodation footprint. (HCS23)

Key collaborations include:

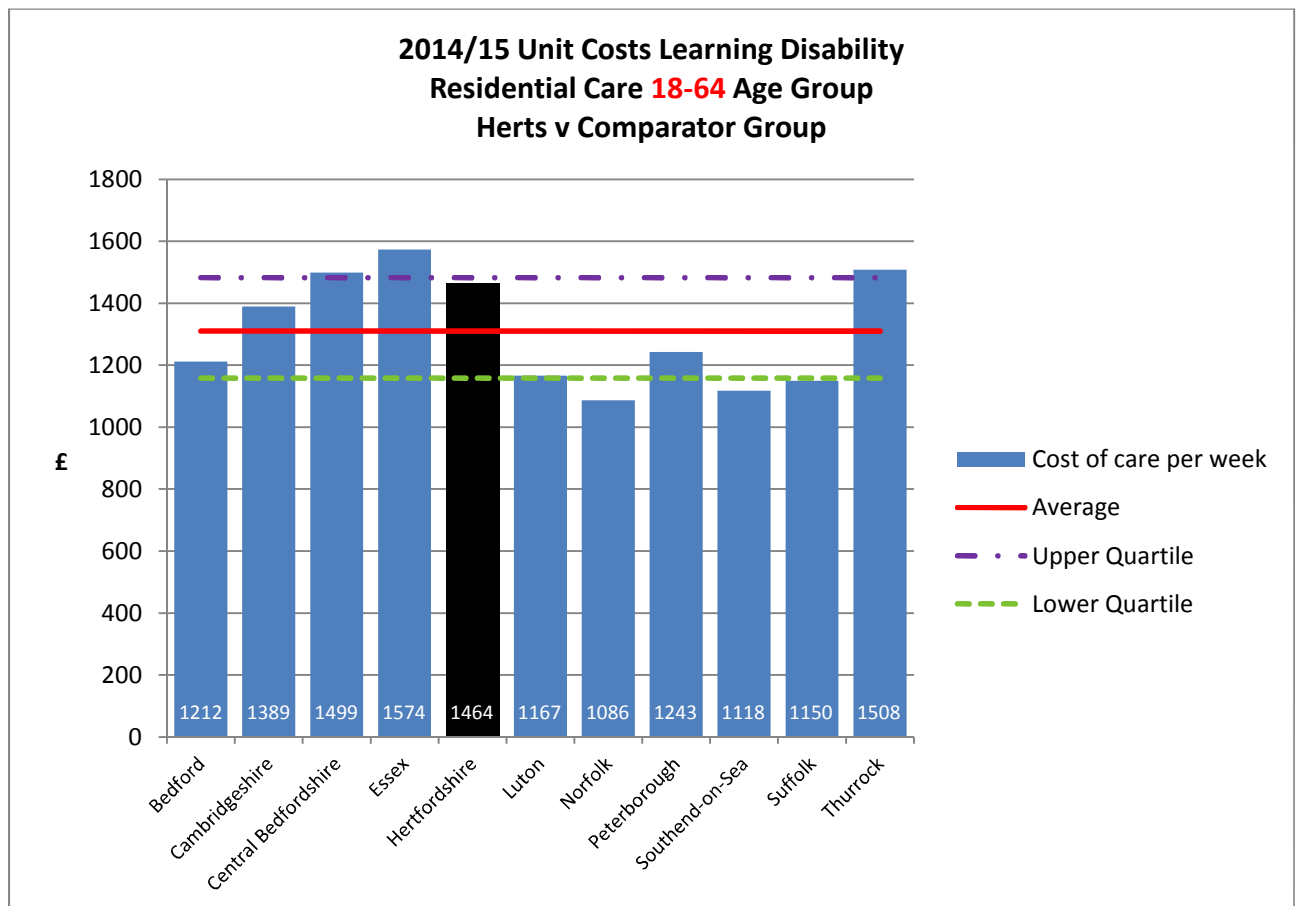
- Working with district council partners to create a **shared Home Improvement Agency** to deliver Disabled Facilities Grant services. The new service will aim to provide adaptations services which enable individuals to remain in their own home and prevent hospital admission

- Continuing work on our comprehensive **health integration programmes** with the aim of blurring the lines between traditional adult social care and community nursing boundaries, with the available NHS and council resources being used more effectively to meet people's needs and not duplicate provision.

**4. How has the portfolio reviewed its effectiveness / value for money in delivering service outcomes?**

The Department is able to compare performance with other authorities both in the East of England and nationally. In terms of benchmarking financial performance, expenditure and unit cost information on all authorities providing adult social care is available from the Health and Social Care Information Centre (HSCIC). In 2014/15 the basis for collecting cost information was changed and so figures are not comparable with previous years. Because of the change in approach there are data quality issues with the home care figures which make it difficult to compare across authorities.

