

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Health
Date:	16 September 2019
Title:	Transformation to 2021 – Revenue Savings Proposals
Report From:	Director of Adults' Health and Care, Director of Public Health and Deputy Chief Executive and Director of Corporate Resources

Contact name: Sarah Snowdon and Dave Cuerden

Tel: 01962 832480

01962 847473

Email:

Sarah.Snowdon@hants.gov.uk

Dave.Cuerden@hants.gov.uk

Purpose of this report

1. The purpose of this report is to outline the detailed savings proposals for both Adult Social Care and Public Health that have been developed as part of the Transformation to 2021 (Tt2021) Programme.

Recommendation

2. To approve the submission of the proposed savings options for Adult Social Care and for Public Health contained in this report and Appendix 1 to the Cabinet.

Executive Summary

3. This report outlines the detailed savings proposals for both Adult Social Care and Public Health that have been developed as part of the Transformation to 2021 (Tt2021) Programme.
4. The report also provides details of the Equality Impact Assessments (EIAs) that have been produced in respect of these proposals and highlights where applicable, any key issues arising from the public consultation exercise that was carried out over the summer and how these have impacted on the final proposals presented in this report.
5. The Executive Member is requested to approve the detailed savings proposals for submission to Cabinet in October and then full County Council in November, recognising that there will be further public consultation for some proposals.

Contextual information

6. Members will be fully aware that the County Council has been responding to reductions in public spending, designed to close the structural deficit within the economy, since the first reductions to government grants were applied in

2010/11 and then as part of subsequent Comprehensive Spending Reviews (CSRs).

7. Whilst the County Council understands the wider economic imperative for closing the structural deficit, the prolonged period of tight financial control has led to significant reductions in government grant and the removal of funding that was historically provided to cover inflation, coupled with continued underfunding for demand pressures. At the same time the County Council has also had to respond to inflationary and growth driven increases in costs across all services, but in particular adults' and children's social care.
8. One of the key features of the County Council's well documented financial strategy and previous savings programmes has been the ability to plan well in advance, take decisions early and provide the time and capacity to properly implement savings so that a full year impact is derived in the financial year that they are needed.
9. This strategy has enabled the County Council to cushion some of the most difficult implications of the financial changes which have affected the short-term financial viability of some County Councils, with Surrey previously considering a referendum for a 15% council tax increase and the well publicised financial issues facing Northamptonshire whose Director of Finance issued a Section 114 notice in February 2018, imposing spending controls on the council.
10. This approach has also meant that savings have often been implemented in anticipation of immediate need providing resources both corporately and to individual departments to fund investment in capital assets and to fund further change and transformation programmes to deliver the next wave of savings.
11. Whilst this has been a key feature of previous cost reduction programmes it was recognised that the Transformation to 2021 (Tt2021) Programme, the fifth major cost reduction exercise for the County Council since 2010, would be even more challenging than any previous transformation and efficiency programme against the backdrop of a generally more challenging financial environment and burgeoning service demands.
12. Unsurprisingly, the Tt2021 Programme is building seamlessly on from the Transformation to 2019 (Tt2019) Programme, with projects and programmes of work set to go further and harder in a number of areas as the search for an additional £80m of savings (combining cost reduction and income generation) develops.
13. The Tt2021 work has been taken forward without any impacts for Tt2019 delivery with the Corporate Management Team (CMT) setting appropriate time aside for the Tt2021 planning process whilst maintaining a continued strong grip on Tt2019.
14. What is different to previous years however is the fact that the profile of delivery for the Tt2019 Programme is back loaded, with some changes not being delivered at all until well after 2019/20. Secured savings exceeded the £100m mark in the first quarter of 2019 which represented another major milestone for the Programme. However, this leaves £40m to deliver and as we move ahead we know that the remaining savings areas will be the most difficult to secure.
15. Whilst sufficient resources have been set aside to cover this delayed implementation the need to commence the successor programme does

therefore mean that there will be overlapping change programmes which is another significant difference. This does increase the overall risk in the budget going forward and there is clearly no room for complacency especially as implementation and delivery of Tt2021 will begin to run alongside the Tt2019 Programme and strong focus will be required to ensure simultaneous delivery of both.

16. Departments have looked closely at potential opportunities to achieve the required savings and unsurprisingly the exercise has been extremely challenging because savings of £480m have already been driven out over the past nine years, and the fact that the size of the target (a further 13% reduction in departmental cash limited budgets) requires a complete “re-look”; with previously discounted options having to be re-considered. It has been a significant challenge for all departments to develop a set of proposals that, together, can enable their share of the Tt2021 Programme target to be delivered.
17. The opportunity assessment and planning work has confirmed the sheer complexity and challenge behind some of the proposals, which means in a number of areas more than two years will be required to develop plans and implement the specific service changes.
18. The cashflow support required to manage the extended delivery timetable for the Tt2021 Programme will in the most part be met from departmental cost of change reserves but further funding of £32m to provide for necessary investment and the later delivery has already been factored into the requirements for the Grant Equalisation Reserve going forward. This provision will be considered as part of the updated Medium-Term Financial Strategy (MTFS) that will be reported in October.
19. The County Council undertook an open public consultation called *Serving Hampshire – Balancing the Budget* which ran for six weeks between 5 June – 17 July. The consultation was widely promoted to stakeholders and residents and asked for their views on ways the County Council could balance its budget in response to continuing pressures on local government funding, and still deliver core public services.
20. The consultation was clear that a range of options would be needed to deliver the required £80m of savings by 2021. Therefore, whilst each option offers a valid way of contributing in-part to balancing the budget – plugging the estimated £80m gap in full will inevitably require a combination of approaches. For example, the Information Pack illustrated the amount of savings that would still be required even if council tax was increased by up to 10%. It explained that the £80m estimated budget shortfall took into account an assumed increase in ‘core’ council tax of 4.99% in both 2020/21 and 2021/22. The Pack also explained that if central government were to support changing local government arrangements in Hampshire, savings would still take several years to be realised. Residents were similarly made aware that the use of reserves would only provide a temporary fix, providing enough money to run services for around 27 days.
21. As the consultation feedback confirms, a number of different approaches are likely to still be needed to meet the scale of the financial challenge. Consequently, the County Council will seek to:

- **continue with its financial strategy**, which includes:
 - **targeting resources** on the most vulnerable adults and children
 - **using reserves carefully** to help meet one-off demand pressures
- **maximise income generation** opportunities;
- **lobby central government** for legislative change to enable charging for some services;
- **minimise reductions and changes to local services** wherever possible, including by raising council tax by 4.99%;
- consider further the opportunities for **changing local government arrangements** in Hampshire.

