

HASC: Adults' Health and Care Savings Programme to 2025 (SP2025) Revenue Saving Proposals

Paul Archer – Deputy Director of Adults' Health and Care

Anne Hibbert – Assistant Director Finance

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- SP2025 Approach
- Adults' Health and Care Saving Proposals
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County Council Context

- £640m removed from budgets over thirteen years.
- £132m forecast budget gap for the two years to 2025/26.
- £71m of Tt2021 and SP2023 savings still to deliver across 2023/24 and 2024/25.
- Extended delivery and overlapping programmes increases risk and complexity.
- County Council public consultation (12 June – 23 July).
- Medium Term Financial Strategy update to Cabinet in October and County Council in November 2023.

County Council Context

The significant gap to 2025/26 has necessitated the County Council to move towards a 'bare minimum' level of services.

Whilst this is difficult to define across our varied and complex services there are a number of key principles we can apply :

- Resources will be focussed on statutory and critical services.
- Discretionary preventative services will only be provided where there is a clear and demonstrable longer term value for money business case.
- Resident services to be online by default, with appropriate alternatives available where required.
- Enabling functions to be provided as efficiently and effectively as possible from the centre of the organisation at a level sufficient to provide an adequate level of corporate governance and informed decision making.
- Discretionary service areas must have a strong rationale for being delivered and need to be cost neutral. Fees and charges to be increased if this allows a discretionary service to continue.