However, the data on 2014/15 for residential and nursing accommodation for Learning Disabilities (£55.3m gross expenditure in 2014/15) shows Learning Disability unit costs running above the East of England average as demonstrated below.



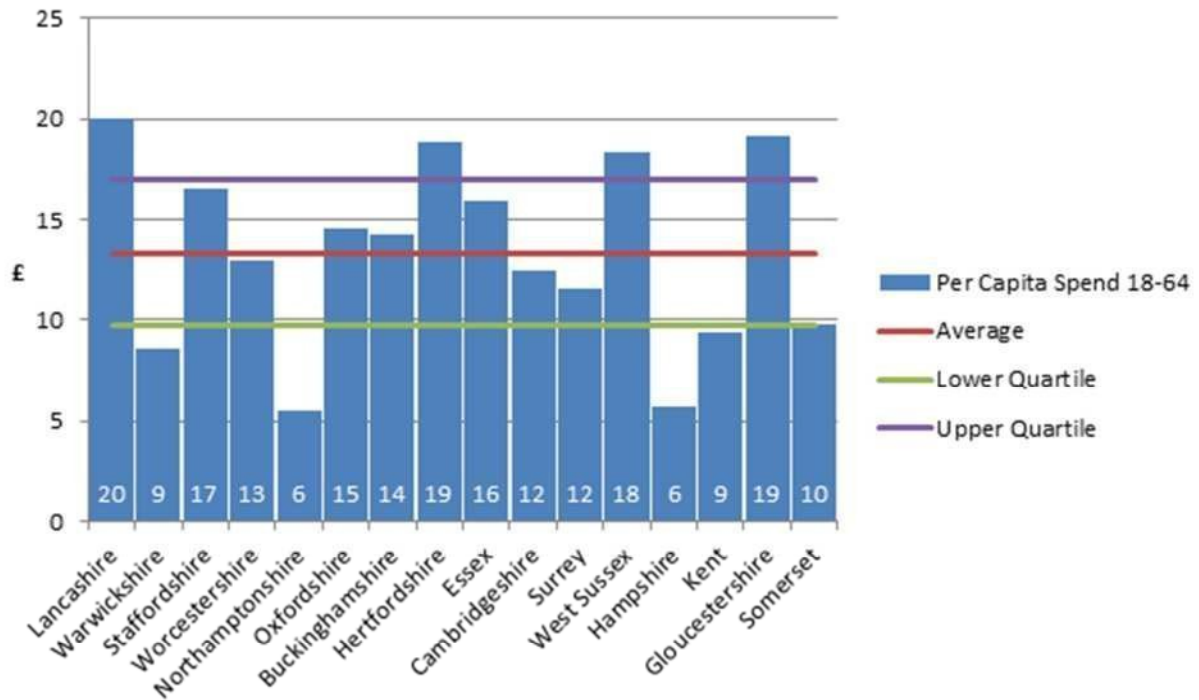
In response, a comprehensive Learning Disability Efficiency Programme is being developed which will ensure a systematic approach across all areas necessary to control LD spend, which comprise:

- Developing an in-depth knowledge of the people who are receiving help from them and an understanding of the costs being paid to meet those needs;
- Having clear aspirations to maximise the independence of all those who need services, and embedding this within practice
- Focussing on very personalised outcomes that each individual wants to achieve and looking at community options, their own circle of support and personalised care (including direct payments) to enable them to achieve this as independently as possible.
- Ensuring close working between Departments in relation to children transitioning into adult social care services
- Good partnership working with the NHS to ensure those with challenging behaviours are having their needs met
- Developing the workforce and appropriate skills sets in supported living
- A clear housing strategy to support those whose needs will best be met within supported living
- A clear strategy for the support of people with more complex needs
- A clear strategy for the role of day care
- Joined up working between all relevant parties.

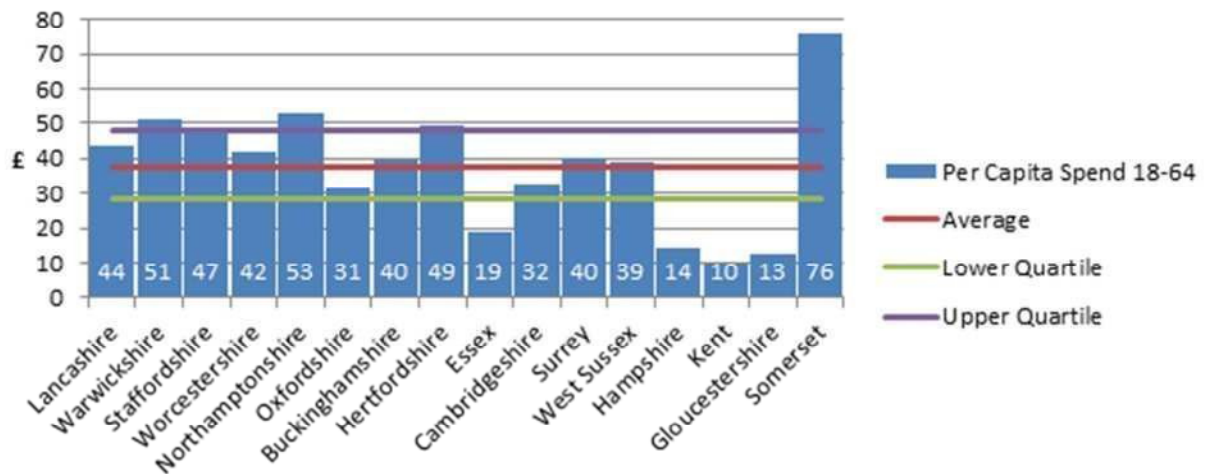
In the other major expenditure area of Physical Support, 2014/15 unit costs for residential and nursing accommodation run lower than the East of England Average for the 65+ age group (£40.8m gross expenditure in 2014/15), albeit higher for the 18-64 age group (£7.8m gross expenditure in 2014/15).