22. Executive Lead Members and Chief Officers have been provided with the key findings from the consultation to help in their consideration of the final savings proposals for this report. Responses to the consultation will similarly help to inform the decision making by Cabinet and Full Council in October and November of 2019 on options for delivering a balanced budget up to 2021/22, which the Authority is required by law to do.

23. In addition, Equality Impact Assessments have also been produced for all of the detailed savings proposals and these together with the broad outcomes of the consultation and the development work on the overall Tt2021 Programme have helped to shape the final proposals presented for approval in this report.

Budget Update

24. Members will be aware that 2019/20 represented the final year of the current Spending Review period and that no indication has previously been provided by Government about the prospects for local government finance beyond this time. Although a further 4 year Spending Review had originally been planned for the summer of this year, this was impacted by Brexit and the national political situation.

25. In recent years, significant lobbying of the Government has been undertaken by Hampshire and the wider local government sector in order to ask them to address the financial pressures we are facing and to convince them to provide an early indication of the financial position beyond 2019/20 to aid medium term financial planning and to address the more immediate issue of budget setting for 2020/21. Whilst the news of a single year settlement was not welcome, it was not unexpected and was partly balanced by the promise of an early indication of the 'settlement' for local government.

26. The Spending Round announcement took place on 4 September and the key issues from a Hampshire perspective were:

- £2.5bn nationally for the continuation of existing one off grants across social care services (worth around £38.5m to Hampshire) most of which had already been assumed in the MTFS.
- An extra £1bn for adults' and children's social care services, representing between £15m and £20m to Hampshire depending on the distribution methodology, which will be consulted upon.

- The Public Health Grant will increase in line with inflation and the Department of Health and Social Care's contribution will grow in line with the additional investment in the National Health Service next year
- Core council tax of 2% and the continuation of a 2% adult social care precept. This is below our assumptions in the MTFS and would lose the County Council around £12m of recurring income over the two years of the Tt2021 Programme.
- Additional funding for schools, which includes extra funding for Special Educational Needs of £700m. If this was distributed on the same basis as previous additional grant, our share would be around £16.8m and would help to address the future growth in this area but does not provide a solution to the cumulative deficit position schools will face at the end of 2019/20.

27. The content of the proposed settlement and the issues it addressed were pleasing to see as they mirrored the key issues that we have been consistently raising for some time directly with the Government and through our local MPs.
28. In overall terms, there is a net resource gain to the County council, albeit that is only for one year at this stage. However, the cost pressures we face, particularly in adults and children's social care services are significantly outstripping the forecasts that were included in the original Tt2021 planning figures.
29. Without the additional injection of funding, the County Council would have faced a revised deficit position well in excess of £100m by 2021/22, but the additional resources bring us back to a broadly neutral position.
30. More detail will be provided in the update of the MTFS and as part of the Member briefings that will take place as part of the Tt2021 decision making process.

Transformation to 2021 – Departmental Context / Approach

31. The Tt2021 budget reduction of £43.1m (or 13%) represents a significant challenge for a Department combining Adult Social Care and Public Health. It needs to be seen within the context of the County Council's wider budgetary position, outlined above, the continued and increasing demand and cost pressures, the financial challenges being experienced by NHS organisations which have a direct bearing on social care pressures, increasing expectations and greater levels of regulation especially linked to quality.
32. The savings target will challenge the Department like never before (see following sections) and it is inevitable that there will be impacts on front-line services. That said, the programme would be taken forward carefully and sensitively. We will look to build on past performance that has resulted in positive service transformation, and innovation (including multi million £ investment in Technology Enabled Care and modern Extra Care housing) alongside efficiencies and service reductions. Additionally, the strengths-based way of operating that the Department has been increasingly working to over the second half of this decade continues to improve service user independence and in turn has helped to limit the cost of paid for care packages.

Adult Social Care - Context

33. The Adult Social Care element of the savings target amounts to **£36.3m**. Five potential issues are impacting on the size of this challenge or could add to it. Although the additional funding included within the 2019 Spending Round is likely to significantly mitigate these risks in the short term as highlighted in the following paragraphs. These potential issues include:
- service demand and complexity levels (includes also higher service prices)
 - continued elements of non-recurrent government grant support
 - the future availability of a Social Care precept
 - the double running of savings programmes
 - the continued uncertainty regarding future funding for the service
34. We are seeing demand continuing to increase at a faster rate. This includes the growth in the numbers of adults with eligible care needs, including an increase in the number of vulnerable/frail older people (particularly those aged 85 or above), growing complexity of care needs e.g. the increasing prevalence of multiple conditions including higher levels of dementia, and sustained increases in the numbers and costs associated with supporting children with disabilities and complex needs transitioning to adulthood. Other factors such as regulation and the national living wage are also impacting on direct provision and the independent sector in terms of increasing inflationary pressures. These pressures, that are not unique to Hampshire and are representative of the position nationally.
35. To help address the range of strategic Social Care financial challenges being faced, the Government have previously made available relatively modest additional non-recurrent funding to local authorities for Adult Social Care. The grants have allowed transformational programmes to be progressed aimed at reducing cost exposure in the long term. However, they do not address the current and anticipated future increases in demand and like many local authorities, the County Council has had little choice but to use a major element of this funding (£11.5m for 2019/20) to offset the increase in recurring pressures with £7.7m being used in this way this year.
36. As per the announcement within the 2019 Spending Round it has been confirmed that all non-recurrent grants received by Adult Social care departments in 2019/20 will continue into 2020/21. As the 2019 Spending Round announcement only confirms funding for one year (2020/21) this offers security and certainty only in the short term, there remains a risk that during the timeframe of the Tt2021 programme the department will face the challenge of a loss of significant funding whilst delivering £43.1m of savings, albeit that the Government has said that it is at least baselining the £2.5bn announced in the Spending Round
37. In addition to the above, as set out in paragraph 34, the Department is currently experiencing service pressures on care packages that puts a greater risk on the targeted transformational savings. In the short term this pressure will likely be significantly ameliorated by the announcement of a further £1bn nationally for social care within the 2019 Spending Round. However, as stated above this

only offers certainty until the end of 2020/21. Should this funding not continue beyond that time period there is a risk that additional corporate support may be required in later years, albeit the level will be subject to the achievement of a departmental cost recovery plan that has been introduced and is being worked to.

