

NOTICE OF MEETING

Meeting	Executive Member for Adult Social Care and Health Decision Day
Date and Time	Monday, 11th January, 2021 at 3.00 pm
Place	Virtual Teams Meeting - Microsoft Teams
Enquiries to	members.services@hants.gov.uk

John Coughlan CBE
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This meeting is being held remotely and will be recorded and broadcast live via the County Council's website.

AGENDA

DEPUTATIONS

To receive any deputations notified under Standing Order 12.

KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

1. **COBOTS IN CARE PROGRAMME** (Pages 3 - 12)

To consider a report of the Director of Adults' Health and Care seeking permission from the Executive Member for Adult Social Care and Health to spend in relation to the provision of Co-operative robotic devices (cobots) to support the effective delivery of care services, in particular with a view to supporting paid carers in the performance of their tasks.

NON KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

2. **DEMAND MANAGEMENT AND PREVENTION GRANTS** (Pages 13 - 26)

To consider a report of the Director of Adults' Health and Care seeking approval for making grant awards to the voluntary and community organisations outlined in the report as part of the Demand Management and Prevention Programme.

3. 2021/22 REVENUE BUDGET REPORT FOR ADULT SOCIAL CARE
(Pages 27 - 46)

To consider a report of the Director of Adults' Health and Care and Deputy Chief Executive and Director of Corporate Resources, setting out proposals for the 2021/22 budget for Adult Social Care in accordance with the Councils Medium Term Financial Strategy (MTFS) approved by the County Council in November 2019 and updated subsequently in July 2020 to reflect the financial impact of the Covid-19 crisis and the County Council's response.

4. CAPITAL PROGRAMME FOR 2021/22 TO 2023/24 (Pages 47 - 66)

To consider a report of the Director of Adults' Health and Care and Deputy Chief Executive and Director of Corporate Resources seeking approval for the submission of the Adult Social Care and Health capital programme to the Leader and Cabinet.

KEY DECISIONS (EXEMPT/CONFIDENTIAL)

None

NON KEY DECISIONS (EXEMPT/CONFIDENTIAL)

None

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to observe the public sessions of the meeting via the webcast.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Executive Member for Adult Social Care and Health
Date:	11 January 2021
Title:	Cobots in Care Programme
Report From:	Director of Adults' Health and Care

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Purpose of this Report

1. The purpose of this report is to seek permission from the Executive Member for Adult Social Care and Health to spend in relation to the provision of Co-operative robotic devices (Cobots) to support the effective delivery of care services, in particular with a view to supporting paid carers in the performance of their tasks. Our aim is to also impact on the levels of double up care required using the support Co-operative robotic devices provide.

Recommendation(s)

2. That the Executive Member for Adult Social Care and Health give approval to spend up to £4.1million over 5 years to source Cobots to support the delivery of the Hampshire Cobots transformation programme.

Executive Summary

3. This report seeks to provide background to the 'Cobots' programme, outline the options that were considered for the future direction of the programme and preferred option, outline the financial position and describe how performance against the programmes objectives will be monitored and managed.
4. Adults' Health and Care undertook an initial pathfinder throughout 2020 to explore the viability of using Cobots in care settings. A cobot is a device that is worn by a person (in this case around the lumbar region) that assists the wearer to carry out normal manual functions, like moving an object or person, with more ease. The purpose of the Pathfinder was to establish the extent to which Cobots could contribute to greater efficiency in care delivery, in particular impacting on the levels of 'double up care' delivered (where two

formal carers are required) as well as delivering additional benefits like reduced sickness rates, more attractive working conditions and ultimately staff retention.

5. Based on findings from the pathfinder evaluation, there is a strong economic and outcome efficacious business case for the mainstream deployment of Cobots across both internal and external Social Care settings
6. It is recommended that the County Council proceed to a controlled roll out of Cobots, focusing on embedding 'Cobots as a tool' to enhance care delivery with targeted providers within year 1, with a view to then mainstreaming 'Cobots as Default' (Cobots always considered the 2nd carer unless good reason not to) from year 2 onwards.

Contextual information

Background to the project

7. In October 2019, Hampshire County Council launched a pathfinder to explore the potential value of Cobots in care delivery. The key areas we wished to explore through this pathfinder were:
 - What role technology could play in helping us support formal carers
 - Whether this work could assist the County Council and the care sector address the workforce challenge that is likely to face us over the next decade (estimates are that by 2025 we may be facing a shortfall of up to 6,000 paid carers)
 - How we could use innovative technology to support carers with the physical demands of caring
 - Explore what opportunities there may be to support informal carers and family members
 - Explore how we could impact on established patterns of care delivery like 'double up' care so freeing up workforce capacity and contribute to more efficient delivery of packages of care for the County Council.
8. Six lumbar type Cobot devices were sourced for 6 months to enable us to explore how this technology could be used to address our key areas of interest and whether there was any benefit in pursuing the use of Cobots further. From January to August 2020, 18 carers (paid and unpaid) across 6 different care settings in Hampshire wore the device to determine its effectiveness in routine care practice.
9. **The objectives of the Cobot pathfinder are summarised below:**
 - **Performance:** exploring if and how Cobot technology can support care workers do their job more effectively and/or efficiently
 - **People:** spearheading a positive culture around future of care technology - sparking enthusiasm amongst the workforce
 - **Technology:** developing a specification for future Cobot technology development in UK care sector

- **Operations:** identifying operational and training requirements that could be applied to any future Cobot deployment
- **Finance:** determining if and how Cobot technology can impact on the financial pressures faced by Hampshire County Council
- **Relationships:** strengthening relationships with providers, professional bodies, government departments
- **Regulation:** understanding/informing regulatory requirements that may impact any future Cobot deployment

Evaluation of the Pathfinder

10. The evaluation of the Pathfinder showed that in all domains there is a demonstrable role for Cobots in care delivery and in assisting the County Council in its programme of modernising care services.
11. Feedback gathered from carers, providers, managers, service users, Hampshire County Council Occupational Therapists and others, demonstrate that the cobot enhances effective moving and handling techniques and provides physical support around the lower back when delivering care and reduces overall fatigue and aches/pains, makes them feel more confident and makes the job easier.
12. Additionally, in a significant number of cases the devices enabled carers to deliver services more independently, without the need for a second carer.
13. However, like all care technology, there are limitations. Key limitations are: size of the Cobot needs to account for all users; and effective implementation requires a significant change management approach. However, if the limitations are addressed and overcome, and if implemented appropriately, Cobots have potential to deliver a whole range of benefits for the care system.
14. A key objective of the Cobots pathfinder was to understand whether Cobots can impact on the financial pressures experienced by Hampshire County Council.
15. A desktop review of double-up older adult care packages suggests that there is significant scope to reduce double-up care packages with the support of Cobots. The findings were used to develop a set of conservative assumptions that between 13% and 26% of double up packages could be reduced using Cobots.

Options considered

16. Based on the findings from the Cobots pathfinder exploration phase, there are four options that is has now been possible to consider for Cobots. These are summarised below:
 1. **Do nothing:** Hampshire County Council opts not to proceed further with Cobots.

2. Do minimum: Lease and deploy 2 Cobots as a training aid for Workforce Development to use to reinforce good moving and handling technique amongst care staff

3. Proceed to a managed expansion of cobots: focusing on embedding 'Cobots as a tool' to enhance care delivery with targeted providers, care workers and service users where we know it will have greatest impact (invest in 63 cobots for deployment in Year 1)

4. Move directly to mainstreaming cobots in care delivery: with the intention of establishing 'cobots by default' deployed in the maximum number of double-up cases (invest in a further 64 (total 127) Cobots in Year 2).

17. A hybrid option of option 3 transitioning to option 4 at the end of year 1 (*rather than moving immediately to option 4*) has several delivery advantages:

- ensures the project team have the required time to manage the complexity of the implementation and build the necessary insight and capability within Hampshire County Council to subsequently mainstream Cobots
- allows Adults' Health and Care to carefully develop and implement a robust change management plan for operations.
- allows the project team adequate time to develop the processes (such as allocation of devices and targeting of resources with external partners), systems, relationships internally and externally, and expertise necessary to sustainably support the mainstreaming of Cobots at the scale set out in Option 4.

Finance

Financial requirements

18. This project is one strand of many projects that support the delivery of the departmental transformation savings under Transformation to 2021. As such the cost of the Cobots, for which approval is being sought in this paper, will be met from within the departments existing resources through the delivery of savings directly attributable to the roll out of this technology, as will any other associated project costs.

19. When fully implemented, the recurring reduction to existing care costs this project is anticipated to achieve exceeds the annual cost of the project, by an estimated £0.62million annually. Thereby both delivering a significant contribution to Transformation to 2021 savings and absorbing all associated project costs. The evaluation of Cobots demonstrated that the council could impact positively on the provision of between 13% and 23% of doubled up care packages using these devices (where two paid carers are provided to deliver care) and therefore reduce the financial burden on the public purse whilst freeing up workforce capacity at the same time.

20. The £4.1million requested in this report is the maximum expected spend over the 5 year period based on a final volume of Cobots of 127. However, it is

planned that the increase in Cobots to this level will be gradual and phased over the first two years. We also plan to procure future devices on the basis of lease in the first instance with the opportunity to review commercial arrangements once the Cobots programme is embedded and delivering against outcomes including financial targets. This plan provides opportunity to review the achievement of savings and assess likelihood of further savings at regular intervals prior to undertaking a commitment of further Cobots, thereby safeguarding the Department's exposure to risk of unnecessary expenditure. The costings for the devices will include all associate costs, including shipping, warranties and maintenance and the device itself.

Performance

Governance

21. Governance for the Cobots in Care Programme will focus on two elements.
 1. The management of the programme, with key interest in logistics, procurement, legal matters, programme management, training, provider relationship management and benefits realisation reporting
 2. Cobots by default. Operational transformation, embedding 'Cobots by default' into social care practice, management of transforming approach to double up care and ownership of the cost efficiencies programme.
22. These two elements of the programme will have their own board structure reporting and accountable to the overall departmental transformation governance via the Deputy Director for Adults' Health and Care.

Consultation and Equalities

23. It is for the Executive Member as Decision Maker to have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
24. Full equalities impact assessments have been undertaken and are included in the appendix.
25. The analysis of the Equalities Impact Assessment demonstrates that impacts are either neutral or positive across most areas, with Pregnancy and Maternity showing a Medium impact. The pathfinder has highlighted areas where we are able to enhance the impact positively, for example, in relation to Gender. Our finding showed that we needed to ensure a range of sizes are available to fit European body types so we will include this requirement in specifications going forward.

Conclusions

26. The Cobots in Care Transformation Programme follows an extensive pathfinder exercise that was designed to explore how co-operative robotic devices could help Hampshire County Council support the delivery of care. In

addition, how these devices can support carers to deliver care more effectively and benefit them physically as well as productively. The pathfinder also focused on the financial benefits that could be accrued from the deployment of these devices and concluded that there are benefits for Hampshire County Council utilising these extensively moving forward. This programme will support that ambition, support service users, carers, providers and the County Council as a whole.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	no

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

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

2. Equalities Impact Assessment:

Description of current service/policy

The introduction of 'cobot enhanced care' across Hampshire represents an opportunity to transform the way care is delivered to Older Adults in the community, by adjusting the level of support service users require based on an assessment of:

Individual person's needs

Environment

Equipment

Technology e.g. cobots

Innovative new cobot technology will be deployed to enable care workers to deliver more single handed care, freeing up additional care workers to provide care to other vulnerable adults.