A detailed cost benchmarking exercise was carried out in relation to social care related mental health expenditure using Health and Social Care Information Centre data. In 2016/17 budgeted expenditure in this area totalled £21.8m. The work indicated scope for cost improvement and an efficiency target has been built into the 2017/18 integrated plan accordingly (HCS18). The work shows that Hertfordshire had higher per capita spend on long term mental health conditions as in the following graphs:

## 2014/15 Spend Long Term Mental Health per population aged 18-64 Herts v Comparator Group



## 2014/15 Per Capita Spend Long Term Mental Health 65 and Over Herts v Comparator Group



Operational performance data is collected nationally via the Adult Social Care Outcomes Framework (ASCOF) indicators. These represent a 'basket' of 27 measures across a variety of social care areas. In the latest available set of data relating to 2014/15 Hertfordshire obtained an average ranking of 73rd out of 152.

Hertfordshire's performance was better than that of the Eastern Region and England averages across 9 measures.

Hertfordshire performed particularly well against measures relating to carers, the level of control service users feel they experience over their daily life, the level of direct payments and proportions of service users receiving self-directed support; all of which are consistent with the HCS Three Year Plan commitment to keep people's well-being, choice and control at the core.

Areas with scope for further progress relate to the amount of social contact experienced by service users, delayed transfers of care and overall satisfaction.

Although national information is not yet available, Hertfordshire's own performance on the indicators for 2015/16 is known; in 14 of the 22 indicators which are comparable year on year performance has improved, including indicators relating to service user experience of services. Of the eight indicators where performance has not improved a number have been affected by work to improve data quality which has led to more accurate reporting; work is underway to explore the reasons for any decrease in performance and build improvement targets into service plans for 2017/18.

The Department participates actively in networking groups to learn from the experiences of others under the umbrella of the Association of Directors of Adult Social Services (ADASS). Care Act implementation progress has been a particular area in which benchmarking of progress has taken place, with Hertfordshire performing strongly in this area in comparison with other local authorities.

In November 2015 the Department invited a number of experienced Peer Reviewers to examine the Council's adult social care commissioning arrangements from a safeguarding viewpoint. Strengths and areas for future development were noted the Adult Care and Health panel approved an action plan for these in February 2016.

During 2016 senior managers have undertaken visits to Liverpool and Norfolk councils to share learning and identify good practice. In August 2016 a former Director of Social Services visited Hertfordshire to carry out a 'peer challenge' exercise as part of activity commissioned across all East of England authorities, providing an opportunity to consider how the Department might develop a very long term vision for social care within Hertfordshire.

In relation to preventative activity, HCS's response is led by the Community Wellbeing Commissioning Team which focuses primarily on preventative services that support adults in the community; assessment of these projects for the impact they have is an ongoing process.

The Team is working to establish ways of assessing the value of preventative activity. The approach being taken is to establish a base line/ average cost for our services, capture the outcomes in terms of what the services prevent (with an

evidence based cost against these items) and create a series of case studies to demonstrate the positive impact for individuals of using community services instead of statutory ones.

**5. What are the key savings proposals that have been identified to meet the budget gap 2017/18 to 2019/20; what additional actions will need to be taken to achieve these, and what are the potential impacts?**

- The Department has a number of savings proposals which relate to demand management, and providing community and technological alternatives to formal provision. This will be achieved within a context of supporting individuals to remain independent in their homes for longer, build skills and connections with their local community - and promoting an 'enablement' approach for people leaving hospital. These proposals relate to all areas and service user groups. (HCS01; HCS02; HCS03; HCS04; HCS09; HCS11; HCS12; HCS13)
- A further range of proposals relate to continuing work to maximise income (HCS08; HCS14) and to improve the value for money achieved when care is purchased by robust procurement and cost control strategies (HCS05; HCS06; HCS13; HCS14)
- Service redesign proposals cover:
  - the development of Day Services (HCS16; HCS17),
  - the accommodation strategy for adults with learning disabilities (HCS12),
  - General efficiency and improved cost control in the In-house Supported Living Service (HCS10) and in services commissioned from Hertfordshire Partnership Foundation Trust (HCS18)
  - the combined money advice and work solutions service (HCS20).
- A number of proposals relate to maximising the productivity of the front-line work force, streamlining back functions, reducing establishment size in our commissioning, business support and project management teams (HCS21; HCS22; HCS23; HCS24).