38. As per the 2019 Spend Round announcement it is likely that local authorities will retain the ability to raise additional 2% Council Tax under a specific precept for Adult Social Care in 2020/21. There is no such certainty beyond this point which needs to be considered against the current assumption within the MTFs that this flexibility will continue to be afforded to local authorities in 2020/21 and beyond. It should be noted that the proposal is subject to the normal local government finance settlement consultation that the government will undertake later this year.
39. Whilst the Department is planning for the Tt2021 savings described in this report it is concurrently in the midst of delivering the final two years of Tt2019 savings. As at July 2019 nearly £41m of the £55.9m target had been achieved leaving just over £15m still to secure. The remaining £15m represents the most difficult element to achieve as this mainly relates to reducing expenditure on care packages against a backdrop of increasing demand and cost pressures as highlighted. As many of the Tt2021 savings are an extension upon the Tt2019 work programmes the Department faces a very challenging forward period.
40. At the time of writing the Adult Social Care Green Paper (or an appropriate alternative future funding mechanism) is still awaited and as such it remains unclear as to what financial impact this will have for all upper tier Authorities. Needless to say, it is highly likely that it will have a significant effect on the future funding for adult social care and very possibly during the timeframe of Tt2021, but the form this could take is unknown. What is known is that the continued delay of the Green Paper (or alternative) is making it very difficult for local authorities to forward plan financially with any degree of certainty.
41. The annual ADASS Budget Survey report, published earlier this year, identifies the critical funding challenges being faced by all local authorities, both in-year and in the near future, in the provision of adult social care. These challenges are being felt too in Hampshire, albeit currently not as acutely as in many other places. However, currently we have not built in any assumptions regarding the impact of the Green Paper (or alternative) therefore there may, as a result, be both further opportunities and significant challenges that the Department may face over the Tt2021 timeframe.

Public Health - Context

42. In respect of Public Health this budget has historically been funded through a specific ring-fenced grant. The 2019 Spending Round announcement indicates that the ring-fence may not be removed for 2020/21 as previously intended, as part of the wider Fair funding Review and extension of the Business Rate Retention scheme, which have now been delayed. However, at this stage it remains unclear whether the ring fence will remain beyond 2020/21 if those wider system changes are introduced at that point. In light of this uncertainty it continues to be assumed within the MTFs that during the critical period of the Tt2021 programme that the ring-fence will be removed, and that Public Health

will be funded similarly to other County Council Departments. Therefore, for the first time Public Health is included within the Department's transformation programme with target savings of **£6.8m** from the overall £43.1m are to be secured from Public Health.

43. The majority of the Tt2021 £6.8m saving would be achieved from the main commissioned Public Health services which include 0-19 Public Health nursing (health visiting and school nursing), substance misuse and sexual health. These services are trying to balance a reducing budget with the forecast population growth and increasing complexity of needs being seen. The challenges are being addressed along with the context of increasing national expectations about Public Health leadership for system-wide prevention, with the publication of the NHS Long Term Plan and the recent Prevention Green Paper.
44. The Tt2021 saving target would still run alongside savings of £8.4m that Public Health need to achieve in respect of the previously announced reduction in the ring-fenced Grant through to 2019/20. The majority of this saving is anticipated to be achieved by the end of 2020/21 with the late delivery being funded through the balance accumulated within the Public Health Reserve. By the end of this financial year some £6.4m of the required £8.4m savings is forecast to be secured.

Savings Proposals

Proposal 1 – Younger Adults Services

45. The biggest block of targeted proposed savings, some £13.2m, would come from **Younger Adults** services as the Department looks to continue the successful journey started ahead of Tt2017 and built upon in Tt2019 to embed a strengths-based approach and move increasingly away from institutional, long-term care settings and move instead to support people into more flexible, more modern ways of living that provide much greater independence for service users with learning disabilities, physical disabilities and/or mental health needs. This would include:
 - further and closer integration of Learning Disabilities and Mental Health services with the NHS;
 - more supported living accommodation including moving people on from residential care;
 - creating more opportunities for employment including supported employment;
 - enabling people to do more for themselves, including developing opportunities for people to find a greater level of support from within their local communities and through volunteer schemes.
 - extension of transition (Special Educational Needs and Children's Services) to further manage family expectations promoting independence;
 - extension of current work on reducing challenging behaviour (Least Restrictive Practice) which will lead to reduced support costs.

- working with our technology partner to develop and implement the use of Co-bots (exo-skeleton technology) to support the lifting and handling of clients.

Proposal 2 – Older Adults Services

46. The next biggest targeted savings proposals, some £12.6m, would come from **Older Adults** as the Department looks to further transform its services for older people. There will be a continued focus on strengths-based approaches, intermediate care and reablement to improve the health and wellbeing of residents so that increasing numbers can remain in their own homes, living as independently as possible. This approach aims to see lower or reduced needs following a short-term intervention, enabling, wherever possible, people to return home with appropriately sized care packages as opposed to being transferred to residential and nursing care provision at current levels of demand. This would include:

- focused investment in short-term provision and in Extra Care, including the introduction of 5 new schemes across the county which in turn will reduce the number of high cost residential placement;
- improved relationships with care providers alongside more modern commissioning and procurement approaches, including revisions to policies and operational arrangements e.g. proactively reducing the number of capital-depleters
- expanding the Shared Lives offering for clients beyond the target number of placements – approximately 11 additional clients per year;
- greater use will also be made of technology solutions, including implementation of Co-bots (exoskeleton technology) to support both service users and care workers.

Proposal 3 – In-house Services (HCC Care)

47. The third block of targeted savings proposals covers £1.6m which relates to **In-house services** (HCC Care) the detail of which will be finalised following the completion of a thorough review of the service by the end of 2019. The review will look at options for:

- how a more commercial approach to the department's in-house services can be applied;
- how productivity can be improved;
- how efficiencies can be realised through staff structures, ways of working, and recruitment and retention (reduced agency spend).

48. Over the Tt2021 time period it is possible that the Department could add to existing bed numbers and that there could be additions and deletions to the care home stock. Any changes in provision will be predicated on the outcome of the HCC Care Services review, any subsequent consultation and Member decision.

Proposal 4 – Working Differently

49. The fourth block of targeted proposed savings covers £4.7m relating to workforce efficiencies and increased income achievement. The work areas would include:

- enabling the entire workforce to work '**differently**', e.g. even more productively, more efficiently and more effectively. This includes optimising the use of technology.
- partly as a product of the above and partly as an outcome of streamlining business processes, reducing the numbers of staff that the Department operates with including fewer managers, in a manner that is least disruptive to service users.
- Increased income generation through sold services primarily with other local authorities including but not limited to Technology Enabled Care (TEC), Partnership in Care Training (PaCT), Client Affairs Service and sharing expertise in key service areas.

Proposal 5 – Government Funding

50. The fifth block of the Adult Social Care targeted savings proposals (£4.2m) is in anticipation that income at least equivalent to the level of current non-recurrent **Government grant funding** (see paragraph 33 above) will be confirmed as recurring support as part of the Local Government finance settlement later this year. The inclusion of this sum of money is consistent with the Tt2021 proposals being put forward for Children's Services.