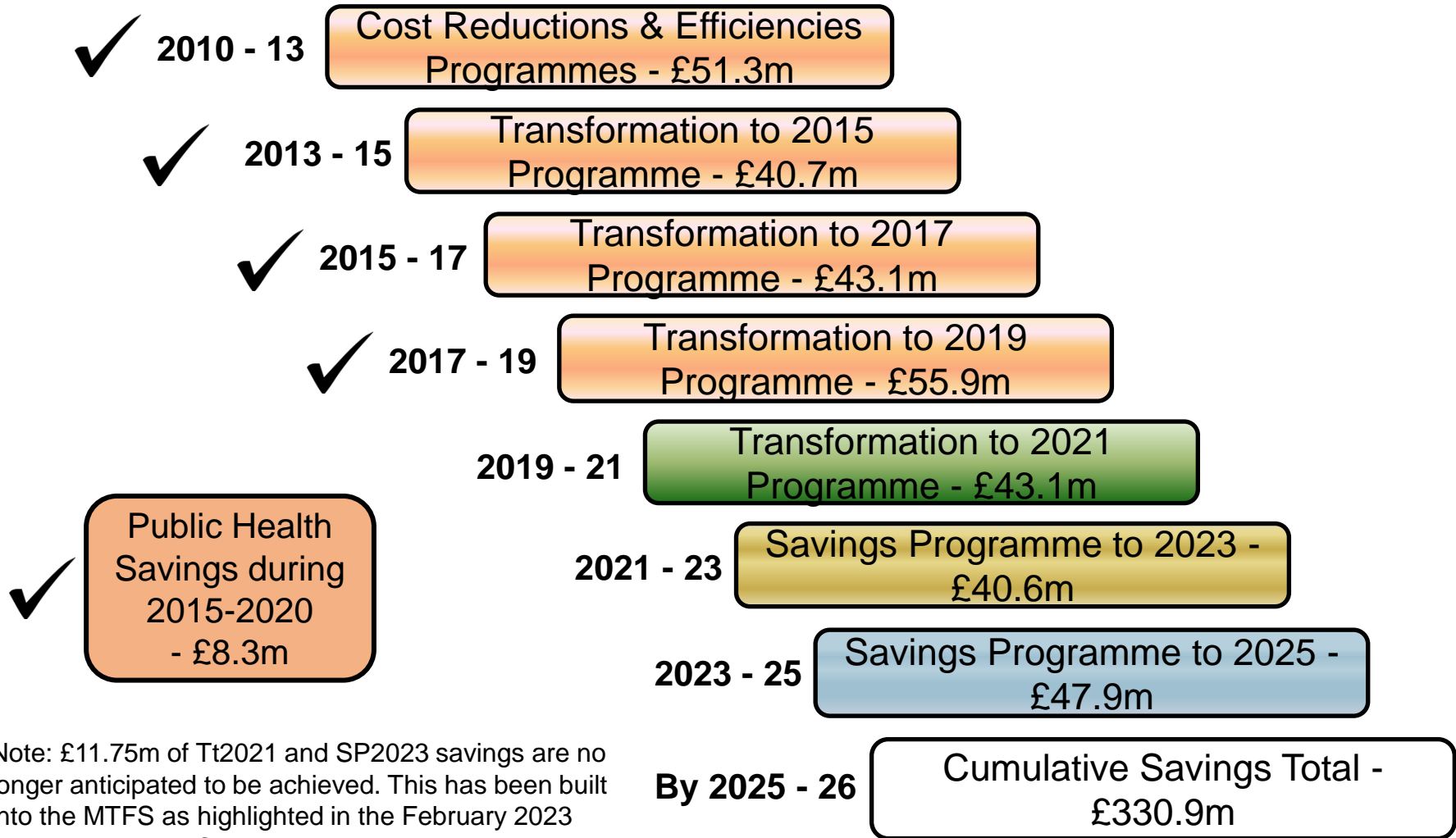
SP2025 Approach

- In recognition of the size of the financial challenge, directorates were not issued with defined savings targets.
- Directorates were instead instructed to review what savings might be achievable if the Council was to move towards a 'bare minimum'(as set out in the previous slide) provision of services.
- A detailed review of each budget line was undertaken to identify all potential savings options available.
- Savings options were subject to a robust scrutiny process to ensure that opportunities have been maximised whilst limiting cumulative impacts across service user groups as far as possible.
- The savings proposals identified are currently insufficient to meet the budget gap to 2025/26.
- We continue to lobby Government to seek a fairer funding formula and legislative change for some services to help us close the gap.