**6. What are the key risks in delivering projects and programmes for this portfolio, and what mitigations are in place? What steps are being taken to ensure resilience?**

Adult social care budgets have been under pressure for a number of years due to the ageing population and rising expectations of people who need care and their families. The risk that budgets are not enough to meet the demands of rising population are inherent in care purchasing budgets. The Department has experienced significant budget pressure in 2016/17 and will need to maintain robust budget management in order to progress back to financial balance.

The cost pressures emanating from the fragility of the care market and restricted supply of care create a risk of further escalation in prices for care.

These factors and the new and significant efficiency and savings targets for the Department coupled with reductions in back office support and capacity will mean that financial pressures are likely to re-arise unless utmost focus is maintained by budget managers and staff with care purchasing responsibilities throughout the department.

The Learning Disability Efficiency Programme (discussed above) has been developed in response to this, and the Older People and Physical Disability service has its own package of cost reduction measures including:

- Reviewing people's care looking for opportunities to build up their skills, enable them physically or in terms of their confidence and personalising a care package for their remaining eligible care needs
- Negotiating downwards high and medium cost packages with providers
- Focusing on reviewing additional support hours commissioned during crises
- Reviewing usage of direct payments
- Re-calibrating carer's direct payments consistency across the county
- Understanding the level to which direct payments are being used to purchase home care which risks distorting the market
- Maximising alternative funding streams
- Focusing on removing charging anomalies which benefit self-funders and long-stayers are charged.

Equally, the council must work hard to maintain the current levels of investment that the NHS already makes in social care, set against competing pressures in the health sector and there is a significant risk to the sustainability of the HCS budget if this resource is removed.

There are delivery risks associated with the projects and programmes necessary to achieve efficiency targets. For example the 'Accommodation for Independence' project has property-related dependencies which introduce a risk of delay. Rigorous project management arrangements across a number of efficiency areas are necessary to ensure achievement.



**KEY BUDGET MOVEMENTS 2017/18 - 2019/20**

	2017/18 TOTAL £000s	2018/19 TOTAL £000s	2019/20 TOTAL £000s
<b>Technical Adjustment</b>	(71)	(136)	(197)
<b>Demography</b>	17,389	22,126	29,872
<b>Legislative</b>	5,596	9,406	13,568
<b>Other Pressures</b>	445	445	445
<b>TOTAL PRESSURES</b>	<b>23,430</b>	<b>31,977</b>	<b>43,885</b>
<b>Existing Efficiencies</b>	841	(3,127)	(5,977)
<b>Existing Policy Choice</b>	(4,635)	(4,680)	(4,680)
<b>New Efficiencies</b>	(8,069)	(9,180)	(9,180)
<b>TOTAL SAVINGS</b>	<b>(11,863)</b>	<b>(16,987)</b>	<b>(19,837)</b>

Ref	Description	Dept	Type of budget movement	2017/18 TOTAL £000s	2018/19 TOTAL £000s	2019/20 TOTAL £000s	Approximate current budget £'000
TA03	<b>Technical Adjustments</b> <u>Independent Living Fund</u> To reflect the transfer of funding from the national Independent Living Fund to local authorities from July 2015.	HCS	Technical Adjustment	(71)	(136)	(197)	2,141
	<b>Service Specific Inflation</b> None						
D08	<b>Pressures</b> <u>Older People</u> Around 56% of the Adult Care Services budget for older people is spent on the 85 and over age group, 30% on the 75 to 84 age group and 14% on the 65 to 74 age group. The projected increases in the numbers in these age groups have been used together with the estimated spends on these age groups to produce the year on year budget increases required to meet demographic pressures.	HCS	Demography	4,223	6,043	9,310	140,211
D09	<u>Learning Disability</u> The demographic pressure estimates for the Learning Disability client group has been based on a combination of the full year effects of the placements made and planned to be made in 2017/18 plus estimates of the number of net additional service users to be funded in future years.	HCS	Demography	12,596	14,972	18,972	142,425
D10	<u>Physical Disability</u> The projection for demographic pressures is based on the projected increase in number of clients and type of support based on previous years. New clients are a combination of those young disabled people turning 18, road traffic accidents and degenerative conditions which affect people in their adult life. The increase will support an additional 7 service users (2 residential / nursing placements and 5 homecare packages).	HCS	Demography	371	732	1,044	25,954