Proposal 6 – Public Health

51. The final targeted savings area, £6.8m, relates to **Public Health** reductions to commissioned spend, subject to the confirmed ending of the existing ring-fence. Continuing with the approach used to deliver savings required by the reduction in the overall ring-fenced grant award by Government over the last few years, there will be a focus on service transformation. £5.7m (84%) of the proposed savings relate to commissioned services (as below) which include mandated and non-mandated service areas such as:

- central Public Health expenditure
- substance misuse
- sexual health
- domestic abuse service and Mental health
- healthy lifestyles
- 0-19 services
- older People

52. Within the above there would be a strong focus on working with external service providers to improve efficiency and productivity focused on population health outcomes. There would also be an emphasis on digital technology including

further development of customer portals, enhancement of online advice and guidance, estates utilisation, staff training and supply chain cost reductions.

53. Transformation activity would balance funding and resources between a universal and targeting approach for the most vulnerable and high-risk groups. Protecting and improving health and well-being and reducing health inequalities for Hampshire's residents will continue to be the priority when transforming service delivery.

Key Challenges/Risks

54. In Adults' Health and Care, as in other departments, we already have many of the solutions to the challenges we face. Reducing service demand, whilst appropriately meeting eligible needs (against the backdrop of a reducing budget) is highest among these but is becoming increasingly challenging. Over the past year demand, complexity (proportionately more dementia needs for example) and higher market prices have been relentless. We recognise that social care budgets for both Adults and Children's are under extreme pressure and thus recognise the inescapable risk that there could be a resultant negative impact upon other services of the County Council.
55. Whilst the required savings will be positively pursued, there remain significant risks. It is recognised that difficult service decisions/changes will need to be made across the programme to achieve the decreased departmental expenditure. There is a risk that a reduction in the Department's service offer may reduce, or may be perceived to reduce, client choice. The Department is mindful of its legal duties and is clear that eligible needs will be met in the most cost-effective way. The Department will also continue to closely monitor the actions of other local authorities and legal judgements. The impact of decisions on service users will continue to be carefully considered and mitigated where possible. It should be noted that adult social care case law turns upon circumstances in individual cases and as such some areas of risk are by their nature less predictable.
56. Progress and success will require a very thoughtful and careful engagement approach across a myriad of different but important stakeholders. Most important will be the way the Department works with people and their representatives (family, friends) who use services. Positive engagement will enable more co-produced solutions to be secured. In turn this should result in greater levels of independence and/or local support that in turn will help to reduce paid for service costs. Success will be very much dependent on how we continue to change the culture of staff, how we create the optimum working conditions for all staff (including improved productivity linked to the significant investment in mobile technology) and how we continue the journey of re-setting expectations that the public understands, accepts and agrees to.
57. There is also much ongoing work with the NHS at acute hospital, community provider and Clinical Commissioning Group (CCG) level. The Department will continue to take forward integration opportunities where they can add most value and improve and simplify existing joint working – taking out cost alongside improving the service user experience. It is recognised that there will continue to be external scrutiny on discharge performance and how the County Council

uses the Better Care Fund (and any other future sources of funding support) to protect and enhance social care provision across Hampshire.

58. Technology has been mentioned in numerous places within this report and is another key enabler to a successful future. There are clear opportunities to build upon the very successful assistive technology arrangement that the County Council has recently renewed with Argenti. Technology is increasingly important in terms of prevention and reducing reliance upon 'traditional' forms of social care support in favour of remote support solutions and increased social networking. Increasing the ability of the County Council and the desire of the public in relation to maximising private pay opportunities and sold services to generate income is largely untested territory which will also be fully explored over the coming period.

Summary Financial Implications

59. The combined savings target that was set for Adult Social Care and Public Health was £43.1m and the detailed savings proposals that are being put forward to meet this target are contained in Appendix 1.
60. The Department is currently forecasting to achieve savings of up to £24.0m of the £43.1m required by 2021/22, the year by which the Tt2021 budget reductions would come into effect. The remaining £19.1m is expected to follow across 2022/23 and 2023/24. In cashflow terms, this late delivery requires £25.2m of cashflow support for the two-year period. The Department forecast that this is currently unable to be covered from cost of change reserves and would therefore be reliant on Corporate support as reported in June 2019 as part of the 2018/19 – End of Year Financial Report. The Department will continue to focus on safely achieving early savings wherever possible to mitigate this need.
61. The Department has been able to top up its cost of change reserve through some early delivery of Tt2019 savings and is planning to add further to this through early delivery of some Tt2021 savings. This combined with additional funding announced as part of the 2019 Spending Round puts the Department in a stronger position to meet the cashflow required for all of the following over the time period to 2021/22:
1. the delayed delivery of savings for Tt2021
 2. the expected costs of projects to deliver the Tt2021 savings
 3. the forecast pressure on Adult Social Care packages arising from significant increases in demand and complexity of clients.
62. However, this will be largely dependant on both the additional funding remaining available annually after 2020/21 and the delivery of a departmental recovery plan that is currently being implemented. In the event that either of these risks materialise it is likely that the department will require additional recurring corporate support beyond 2020/21.
63. The Adult Social Care financial position reported in 2019/20 is highlighting a significant additional recurrent pressure arising from increases in care package volumes and unit costs stemming back to the latter part of 2018/19 as reported at year end. The pressure is in part due to increases in costs for step changes

to service activity levels e.g. the Department is now operating with a lower waiting list than previously and has sustainably improved performance on Delayed Transfers of Care. This pressure is in addition to the recurrent spend that is currently being supported by one-off grant funding of £7.7m in 2019/20.

64. At this current time the combined potential pressure highlighted above will likely be significantly mitigated in 2020/21 by both the department's proportion of the additional funding of £1bn nationally for social care (Children's and Adults') and the continuation of grants received in 2019/20 as announced within the 2019 Spending Round. Whilst any remaining pressure is anticipated to be met through the departmental recovery plan. More detail on the cost pressures across social care services and the impact of the Spending Round announcements will be included in the MTFS update to Cabinet and County Council in October and November respectively.
65. Even after allowing for the impact of the departmental recovery plan, the additional pressures in 2019/20 may be of a magnitude that utilises the Departments Cost of Change Reserve leaving it insufficient to meet future one off costs. It follows that there remains a possibility that the department will require one-off additional support in 2020/21. The level of this support will depend on the outturn position for 2019/20. It should be noted that the Department have already made significant reductions in planned one-off (limiting the level of additional support required) to help with the financial pressures being experienced.
66. For Public Health there is a danger that the reductions in commissioned spend, despite the forward focus being on the most vulnerable, could impact adversely on children and families thus increasing the risk of higher numbers of looked after children. This risk would be mitigated by Public Health working ever more closely with Children's Services to design pathways and specifications for services that would support Children and Families to have the best possible outcomes. In all circumstances mitigating actions will be focussed upon those individuals and communities most at risk.
67. In summary, it should be highlighted that the Department faces a very challenging forward period financially especially as it needs to successfully combine the delivery of the recovery plan alongside transformational savings, whilst also attempting to manage ever increasing demand, complexity and higher prices from an increasingly volatile independent sector. In contrast additional funding has been made available to help mitigate these challenges in 2020/21 however at this stage the funding is only guaranteed for one year.