Directorate Context

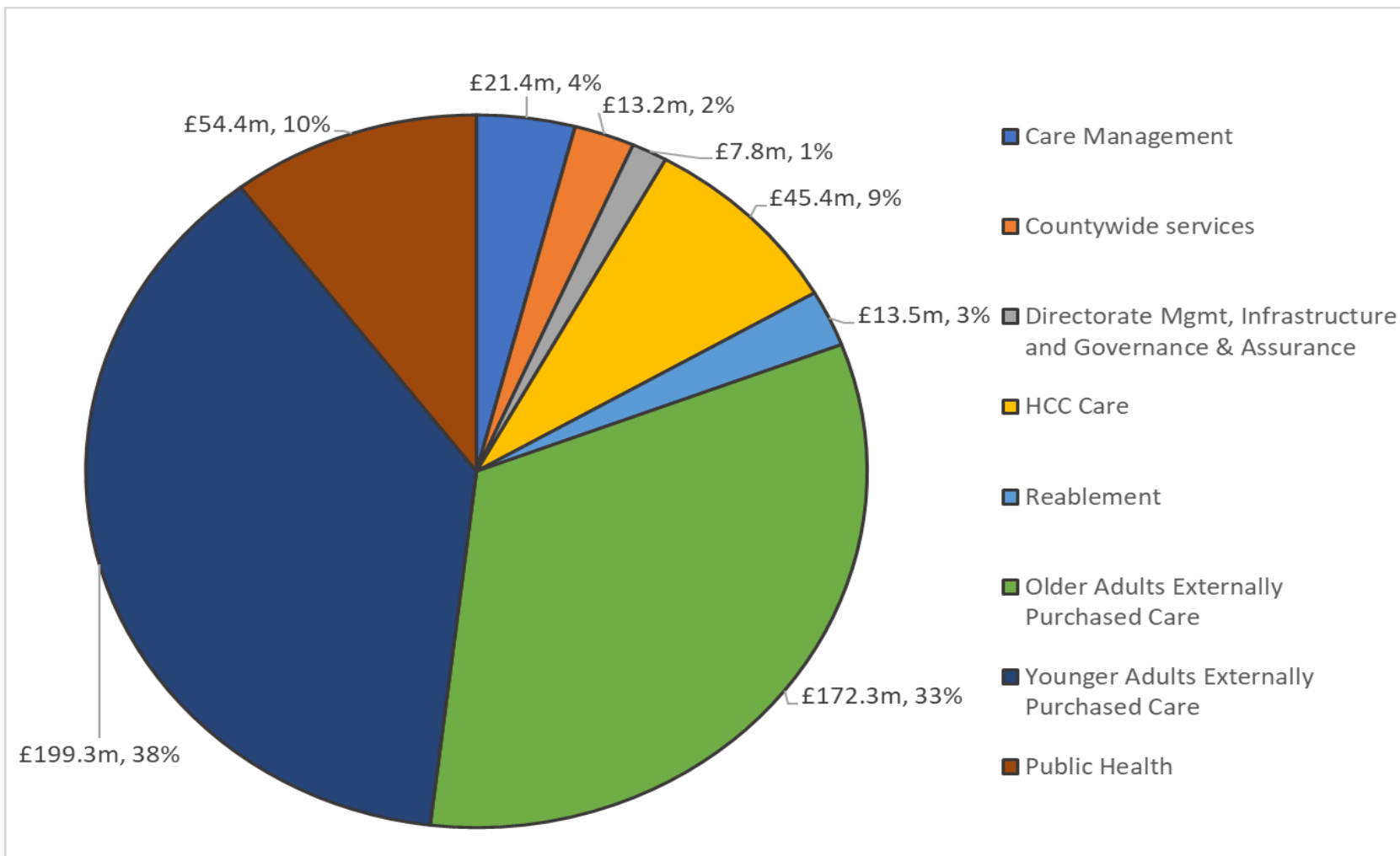
- Continuing and increasing demography and complexity demands alongside rapidly increasing average rates paid for care above the high level of inflation.
- Programmed to deliver remaining Tt2021 and SP2023 (most challenging) savings of £7.2m concurrently with SP2025 proposals, alongside 'business as usual' pressures.
- Pressures across the entire Health and Social Care system that sits alongside individual organisational challenges – these pressures can be summarised as:
 - **Quality / safety, including new Department of Health and Social Care and Care Quality Commissioning assurance and guidance mechanisms**
 - **Workforce**
 - **The long-term impact and legacy of Covid-19**
 - **Uncertainty relating to Adult Social Care Reforms**
 - **Financial challenge arising from:**
 - **Increasing demand and complexity**
 - **Market / price pressures**
 - **Continued elements of non-recurrent government grant support causing uncertainty**
- HCC Care (in-house) and Public Health services are out of scope of planned SP2025 savings.