Ref	Description	Dept	Type of budget movement	2017/18 TOTAL £000s	2018/19 TOTAL £000s	2019/20 TOTAL £000s	Approximate current budget £'000
D11	<u>Mental Health</u> The projection for demographic pressures is based on the number of net new/additional clients estimated from activity data provided by Hertfordshire Partnership NHS Foundation Trust for the current year. The increase will support an additional 6 residential / nursing placements.	HCS	Demography	199	379	546	16,985
L04	<u>National Living Wage for Commissioned Homecare and Residential</u> As a result of the Government announcement to increase the minimum wage to a national living wage there will be an increase in costs for care providers.	HCS	Legislative	5,596	9,406	13,568	119,526
OP12	<u>Winterbourne View - Transforming Care</u> People with learning disabilities / challenging behaviour who are leaving NHS accommodation in independent hospitals into intensive community care packages at cost to the local authority. The increase will support an additional 11 Transforming Care placements.	HCS	Other Pressures	445	445	445	142,425
<b>Savings</b>							
HCS01	<u>Care Homes - use of community alternative to defer placement</u> Use of new hospital discharge pathways, including assessment outside the ward environment, as an alternative to long term care.	HCS	Existing efficiencies	(1,000)	(1,000)	(1,000)	72,194
HCS02	<u>Older People Homecare - use of community alternatives</u> Enhanced use of existing Universal services provided by community and voluntary organisations, leading to lower levels of statutory services commissioned and maximising of limited homecare capacity.	HCS	Existing Efficiencies	(525)	(1,800)	(1,850)	34,133
HCS03	<u>Positive outcomes for people through new specialist care at home schemes</u> Fewer on-going care packages required for people leaving hospital because new specialist intensive care at home schemes rehabilitate and aid independence	HCS	Existing Efficiencies	(300)	(600)	(900)	58,421
HCS04	<u>Preventative Telecare</u> Savings against the older people's care purchasing budget relating to the implementation of Telecare for 1000 targetted people - to delay their need for adult social care.	HCS	Existing Efficiencies	(400)	(800)	(800)	103,561
HCS05	<u>Older People and Physical Disability Care Purchasing</u> Maximisation of block contract usage on short stay and day care.	HCS	Existing Efficiencies	(100)	(200)	(200)	1,851
HCS06	<u>Physical Disability - expert care purchasing</u> Negotiation with care providers to achieve better alignment of care fees with actual cost of care delivery, with no change to people's care packages.	HCS	Existing Efficiencies	(125)	(125)	(125)	4,084
HCS07	<u>NHS protection of social care and adherence to new national eligibility criteria</u> Budget adjustment reflecting lower than anticipated funding from the NHS.	HCS	Existing Efficiencies	3,000	3,000	3,000	95,388
HCS08	<u>Client Income</u> Client income has been increasing due to benefit changes, pensions triple lock and more supported living and direct payment packages.	HCS	New Efficiencies	(2,569)	(2,680)	(2,680)	(45,143)
HCS09	<u>Careline</u> Capitalisation of providing telecare equipment to users of the North Herts Careline service.	HCS	New Efficiencies	(300)	(300)	(300)	872
HCS10	<u>In-house Supported Living management action</u> General efficiencies and improved cost control.	HCS	New Efficiencies	(500)	(500)	(500)	16,585