Workforce Implications

68. Appendix 1 also provides information on the estimated number of posts that may be affected as a result of implementing the proposals.
69. Of the estimated 120 Full Time Equivalent (FTE) posts affected approximately half are in HCC Care and the remainder between front line operations and HQ functions. It is anticipated that the majority of these posts would be managed through natural turnover. Any residual posts that cannot be managed in this would way would need to be managed down between now and the implementation date.

70. The County Council's approach to managing down staff levels in a planned and sensitive way through the use of managed recruitment, redeployment of staff where possible and voluntary redundancy where appropriate would be continued.

Consultation, Decision Making and Equality Impact Assessments

71. As part of its prudent financial strategy, the County Council has been planning since June 2018 how it might tackle the anticipated deficit in its budget by 2021/22. As part of the MTFs, which was last approved by the County Council in September 2018, initial assumptions have been made about inflation, pressures, council tax levels and the use of reserves. Total anticipated savings of £80m are required and savings targets were set for Departments as part of the planning process for balancing the budget.

72. The proposals in this report represent suggested ways in which Departmental savings could be generated to meet the target that has been set as part of the Tt2021 Programme. Individual Executive Members cannot make decisions on strategic issues such as council tax levels and use of reserves and therefore, these proposals, together with the outcomes of the *Serving Hampshire - Balancing the Budget* consultation exercise outlined below, will go forward to Cabinet and County Council and will be considered in light of all the options that are available to balance the budget by 2021/22.

73. The County Council undertook an open public consultation called *Serving Hampshire – Balancing the Budget* which ran for six weeks from 5 June to the 17 July 2019. The consultation was widely promoted to stakeholders through a range of online and offline channels including: the County Council's website; local media and social media channels; the County Council's residents' e-newsletter *Your Hampshire*; direct mail contact to a wide range of groups and organisations across Hampshire; posters and adverts in County Council libraries, Country Parks, at Hillier Gardens and Calshot Activity Centre; in residential and day care settings, on electronic noticeboards in GP surgeries and healthcare settings. Information Packs and Response Forms were available in hard copy in standard and Easy Read, with other formats available on request. Comments could also be submitted via email, letter or as comments on social media.

74. The consultation sought residents' and stakeholders' views on several options that could contribute towards balancing the revenue budget, and any alternatives not yet considered – as well as the potential impact of these approaches. The consultation was clear that a range of options would be needed to meet the required £80m savings by 2021. For example, the Information Pack illustrated the amount of savings that would still be required even if council tax was increased by up to 10%.

75. The options were:

- Reducing and changing services;
- Introducing and increasing charges for some services;
- Lobbying central government for legislative change;
- Generating additional income;

- Using the County Council's reserves;
- Increasing council tax; and
- Changing local government arrangements in Hampshire.

76 Information on each of the above approaches was provided in an Information Pack. This set out the limitations of each option, if taken in isolation, to achieving required savings. For example, supporting information explained that the £80m estimated budget shortfall took into account an assumed increase in 'core' council tax of 4.99% in both 2020/21 and 2021/22. The Pack also explained that if central government were to support changing local government arrangements in Hampshire, savings would still take several years to be realised. Residents were similarly made aware that the use of reserves would only provide a temporary fix, providing enough money to run services for around 27 days.

77 Therefore, whilst each option offers a valid way of contributing in-part to balancing the budget – plugging the estimated £80m gap in full will inevitably require a combination of approaches.

78 A total of 5,432 responses were received to the consultation – 4,501 via the Response Forms and 931 as unstructured responses through email, letter and social media.

79 The key findings from consultation feedback are as follows:

- The majority of respondents (52%) agreed that the County Council should continue with its current **financial strategy**. This involves **targeting resources on the most vulnerable** people; **planning ahead** to secure savings early and enable investment in more efficient ways of working; and the **careful use of reserves** to help address funding gaps and plug additional demand pressures e.g. for social care.
- Achieving the required savings is likely to require a multi-faceted approach. However, respondents would prefer that the County Council seeks to explore all other options before pursuing proposals to reduce and change services – in particular, opportunities to **generate additional income** and **lobby central government for legislative change**.
- Just over one in three respondents (37%) agreed with the principle of **reducing or changing services** - but the proportion who disagreed was slightly higher (45%) - Of all the options, this was respondents' **least preferred**.
- Around half of respondents (**52%**) agreed with the principle of **introducing and increasing charges** to help cover the costs of running some local services, but over one-third (39%) felt that additional charges should not be applied.
- Respondents were in favour of **lobbying central government** to allow charging in some areas:
 - 66% agreed with charging for issuing Older Person's Bus Passes.
 - 64% agreed with charging for Home to School Transport.
 - 56% agreed with diverting income from speeding fines or driver awareness courses.

- However, in other areas, opinions were more mixed:
 - 42% agreed and 43% disagreed with recouping 25% of concessionary fares.
 - most did not feel that it would be appropriate to lobby for charges relating to library membership (60% disagreement) or HWRCs (56% disagreement).
- Overall, lobbying for legislative change to enable charging was respondents' **second preferred option**.
- Of all the options presented, generating additional income was the **most preferred option**. Suggestions included:
 - Improving the efficiency of council processes.
 - Increasing fees or charges for services.
 - Using council assets in different ways.
 - Implementing new, or increasing existing, taxes.
 - Lobbying central Government for more funding.
- Six out of ten respondents (61%) agreed with the position that **reserves should not be used** to plug the budget gap.
- Most respondents (55%) preferred the County Council to raise **council tax** by less than 4.99%. This compared to 34% of respondents whose first choice was to raise council tax by 4.99%. There was limited support for a rise in council tax above this level (14%).
- More than half of those who responded (**61%**) **agreed** that consideration should be given to **changing local government arrangements in Hampshire**.
- One in three (36%) respondents noted **potential impacts** on poverty (financial impacts), age (mainly older adults and children), disability and rurality.
- Staffing efficiencies were the most common focus of **additional suggestions** (31%).
- The 931 unstructured **other responses** to the consultation primarily focused on ways to reduce workforce costs (26% of comments), the impact of national politics on local government (8%), the need to reduce inefficiency (6%) and both support and opposition to council tax increases (7%).