Geographical impact: All Hampshire

Description of proposed change

The overall aim for cobot enhanced care is to optimise independence and confidence for both care giver and receiver through use of cobot technology, specialist equipment and training that enables personalised packages of care to be commissioned and delivered safely, effectively and consistently with fewer care workers. Enabling more single handed care delivery improves capacity for care providers to address the demand for care, making the care workforce more resilient for the future. By working more independently, care workers build and sustain more rewarding relationships with those they care for. □ They will have increased flexibility and hours freed up and reduced infection control risk.

Impacts of the proposed change

This impact assessment covers HCC Staff (and partners)

Engagement and consultation

Has engagement or consultation been carried out? Yes

Over 35 care workers were engaged as part of the original HCC cobot pathfinder, 18 of those wore the cobot to deliver care over a 6-8 week period and fed back on their experiences. The majority reported that it made care delivery easier: it provided physical support around the lower back, reducing aches and fatigue; improved manual handling skills; enhanced their ability to use equipment; increased their confidence; and enabled them to deliver more care independently. As part of the cobot Enhanced Care Programme, care workers will be engaged to contribute to the co-design of the new model of care and will have the opportunity to take part in a comprehensive training and development programme

Statutory considerations Impact Mitigation

Age: Positive

The cobot provides physical support around the lower back of the wearer when lifting, moving or handling objects or people. In the short term care workers feel less fatigued, in the long term they avoid injury and hopefully stay in the profession □ for longer.

A wide range of care workers will be invited to wear cobots to enhance their care delivery, but ultimately, they will have a choice over whether they want to wear cobots.

Disability: Neutral

Sexual orientation: Neutral

Race: Neutral

Religion and belief: Neutral

Gender reassignment: Neutral

Gender: Positive

The cobot originally used in the pathfinder was manufactured for one size and tended to fit more female care workers than male care workers. As part of the specification moving forward, the cobot supplier must be able to manufacture and supply cobots in a range of sizes.

Marriage and civil partnership: Neutral

Pregnancy and maternity: Medium

The cobot is not suitable for pregnant care workers and therefore they will not be expected to wear a cobot to deliver care whilst pregnant. If a care worker is pregnant and unable to wear the cobot to deliver care to a service user that is assessed as benefitting from a cobot, the care provider will support the care worker to deliver care to other vulnerable service users who do not require a cobot to have their care delivered.

Other policy considerations Impact Mitigation

Poverty: Neutral

Rurality: Neutral

Any other information

The introduction of innovative physical assistive technology, such as Cobots into care delivery is aimed to benefit care workers of all different ages, genders and ethnic backgrounds, allowing them to deliver care more effectively while also protecting them. The technology needs to be available in a range of sizes to ensure that many different care workers can benefit from this type of technology in care delivery.

The deployment of Cobots will be focused in domiciliary care in the community across Hampshire and is therefore likely to impact external care providers of domiciliary care.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Health
Date:	11 January 2021
Title:	Demand Management and Prevention Grants
Report From:	Director of Adults' Health and Care

Contact name: Sarah Snowdon
Peter Stokes

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Purpose of this Report

1. The purpose of this report is to seek approval for making grant awards to the voluntary and community organisations outlined in this report as part of the Demand Management and Prevention Programme

Recommendation(s)

2. That approval be given by the Executive Member for Adult Social Care and Health to award the following grants:
 - i) To award grants totalling £65,390 to cover a 2 year period between 1 February 2021 and 31 Jan 2023 as part of the Local Solutions Grant as detailed in Appendix 1.
 - ii) To award Age Concern Hampshire a grant totalling £20,000 to cover a twelve month period between 1 April 2021 and 31 March 2022 as part of the Rural Connections Grant.
 - iii) To award MHA a grant totalling £480,000 to cover a 2 year period between 1 April 2021 and 31 March 2023 as part of the Community Based Support Grant.

Executive Summary

3. This report seeks to...
 - Set out the background to the grants
 - Set out the reason for the recommendations
 - Consider the finance for the project
 - Look at key issues
 - Briefly consider the future direction of the project.

Contextual information

Background

4. The Voluntary and Community Sector (VCS) contributes to improving people's quality of life. The grants programme is one of the ways in which the County Council supports the sector to support people to live fuller more independent lives.
5. A voluntary organisation may be considered for grant aid from the County Council only if its services, projects or activities are in compliance with the aims and objectives, priorities and policies of the County Council.
6. Grants are awarded to support services that are better provided by the voluntary sector e.g. the mobilisation of community resources to help vulnerable people maintain their independence.
7. A grant is defined as a sum of money to support a particular activity. It does not usually cover the entire cost of the activity and it is legally considered to be a one-sided gift, rather than a payment in exchange for services.
8. Voluntary and community organisations provide valuable locally based services that are often rooted in the communities which they serve. Significant benefit is produced through this activity, often through voluntary action and focused towards activity that clearly assists in providing early intervention and prevention initiatives. Grant funding by the County Council contributes to, and helps sustain, this activity.
9. As grants are a contribution to service or activity costs the economic benefit to the department can be significant, levering in additional funding, the benefit of volunteer time and therefore providing good value for money to the authority.
10. Organisations would not normally be eligible for grants where they hold balances in excess of one year's running costs. Those organisations receiving recurring funding which hold in excess of three months' running costs, and where they cannot demonstrate through their reserves policy that these reserves are justified, may receive a reduced grant. To establish the level of reserves, organisations are required to provide a set of their latest accounts and annual report with their application and before grant payment is made – in the case of organisations with an income of £10,000 or above, these must be independently examined or audited. If organisations have reserves in excess of three months, we would apply the reserves policy which is in line with the Charity Commission's policy on these matters.

Demand and Prevention Programme

11. Prevention, incorporating Demand Management is one of the three key areas identified to achieve the Vision of Adults' Health and Care, as detailed in the Adult's Health and Care Strategy 2018.
12. The Demand Management and Prevention work will build on people's strengths, enabling them to improve their health and take more personal responsibility for looking after themselves with support from their family, friends and community network. The County Council will encourage this by

making the healthy choice the easy choice and developing accessible, inclusive and readily available information and advice services. The County Council will also carry out targeted prevention work for certain groups of people who are most at risk of poor health to keep them well and to avoid or delay the need for social care services. The County Council will work with partners, in particular the NHS, GPs and the Voluntary sector to achieve the above aims.

13. In alignment with the overall Demand Management and Prevention Programme Strategy, the five year objectives for the Demand Management and Prevention Programme are:
 - More people will be keeping fit and well in the community, reducing the need and demand for health and social care services.
 - Information and advice via Connect to Support will be routinely accessed to enable people to make informed choices about their care and support.
 - The County Council's contact centre will resolve the majority of client enquiries for help and support.
 - Private pay care technology solutions will be routinely requested and provided.
 - Community support offers will be increasingly known about, better trusted and more widely used.
 - Fewer people will be socially isolated or people will be better connected and Carers will be better supported.
14. A number of countywide grants and contracts are awarded as part of the Demand Management and Prevention programme, all designed to complement and deliver the aims and objectives of the programme. These grants enable services to be delivered across Hampshire, such as Community Based Support, and Rural Connectors, both recommended in this report. In addition, a number of smaller place-based grants are also recommended as part of the programme of work, in response to specific community needs identified within that locality. These place-based grants include the Local Solutions Grants discussed in this report.
15. In this report all grants being recommended follow on from an advertised programme that is open for applications from relevant organisations.

Local Solutions Grant

16. It is recognised that across Hampshire there are local initiatives, support networks and services achieving positive outcomes for adults every day. A strength-based approach values these local provisions and seeks to enable them to further develop, be sustained and grow. This approach recognises that the County Council is often not the only, or the best, source of help for local people
17. Services developed through this locality focused approach (either through building capacity in existing provision or through new initiatives) are likely to enable early prevention support, as well as shaping options which may be

attractive alternatives to some traditional services currently available for individuals, carers and families. The prioritisation of localities to focus upon within this approach has been informed by data on demographics, existing and projected social care demand, and feedback from stakeholders. This will help to ensure that local people have effective support available now and into the future.

18. The focus and criteria for each Local Solution Grant has been shaped by engagement with local stakeholders. This engagement has informed identification of the local priorities, the outcomes which are important to be achieved and the potential type of solution which could be developed. They are also aligned to the NHS programme to support self-management, which assists individuals to remain independent and minimising their need for social care. Some grants are more specific in what is being asked to be delivered and others outline more generally the focus of the change required. Across all, it would be looked for the successful bidder(s) to ensure local insight and expertise continue to shape the support and services as they further develop, in order to deliver positive outcomes. Local stakeholders were also present on each of the grant panels, so that the local 'voice' informed the decision making.
19. In this paper, local solutions grants are recommended for communities within East Hants, Havant, Hart, Test Valley and Basingstoke, based on the local stakeholder engagement (see Appendix 1). The areas covered in this grant round build on those covered in previous Local Solutions grant rounds. The Local Solutions Grant is open to applications from any voluntary, community or not for profit organisation delivering services to resident in any part of Hampshire. The Local Solutions Grant is open to applications year-round, enabling further application that meet the grant outcomes and objectives in other areas to be funded at other points in the year.

Countywide Grants

Rural Connections Grant

20. The Rural Connections Grant would enable an organisation to provide a service that develops and supports local volunteers in rural settings to provide information and advice for vulnerable adults in their communities, and to facilitate connections with other services and assets (e.g. community groups and buildings). In particular the focus would be on supporting people at risk of social isolation and loneliness.
21. The Village Agent service delivered by Age Concern Hampshire has currently over 50 trained volunteers operating in different rural locations across Hampshire. The service is preventative in nature, aiming to encourage and capacity build so that people stay well and independent in their communities for as long as possible, linking to other local voluntary services including others funded by the County Council. This is of particular importance in rural communities where providing care is more challenging and costly. In the current year, due to the impact of COVID-19 the service adapted its usual

home visiting model to provide an average of 1,100 hours of virtual wellbeing support a month.

22. Over the period of funding Age Concern Hampshire are seeking to expand the existing service to other rural areas not currently covered and ensure that it takes in a greater number of residents at risk of falling into social isolation and loneliness. The selected organisation would work closely with Hampshire County Council to ensure the areas of greatest need are targeted for expansion of the service as well as working with the County Council to develop outcome measures which would evidence the impact of the scheme on both the wellbeing of residents and on the costs of care incurred by Hampshire County Council.