Ref	Description	Dept	Type of budget movement	2017/18 TOTAL £000s	2018/19 TOTAL £000s	2019/20 TOTAL £000s	Approximate current budget £'000
HCS11	<u>Best Value Team target</u> Programme of reviewing Learning Disability provider costs and ensuring contractual compliance.	HCS	New Efficiencies	0	(500)	(500)	99,137
HCS12	<u>Learning Disabilities - use of community alternatives</u> Conversion of LD residential care homes to supported living services, maintaining quality but reducing costs to the county council. This item includes £1m reduction in saving due to underachievement in 2016/17.	HCS	Existing Efficiencies	500	(500)	(2,000)	99,137
HCS13	<u>Learning Disabilities - use of community alternatives</u> Recommissioning outdated models of care. Using community schemes as alternatives to formal social care.	HCS	Existing Efficiencies	(400)	(600)	(1,600)	99,137
HCS14	<u>Maximisation of alternative funding sources</u> Opportunities for substitution of council funding with funding from other sources.	HCS	New Efficiencies	(1,000)	(1,000)	(1,000)	115,722
HCS15	<u>National Living Wage Strategy</u> Adjustment of previous year's assumptions about National Living Wage costs	HCS	New Efficiencies	(2,500)	(3,000)	(3,000)	119,526
HCS16	<u>In House Day Services</u> Recommissioning of day opportunities using community facilities, universal services and promotion of volunteering and employment schemes where appropriate.	HCS	Existing Policy Choice	(1,100)	(1,100)	(1,100)	13,449
HCS17	<u>Transformation of External Day Services Provision</u> A new model of day opportunities which are less buildings-based, more community based and using local community capacity to deliver better outcomes for people. This level of savings is based on low impact changes as underutilised contracts expire.	HCS	Existing Policy Choice	(700)	(700)	(700)	11,096
HCS18	<u>Mental Health</u> The proposal is to introduce an efficiency requirement on reducing the amount of funding provided to the Hertfordshire Partnership Foundation Trust by HCC.	HCS	Existing Policy Choice	(1,040)	(1,085)	(1,085)	16,984
HCS19	<u>Herts Healthy Homes</u> Reduction in funding to Herts Healthy Homes, a service which supports individuals to remain in the community living independently.	HCS	Existing Policy Choice	(350)	(350)	(350)	500
HCS20	<u>Combined Money Advice / Work Solutions Service</u> To create a combined Money Advice / Work Solutions Service.	HCS	Existing Policy Choice	(700)	(700)	(700)	1,686
HCS21	<u>Savings on Strategic Centre Units</u> Reduction in commissioning, business support and project management resource given the scale of the financial challenge.	HCS	Existing Policy Choice	(570)	(570)	(570)	8,614
HCS22	<u>HCS Commissioning Unit</u> A reduction in staffing in the HCS Commissioning Teams.	HCS	Existing Policy Choice	(175)	(175)	(175)	1,592
HCS23 (X2)	<u>Enabling the Worker</u> Reduction in planned staffing in operational teams (and associated travel and accommodation costs) through implementation of mobile working technology and new touch-down bases.	HCS	Existing efficiencies	(294)	(979)	(979)	28,050
HCS27 (X1)	<u>Printer saving</u> HCS target relating to the reduced price which will be charged for printing with the introduction of the new mopier contract.	HCS	Existing efficiencies	(15)	(23)	(23)	46

Ref	Description	Dept	Type of budget movement	2017/18 TOTAL £000s	2018/19 TOTAL £000s	2019/20 TOTAL £000s	Approximate current budget £'000
HCS25	<u>Flexicare</u> Part reduction in 2016-17 saving which relates to a review of the care contract provision for Flexicare schemes.	HCS	Existing efficiencies	500	500	500	n/a
HCS26	<u>Recommissioning Public Health</u> A number of activities delivered by Health and Community Services will now be HCC commissioned public health functions, delivering a saving against the Health and Community Services Budgets	HCS	New Efficiencies	(1,000)	(1,000)	(1,000)	n/a
RES20	<u>Review of back office functions</u> Implementation of new provider portal technology eliminates the need for manual processing of financial returns from care providers and for direct payment recipients.	AC&H	New Efficiencies	(200)	(200)	(200)	1,415

**Note 1**

A number of pressures and savings impact on a serveral portfolios. The total amounts across all portfolios is given here:

Savings - Printer savings cross cutter (X1)	(76)	(113)	(113)
Savings - Enabling the worker (X2)	(1,122)	(1,807)	(1,807)
Savings - Environment departmental overheads (X3)	(174)	(174)	(174)

## ANALYSIS OF REVENUE BUDGET BY OBJECTIVE AREAS

2016/17 Original Net Budget £'000	Objective Area	Gross Budget 2017/18 £'000	Income £'000	Net Budget 2017/18 £'000	Net Budget 2018/19 £'000	Net Budget 2019/20 £'000
96,113	<b>Health &amp; Community Services</b> <u>Older People (inc Specialist Mental Health Team)</u> Care and support services for older people who meet the council's eligibility criteria for social care including care home placements, homecare, day services and social work teams who assess those in need.	141,146	(42,235)	98,911	100,898	106,926
157,507	<u>Disability Services (People with a Learning Disability and People with a Physical disability or sensory loss)</u> Care and support services for people with a learning disability and physical disability who meet the council's eligibility criteria for social care including residential care home placements, supported living accommodation, support at home, day services and social work teams who assess those in need.	183,807	(14,956)	168,851	170,266	172,790
16,985	<u>Mental Health Services</u> Care and support services for people with mental ill-health who meet eligibility criteria for social care including residential care, support at home, day opportunities delivered by the voluntary sector and social work assessments delivered by Hertfordshire Partnership Foundation Trust on behalf of HCC.	21,317	(5,030)	16,287	16,683	17,122
14,350	<u>In House Day Care Services and Transport SLA</u> Front-line day services and associated transport delivered by county council staff from more than 20 locations countywide to older people and people with physical and/or learning disabilities.	14,686	(564)	14,122	14,122	14,122
16,984	<u>Preventative Services</u> Short-term services available to people who may need adult social care in the future but who can remain independent for longer including services delivered by the voluntary sector or enabling services that encourage people to regain functional skills at home.	17,262	(248)	17,014	16,585	16,585
10,424	<u>Strategic Centre</u> Central support services including Money Advice Unit, Work Solutions Team, commissioning teams and senior management overseeing statutory social care provision.	9,123	(1,493)	7,630	7,589	7,594
<b>312,363</b>	<b>Health &amp; Community Services Total</b>	<b>387,341</b>	<b>(64,526)</b>	<b>322,815</b>	<b>326,143</b>	<b>335,139</b>

## **Proposed Adult Care & Health Services Capital Programme 2017/18-2019/20**

The total proposed Capital Programme 2017/18 to 2019/20 for the portfolio is £67.982m and for 2017/18 is £17.41m. This includes all new bids and re-programming from 2016/17 at the end of quarter 2.