Proposals following consultation feedback

80. Executive Lead Members and Chief Officers have been provided with the key findings from the consultation to help in their consideration of the final savings proposals. As the consultation feedback confirms, a number of different approaches are likely to still be needed to meet the scale of the financial challenge. Consequently, the County Council will seek to:

- **continue with its financial strategy**, which includes:
 - **targeting resources** on the most vulnerable adults and children

- **using reserves carefully** to help meet one-off demand pressures
- **maximise income generation** opportunities;
- **lobby central government** for legislative change to enable charging for some services;
- **minimise reductions and changes to local services** wherever possible, including by raising council tax by 4.99%;
- consider further the opportunities for **changing local government arrangements** in Hampshire.

81. The proposals set out in Appendix 1 have, wherever possible, been developed in line with these principles but inevitably the effect of successive reduction programmes over more than a decade will begin to have an impact on the services that can be provided.
82. Following the Executive Member Decision Days, all final savings proposals will go on to be considered by the Cabinet and Full Council in October and November – providing further opportunity for the overall options for balancing the budget to be considered as a whole and in view of the consultation findings. Further to ratification by Cabinet and Full Council, some proposals may be subject to further, more detailed consultation.
83. In addition to the consultation exercise, Equality Impact Assessments (EIAs) have been produced for all the savings proposals outlined in Appendix 1 and these have been provided in Appendix 2. These will be considered further and alongside a cumulative EIA by Cabinet and Full Council. The cumulative assessment provides an opportunity to consider the multiple impacts across proposals as a whole and, therefore, identify any potential areas of multiple disadvantage where mitigating action(s) may be needed.
84. Together the *Balancing the Budget* consultation and Equality Impact Assessments have helped to shape the final proposals presented for approval in this report.
85. For the public health proposals, the range of groups predominantly affected is more varied (with impacts on older people and people with disabilities, but also including gender, pregnancy/maternity, poverty, rurality and race). Some of these impacts are negative such as fewer people to be able to access the services. Mitigation against the negative impacts is through services being targeted to the most vulnerable groups. This reflects the whole population remit of Public Health services. The Equality Impact Assessments, together with the broad outcomes of the stage 1 consultation, have helped to shape the final proposals presented for approval in this report.
86. The Department would look to conduct Phase 2 consultation on detailed options with regards to a small number of service areas as listed below. The specific service change proposals would be subject to further work and confirmation. The majority of the Phase 2 consultations would likely take place next year and most probably from June 2020 and would include:

- Younger Adults including Learning Disabilities and Mental Health - Integration with the NHS
- Older Adults – alternatives to residential care including a revised policy regarding Capital Depleters (to be confirmed).
- In-house service provision including potential consolidation / closure of any current provision
- Public Health reductions to commissioned spend

In addition, a comprehensive staff consultation would be conducted prior to the finalisation and implementation of Working Differently proposals.

Where stage 2 consultations are carried out on specific options, revised equality impact assessments would be completed, to take account in more detail of the equality impacts identified by those participating in these consultations.

Conclusion

87. The Transformation to 2021 Programme represents the most challenging and significant programme thus far undertaken by Hampshire County Council. The consequences of previous transformational programmes of cost reduction and change has meant that the course previously set remains consistent with the majority of proposals within this report.
88. The delivery of Transformation to 2021 will be in parallel to delivery of a number of the Transformation to 2019 initiatives and, for that reason, is more complicated. There is continued uncertainty over medium term funding, as set out in this report and we still await the publication of a social care Green Paper.
89. In the face of the challenges outlined throughout this report Adults' Health and Care are fully cognisant of duties under the Care Act 2014, as well as the mandate for Public Health services and other requirements. The proposals contained within this report represent realistic and achievable means by which reductions in the budget can be achieved. However, it is recognised that whilst some proposals build upon work already underway which have led to improved outcomes and greater independence for some, other people will experience a reduction in the support and the services available to them. Priority will be provided, wherever possible, to those vulnerable and at greatest risk, whether that be through care needs or risks presented through deprivation, social isolation, lifestyle or other factors.

CORPORATE OR LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Looking Ahead - Medium Term Financial Strategy https://democracy.hants.gov.uk/ieIssueDetails.aspx?IId=10915&PlanId=0&Opt=3#A18687	<u>Date</u> Cabinet - 18 June 2018 County Council – 20 September 2018
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

1. The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
2. Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
3. Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

A full Equalities Impact Assessment has been undertaken for each of the savings options and these are included as a separate appendix to this report (Appendix 2).

Equality Impact Assessments have been completed for the proposals outlined in this report and can be found following the below link. In summary a total of 19 Equality Impact Assessments have been carried out: 11 of these have focus on services that are commissioned by Public Health. The main equality groups impacted by social care proposals are older people and people with disabilities, some of these impacts are largely positive in that proposals would result in groups of people seeing an increase in independence and opportunity to participate in community life. Some groups of people would see changes to their current services or would be directed to self-service with potential for a negative impact on some. For the public health proposals, the range of groups predominantly affected is more varied (with impacts on older people and people with disabilities, but also including gender, pregnancy/maternity, poverty, rurality and race). Other non-protected population groups are affected by the proposals such as people living in rural or economically deprived areas. The impact would be that people will need to travel further for services and due to reducing public transport and related costs this could have a negative impact.

Adult Social Care and Health and Public Health – Proposed Savings Options (Subject to consultation where appropriate)

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
LD1	Younger Adults - Learning Disability Younger Adults Extra Care accommodation, moving people on from residential care.	Greater proportion of clients in a lower cost service whilst also enabling a greater level of independence for individuals.	309	1,309	2,000	
LD2	Younger Adults - Learning Disability Extension of current work on reducing challenging behaviour (Least Restrictive Practice, LRP).	Practices required by providers to mitigate the risk to carers can be lessened leading to reduced support costs. Would require extension of temporary LRP staff team.	400	1,275	2,000	
LD3	Younger Adults - Learning Disability Extension of transition (Special Educational Needs and Children's services) to further promote independence.	Reduction in both support costs and the requirement for demography funding to support transition.	0	166	500	