Community Based Support Grant

23. The Community Based Support Grant supports a county-wide service for Hampshire residents over the age of sixty-five, who are at risk of social isolation and diminished independence. The community based support model fits within the prevention and early intervention landscape: to support older people on the cusp of care within their local communities. The grant aims to increase social connectivity and exercise opportunities for residents, supporting them to improve their health and wellbeing. Services would be based both in local community venues across Hampshire for face to face activities and also through the phone and online, enabling remote service options.
24. The current funded provision under this grant is also provided by MHA communities. In Sept 2020 there were 2,082 members and 387 volunteers. Due to COVID-19 restrictions this year, services have generally not been face to face and new, remote opportunities have been developed. While face to face services are important, from April 2021, the aim is to continue to provide popular remote options in addition to restarting face to face services when possible. Initial home visits and transport provision as necessary would continue to be an element of the service.
25. The Community Based Support Grant is a contribution towards the operation of the service provided. The successful organisation must fundraise the remaining costs. A proportion of costs can be requested from service users but no user can be excluded if they are unable to pay. As a result, the award made by the County Council is expected to account for no more than 33% of the total funding of the services provided. All prior Community Based Grant awards made to all organisations funded in previous years, which includes MHA, have shown the award amounted to a similar level of contribution.

Finance

26. The grant proposals in this report would commit additional expenditure totalling £565,390 over a three financial year period commencing in 2020/21. The expenditure has been profiled between years as follows: £44,425 in 2020/21, £280,965 in 2021/22 and £240,000 in 2022/23. Subject to approval of this report the total grants committed for payment would remain within the

agreed, (2020/21) and anticipated, (2021/22 & 2022/23) annual budget envelopes for the Demand Management and Prevention Programme.

27. Payment of the majority of Local Solutions grants would be made in one instalment with multiple instalments used for awards in excess of £10,000 (proposed payment schedules outlined in Appendix 1). The Rural Connections Grant award would be made in one instalment upon receipt of a signed grant agreement. Being a significantly larger amount the Community Based Support Grant would be paid on a half yearly basis, in equal instalments, commencing on the signing of the issued grant agreement. All Grant Agreements have conditions that enable the County Council to require repayment of the award or any part of it if it remains unspent at the end of the grant period, or if there is a material breach of the grant agreement.

Performance

28. The provision of grants to voluntary and community sector organisations by statutory bodies always presents a degree of risk. Specific risks that statutory bodies are required to manage include voluntary and community organisations accepting funding without providing any activity; organisations not delivering the service as expected; and there being an under spend on the expected activity. This applies to all grants however; larger grants represent a potentially higher risk to the County Council.
29. A number of mechanisms have been employed successfully over a number of years to mitigate and alleviate these risks. These include nominating a liaison officer from the County Council whose responsibility is to monitor how the grant is spent, specifying within the grant agreement that the grant is 'restricted' funding for the provision of the specified activity only and phasing the payment of grants over the course of the award duration.
30. Awards under the Rural Connections and Community Based Support, have all be made in previous financial years and as such performance would be measured against previous provision with the assigned liaison officer tasked with outlining success factors prior to the commencement of the grant. Future instalment payments would be decided upon based on performance against these success factors e.g. volume of referrals, growth in provision and Hampshire County Council costs diverted.
31. The Local Solutions Grants would also include measures to define the volume of referrals taken and how much care costs have been diverted. The precise details of this performance framework would be subject to further discussion and subsequent agreement with the grant recipients prior to accepting the grant. The measures agreed would be used amongst other measures, including those collected in relation to the Countywide Grants, to quantify and qualify the cost avoidance of the Local Solutions grant spend, specifically in relation to the efficacy in offsetting demand that would otherwise fall on formal Social Care services. Performance would be monitored through senior internal governance structures. It is envisaged that the financial benefits derived would exceed the one-off cost invested provided that the activity

undertaken is in accordance with the grants. The activity would be monitored and reviewed over the life of the award to ensure it remains on track.

32. A comprehensive evaluation assessment tool has been developed and is in use for the beneficiaries of previous grant rounds, ensuring consistency of data capture.
33. All organisations awarded a grant sign a declaration stating they accept that grant funding can only be awarded for the given period and no commitment exists from the County Council to continue funding after this time, or in subsequent years.

Consultation and Equalities

34. It is for the Executive Member as decision maker to have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
35. The Local Solutions Grants (see Appendix 1), Rural Connections Grant and Community Based Support Grant would have a positive impact on older adults aged 65 and over, as the awards would enable either new or expanded services to those belonging to this protected group. Also, the Rural Connections Grant would be of benefit to residents of Hampshire living in rural locations, supporting them in accessing services which may be harder to reach than those in urban areas.
36. The Local Solutions Grants have been shaped in their design by local stakeholder engagement, including those working in the local voluntary community sector, local councillors as well as staff working for Adults' Health and Care, Health and from local councils.
37. The Countywide grants have all been funded before with similar criteria and so seek to continue the provision these services provide to the community.

Conclusions

38. The organisations receiving a Local Solutions Grant would provide services identified at a local level as required to either prevent or delay adults from requiring social care involvement or would reduce their need for care by providing alternative solutions.
 39. The Rural Connections Grant would seek to connect individuals in rural locations to the facilities and services in their local community and reduce social isolation and loneliness in users.
- The Community Based Support Grant would build connections and support older residents across Hampshire to become less isolated, more engaged with their local community and more physically active.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Demand Management and Prevention Grants Demand management and Prevention Grants Demand management and Prevention Grants Supportive Communities Grant Award Supportive Communities Grant Award	<u>Date</u> 29 September 2020 18 March 2020 15 January 2020 13 March 2018 17 January 2017
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents	
<p>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.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

2. Equalities Impact Assessment:

The award of grants to the voluntary and community sector to support people to live long, healthy and happy lives with the maximum possible independence, as part of the demand management and prevention programme and in-line with Adult's Health and Care Strategy 2018.

Grants in this paper:

Local Solutions Grant in Basingstoke, East Hants, Hart, Havant and Test Valley areas - period 1 Feb 2021 - 31 January 2023. Total Pot: £65,390

Rural Connections Grant Awarded to Age Concern Hampshire – period 1 April 2021- 31 March 2022 Total award: £20,000

Community Based Support Grant Awarded to MHA – period 1 April 2021- 31 March 2023 Total award: £480,000

Geographical impact: All Hampshire

Proposed Change:

All the Local Solutions Grants recommended for award are new and have not been awarded to any organisation for these purposes before. These are in addition to other grants currently awarded on behalf of Adults' Health and Care.

Local Solutions Grant are new grants to provide services addressing locally identified needs. These areas identified in this round have been chosen by scale of existing social care need and demographic data. There is intention to hold future grant rounds so that each district is reached.

The countywide grants have been provided before and funding proposed in this paper would seek to extend funding to continue the provision for an additional time period.

Who does this impact assessment cover?: This Impact Assessment covers Service users

Has engagement or consultation been carried out?: Yes

Describe the consultation or engagement you have performed or are intending to perform:

The Local Solutions Grants were shaped in their design by local stakeholder engagement, including those working in the local voluntary and community sector, local councillors as well as Hampshire County Council staff, NHS and local councils.

The Connector Grant and Community Based Support Grant were shaped through monitoring and evaluation of the current provision, identifying the benefits as well as potential improvements of the service. This was achieved through Hampshire County Council Officers carefully scrutinising the providers' completed monitoring and evaluation documentation, using the relationship with the organisation to shape provision to increase benefits to residents. Staff who refer to the project were also engaged.

Age: Positive

Impact: Both the Local Solutions Grants and the Countywide Grants would seek to offer either new or expanded services to Older Adults aged over 65 years. The ongoing provision would provide social opportunities for vulnerable older adults to break down social isolation and loneliness. The new Local Solutions Grants offer a range of benefits which are new to residents in the areas they cover, such as seated exercise, supported travel planning, and dementia groups to encourage cognitive engagement.

Disability: Positive

Impact: Both Southern Rail Partnership and Minding The Garden Local Solutions grants would work with residents with physical and learning difficulties to develop their confidence, learn new skills and to break down social isolation and loneliness

Sexual orientation: Neutral

Race: Neutral

Religion or belief: Neutral

Gender reassignment: Neutral

Gender: Neutral

Marriage or civil partnership: Neutral

Pregnancy and maternity: Neutral

Poverty: Neutral

Rurality: Positive

Impact: The Rural Connections Grant would seek to connect residents in rural locations with local services and seek to reduce and eliminate social isolation and loneliness in these communities

Any other information:

Geographical impact: Grants proposed for approval cover a countywide approach in the case of the Community Support and Rural Connections grant. Local Solutions grants are proposed for the districts of Basingstoke, Hart, East Hampshire, Havant and Test Valley.

LOCAL SOLUTIONS GRANT RECOMMENDATIONS BY AREA

Local Solutions Grants

Organisation	Project/Service	District and Area Served	Description	Recommended Award	Payment Instalments	Grant Duration
Springwood Community Centre	Succeed Together	Havant (Stakes Ward)	Project which brings together community centre, community volunteers and the local Housing Association. Series of events directed at residents identified as living in long term isolation, designed to improve health, wellbeing and community connectivity. Part funded by the local Housing Association who has identified those residents suffering long term social isolations and loneliness.	£6,500	One off payment on award	24 Months
Southern Rail Partnership	Travel To Success	East Hants (Liss, Liphook, Petersfield and Rowlands Castle)	A project bringing together the SRP, Hampshire County Council and a local Bus Group to study the reasons residents have for not travelling and the self imposed barriers people erect to beyond their immediate environment. Project will build on the study to provide support, coaching and classes for people to break down these barriers and increase peoples confidence to travel and tackle the issue of social isolation and loneliness.	£17,000	£8,500 on return of grant agreement £8,500 at 6 month review	20 Months

Hart Voluntary Action	Minding The Garden	Hart (Fleet)	Minding the Garden at Edenbrook Community Garden will deliver inclusive social and therapeutic horticulture sessions for a diverse group of adults seeking to break down social isolation, build confidence, enhance wellbeing, promote independence and reduce the potential for reliance on Hampshire County Council statutory services in the future. The service will serve residents with mental health issues, physical and learning disabilities and older adults suffering from social isolation.	£15,000	£10,000 on return of signed grant agreement remaining at 6 month review	18 Months
Unity LTD	Test Valley Digital Connectors	Test Valley	Project to build on existed funded connector service by employing extending the contract with our specialist advisor to increase digital literacy within the section of the community who currently engage with our Connectors and Social Prescribing (SP) services, with a particular emphasis on people with clinical vulnerabilities to Covid-19.	£17,465	£10,000 on return of grant agreement remaining at 6 month review	24 Months
Fluid Motion	Resilience Project	Basingstoke	Art and performance project which will give ten Hampshire based community groups the chance to take part in four specially designed group sessions aimed at improving the health and wellbeing of participants by reducing isolation, rebuilding confidence and increasing and improving social interaction. The project is specifically targeted at people with mild to	£9,425	Payment on return of grant agreement	6 Months

			moderate mental health problems and will seek to increase in dependence and build relationships which can be carried forward into other aspects of life			
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Sub Total £65,390

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Health
Date:	11 January 2021
Title:	2021/22 Revenue Budget Report for Adult Social Care
Report From:	Director of Adults' Health and Care and Deputy Chief Executive and Director of Corporate Resources

Contact name: Graham Allen, Director of Adults' Health and Care
Dave Cuerden, Finance Business Partner

Tel: 03707 795574 **Email:** graham.allen@hants.gov.uk
03707 793845 dave.cuerden@hants.gov.uk

Section A: Purpose of this Report

1. The purpose of this report is to set out proposals for the 2021/22 budget for Adult Social Care in accordance with the County Councils Medium Term Financial Strategy (MTFS) approved by the County Council in November 2019 and updated subsequently in July 2020 to reflect the financial impact of the Covid-19 crisis and the County Council's response.