	2017/18	2018/19	2019/20	Total
	£m	£m	£m	£m
<b>HCC Funding</b>	11.758	14.376	24.892	<b>51.026</b>
<b>Grant</b>	5.652	5.652	5.652	<b>16.956</b>
<b>Total</b>	<b>17.410</b>	<b>20.028</b>	<b>30.544</b>	<b>67.982</b>

### **New Capital Bids**

Health and Community Services has proposed one new capital bid, as below.

Scheme	Total Cost 2017/18	HCC Funding 2016/17	Total Cost 2017/18 to 2019/20	Total HCC funding 2017/18 to 2019/20	
	£m	£m	£m	£m	
<b><u>Telecare Equipment</u></b> delivers assistive technology services to service users, particularly community alarms and telecare services.	<b>0.300</b>	0.300	<b>0.900</b>	0.900	Prior to 2016/17 these costs were treated as revenue expenditure. In 2016/17 these are being covered using the major works budget. Hertfordshire Careline is run by North Herts DC and provides a range of services to help older people, people living alone and people with long-term health needs to stay independent. On behalf of HCC NH Careline currently provides support for around 20,000 people in Hertfordshire and local areas, taking 1,000 calls a day, at least a third of which are life critical emergencies.
	<b>0.300</b>	<b>0.300</b>	<b>0.900</b>	<b>0.900</b>	

**Proposed revisions to the Capital Programme: Adult Care & Health Services Schemes requiring additional HCC funding over the next 3 years.**

In past Integrated Plans it has been assumed that the Council would receive an Adult Social Care Capital grant of £2.4m. This was used to fund all Adult Care & Health Services schemes except Quantum. This general grant is no longer available, which places an additional pressure on HCC funding.

In addition, there are proposed changes for the Accommodation for Independence project (A4IP), including reprofiling of spend from 2017/18 to later years and an overall increase in project costs of £0.100m, as below.

Scheme	Total Additional Cost 2017/18	HCC Funding 2017/18	Total Additional Cost 2017/18 to 2019/20	Total HCC funding 2017/18 to 2019/20	
	£m	£m	£m	£m	
Dial A Ride	0.140	0.140	0.527	0.527	2017/18 has increased due to reprogramming of delayed vehicle delivery in previous years.
Loss of Adult Social Care grant	2.400	2.400	7.200	7.200	This was used to fund all Adult Social Care schemes except Quantum.
<b><u>Accommodation for Independence (A4IP)</u></b> - combines the supported living/commissioning for independence and minor and major capital works budgets.	(0.200)	(0.200)	0.100	0.100	Project to ensure that Adults with Learning Disabilities and Complex Needs have greater choice and control about where they live & how services are provided to them in order to promote their sense of wellbeing & independence. The project will improve & ensure buildings are fit for purpose so as to: <ul style="list-style-type: none"> <li>• reduce the number of residential placements.</li> <li>• prevent unnecessary placements into residential services &amp; out of county.</li> <li>• prevent hospital admissions</li> <li>• deliver more efficient buildings</li> </ul>
	<b>2.200</b>	<b>2.200</b>	<b>7.300</b>	<b>7.300</b>	

## Proposed Adult Care & Health Portfolio's Capital Programme 2017/18-2019/20

	<b>Adult Care and Health Portfolio</b> New Request (N) , Existing Request (E) or Revised Request (R)	<u>Directorate</u>	Annual Programme/ Scheme Cost	2017/18 Integrated Plan			2018/19	2019/20
				Cost	HCC Funding	Grant	Cost	Cost
				£'000	£'000	£'000	£'000	£'000
1	<b>Quantum Care (E):</b> delivers quality affordable residential care placements for the people of Hertfordshire. HCC has a cost and volume contract with Quantum for the delivery of residential care and day services at specified levels and rates. Capital Project to re-provide care home places in obsolete homes either by extensions to existing homes or new build on sites provided by HCC.	Health and Community Services	42,861	8,479	8,479	-	4,778	221
2	<b>Elderly Care Home reprovion Phase 2 (E)</b>	Health and Community Services	18,500	242	242	-	6,000	11,509
3	<b>Elderly Care Home reprovion Phase 3 (E)</b>	Health and Community Services	10,000	250	250	-	-	9,750
4	<b>Accommodation for Independence (A4IP):</b> project to ensure that Adults with Learning Disabilities and Complex Needs have greater choice and control about where they live and how services are provided to them in order to promote their sense of wellbeing and independence. The project will target investment to improve and ensure buildings are fit for purpose so as to: <ul style="list-style-type: none"> <li>• reduce the number of residential placements.</li> <li>• prevent unnecessary placements into residential services &amp; out of county.</li> <li>• prevent hospital admissions</li> <li>• deliver more efficient buildings, reducing the carbon footprint.</li> </ul>	Health and Community Services	1,300	1,300	1,300	-	1,300	1,300