LD4	<p>Younger Adults - Learning Disability Greater use of universal services (demand prevention), and extension of Strength Based Approach (SBA) and Telecare.</p>	<p>Reduction in demand for traditional care service as alternatives to care provided through lower cost technological solutions, whilst maintaining independence for longer. This would require Hampshire County Council taking a pioneering role as a major employer, reducing social isolation, developing community activities/clubs and supporting the wider Voluntary and Community Sector. Supporting economic development of the care market, including encouragement of micro-providers and adoption of Technology Enabled Care.</p>	311	1,757	4,840	
LD5	<p>Younger Adults - Learning Disability Extension of new volunteering model of care started in 2019.</p>	<p>Reduced support costs through use of volunteering resources to meet some elements of a personal support plan. Care needs that require registered care are still met through a regular support provider.</p>	50	217	245	
LD6	<p>Younger Adults - Learning Disability Extension of integration work with the NHS with a proportion of savings recouped through Adult Services. Joined up approach to care provision through closer working facilitated by pooled budgets to reduce overall costs.</p>	<p>Dependent on the detailed planning of integration with the NHS. Lower cost of care provision for both NHS and Hampshire County Council whilst better meeting clients' needs through breaking down organisational barriers that impact on determining Health or Social Care needs and the administration that entails.</p>	0	0	1,000	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
MH1	Younger Adults - Mental Health Greater use of universal services (demand prevention) and extension of Strength Based Approach. Extension of integration work with the NHS with a proportion of savings recouped through Adult Services. Joined up approach to care provision through closer working facilitated by pooled budgets to reduce overall costs.	Dependent on the detailed planning of integration with the NHS. Lower cost of care provision for both NHS and Hampshire County Council whilst better meeting clients' needs through breaking down organisational barriers that impact on determining Health or Social Care needs and the administration that entails.	138	438	600	
PD1	Younger Adults - Physical Disability Younger Adults Extra Care accommodation, moving people on from residential care. Moving clients with physical disabilities from residential to tenancy and Supported Living schemes.	Greater proportion of clients in a lower cost service whilst also enabling a greater level of independence for individuals. Reduction of clients in residential care following move to Supported Living resulting in improved outcomes and financial savings.	163	519	712	
PD2	Younger Adults - Physical Disability Greater use of universal services (demand prevention), and extension of Strengths Based Approach and Telecare.	Reduction in double-up care packages and costs. Increased independence and mobility of service users. Carers able to focus on personal care. Further work is required to understand likely partnership models, costs and impact on net benefit position.	63	575	900	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PD3	Younger Adults - Physical Disability Extension of new volunteering model of care started in 2019.	Hampshire County Council taking a pioneering role as a major employer, reducing social isolation, developing community activities/clubs and supporting the wider Voluntary and Community Sector. Supporting economic development of the care market, including encouragement of micro-providers and adoption of Technology Enabled Care????? through the use of increased volunteering opportunities	21	189	255	
PD4	Younger Adults - Physical Disability Work by the Technology Enabled Care partnership to develop and implement the use of Cobots (exoskeleton technology) to support lifting and handling of clients.	Increased independence and mobility of service users. Carers able to focus on personal care. Further work is required to understand likely partnership models, costs and impact on net benefit position.	50	150	150	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
OA1	<p>Older Adults Purchased Care Demand to be diverted prior to the front door as a result of both the continuation of the Demand Management and Prevention programme and the Contact Assessment and Resolution Team (CART) diverting individuals at first contact. Investment in Services will continue however the proposed activities would result in the mitigation of the forecast demand increase in care needs by circa £2m per year for three years.</p>	<p>Individuals would receive more timely advice to meet early needs through the extension of demand and prevention services resulting in the people being able to continue for longer without the need to access services. CART would support by increasing resolution rates through embedding Strengths Based Approach (SBA) fully and increasing self-service rates.</p>	0	2,000	6,000	
OA2	<p>Older Adults Purchased Care - Domiciliary Care Reduction in commissioned domiciliary care hours by reviewing the number of new clients with eligible needs who would receive a service and by ensuring the needs of individuals are met by other means where appropriate.</p>	<p>Eligible needs met through a more personalised approach which would include family and friends, local community and voluntary sector organisations and making better use of technology to reduce demand. SBA embedded fully with practitioners, CART, Health and Providers. Increased awareness and use of direct payments for Personal Assistants (PAs).</p>	548	1,703	2,445	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
OA3	<p>Older Adults Purchased Care - Residential Care Reduction in commissioned spend by diverting individuals away from long term residential care, including directly from hospital. Increased availability of community services, short-term placements to address individuals' eligible needs and services to prevent crisis and the need for residential care.</p>	<p>A person would be able to live at home for longer as a result of newly defined processes and receiving additional services which would be developed to prevent admission to hospital and avoid the need for residential care. Individuals would have greater access to short term/temporary beds in both in-house and private market following discharge from hospital and to avoid a permanent need for long term residential care. Social Workers would have greater autonomy and options to offer services which avoid a service user progressing residential care.</p>	1,329	2,049	2,605	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
OA4	Older Adults Purchased Care - Residential Care Opening of 5 new Extra Care schemes - Addenbrooke, Fernmount, Bulmer, Nightingale and Oak Park. Savings based on placing a greater number of clients with high or medium care needs into Extra Care and new models of provision, reducing the number of high cost residential placements.	The development of new sites would provide increased availability of Extra Care accommodation for service users. Individuals living in Extra Care would experience increased independence whilst any care needs would continue to be met. Residents are able to claim housing benefit therefore a lower cost of provision is required from Hampshire County Council.	0	111	750	
OA5	Older Adults Purchased Care - Residential Care Expanding the Shared Lives offering for Older Adults beyond the target number of placements delivered in T19 (approximately 11 additional clients per year).	Reduction of high cost residential placements whilst providing a more personalised service for clients.	0	49	200	
OA6	Older Adults Purchased Care - Technology Enabled Care Work by the Technology Enabled Care partnership to develop and implement the use of Cobots (exoskeleton technology) to support lifting and handling of clients.	Increased independence and mobility of service users. Carers able to focus on personal care. Further work is required to understand likely partnership models, costs and impact on net benefit position.	200	600	600	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
IH1	In House Undertake a strategic analysis of in-house provision to rationalise services across target locations / service user cohorts - in particular cease current residential provision that no longer delivers to the target group.	Consolidate existing provision and consider longer term expansion to respond to local demography and complexity challenge. Aim to enable departmental strategy for Older People and Learning Disabilities . Potential for costs to be incurred elsewhere e.g. housing benefit, Older People/Physical Disabilities commissioning budget.	0	354	400	