Directorate Transformation Journey



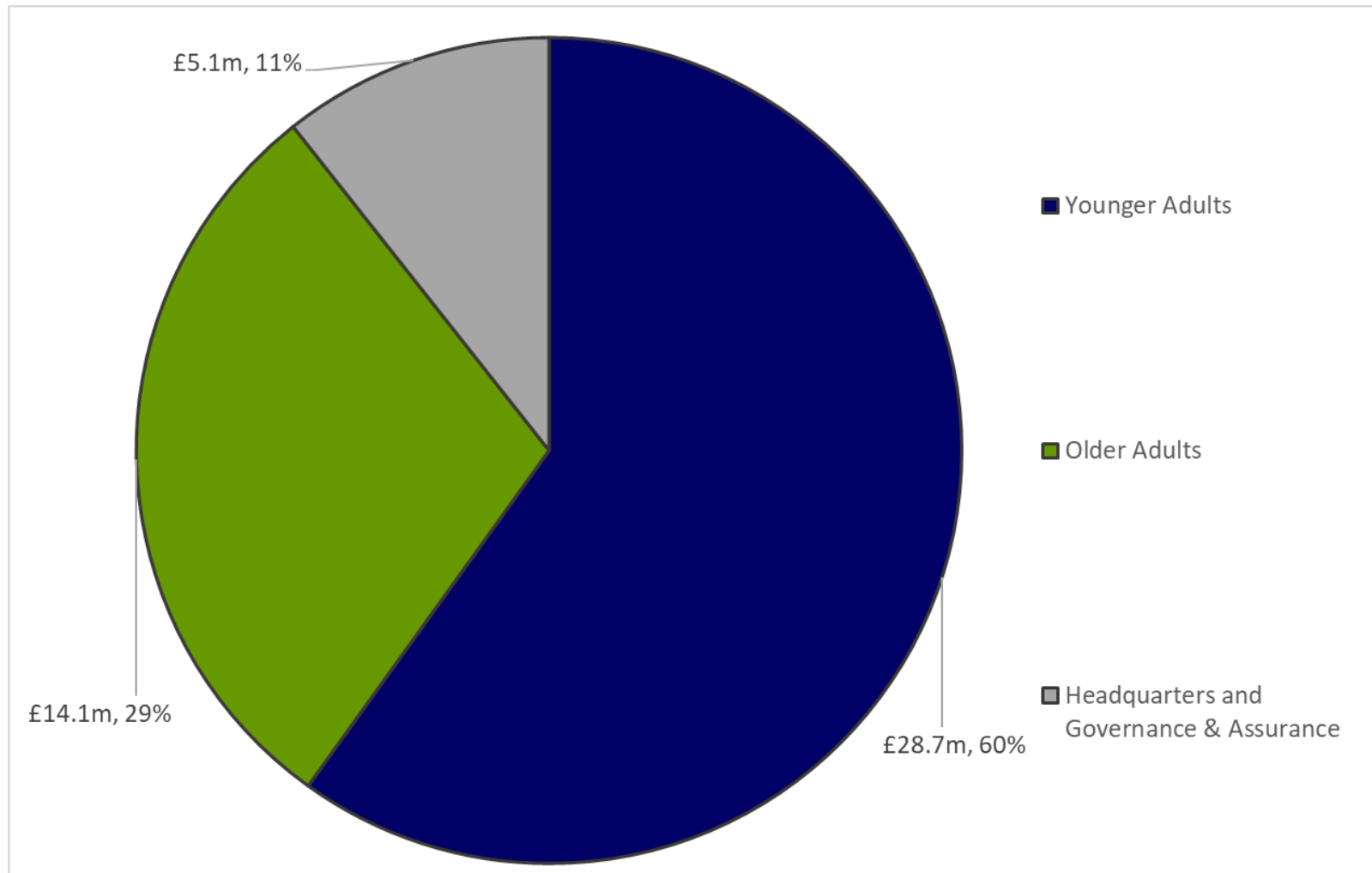
Adults' Health and Care Budget

Net Budget 2023/24 of £527.3m by Service Activity



Adults' Health and Care SP2025 Proposals

SP2025 Proposals of £49.7m by Workstream



Adults' Health and Care SP2025 Proposals

Adult Social Care				47.9
Younger Adults Services			28.7	
	Supported Employment	0.2		
	Workforce Review	0.3		
	Section 117 Responsibilities	0.5		
	Strengths Based Approach	12.0		
	Extension of HCC Care	0.5		
	Supported Living	3.5		
	Transition Strategies	1.5		
	Volunteers	1.5		
	Wellbeing Centres	0.7		
	Use of Technology	1.5		
	Transport	1.5		
	High-Cost Placements	5.0		
Older Adults Services			14.1	
	Review of care packages, duration and prevention	13.1		
	Reablement Workforce Review	1.0		
Headquarters Services			5.0	
	Minor Efficiencies	0.3		
	Contracts Review	2.1		
	Grants Review	0.6		
	Disabled Facilities Grants	0.9		
	Client Contributions	0.5		
	Contributions for activities undertaken on behalf of Health	0.1		
	Digital Automation	0.1		
	Information & Advice	0.4		
Governance & Assurance			0.1	
	PEP Administrative Costs	0.0		
	Operating Model	0.1		
Total				47.9

Adults' Health and Care SP2025 Proposed Savings

- **Principles of the Directorate's SP2025 proposed savings programme:**
 - **Prevention:** Strengthen the prevention strategy to reduce and/or contain demand. Includes: improved working with Carers and the Voluntary and Community Social Enterprise (VCSE) sector, improved information and advice (Connect to Support Hampshire) and greater use of Technology and digital automation
 - **Independence:** Increase the number of clients living independently and reduce the cost of care through greater application of strengths-based approaches
 - **Productivity:** Improve efficiency and productivity of the Directorate's operations
 - **External spend:** Increase service efficiency from commissioned services
 - **Income generation:** Increase Directorate income through client contributions, NHS contributions for services provided, brokerage fees, and traded services including technology enabled care and Learning and Development services
- **We would look to build on past performance that has resulted in positive service transformation and innovation**