Section B: Recommendation(s)

To approve for submission to the Leader and the Cabinet:

2. The revised revenue budget for 2020/21 as set out in Appendix 1.
3. The summary revenue budget for 2021/22 as set out in Appendix 1
4. The proposed fees and charges as set out in Appendix 2.

Section C: Executive Summary

5. The Medium Term Financial Strategy (MTFS) update presented to Cabinet and County Council in July 2020 sought to assess the medium term impact of Covid-19 on the financial sustainability of the County Council. It explained that we were treating the medium term impact of Covid-19 as a one off financial impact that we aimed to address through a financial response package of County Council resources and further government support and concluded that further government funding of £52.4m was required to ensure that the County Council was financially sustainable in the medium term.

6. An update was presented to Cabinet in November and County Council in December which reaffirmed that a minimum level of government support of at least £50m was still required to help balance the deficit after the application of the financial response package.
7. The aim of the approach to Covid-19 was to place the County Council in the same financial position it would have otherwise been in if Covid-19 had not happened, in order to ensure that the tried and tested financial strategy which the County Council operates could be protected and retained.
8. This strategy works on the basis of a two year cycle of delivering departmental savings targets to close the anticipated budget gap. This provides the time and capacity to properly deliver major savings programmes every two years, with deficits in the intervening years being met from the Budget Bridging Reserve (BBR) and with any early delivery of resources retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures. The model has served the authority well.
9. In line with this strategy, the Transformation to 2021 (Tt2021) Programme has been in place for some time to develop the £80m of savings required to balance the budget for 2021/22. Detailed savings proposals for each department were approved by the County Council in November 2019, in order to allow more time for delivery of the savings; including the requirement to undertake a second stage of service specific consultations where necessary.
10. Since the transformation programme is already in place to deliver approved departmental savings, there are no new savings proposals to be considered as part of the 2021/22 budget setting process. The anticipated delay to delivery of some aspects of the transformation programmes has been factored into our financial planning and sufficient one-off funding exists both corporately and within departments to meet any potential gap over the period.
11. The report also provides an update on the business as usual financial position for the current year and the outturn forecast for the Department for 2020/21, excluding the financial impact of Covid-19, is a budget under spend of £5.5m of which £4.8m relates to Adult Social Care and £0.7m to Public Health.
12. The proposed budget for 2021/22 analysed by service is shown in Appendix 1.
13. The report also reviews the level of charges for the provision of services which require approval and provides a summary of these charges in Appendix 2.
14. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2020/21 and detailed service budgets for 2021/22 for Adult Social Care within the Adults' Health and Care Department. The report has been prepared in consultation with the Executive Member and will be reviewed by the Health and Adult Social Care Select Committee. It will be reported to the Leader and Cabinet on 9 February 2021 to make final recommendations to County Council on 25 February 2021.

Section D: Contextual Information

15. The Medium Term Financial Strategy (MTFS) update presented to Cabinet and County Council in July explained that we were treating the medium term impact of Covid-19 as a one off problem that we aimed to address through a financial response package of County Council resources and further government support.
16. The report concluded that further government funding of £52.4m was required to ensure that the County Council was financially sustainable in the medium term and an update, presented to Cabinet in November and County Council in December, reaffirmed that a minimum level of government support of at least £50m was still required to help balance the deficit after the application of the financial response package.
17. The aim of the approach to Covid-19 was to place the County Council in the same financial position it would have otherwise been in if Covid-19 had not happened in order to ensure that it still had sufficient fire power in its reserves to address the business as usual deficits of at least £40m per annum predicted after the current Transformation to 2021 (Tt2021) Programme has been implemented and in line with the strategy being adopted to manage the financial impact of Covid-19 as a separate one off issue.
18. The current financial strategy which the County Council operates, works on the basis of a two year cycle of delivering change to release resources and close the anticipated budget gap. This provides the time and capacity to properly deliver major transformation programmes every two years, with deficits in the intervening years being met from the Budget Bridging Reserve (BBR) and with any early delivery of resources retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures. The model has served the authority well.
19. The County Council's action in tackling its forecast budget deficit and providing funding in anticipation of further reductions, placed it in a very strong position to produce a 'steady state' budget for 2020/21, giving itself the time and capacity to develop and implement the Tt2021 Programme to deliver the next phase of savings totalling £80m. This also avoids the worst effects of sudden and unplanned decisions on service delivery and the most vulnerable members of the community.
20. Consequently, the majority of the decisions in respect of major changes to the budget were taken early however, other factors will still affect the budget, such as council tax decisions and inflation.
21. Members will be aware that following previous delays in the Comprehensive Spending Review (CSR) it was hoped that a three year CSR would be announced in November this year. Following increasing rates of Covid-19 throughout October and the uncertainty over the long term economic impacts of Covid-19 the Chancellor announced that only a single year Spending Review would be put in place.

22. The Spending Review announcement took place on 25 November 2020 and the key elements were as follows:

- For salaries set by the Government (such as teachers and police) there will be a public sector pay freeze in 2021/22. The exceptions are for those earning less than £24,000 (who will receive a minimum £250 increase) and the NHS. The Government does not set pay for most council staff, although it is likely to set grant levels at amounts which assume a pay freeze.
- Councils with social care responsibilities will be allowed to increase council tax by up to 5% in 2021/22 without holding a referendum. This consists of 2% for main council tax and 3% for the adult social care precept.
- The business rates multiplier will be frozen in 2021/22 (with local authorities fully compensated for the lost income). Further Covid-19 business rates reliefs may be announced in the new year.
- The Government expects to provide local authorities with over £3bn more to help with Covid-19 pressures in 2021/22. It comprises:
 - £1.55bn to help with expenditure pressures.
 - £670m additional funding for council tax support schemes (which reduce council tax bills for households on low incomes).
 - £762m (estimate) to compensate local authorities for 75% of council tax and business rates losses resulting from 2020/21.
 - Extending the Covid-19 sales, fees and charges reimbursement scheme for three months until the end of June 2021.
- An additional £300m for adults' and children's social care (£1.2m for Hampshire) and continuation of the existing £1bn annual grant put into social care previously will be maintained, along with £2.1bn provided through the improved Better Care Fund (pooled with the NHS). Proposals for reforming adults' social care will be brought forward next year.
- The New Homes Bonus scheme will continue for a further year, with no new legacy payments. Reforms to the New Homes Bonus will be consulted on shortly, with a view to implementing changes in 2022/23.
- The Chancellor also announced how the Government would deliver the next stages of its infrastructure investment plans to drive the UK's recovery with £100bn of capital spending next year and a £4bn Levelling Up Fund.

23. The provisional Local Government Finance Settlement has not been announced at the time of writing this report but is anticipated during week commencing 14 December 2020. This will provide more clarity as to the impact of the Spending Review on Hampshire County Council and details will be provided in a separate briefing to members and within the Health and Adult Social Care Select Committee Briefing presentation in January 2021.

24. The final grant settlement for 2021/22 is not due out until January / February 2021 and should there be any changes to the figures that are released in December 2020 these will be reflected in the final budget setting report to County Council.
25. Adults' Health and Care has been developing its service plans and budgets for 2021/22 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the Department are set out below.

Section E: Departmental Challenges and Priorities

26. The current year has been an incredibly challenging year for Adult Social Care departments across the breadth of the country due to the Covid-19 pandemic. Hampshire is no different. This issue came at a time when the financial challenge for adult social care had been at its most heightened. This has been a financial challenge that is well known and driven by various factors including:
 - Number of eligible clients continuing to increase at a faster rate, particularly for those over 85 that are the most vulnerable and have the most challenging conditions,
 - Growing complexity of care needs, for example 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.
27. Whilst attention has been focussed on responding to the Covid-19 pandemic, none of these underlying issues have gone away, they remain securely in place, and continue to demand careful and close attention and will do so long after the pandemic is over and behind us.
28. It should be noted however that, to date, during the period of the pandemic, a combination of the reduction in care home clients and additional short-term funding that has been available, especially from the NHS to support timely discharges, has provided an invaluable opportunity to mitigate most of these pressures in the short term. This is evident later in the report when a favourable business as usual financial position for 2020/21 is outlined. This does not however change the long-term underlying projections of the potential disparity between available resources and need.
29. The purpose of this report is to set out the medium term position for the Department and this section is to outline those longer term challenges that are faced. It follows that this report will not then focus on the pandemic but will highlight where longer term opportunities and potential challenges have arisen as a consequence of the pandemic.
30. In addition to those key pressures highlighted within paragraph 26, there are many other factors, (such as the financial challenges being experienced by NHS organisations) which have a direct bearing on social care pressures.

Regulation and the National Living Wage (NLW) are also impacting on direct provision and the independent sector in terms of increasing inflationary pressures. These pressures are also not unique to Hampshire and are representative of the position nationally. Together, growth and price pressures as outlined, have historically and will continue to create a significant pressure on the Adult Social Care budget beyond 2020/21.

31. In recent years, the pressures within Adult Social Care have been partially offset through the availability of non-recurrent funding within the Integrated Better Care Fund, (IBCF) including the Winter Pressures grant. Both of these funding streams are now recurrent. Historically in Hampshire we have invested a proportion of this invaluable resource to influence and implement much needed system change, in particular to reduce numbers of delayed transfers of care, (DToC) out of hospital, which pre Covid-19, had been a major positive force for change. From 2020/21 a greater proportion of this funding has been directed to meet the long term care costs associated with greater and more rapid discharges from hospital.
32. Over the medium term, the expected underlying demand in clients requiring adult social care services continues to grow at pace, which will, unless additional funding is secured, create a pressure. It was announced within the one year Spending Review that additional funding of £300m, for adults' and children's social care would be available nationally from 2021/22, of which it has recently been confirmed that Hampshire will receive just £1.2m.
33. Furthermore, it was announced that local authorities will be able to increase the adult social care precept to 3% from the previous level of 2% in 2021/22. Both of these funding stream opportunities are welcome, however, they also only offer certainty for the stated period.
34. The Department has also benefitted in 2021/22 from the annual investment of approximately £13.5m from corporate support to mitigate known areas of demographic and complexity growth. In total, all of the above funding is still potentially insufficient in comparison with the possible growth in demand and the overall reduction in Council funding that requires savings to be made from all departments including Adults' Health and Care.
35. At the time of this report, the current year business as usual position is favourable, however it would be misleading to think this in any way represents the longer term position. The current year position is built upon significant funding made available within the Covid-19 inspired NHS Discharge Scheme, that is currently only available in this year, and a major reduction in Residential and Nursing packages that is inextricably linked to Covid-19 and is unlikely to represent anything other than a short-term downturn in demand. Also, within the NHS Discharge Scheme there remains a tranche of clients currently receiving care paid for directly by the NHS. Once fully assessed, a proportion of these will fall to the County Council to pay for their long-term care. Whilst we have made prudent assessments of the likely cost, it remains difficult to predict with accuracy what the precise additional financial commitment this will represent in both 2020/21 and 2021/22.