IH2	In House Review In House Management processes to achieve most cost effective resourcing plan for Residential and Nursing Units.	Reduce staffing blueprint, whilst maintaining safe levels of care that meet regulator expectations. Services delivered within budget reducing pressure on departmental resources. Using latest technologies to aid in the efficient and timely application of HR policies in absence and performance management.	740	750	750	
IH3	In House Review of Nurses recruitment and retention.	Reducing the vacant nursing hours thereby reducing use of high cost agency cover. Reduction in the establishment and use of Assistant Practitioners (ratio reduction from current 1:10 to 1:20).	208	275	275	
IH4	In House Utilise in-house provision for publicly funded residents with complex care needs, rather than purchase care from the private market and ensure that people with needs that can be best met by the private sector are supported into appropriate placements.	Where clients can be placed more cost effectively in the private market this would occur to ensure that the best value and utilisation of Hampshire County Council assets is achieved in order to meet the complex care needs of other publicly-funded residents.	24	174	200	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
WD1	Working Differently Initially utilise growth funding to retain staffing capacity, in order to meet the rising demand for assessments, casework support and the associated business/HQ activity. Meanwhile, make ongoing improvements to ways of working that would create efficiencies and await reductions in demand that, taken together, would enable workforce reductions to happen at a later date, at a point when these are safe and appropriate to make.	Retains staffing capacity to meet increased demand as a result of increases in rates of referral and/or case complexity at the frontline and in the back office. Necessitates further changes to ways of working, utilisation of technology and readiness to adjust staffing levels in light of any reduced demand. Efficiencies would need to be made to stay within financial envelope before any allowance for additional available funding.	100	900	2,500	
WD2	Working Differently Taking the opportunity for reviewing the service and how it is delivered on a 6 monthly cycle following implementation of T19 organisational design in 2020/21, capturing savings from posts that can be resourced differently	Staffing numbers in some service areas would reduce with associated one-off redundancy costs. These saving opportunities would be captured through an ongoing process to assess the need to fill vacant posts.	0	330	1,000	
WD3	Working Differently Cost reduction through joint appointments and joint teams with other partners.	Staffing costs to Hampshire County Council in some service areas could reduce.	0	160	500	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
WD4	Working Differently Increase contributions of self-funders / other public sector funded residents.	Increase contributions of self-funders and other publicly funded residents to 'market rates', subject to potential revision of the in-house operating model / trading arrangements.	100	300	700	
HF1	National Funding Utilisation of additional national grant funding to reduce the impact of savings that would otherwise need to be achieved.		4,171	4,171	4,171	
PH1	Public Health - Central Public Health Expenditure 1) Reducing Senior Management Team resource and capacity. 2) Reduction of travel, printing, training and other expenses.	Staffing impact would be managed within existing workforce.	90	90	90	
PH2	Public Health - Substance Misuse 1) Alcohol nurse service - withdraw funding as not a core Public Health responsibility. 2) Specialist Substance Misuse Service for adults and young people - reduce contracted value for commissioned service.	1) With 2-year contracts it is possible to de-commission the service. 2) Contract value reduced by 12% in last three years with further reductions allowable within the contract. Further reductions would impact on the same client group with closure of services from across the county and reduction of treatment for people.	160	410	1,232	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PH3	Public Health - Sexual Health Integrated Sexual Health Services - reduce contracted value for commissioned service.	The contract can be reduced in value. Potential restrictions would need to be introduced based on age, risk profile and clinical need, with some people needing to travel further. Priority would continue for high risk groups, though impacts of STI are likely to be experienced by the general population through the reduction of this universal service. Psychosexual counselling services would stop	137	277	958	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PH4	Public Health - Domestic Abuse Service and Mental Health 1) Reduce contracted value for commissioned services as not a core Public Health responsibility. 2) Reduce all public health asset-based work for mental health.	1) Contract value already reduced by 9%. Services would only be able to focus on high risk clients, not medium risk clients. Perpetrator services would also reduce. 2) Reduced upstream work to improve the mental health of the population can be stopped.	29	275	275	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PH5	<p>Public Health - Healthy Lifestyles</p> <p>1) Reduce contracted value for commissioned weight management service. Options are to reduce capacity or move to a free/minimal cost online service only.</p> <p>2) Reduce contracted value for commissioned service and promote self-management to quit smoking. Service transformation will already have been undertaken through previous tender.</p> <p>3) Reduce contracted value for commissioned service for providing NHS Health Checks for high risk residents and priority groups only.</p>	<p>1) Reducing budgets to target deciles of greater deprivation, an ageing population and hard to reach groups. Decreased likelihood of attainment of 5% weight loss across the general population in accordance with NICE guidelines.</p> <p>2) Specific focus to target those from disadvantaged areas and the number of women who continue to smoke during pregnancy. With decreased likelihood of smoking cessation in the general population.</p> <p>3) Reduction of Health Checks service to primarily focus upon the most deprived 10% of the population.</p>	83	515	515	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PH6	<p>Public Health - 0-19 (Statutory Duty)</p> <p>1) Further reduce contracted value for commissioned Public Health Nursing 0-19 service.</p> <p>2) A 13% reduction in the Public Health contribution to the Family Support Service in close consultation with Children's Services.</p> <p>3) Decommission Oral Health Promotion service. Stop undertaking Oral Health Surveys.</p>	<p>1) Represents a 7% reduction, a circa 16% reduction in total since 2015. This could be delivered at the end of T21 to allow time for the necessary work with Children's Services. This is a sensitive service which would require consultation as to what could change within offer.</p> <p>2) Will require detailed and specific service planning reductions with Children's Services. Prioritisation will be required, being mindful of impacts of further reduction to the service – will lead to a more targeted service.</p> <p>3) Stopping service would require a consultation. Currently HCC commission biannual 5-year-old survey only, this would cease.</p>	510	1,332	3,117	

Ref.	Service Area and Description of Proposal	Impact of Proposal	2020/21 £'000	2021/22 £'000	Full Year Impact £'000	Estimated Staffing Impact FTE
PH7	<p>Public Health - Older People</p> <p>1) Falls prevention - a 13% reduction in existing budget. Work with health colleagues to try and secure additional funding as benefit of falls prevention is across both health and social care.</p> <p>2) Remove Public Health contribution to in-house care home activity coordinators. Review in-house care home activity coordinator service and look at alternative, more cost-effective ways to deliver.</p> <p>3) Remove the Public Health contribution to Adult Services grants.</p>	<p>1) The budget reduction would mean that the Steady and Strong falls prevention programme cannot be expanded and developed but can be maintained at its existing capacity.</p> <p>2) Lack of activities for in house clients. If no alternative funding or model is put in place, this could negatively impact the residents of the care homes that currently interact with the activity coordinators and benefit from the activities they organise.</p> <p>3) Minimal impact as a relatively small proportion of the grant funding is from Public Health and grants are allocated on a short-term basis.</p>	268	615	615	
		Total	10,202	24,035	43,100	120