Younger Adults Proposals (£28.7m)

- The largest portion of AHC saving proposals relate to Younger Adults services, including:
 - Further increase in the use of supported living accommodation to move people on from higher-cost residential care, enabling greater independence and tenancy rights for individuals;
 - Creating new in-house (HCC Care) services to provide more long-term support for people with learning disabilities as an alternative to independent sector provision;
 - Reviewing support provided to people with learning disabilities who are in employment;
 - Greater adoption of Technology Enabled Care and developing opportunities for people to find a greater level of support from within their local communities and through volunteer schemes;

Younger Adults Proposals (£28.7m) - continued

- Review of transition strategies, Special Educational Needs, Care Leavers and Children's Services;
- Extending work to reduce challenging behaviour (Least Restrictive Practice) to reduce support costs;
- Using technology in residential & supported living accommodation with focus on night support;
- Seeking alternative, more efficient methods of delivery to the current provision of transport;
- Working more closely with the NHS to review mental health Section 117 responsibilities;
- Reviewing the use of wellbeing centres and exploring alternative funding options;
- Reviewing workforce requirements.

Older Adults Proposals (£14.1m)

- Older Adults SP2025 proposals have a continued focus on strengths-based solutions, intermediate care and reablement, so that increasing numbers can remain in their own homes living as independently as possible.
- These proposals include:
 - Maximising Discharge to Assess arrangements from hospital stay;
 - Extending strengths-based outcomes to reduce demand for domiciliary care and ensure individual's needs are met by other means where appropriate;
 - Reviewing workforce requirements within the Reablement service.

Headquarters Services Proposals (£5.0m)

- Reviewing CVS infrastructure grant and remaining grants budget
- Ceasing Social Care spend on the following services that are non-statutory
 - 1) Independent Sexual Violence Advocacy and Rape and Sexual Abuse Counselling service
 - 2) Social Inclusion (Homelessness);
- Generating income through TEC , L&D and reviewing fees for brokering care;
- Considering, when assessing income, increasing the amount taken into account for care charges from 95% to 100% of an individual's assessable income,
- Work more closely with District and Borough councils to deliver Disabled Facilities Grants through the best use and recycling of existing equipment to residents;

Governance and Assurance Proposals (£0.1m)

- Governance and Assurance SP2025 proposals include:
 - Workforce efficiencies, the detail of which will be finalised following a review of the operating model;
 - Reviewing administrative funding for the Hampshire Personalisation Expert Panel (PEP).

Risks to Highlight (1)

- Managing the **challenging operating environment (all services) whilst delivering (concurrently) three large savings programmes** alongside other strategic change.
- **System-wide challenges**, exacerbated in recent years by Covid-19, are ever-present including; Integration, Continuing Health Care & dependency on Government/NHS funding for Hospital Discharge and general financial challenges faced by our local Integrated Care Boards (ICBs) – continued close working with our partners is crucial.
- **Managing service demand, whilst appropriately meeting eligible needs** (against the backdrop of a reducing budget) is becoming increasingly challenging, in the face of significant increases in volumes of care and price pressures that exceed inflation.
- **Overall increase in the complexity of clients** (proportionately more Dementia needs for example) across all care groups and all care types, higher cost packages and market pressures.
- **Changes in the Directorate's service offer may reduce (or be perceived to reduce) client choice.** The Directorate is clear that eligible needs will be met in the most cost-effective way. Managing the message and maintaining outcomes is key.