	<b>Adult Care and Health Portfolio</b> New Request (N) , Existing Request (E) or Revised Request (R)	<u>Directorate</u>	Annual Programme/ Scheme Cost	2017/18 Integrated Plan			2018/19	2019/20
				Cost	HCC Funding	Grant	Cost	Cost
				£'000	£'000	£'000	£'000	£'000
<b>5</b>	<b>Telecare Equipment (N)</b> Hertfordshire Careline provides a range of services to help older people, people living alone and people with long-term health needs to stay independent. HCC choses Hertfordshire Careline to deliver assistive technology services to service users, particularly community alarms and telecare equipment. This budget would be used for HCC to provide a subsidy to cover equipment and installation. On behalf of HCC NH Careline currently provides support for around 20,000 people in Hertfordshire and local areas, taking 1,000 calls a day, at least a third of which are life critical emergencies.	Health and Community Services	300	300	300	-	300	300
<b>6</b>	<b>Day Services Modernisation (E):</b> Aims to modernise Day Services moving away from having day services based in large buildings which are segregated from community life, and instead developing a wider range of smaller services, integrated with other mainstream community facilities.	Health and Community Services	5,755	302	302	-	-	-
<b>7</b>	<b>HCS Minor Capital Works (E):</b> Payments to Aldwyck Housing Association to maintain the assets for service use.	Health and Community Services	Annual Programme	137	137	-	137	137
<b>8</b>	<b>HCS Vehicle Replacement (E):</b> covers the replacement cost for vehicles reaching the end of their useful life within HCS. The decision to replace a vehicle is taken in conjunction with the Fleet Management Service who provide advice and vehicle specific data to aid informed decision making.	Health and Community Services	Annual Programme	317	317	-	1,296	1,310
<b>9</b>	<b>Herts Equipment Service Vehicle Replacement (E):</b> covers the replacement cost for vehicles reaching the end of their useful life within Herts Equipment Service. The decision to replace a vehicle is taken in conjunction with the Fleet Management Service who provide advice and vehicle specific data to aid informed decision making.	Health and Community Services	Annual Programme	79	79	-	197	226

	<b>Adult Care and Health Portfolio</b> New Request (N) , Existing Request (E) or Revised Request (R)	<u>Directorate</u>	Annual Programme/ Scheme Cost	2017/18 Integrated Plan			2018/19	2019/20
				Cost	HCC Funding	Grant	Cost	Cost
				£'000	£'000	£'000	£'000	£'000
10	<b>Disabled Facilities Capital Grant (N):</b> The Better Care Fund now includes the Government's capital grant contribution for Disabled Facilities Grants. This was previously provided to district councils directly from Central Government. In the light of this funding change we are considering how to integrate provision of help with home adaptations across housing, health and social care systems. We are participating in a project to ensure that all individuals in Hertfordshire who need housing adaptations to support independent living will have access to an appropriate service that is accessible and equitable. The aim is that the service will run more efficiently, be more resilient and help local authorities deal with increased budget pressures. Allocations yet to be announced so the 16/17 allocation has been used.	Health and Community Services	Annual Programme	5,652	-	5,652	5,652	5,652
11	<b>Dial-a-Ride Replacement Programme ( R):</b> The fleet is made up of specialist passenger vehicles engaged in the transportation of the elderly and disabled providing a door to door transport service within the local community. The decision to replace a vehicle is taken in conjunction with the Fleet Management Service who provide advice and vehicle specific data to aid informed decision making.	Health and Community Services	Annual Programme	292	292	-	308	79
12	<b>Community transport accessible vehicles (E):</b> HCC contributes revenue and capital funding to assist the main voluntary and community transport schemes, who provide door to door transport to elderly, disabled and rural residents enabling them to continue to live independently. By assisting the schemes to purchase/replace accessible vehicles the County Council supports the schemes to provide door to door transport for residents who cannot get into or drive cars or cannot get to or onto local buses. The funding will be used to contribute up to 25 – 30% of the cost of wheelchair accessible vehicles.	Health and Community Services	Annual Programme	60	60	-	60	60
<b>TOTAL ADULT CARE &amp; HEALTH PORTFOLIO</b>				<b>17,410</b>	<b>11,758</b>	<b>5,652</b>	<b>20,028</b>	<b>30,544</b>