36. Bearing in mind the above it follows that 2021/22 could see a return to 'normal' whereby the additional NHS Discharge funding ceases and activity returns or begins to return to previous levels. It is even possible that service demand could exceed previous levels in which case all of the funding outlined between paragraphs 32 and 34 would not meet the expected cost. The budget that is proposed as part of this report is built upon the assumption that whilst the NHS funding will cease at the end of the current financial year, the Department will not see an increase in paid for care levels that matches or exceeds the pre Covid-19 position, most notably as it is expected to maximise spare occupancy within the HCC Care capacity thereby allowing for an increase in client numbers but at a minimal additional cost.
37. Whilst most of the volatility of client numbers and variability of risk tends to concentrate within the Older Adults sector it should not be overlooked that Younger Adults is now the largest single paid for care budget, especially now that services for those with Physical Disabilities is catered for in the Younger Adults overall portfolio. It continues to have a consistent and yet slightly more predictable year on year pressure that needs to be managed. However, despite the unique year that we have seen so far, whilst the general impact of Covid-19 for Younger Adults whilst has been noticeable, it represents less of an additional risk in year and into the future.
38. It is currently unknown what longer term impact Covid-19 will have on the care market, and most significantly for care homes. With lower than normal occupancy levels, from County Council funded clients and self-funders, and a potential desirability shift away from care homes towards care at home, (such as Live in Care, Extra Care and Shared lives) they may see a sustained, or permanent period of lower than normal occupancy. This would likely lead to a reduction of bed capacity in the market as providers withdraw, which in turn is likely to impact negatively on the unit price that care can be secured for. This represents a significant financial risk in the medium to longer term, should average prices for Hampshire clients increase to levels more commensurate with those paid by self-funders.
39. It is therefore likely that the Department will be required to be ever more innovative in its engagement with providers to maintain those prices at a sustainable and affordable level. At the same time, it will be never more critical to maintain a fair price for services purchased from provider partners to ensure adequate services remain available to meet client needs into the future.
40. Against the backdrop of the above, the Department has and will continue to positively meet the on-going and increasing requirement to reduce costs to offset reductions in overall Council funding. With this in mind, the full Tt2021 saving of £43.1m has been removed from the budget proposed for 2021/22. This reduction in funding will be offset, in part, by regular additional annual investments of approximately £13.5m from corporate support to mitigate known areas of demographic and complexity growth.
41. In previous years there has been a focus on the Department's performance in supporting the flow from NHS hospitals, as pressure is maintained to reduce

the number of Delayed Transfers of Care (DToC), in line with the lower trajectory agreed with the NHS. The current year has been no exception, however, there has been one critical difference, which is the provision of additional funding through the NHS Discharge Scheme. This funding alongside significant collaborative working between County Council; care, operational and reablement teams along with NHS staff across; the provider, commissioning and acute sectors has delivered a significant change in the way clients are discharged from hospital, reducing the length of stay, post being medically fit for discharge, to negligible levels. The key aim as 2021/22 begins will be to look to build upon these improvements and attempt to secure them as the new normal albeit acknowledging the inherent challenge if NHS discharge funding ceases.

42. Although in some part dependant on continued additional funding, but not wholly, the key improvements / collaborations that have been implemented during 2020/21 that will need to be maintained or expanded are as follows:
- Discharge to Assess, (D2A) capacity as a vehicle to both step clients down from hospital and step people up to prevent a hospital stay. This will need embedding as an integral part of the operational process before long term care is sought.
 - Integrated Intermediate Care, (IIC) arrangements to adequately meet the reablement and rehabilitation demands across the County seamlessly through teams from both Health and Social Care backgrounds.
 - Single Point of Access, (SPoA) a multi-disciplined team across Health and Social Care functions with the singular aim of completing all of the necessary processes together in a timely way to discharge clients from hospital safely through to their physical arrival at the optimum destination for their care journey – this will mainly be their home.
43. To deliver on the opportunities laid out above there is a requirement for additional funding, which is being sought locally but will likely require additional national funding to implement fully. In return these initiatives offer not only sustainable improvement in DToC but real term financial efficiencies to all partners through reduced hospital length of stay and admissions, reductions and delays in the need for long term care as well as supporting an increased number of clients to live longer with greater independence. These initiatives also enable a more organised approach to securing onward care for clients that avoids making urgent placements at generally higher costs.
44. 2020/21 has been a period of consolidation with a small number of local structural changes, the bedding in of a separate Physical Disability Care Management team and in October the delivery of the wider organisational change within both the Younger and Older Adults front line operational teams. The above has resulted in a lower cost operating model that contributes to the Transformation to 2019 (Tt2019) savings target and will see the full annualised savings delivered in 2021/22.

45. The Department continues to ensure that sufficient controls and approvals are in place to support the processes to maintain a reconciled budgeted staffing establishment at all times. This has been further developed in year with tighter governance put in place to support recruitment. In turn this solid platform will help to facilitate more robust proposals to deliver staffing savings for Tt2021 and to effectively manage the budget throughout the year.
46. The supply of affordable and sufficient staffing resource within the In-House Residential and Nursing Care homes continues to be a major challenge for the Department. There continues to be significant levels of vacancies and staff absences that are covered through higher cost agency staff, although this has continued to reduce, expanding the gains made last year. In large part this is due to the Department investing both time and short term financial resources to address the issue both through structural changes and development of IT solutions. Post Covid-19, the scale of the remaining reduction required is still anticipated to be material and work in this area will need to continue at pace in the coming year. The budget for 2021/22 is set on the basis of a full establishment and cover for absence and vacancies based on levels observed in a normal year. Furthermore, gains achieved in the last year on agency spend through the agency arrangement between Hampshire County Council and Commercial Services Kent Ltd (Connect2Hampshire) are anticipated to continue and grow through a greater degree of consistency and continuity in staff resource available.
47. The demand from people of working age with physical and learning disabilities is growing more rapidly and, although positive work to improve value for money in commissioning has created good financial and quality outcomes, the increase in demand through transition from childhood is beginning to outweigh this. Advances in medical care have had a positive impact on life expectancy and have meant that people with very complex needs are surviving into adulthood when historically they might not have done so. They are also living a fuller adult life and are demanding support to live as independently as possible for significant periods.
48. Whilst in the medium term, this represents a growing pressure on Adult Social Care budgets the Department have focussed efforts through Tt2019 and continue to do so through Tt2021 to minimise the impact of this pressure whilst improving outcomes and life experiences for service users, including identifying and helping to secure employment opportunities. This will be achieved through further innovation (including multi-million pound investment in Technology Enabled Care and modern Extra Care housing / Supported Living) alongside efficiencies and service reductions. Additionally, the strengths-based way of operating, coupled with Least Restrictive Practise approaches have been increasingly working to mitigate costs and provide better alternatives for clients within the Younger Adults' service area.
49. Furthermore, across all client groups, the department is planning to roll out, subject to approval by the Executive Member for Adult Social Care and Health, in 2021/22, a programme that looks to utilise Collaborative Robots (Cobots) within the care sector as an alternative and enhancement to traditional forms of

care. This innovative approach is the first of its kind and is aimed to help reduce the need for two carer visits and support carers with the physical demands of the role they undertake. Whilst this is a key strand to the Department's 2021 savings delivery through reduced overall care costs, it is anticipated that many other benefits will accrue such as supporting the market to meet demand and help with the retention of carers within the market through less physical stress on their bodies. This programme and the outcomes achieved will be closely monitored over the next 12 months.

50. The Government's commitment to the NLW will continue to have an impact on the purchased care budget. The increase in the NLW from April 2021 was confirmed as part of the Spending Review at the end of November 2020 and will see it rise to £8.91 from £8.72, an increase of £0.19, (2.2%). It is now applicable for all working people aged 23 and over, a reduction from the previous age of 25. When taking decisions to set the 2021/22 budget, prior to this announcement, the Department had considered that the increase was likely to be greater thereby this announcement provides welcome flexibility to fund a fair inflationary uplift for providers.
51. As highlighted previously, the care home market is likely to see some significant changes over the next few years primarily as an indirect consequence of Covid-19. These likely changes come off the back of pre-existing challenges such as how they support a client group that will have more complex needs, that are living longer and with greater prevalence of dementia, all this whilst also facing tougher regulation. Within the last year the Department has worked tirelessly with the care sector to help mitigate/address these issues, however this can only have limited impact in a normal year and is especially challenging within the environment faced during 2020/21. Within the next year there will be a further review of the Department's standard rates for older adults, which will be concluded and implemented during 2021/22. Alongside this the Department are developing a more innovative strategic approach to the commissioning and procurement of Residential and Nursing care that will seek to support the providers through efficient and timely payments and secure care at the most affordable rates.
52. The purchase of care for clients within their own home continues to be a challenging area for the Department, and in all likelihood, greater dependency will be placed on providers into the future across all client groups. Work continues to expand upon the gains made from the introduction of the new non-residential framework and associated payment process with the aim to further streamline and simplify the transactional engagement with providers, expanding it to all other client groups. Evidence to date would support that it has improved relationships with providers and reduced their back-office costs resulting in greater levels of care provision being available at affordable rates, but there are further gains that can still be made.
53. Whilst work to reduce the average hourly price of care and ensure consistently, that only appropriate care is secured has continued throughout 2020/21, it has understandably been affected by the requirement to respond effectively to the demands of Covid-19, most significantly to move clients out of hospital in a

timely way to free up acute capacity. It is anticipated that the primary focus will return to this area of work during 2021/22. The Department will refresh the aims and target outcomes early within the year and then continue to monitor progress, at a granular level on a weekly basis, to ensure that work is being consistently applied across the County and is delivering the necessary cost reductions to align spend with the medium term budget projection.

54. The other key priority is the Adults' Health and Care Transformation Programme, which is currently forecast to successfully complete delivery of the £55.9m Tt2019 savings by the end of 2021/22, notwithstanding that the final savings will be the hardest to achieve, at the same time as mitigating the significant operational pressures that have been outlined above. Due to the impact of Covid-19 this has pushed back the delivery of savings against this programme, the cash impact of this is reflected accordingly within the proposed budget and is outlined below.
55. Additionally, the Department is set to secure cumulative savings of £19.6m for Tt2021 by the end of 2021/22 with the balance against the target of £43.1m being delivered later. It is essential that these savings are achieved within the recently revised timeframes in order to minimise the need to draw on the Department's Cost of Change reserve. Avoiding the need to draw on this reserve maintains the Department's ability to adequately support the forecast transformation costs associated with these programmes.