Risks to Highlight (2)

- Whilst developments enable more people to live independently, many do require some level of support for periods of their lives, and in some cases for the whole of their lives. **Any proposed budget reductions within Younger Adults in particular are therefore likely to impact on largely the same individuals as in previous years.**
- Adult social care case law turns upon circumstances in individual cases and as such some areas of risk are by their nature less predictable. **Continued oversight of practice and working with people and their representatives and co-producing are vital.**
- **Care Sector staff recruitment & retention is increasingly challenging**, compounded by legacy impacts of Covid-19. The Directorate's capacity to maintain and improve service quality and levels of safeguarding and clinical safety will be increasingly challenged whilst delivering these savings due to the scale of the culture/practice change required alongside the impact of the current cost of living crisis on workforce resilience.
- There is a real risk that not only permanent changes in the market will adversely affect the budget but also the legacy of increased financial hardship and unemployment. **We could see increased levels of deprivation that impacts the health and wellbeing of the Hampshire population**, resulting in further strain on social care.

Risks to Highlight (3)

- Our relationship with the care sector, and in particular Hampshire Care Association – the care sector representative body in the county – remains positive, yet **the sector as a whole remains vulnerable over the coming period and will require critical support** and, to a degree, continued nurturing.
- We recognise that social care budgets for both Adults and Children’s are under extreme pressure and thus **there could be a resultant negative impact upon other County Council services.**
- **Currently assumptions regarding the impact of the postponed Social Care Reforms (or alternative) have not been built into the savings programme** therefore there may be both further opportunities and significant challenges that the Directorate may face over the SP2025 timeframe.
- There have been recent announcements of **one-off funding to support an element of social care workforce pressures over the remainder of 2023/24, however these amounts will merely provide the required funding HCC have already identified is needed to maintain social care sector resilience** through what will undeniably be a very challenging autumn and winter period.

Equality Impacts to Highlight (1)

- **Younger Adults:**

- Impact: Some choices that are currently available, and that are more expensive in comparison to alternatives that also meet eligible needs, may cease to be available. It is likely for a large percentage of those assessed, the support that they receive could change or reduce. These people are likely to have been impacted by reductions / changes to the levels of service they previously received as a result of earlier savings programmes
- Mitigation: Assessed Care Act eligible outcomes would still be met in line with legislation. Social Workers would discuss potential options with individuals as part of a holistic review and reassessment process.

- **Older Adults:**

- Impact: Emergency care / care and support in more rural settings can be difficult to source quickly, which could lead to poorer outcomes.
- Mitigation: Extensive work with the market means that the likelihood of a negative outcome is less likely. Surgery signposters based in GP surgeries can support navigation to local voluntary services. Connect to Support Hampshire has locality-based groups that can be accessed.

- **Demand Management & Prevention (Headquarters):**

- Impact: A significant portion of projects currently grant-funded by Adult Social Care provide support for individuals with protected characteristics
- Mitigation: Insight and support could continue to be provided to the Voluntary Community and Social Enterprise sector and partners to target individuals most at risk of needing social care; organisations will continue to be able to apply for funding through the County Councillor Grant scheme.

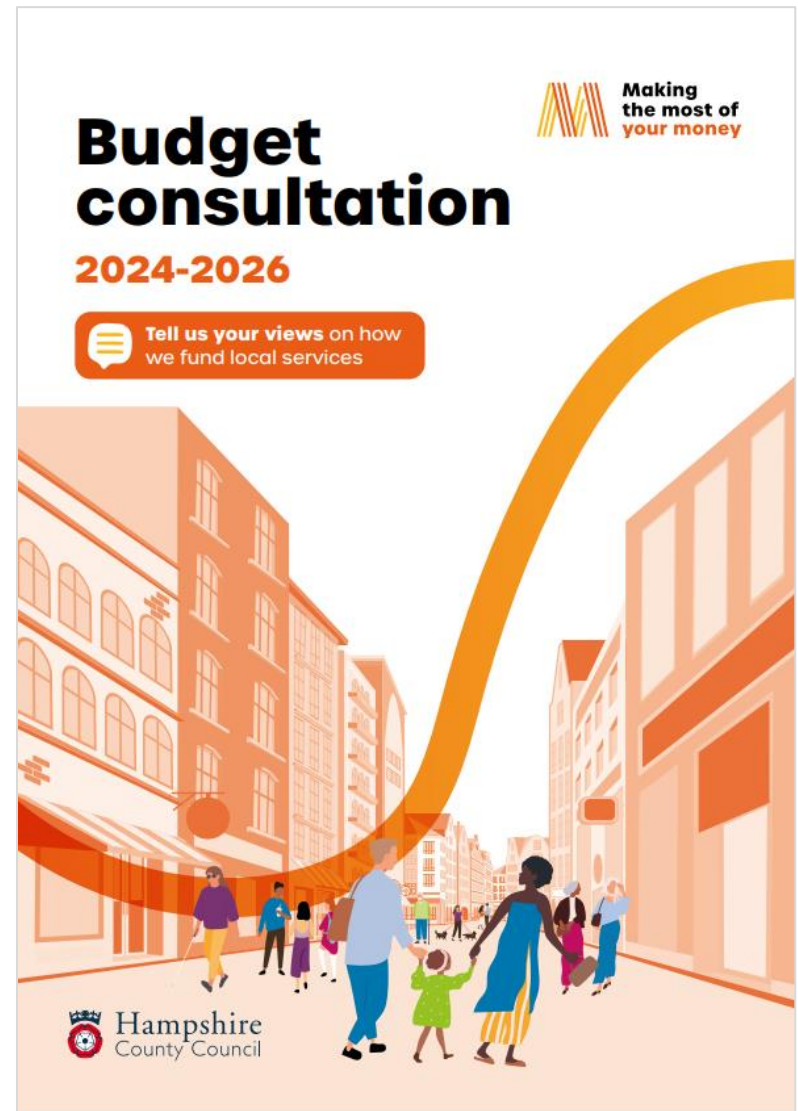
Equality Impacts to Highlight (2)

- **Brokerage & Billing Fees (Headquarters):**
 - Impact: Residents over 65 or with a disability are more likely to be in receipt of formal care services and therefore may be more adversely affected if, for example, there is a revised charging approach
 - Mitigation: Upfront and clear information and guidance would be provided to confirm charging arrangements. Self-funding individuals can choose to secure their own care directly with care providers.
- **Social Inclusion (Headquarters):**
 - Impact: Withdrawal of discretionary funding for homelessness services may result in the closure of homeless hostels if alternative funding is not secured – the majority of residents are in receipt of welfare benefits or have no income, and approximately 70% have mental health needs
 - Mitigation: Extensive engagement with partners including District and Borough councils, the NHS and voluntary and community organisations would be undertaken to review the future provision of these services. The County Council would ensure that anybody affected by the proposals that may have eligible care needs as defined by the Care Act 2014 can have their needs assessed by the County Council. Following assessment, they would be offered services to meet eligible needs.

Equality Impacts to Highlight (3)

- **Independent Sexual Advocacy (ISVA) and Rape & Sexual Abuse Counselling (RASAC) Services (Headquarters):**
 - Impact: Women and those who are unable to afford private counselling services may be disproportionately impacted if funding for these services is reduced, and some people may need to seek help for mental health issues through primary healthcare services
 - Mitigation: Extensive engagement with partners including District and Borough councils, the NHS, the Office for the Police and Crime Commissioner and voluntary and community organisations could be undertaken to review the future provision of these services. Partners may need to reshape their services or seek alternative sources of funding.
- **Client Contributions (Headquarters):**
 - Impact: The proposed changes to charging may mean that those on low incomes or in receipt of benefit could be left with less income per month
 - Mitigation: Any increase in care charges for residents that do not fully fund their care would be implemented in line with the maximum allowed within national legislation and most other local authorities. Upfront and clear information could be provided to individuals, families and carers.