Section F: 2020/21 Revenue Budget

56. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.
57. The anticipated business as usual outturn forecast for 2020/21 is a saving of £4.8m for Adult Social Care. This position is dependent on securing Tt2019 cash savings of £47.7m and Tt2021 early savings of just under £5.9m. The forecast saving of £4.8m will be transferred to the Cost of Change reserve, bringing the reserve balance to £11.1m by the end of 2020/21. This sum will be utilised within the following years to help fund planned delays in savings and one-off project costs.
58. There are some key variances within the £4.8m net position reported, most notably £3.4m saving within HCC Care, some of which is due to indirect consequences of the impact of Covid-19, as outlined below:
 - staffing levels required to meet reduced occupancy levels in part offset by net additional costs associated with Infection Control.
 - in year from an increase in the Free Nursing Care rate backdated to April 2019 with a further uplift in April 2020.

- net additional income from the sale of unoccupied beds to the NHS for the purpose of meeting discharge from hospital requirements.
59. Further savings have occurred from posts being held vacant ahead of staff structural changes that are due to deliver savings from April 2021.
 60. In addition, the Department has faced significant spend arising from the response to the Covid-19 pandemic in year. The total spend directly attributable to the consequence of the pandemic, not funded from a specific grant, is forecast to be over £21m. This will be offset at the end of the year by corporate support in the form of the financial response package. The business as usual position reported above is therefore after all additional support has been factored in.
 61. It should be noted that the Department continue to benefit in 2020/21 from the additional recurring funds announced in 2019/20 from the IBCF, that now includes Winter Pressures, of £11.5m. Ordinarily however, these funds and the additional corporate support would still be insufficient to match the underlying pressure. For 2020/21 this pressure has been reduced to an immaterial amount, largely as a consequence of the reduction in Residential and Nursing care placements from March 2020.
 62. The impact Covid-19 has had on transformation savings delivery for both Tt2019 and Tt2021 has been significant within Adults' Health and Care. This is primarily due to resources being redirected toward responding to the pandemic. In addition, the ability to affect care package prices and volumes into the long term, which most of the planned saving relate, has been severely impacted by the need to support the NHS to discharge patients from hospital freeing sufficient acute capacity to cope with the demands of the pandemic.
 63. The delivery of early Tt2021 cash savings in 2020/21 was formally reported to be £5.9m in Month 7, which represents a shortfall of £4.1m against the targeted cash delivery by the end of the year. Correspondingly Tt2019 savings were reported to be £47.7m, which represents a shortfall of £4.4m against the targeted cash delivery by the end of the year.
 64. The budget for Adult Social Care has been updated throughout the year and the revised budget is shown in Appendix 1. The revised budget shows an increase of £43.3m made up of:
 - £34.0m grants (£33.0m Infection Prevention Control and £1.0m Emergency Assistance Grant).
 - £2.9m from departmental reserves to cover one off costs in 2020/21.
 - £6.5m corporate funding (£2.5m to offset the pay award and £4m planned one off support for care packages).

Section G: 2021/22 Revenue Budget Pressures and Initiatives

65. The Department's budget has been reviewed in detail as part of the 2021/22 budget preparation process. Significant recurrent contingencies are not being held by the Department as all available recurrent funding has been allocated to service budgets to meet the assessed cost for 2021/22.
66. As outlined within Section F, the departmental business as usual position is currently showing a forecast saving in 2020/21. However, this position is reliant upon unique Covid-19 funding streams available in the current year only and an otherwise unexpected reduction in volumes of care, particularly within Older Adults. The 2021/22 budget is set excluding the impact of Covid-19, which includes assuming the NHS Discharge funding will cease 31 March 2021.
67. Combining the above factors with the additional corporate support for demography and complexity of £13.5m and a reasonable assumption for growth in care packages cost to 31 March 2022 a budget has been set within the cash limit available.
68. Whilst a prudent level of increase in pressure has been taken account of within the proposed budget this is a notoriously volatile area where projections are often difficult to make with precision. This is even more so within the current climate as it is unknown both, how quickly Residential and Nursing client numbers will recover, and what the impact this will have on the wider care market into the longer term. Should there be any increase beyond the budget that has been set the Department will be required to instigate further saving plans.
69. The Department will continue to develop and agree with NHS partners spending plans to support the totality of the funding made available within the Better Care Fund. It is intended that this funding will continue to cover the direct costs associated with schemes to control the number of delayed transfers of care and contribute much needed funding to offset the associated impact on relevant ongoing long term care package costs. The purpose and value of this funding in 2021/22 is the same as the 2020/21.

Section H: Revenue Savings Proposals

70. Savings targets for 2021/22 were approved as part of the MTFS by the County Council in September 2018. Proposals to meet these targets have been developed through the Tt2021 Programme and were approved by Executive Members, Cabinet and County Council in October and November 2019.
71. It is now anticipated the Tt2019 savings will be fully delivered (£55.9m) by the end of 2021/22. Furthermore, full year savings of £19.6m will be achieved against the Tt2021 programme by the end of 2021/22 with the shortfall against the target being made up from the planned corporate cash flow. For Tt2021 this represents a further delay in savings from the previously approved plan of £8.0m.

72. The main reasons for the increase in shortfall on Tt2021 relate to:
- Transformational resources being redirected toward responding to the pandemic, thereby pushing schemes behind schedule by 6 – 9 months.
 - The need to support the NHS in discharging patients from hospital to release sufficient acute capacity. This has pushed back plans to greater affect sustainable changes to both prices and volumes of care secured from the market.
73. Rigorous monitoring of the delivery of the programme will continue during 2021/22, to ensure that the Department is able to stay within its cash limited budget as set out in this report.
74. This early action in developing and implementing the savings programme for 2021/22 means that the County Council is a strong position for setting a balanced budget in 2021/22 and that no new savings proposals will be considered as part of the budget setting process for the next financial year.

Section I: 2021/22 Review of Charges

75. For Adult Social Care, the 2021/22 revenue budget includes income of £67.7m from fees and charges to service users. This is a decrease of £1.5m (2.17%) on the revised budget for 2020/21.
76. Details of current and proposed fees and charges for 2021/22 where approval is sought for changes are outlined in Appendix 2.
77. As agreed by the Executive Member for Adult Social Care and Health (27 September 2018) delegated authority has been given to the Director of Adults' Health and Care to approve, in respect of Meals on Wheels, the annual price rises for the service users which will be capped to no more than 2.5% above the contractual annual uplift with the service provider. It has been agreed that this provision will remain in place until such time that there is no longer a subsidy provided on this service by the County Council.
78. The charges proposed reflect the full cost rate applicable for County Council clients where they are assessed, (excluding MOW) as being able to afford this cost. Furthermore, where these services are purchased by external organisations this charge reflects the basic cost whereby additional specific charges will be levied dependant the additional resources required to safely support the client.

Section K: Budget Summary 2021/22

79. The budget update report presented to Cabinet on 24 November 2020 included provisional cash limit guidelines for each department. The cash limit for Adults' Health and Care in that report was £409.5m, which includes budgets for Adult Social Care (£357.2m) and Public Health (£52.3m). This is a £13.9m decrease on the previous year for Adult Social Care. This report focusses on Adult Social

Care with Public Health being covered in a separate report. The decrease comprised:

- An increase of £13.5m as per the MTFs for corporate support to meet demography and complexity pressures.
- In increase of £15.9m for inflation.
- A reduction of £43.1m as per the Tt2021 savings.
- A reduction of £0.2m for various minor transfers to other areas of the County Council.

80. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Adult Social Care for 2021/22 and show that these are within the cash limit set out above.

81. In addition to these cash limited items there are further budgets which fall under the responsibility of Adults' Social Care, which are shown in the table below:

	2021/22	
	£'000	£'000
Cash Limited Expenditure	523,205	
Less Income (Other than Government Grants)	(113,660)	
Net Cash Limited Expenditure		357,197
Less Government Grants:		
• Local Community Voices Grant	(102)	
• Independent Living Fund	(4,082)	
• Better Care Fund	(18,907)	
• Improved Better Care Fund	(11,452)	
• War Widows Pension Grant	(475)	
• Social Care in Prisons Grant	(104)	
Total Government Grants		<u>(35,122)</u>
Total Net Expenditure		<u>322,075</u>

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes / No
People in Hampshire live safe, healthy and independent lives:	Yes / No
People in Hampshire enjoy a rich and diverse environment:	Yes / No
People in Hampshire enjoy being part of strong, inclusive communities:	Yes / No

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Transformation to 2021 – Revenue Savings Proposals (Executive Member for Adult Social care and Health) https://democracy.hants.gov.uk/documents/s38112/Report.pdf	16 September 2019
Medium Term Financial Strategy Update and Transformation to 2021 Savings Proposals http://democracy.hants.gov.uk/ieIssueDetails.aspx?Id=22267&PlanId=0&Opt=3#AI22852	Cabinet – 15 October 2019 / County Council – 7 November 2019
Medium Term Financial Strategy Update https://democracy.hants.gov.uk/ieListDocuments.aspx?Cid=134&Mid=6499&Ver=4	Cabinet – 14 July 2020 / County Council – 16 July 2020
Budget Setting and Provisional Cash Limits 2021/22 https://democracy.hants.gov.uk/documents/s60700/Nov%202020%20Financial%20Update%20Budget%20Setting%20-%20Cabinet%20FINAL.pdf	Cabinet – 24 November 2020 / County Council – 3 December 2020
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.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

2. Equalities Impact Assessment:

The budget setting process for 2021/22 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Transformation to 2021 Programme were considered in detail as part of the approval process carried out in October and November 2019 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 5 to 8 in the October Cabinet report linked below:

<http://democracy.hants.gov.uk/mgAi.aspx?ID=21194#mgDocuments>

Budget Summary 2021/22 – Adults' Health and Care Department

Service Activity	Original Budget 2020/21 £'000	Revised Budget 2020/21 £'000	Proposed Budget 2021/22 £'000
Director	1,511	2,573	1,620
Strategic Commissioning & Business Support	14,614	15,656	14,889
Transformation	4,013	5,676	3,871
Older Adults			
Older Adults Community Services	120,407	126,669	124,667
Reablement	9,455	9,966	9,891
	129,862	136,635	134,558
Younger Adults			
Learning Disabilities Community Services	116,115	118,559	116,927
Physical Disabilities Community Services	31,399	32,555	32,288
Mental Health Community Services	18,576	18,881	18,905
Contact Centre	2,530	2,983	2,485
	168,620	172,978	170,605
HCC Care	43,885	46,978	44,120
Governance, Safeguarding & Quality	3,650	3,702	3,511
Centrally Held	4,962	30,185	(15,977)
Total Adult Services	371,117	414,383	357,197
Public Health	50,219	57,258	52,348
Net Cash Limited Expenditure	421,336	471,641	409,545

Review of Fees and Charges 2021/22 – Adults' Health and Care Department

	Income Budget 2021/22 £'000	Current Charge £	Proposed Increase %	Proposed New Charge £
Charges for HCC provided care:				
(Rounded to 1DP)				
Full cost weekly charge (HCC in-house residential and nursing establishments, including respite)				
Nursing Care for Older People (per week)	5,100	837.90	2.3	857.15
Residential Care for Older People (per week)	6,200	756.07	2.3	773.43
Residential Care for Dementia (per week)	In above	817.04	2.3	835.80
Residential Care for Adults with a Learning Disability (per week):				
Orchard Close	0	1,065.96	2.3	1,090.46
Jacobs Lodge	0	890.89	2.3	911.40
Meals on Wheels	2,161	5.13	3.9	5.33

Other Charges:

Services users' contributions for non-residential care (chargeable services) are calculated on the actual cost of care provided to service users

In line with corporate policy all other charges will be increased by an inflation rate of 1.4%

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Health
Date:	11 January 2021
Title:	Capital Programme for 2021/22 to 2023/24
Report From:	Director of Adults' Health and Care and Deputy Chief Executive and Director of Corporate Resources

Contact name: Graham Allen and Dave Cuerden

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Purpose of this Report

1. The purpose of this report is to seek approval for the submission of the Adult Social Care and Health capital programme to the Leader and Cabinet.