*Making the most
of your money*
**Balancing the
Budget 2023
Consultation**
Headline Findings

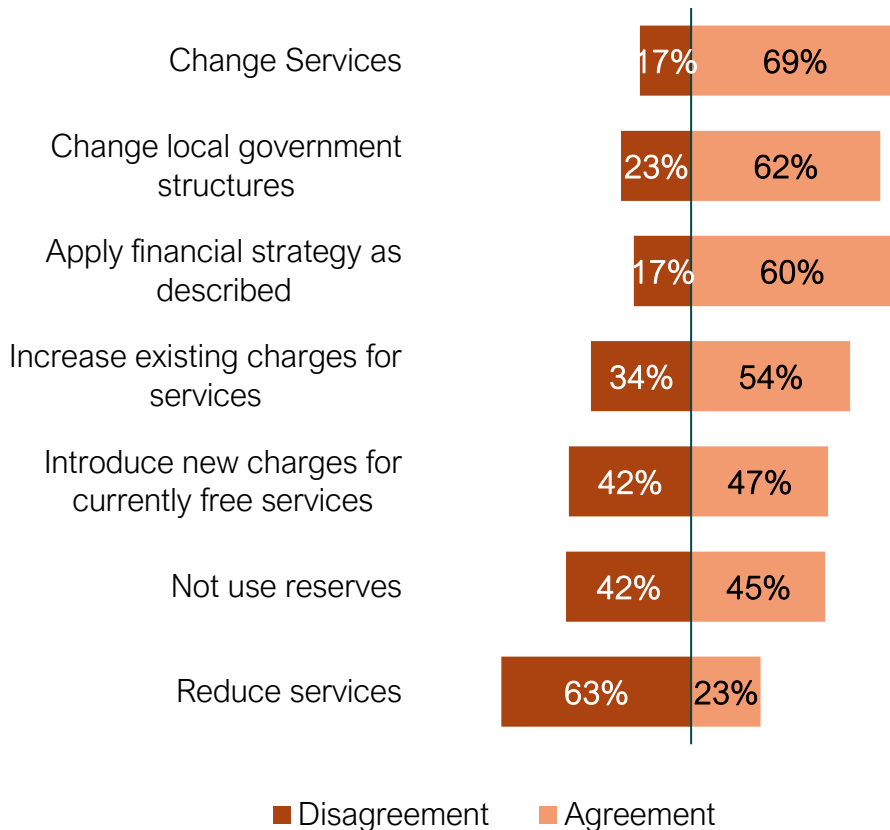


Consultation context

- The 2023 *Making the most of your money* budget consultation was designed to give all Hampshire residents and stakeholders the opportunity to have their say about ways to balance the County Council's budget.
- The consultation ran from **12 June to 23 July 2023** and was widely promoted through a range of online and offline channels.
- Information Packs and Response Forms were made available both digitally and in hard copy in standard and Easy Read formats, with other formats available on request. Unstructured responses could be submitted via email, letter or as comments on social media.
- The consultation received 2,935 responses – 2,806 via the consultation Response Form and 129 as unstructured responses via email / letter (37) or social media (92).
- Of the responses submitted via the consultation Response Form, 2,743 were from individuals and 25 from democratically elected representatives. In total, there were 56 responses from groups, organisations or businesses (38 using the Response Form and 18 as unstructured responses by email / letter).

Level of agreement with proposed options

Agreement or disagreement as to whether the County Council should . . . (Base: 2787-2663)



Respondents generally agreed with the County Council's financial strategy

A notable majority of respondents agreed that changes to council services and structures should be considered to help balance the budget.

Respondents were supportive of raising existing charges, but opinion was divided as to whether new service charges should be introduced.

Opinion was also split as to the use or not of council reserves.

Respondents were notably opposed to service reduction.

SP2025 Key Messages

- Overall, the complexities of Savings Programme to 2025 would be delivered through three approaches:
 - Continuing with and build upon the transformation created through previous savings programmes
 - Protecting key services through application of NHS/Government funding to achieve new and improved ways of working together across social care and health
 - Developing new transformational saving and income generation opportunities

...this would mean:

- Greater application of the strengths-based approach – maximising independence, in turn limiting the cost of paid for care
- Developing new and improved ways of working between social care and health, as well as other partners / stakeholders
- Positive staff engagement, development and support
- Maximising opportunities to trade services
- Further investment in and use of technology and Technology Enabled Care
- Closer working with Carers and the Voluntary and Community Sector
- Continued investment to maximise supported living and Extra Care accommodation
- Ongoing co-production with service user groups / others
- Resetting of public expectations about what we can do and about how people's needs will be met

Thank you

Paul Archer

Deputy Director of Adults' Health and
Care

Paul.Archer@hants.gov.uk