Recommendation(s)

To approve for submission to the Leader and Cabinet

2. The capital programme for 2021/22 to 2023/24 as set out in Appendix 1 and the revised capital programme for 2020/21 as set out in Appendix 2
3. The carry forward of resources of £0.86m from 2020/21 to 2021/22 as set out in paragraph 15

Executive Summary

4. This report seeks approval for submission to the Leader and Cabinet of the proposed capital programme for 2021/22 to 2023/24.
5. The report has been prepared in consultation with the Executive Member and will be reviewed by the Health and Adult Social Care Select Committee. It will be reported to the Leader and Cabinet on 9 February 2021 to make final recommendations to County Council on 25 February 2021.

6. The report considers the schemes which it is proposed to include in the capital programmes for 2021/22, 2022/23 and 2023/24 and also presents the revised programme for 2020/21.
7. This report highlights that as part of the Medium Term Financial Strategy Update and Transformation to 2021 Savings Proposals Report that was approved by Cabinet in October 2019 investment of up to £70m in Older Persons and Younger Adults Extra Care was approved subject to a satisfactory business case being produced for each scheme.
8. The proposals contained in this report are derived from the departmental service plans which have been developed to support the priorities of the Strategic Plan.

Contextual information

9. Executive Members have been asked to prepare proposals for:
 - a locally-resourced capital programme for the three-year period from 2021/22 to 2023/24 within the guidelines used for the current capital programme including the third year, 2023/24, at a similar level to 2022/23.
 - a programme of capital schemes in 2021/22 to 2023/24 supported by Government grants as announced by the Government.
10. The capital guidelines are determined by the Medium Term Financial Strategy which is closely linked to 'The 'Serving Hampshire - Strategic Plan 2017 – 2021' with its strategic aims and Departmental Service plans to ensure that priorities are affordable and provide value for money and that resources follow priorities.

Locally resourced capital programme

11. The cash limit guidelines for the locally resourced capital programme for the Adult Services service set by Cabinet are as follows:

	£000
2021/22	481
2022/23	481
2023/24	481

12. Executive Members may propose supplementing their capital guidelines under the 'prudential framework' agreed by Cabinet at its meeting on 24 November 2003, as amended by Cabinet in February 2006, thereby integrating more closely decisions on revenue and capital spending in support of strategic aims. The additions may include virements from the Executive Member's revenue budget or use of temporary unsupported borrowing, to provide bridging finance in advance of capital receipts or other contributions.

Revised 2020/21 capital programme

13. The revised 2020/21 capital programme for Adults is shown in Appendix 2 and totals £25.376m. The changes since the capital programme was approved in January 2020 are summarised below:

	2020/21 £000
Approved Programme	13,042
Carry Forward from 2019/20	11,498
Disabled Facilities Grant	1,691
Carry Forward to 2020/21	<u>(855)</u>
Total	<u>25,376</u>

14. The schemes carried forward from previous years of £11.50m were agreed by Cabinet on 14 July 2020. These predominantly relate to the Extra-Care housing and Adults with a Disability Accommodation programmes.
15. The carry forward of £0.86m resources to 2021/22 is to fund Health and Safety works within the Residential and Nursing estate.

Proposed capital programme 2021/22 to 2023/24 – locally resourced schemes

16. The Adult services capital programme for locally resourced schemes reflects the strategic aims of enabling people to live safe, healthy and independent lives, enjoy a rich and diverse environment and be part of a strong and inclusive community. It includes contributions towards the costs of the following:
- Priority works on residential and nursing care premises to meet the needs of residents and service users to satisfy the requirements of regulators including the Care Quality Commission, The Fire Service and the Health and Safety Executive.
17. The detailed programme in Appendix 1 and expenditure for 2021/22 is summarised in the table below:

	£000
Operational building, including residential and nursing care, improvements	481
Carry Forward from 2020/21	855
Total 2021/22 Budget	1,336

Health and Safety

18. Prior to Covid-19, work was being progressed on a strategic business case for the bed based programme in Adults' Health and Care looking at investment in, and expansion of, our in-house residential care and nursing homes. This was to be reported alongside other identified priorities for capital investment, but this work is now on hold given the current financial constraints and uncertainty regarding the future operating model.
19. As part of this work, a range of health and safety measures were identified through inspections that still need to be carried out irrespective of the wider programme at a total cost of £4.3m. A summary report of the key items and associated costs is contained at Appendix 3 and a total of £2.9m revenue funding has been requested, via the November Cabinet Report, over the next two years.
20. Given the importance of health and safety in these care settings an increased annual amount is also flagged in the future investment section detailed below, but this will all be subject to the Local Government Finance Settlement due in December this year.

Transformation of Adult Learning Disability Services

21. On the 27 October 2011, the Executive Member for Policy and Resources approved the Adult Learning Disability (LD) Business Case for the early implementation phase of LD transformation and the broader programme. The business case links to the consultation of the transformation proposals reported to the Executive Member for Adult Social Care on 16 May 2011.
22. The Executive Member for Policy and Resources Decision Day on 21 July 2011 approved that 100% of LD capital receipts to be reinvested in LD service re-provision.
23. The Executive member for Policy and Resources on 9 March 2017 approved the revised Business case plan. The financial position has evolved since October 2011 largely as a result of the value likely to be secured by

selling surplus property and the consequent impact on prudential borrowing. The business case improved with the use of the Community Grant funding of up to £3.4m.

24. The LD Transformation programme has been successfully delivering capital projects to update and improve the department's LD estate. In that time the programme has successfully delivered 7 schemes through the delivery of new facilities and significant improvements to existing assets. The programme has two further schemes in its programme and is now operating within budget.

Older Persons Extra-Care Housing

25. On the 24 October 2011 Cabinet approved the strategy to extend the development of Older Persons Extra-Care Housing. This included approval of an indicative maximum financial envelope of £45m of capital investment to deliver the programme of work, including transition cost.
26. Capital funding for the extensions to Westholme, Winchester and Oakridge, Basingstoke of £3m was formally approved by the Executive Member for Policy and Resources on 24 January 2013.
27. A review of the Older Persons Extra-Care programme was undertaken in early 2016 and the Executive Member for Policy and Resources reaffirmed the Older Persons Extra-Care programme to the original £45m capital envelope. With this in mind, further work on the remaining programme and project opportunities is being undertaken to ensure the most cost effective programme is identified. Capital funding for future Extra-Care developments will be subject to the development of individual business cases.
28. On 26 September 2018 the Executive Member for Policy and Resources identified three sites for development opportunities in Gosport, Petersfield and New Milton, all three of which are now going through the planning process. This is in addition to previously approved schemes in other parts of the county, including the Nightingale site in Romsey, which is due to complete during the 2020/21 financial year.

Younger Adults Extra-Care Housing

29. The Executive Member for Policy and Resources approved the strategic business case for the Adults with a Disability Housing programme in April 2016. The business case approved a borrowing envelope of up to £35m to support the programme to transition service users with a learning and/or physical disability from an existing care home setting to a shared house or individual groups of flats.

30. An update was taken to the Executive Member for Policy and Resources in July 2020, and now progressing the delivery of the last of three tranches of new or refurbished accommodation:

Tranche one – cost of £15.76m (complete).

Tranche two – cost of £11.15m (1 scheme left to complete).

Tranche three – cost of £4.07m (in development).

After spending across the three tranches, and allocated funds, there is currently £1.543m left unallocated, as per the table below. Plans for additional schemes for which this unallocated budget is earmarked continue to be developed.

	£000
Spend Tranche 1-3:	30,979
Modification	100
Deregistration allocation:	428
Re-provision allocation:	650
Land Value Transfer:	1,300
Unallocated budget remaining:	1,543
Total	35,000

Capital programme supported by Government allocations

31. The locally resourced capital programme is supported by Government grant received from the Ministry of Housing, Communities and Local Government. In 2020/21 the amount of capital funding to Adult Services was £14.252m for the Disabled Facilities Grant (DFG). This funding forms part of the Better Care Fund – Pooled budget which is overseen by the Hampshire Health and Wellbeing Board.
32. The Secretary of State has not yet announced details of individual local authority capital allocations for 2021/22. For planning purposes 2020/21 allocations are being assumed.
33. The DFG of £14.252m is capital money made available to local authorities as part of their allocations to award grants for changes to a person's home. There is a statutory duty for local housing authorities to provide grants to those who qualify. This part of the fund will be governed by the disabilities facilities grant conditions of grant usage as made by the Ministry of Housing, Communities and Local Government under section 31 of the Local Government Act 2003. Therefore, although officially part of the fund, the money cannot be used for other things and will be paid back out of the fund to the relevant district councils.

Capital programme summary

34. On the basis of the position outlined above, the total value of the capital programmes submitted for consideration for the three years to 2023/24 are:

	Schemes within locally resourced guidelines	Additional schemes funded within the prudential framework	Schemes supported by Government allocations (assumed)	Total
	£000	£000	£000	£000
2021/22	1,336	-	14,252	15,588
2022/23	481	-	-	481
2023/24	481	-	-	481

Revenue implications

35. The revenue implications of the proposed capital programme are as follows:

	Full Year Cost	
	Current Expenditure £000	Capital Charges £000
Schemes within the guidelines		
2021/22	-	43
2022/23	-	26
2023/24	-	26
	-----	-----
Total	-	95
	-----	-----

36. The total revenue implications for the three years of the starts programme, including capital charges, represent a real term increase of 0.02% over the 2020/21 original budget of Adult Social Care Service.

Conclusions

37. The proposed capital programme for Adult Services as summarised in paragraph 13 is in line with the guidelines set by Cabinet. In addition, it plans to use the allocated Government grants in full. The programme supports the delivery of services countywide and contributes to the strategic aims:

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

REQUIRED CORPORATE AND 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>	<u>Date</u>
Transformation of Adult Learning Disabilities Services- Property Issues	21 July 2011
Cabinet Capital Programme Review	21 July 2014
Older Persons Extra-Care Programme and update to the Winchester Extra-Care Business Case	21 September 2015
Adult Services Capital Programme 2017/18 to 2019/20 Strategy for the Older Persons Extra-Care Housing and Programme Update	20 January 2017
Transformation of Adult Learning Disabilities Services – Programme Update & Revised Business Plan	09 March 2017
Adults with a Disability Housing Programme: Phase 1 update and additional project approvals	22 September 2017
Adults with a Disability Housing Programme: Progress update and approval to the strategy for Phase 2 new build projects	18 October 2017
Adults with a Disability Housing Programme: Progress update and approval to the strategy for Phase 2 new build projects	9 March 2018
Medium Term Financial Strategy	20 September 2018
Three Extra Care Development Opportunities in Gosport, Petersfield and New Milton – Outcome of Procurement	26 September 2018
Learning Disability Housing - Programme Update	20 June 2019

Medium Term Financial Strategy	14 th July 2020
Learning Disability Housing - Programme Update	14 th July 2020
Cabinet Financial Update and Budget Setting and Provisional Cash Limits 2021/22	24 th November 2020

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

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

2. Equalities Impact Assessment:

Equalities Impact Assessments outcomes will be carried out on the individual schemes within the capital programme in order to comply with the requirements of the Equality Act 2010

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
2021/22 Schemes							
Schemes Supported from Local Resources							
1	Maintaining Operational Buildings including Residential and Nursing Care	975	161	200	1,336	-	43
2	Disabled Facilities Grant	-	-	14,252	14,252	-	-
Total Programme		975	161	14,452	15,588	-	43

Capital Programme - 2021/22

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	<i>Qtr</i>	<i>Months</i>		
N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	1
N/A	1	12	Grant paid to District Councils to fund adaptations to people's homes	2
+ Projects to be partly funded from external contributions.				

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	2022/23 Schemes						
	Schemes Supported from Local Resources						
3	Maintaining Operational Buildings including Residential and Nursing Care	241	40	200	481	-	26
	Total Programme	241	40	200	481	-	26

Capital Programme - 2022/23

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	3
			+ Projects to be partly funded from external contributions.	

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	2023/24 Schemes						
	Schemes Supported from Local Resources						
4	Maintaining Operational Buildings including Residential and Nursing Care	241	40	200	481	-	26
	Total Programme	241	40	200	481	-	26

Capital Programme - 2023/24

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	<i>Qtr</i>	<i>Months</i>		
N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	4
			+ Projects to be partly funded from external contributions.	

Adult Social Care 2020/21 capital programme

	Resources	
1.	Latest programme limit:	£000
	Approved Programme	13,042
	Carry Forward from 2019/20	11,498
	Disabled Facilities Grant	1,691
	Carry Forward to 2020/21	<u>(855)</u>
	Total	<u>25,376</u>
	Allocated to Projects / Schemes	
2.	Project Extra-care Housing transformation project	3,117
	Maintaining Operational Buildings including Residential and Nursing Care	601
	Adults with a Disability Accommodation	7,406
	Disabled Facilities Grant	<u>14,252</u>
	Schemes controlled on a starts basis	<u>25,376</u>

Adults Health and Care – Health and Safety Requirements

1. Introduction

- 1.1 Following the onset of Covid-19, work on developing capital investment priorities across the County Council was paused. Within Adults' Health and Care (AHC) work had been undertaken to develop a Bed Based Programme which included essential health and safety works that were required across our residential and nursing estate.
- 1.2 Whilst the work on wider capital investment is on pause, it is of course necessary to ensure that critical health and safety works identified as part of an inspection programme are progressed. The works outlined in this report will address health and safety, compliance, and operational priorities within the residential and nursing building portfolio.
- 1.3 This Appendix identifies the estimated costs of these works and highlights the gap in existing funding arrangements and considers arrangements for funding in the future.

2. Background and Context

- 2.1 The AHC bed-based portfolio consists of twenty-four locations; of which seventeen are nursing and residential homes for older adults. Of these, two include new build extensions constructed between 2006 and 2008 as part of the County Council's 'Enhance' programme.
- 2.2 The proposed programme of essential health and safety works forms a part of the wider AHC capital programme and bed-based review to deliver high quality care within updated fit-for-the-future facilities.
- 2.3 Recognising the significant financial pressures that the County Council is facing due to the Covid-19 pandemic, a review has been undertaken to identify those works which are essential in the next 18 month period to maintain compliance and health and safety across the portfolio. This Appendix also outlines proposals for dealing with health and safety within these buildings for the future to maintain the health and safety and operational functionality of them in the medium to longer term.
- 2.4 These works have been identified from a combination of specific surveys, inspections and testing and information gathered from the general knowledge and understanding of the portfolio of buildings through Property Services' ongoing programmes of servicing, maintenance, and risk management activities and AHC's operational experience, particularly during the Covid-19 pandemic.
- 2.5 Work undertaken over the last two years to review the risk profile across the built estate has highlighted that the AHC bed-based portfolio of

buildings represent the highest risks in terms of health and safety, compliance, and service continuity. This is due to:

- The vulnerable nature of the building occupants.
- The complexity of services being provided in the buildings.
- The 24 hour / 7 days a week occupation and operation of the buildings.
- The regulation framework within which the service is operating.
- The need to ensure that the buildings provide an environment that is 'homely', compatible with the residential nature of the service.

2.6 As the highest risk buildings in the corporate estate, and in line with the requirements of the Care Quality Commission (CQC) registration and corporate health and safety procedures, there is a rigorous regime of surveys, inspections, testing and monitoring in place to manage building related health and safety risks in these buildings. Property Services also works closely with AHC's operational management team to ensure that repair, maintenance, and improvement priorities are fully aligned to operational needs.

2.7 The most significant building related health and safety risks within these buildings that are managed on an ongoing basis are:

- Fire safety.
- Legionella management.
- Critical building systems and services e.g. back-up generators, lifts, boilers, bathroom, kitchen and laundry plant and services.
- Hygiene and infection control.

2.8 In addition, specific reviews of risks associated with pedestrian and vehicle movements and glazing have been undertaken in the last 12 to 18 months as part of the corporate health and safety work plan.

3. Proposed Priority Works

3.1 The following table lists the types of works that have been identified against each of the health and safety risk headings. These works have been identified through the surveys, inspections, and monitoring regime or through the specific risk assessments. Anticipated lifecycle replacement and upgrade works have also been identified from the information obtained from the term maintenance contract activities including servicing, reactive repairs, and annual black building tests.

3.2 The works that have been costed are those that are considered to be essential in the next 18 month period and do not represent the full

maintenance liabilities for these buildings. Some works, including the fire precaution repairs, need to be completed within the next 6 months to comply with the County Council's own corporate health and safety procedures and as well as CQC expectations.

Health & Safety Risk	Proposed Works
Fire precautions	Repairs and improvements to fire detection systems and physical fire precautions including signage, fire doors and fire compartmentation identified through recent fire surveys.
Legionella management	Improvements to hot water circulation, pipework and water tank insulation and removal of pipework 'dead legs' to reduce the risk of legionella colonising the water services systems. Works are targeted at buildings with positive legionella detections or out of parameter water temperature readings.
Glazing	Replacing or applying film to non-compliant glazing to reduce the risk of breakage and mitigate injury should a breakage occur as identified through recently reviewed glazing surveys and glazing risk assessments.
Vehicle & pedestrian movements	Improvements to site access and car parking areas to reduce the risks of harm to pedestrians as identified through surveys and risk assessments undertaken as part of a corporate health and safety led review across all sites.
Building systems and services	Works to essential building services and systems including: works to evacuation lifts to ensure compliance with the updated British Standard; remedial and improvement works to generators and back-up power systems identified through the annual black building tests and servicing regime; remediation of electrical defects identified through the electrical testing and inspection programme lifecycle replacement of boilers, boiler controls, kitchen plant and other critical plant.
Infection control and hygiene	Replacement of current timber handrails which have degraded and cannot be kept clean. Replacement of floor coverings in bedroom and lounge areas and internal re-decoration of bedrooms and communal spaces due to levels of wear and tear from frequent soiling and associated cleaning regimes creating an infection control risk. Maintaining standards of

	decoration is also essential to provide an appropriate 'home' environment for the residents.
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4. Ongoing Annual Maintenance

- 4.1 As the highest risk buildings in the corporate estate, the AHC nursing and residential building require a higher standard of ongoing maintenance than most of the County Council's buildings to manage health and safety risks, address the higher levels of wear and tear associated with the 24 hour / 7 days a week operation of the building and ensure that an appropriate standard of accommodation is provided for the residents. It is therefore important that there is sufficient annual maintenance funding to support the ongoing programme of health and safety related inspections, surveys and testing and the repairs arising from these, as well as ad-hoc reactive repairs and improvement works.
- 4.2 Funding is also required to ensure that planned life-cycle replacement of critical building services and plant can be undertaken proactively at the appropriate time to mitigate the risks from an unplanned failure. Funding is also necessary to enable the regular cycle of redecoration and flooring replacement required to provide an appropriate standard of residential accommodation and support infection control and hygiene standards.
- 4.3 Experience also suggests that additional one-off investment may be required to address some of the ongoing health and safety concerns, such as legionella colonisation, where currently identified and planned works may not be sufficient to fully resolve the issues. The buildings are not static and new issues emerge over time due to the condition of the building, changes in operational use, or changes in statutory or corporate expectations on health and safety. Contingency funding to address unexpected or unplanned issues is therefore important.
- 4.4 At the moment these works are prioritised against other requirements in the corporate estate and often mean that less funding is available to deal with other problems due to the high levels of risk in these buildings. A revised approach is therefore proposed that considers the future years' costs based on the inspection and risk assessment process and that funds are agreed on annual basis through the budget setting process.

5. Finance

- 5.1 Total estimated costs of £4.3m, including a 10% contingency allowance, have been identified for the essential health and safety related works required over the next 18 months. This is broken down against the individual risk headings in the table overleaf.

- 5.2 A total of £510,000 of funding has been allocated from the 2020/21 Policy and Resources repairs and maintenance budget for the corporate estate and from the AHC annual capital works budget to address some of the priority works. A further £892,000 of AHC accrued capital funding is also available to allocate to these works. This leaves a total funding gap of £2.9m.
- 5.3 £2.2m of works have been identified as priorities for the current financial year with the remaining £2.1m required in 2021/22, albeit this will be dependent on the ability to procure and complete the works in the current year. Any unspent funding will be carried forward.

Works	Total Cost £	2020/21 £	2021/22 £
Fire	1,033,760	1,011,360	22,400
Legionella	128,800	128,800	0
Glazing	89,600	89,600	0
Vehicle and pedestrian	334,100	234,100	100,000
Building systems and services	756,224	418,768	337,456
Infection control and hygiene	1,565,200	128,800	1,436,400
Total exc. Contingency	3,907,684	2,679,028	1,896,256
Contingency @10%	390,768	201,143	189,626
Total inc. Contingency	4,298,452	2,212,571	2,085,882
Funded works	510,164	510,164	0
Available funding – unallocated	892,392	128,800	763,592
Unfunded Works	2,895,896	1,573,607	1,322,290

- 5.4 Analysis of historic repairs and maintenance expenditure on this portfolio of buildings indicates a typical combined revenue and capital expenditure in the region of £1.5m from the corporate repairs and maintenance budget in addition to the £481,000 annual AHC capital allocation. On the basis that the capital allocation continues to be made available, this suggests that an annual allocation of around £1.5m is likely to be required for ongoing maintenance activities subject to the inspections and risk assessments that will be carried out