
**Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel**

5 June 2006

Report of the Director of Housing and Adult Social Services

**Service Plans – Performance and Financial monitoring draft
outturn**

Summary

1. To provide the Executive Member for Adult Social Services with a summary of the year end outcomes for the Service Plans agreed in April 2005. This report covers service plans for social services and corporate services. Elements of the Corporate Services monitoring have also been reported to Housing EMAP. The Executive Member has received two monitoring reports during 2005/06.

The report also highlights a year end overspend.

Background

2. The Executive Member agreed Service Plans for the following areas in April 2005
 - Older People and Physical and Sensory Impairment
 - Learning Disabilities,
 - Mental Health
 - Corporate Services

The process and structure followed guidelines set out by the Corporate Centre. It was agreed that the Executive Member would receive monitoring reports later in the year. It was also acknowledged that both the creation of service plans and the method of monitoring were an evolving process. The Executive member approved Service Plans for the period 2006-2009.

The report provides an initial section which covers:

- comments about issues related to adult social care generally and a summary of the outcome
- summary financial Implications

Later sections provide for each service plan covering the following areas:

- Key achievements during the year
- Progress on the Critical Success Factors
- Areas where performance did not achieve expectations
- New external priorities or demands during the year
- Significant organisational issues that impacted on performance
- Prospects for the next year
- Summary of variations to the approved budget

3. Annexes provide balanced scorecards for each service area based on the measures and targets set out in the agreed service plan. The Executive member will recall that targets have been set not solely in relation to performance indicators but also developmental actions.

Consultation

4. The report is for information and consultation on its contents was not required.

Options

5. The report is for information and there are no options to consider.

Analysis

General Comments

6. Members will recall that the overall performance of the department in relation to its social care functions is assessed annually by the Commission for Social Care Inspection (CSCI). The Annual Performance Review for 2005/06 indicated that the CSCI's judgement was that the City of York Council is a two star Adult Social Service authority serving most adults with promising prospects for improvement. CSCI have noted improvement from 2003/04 on many of the key issues raised in the previous year's assessment, including:
 - Breaks for carers.
 - Costs for Intensive social care for adults and older people
 - Unit cost of home care for adults and older people.
 - Unit cost of residential and nursing care for older people.
 - The number of learning disabled people in work as a percentage of those with learning disabilities known to the council.
 - The number of adults with learning disabilities helped to live at home.

as well as identifying some areas for development:

- Assessments of new clients aged 65 or over
 - Assessments of Adults and older people leading to provision of service.
 - The ethnicity of older people receiving services following an assessment
7. The Service Plan approved for 2005/06 were subject to significant external changes during the year that had an impact on activity undertaken during 2005/06 influenced the development of the Service Plans covering the period 2006-2009. These included:
 - **The Government's White Paper on the future of adult social care. 'our health, our care, our say'** (and related draft guidance on the role of the Director of Adult Services).
 - **Major changes to the organisational structure of community and primary health care** in the region with the establishment of a North Yorkshire and York Primary Care Trusts (PCTs) now confirmed to commence later in the year and revised Strategic Health Authorities, shortly to be put in place.
 - **The growing prominence of the local authority's role in achieving health improvement.** This will be reinforced through the CPA process and will be an important aspect of the development of Local Area Agreements this year.

- **Budgetary constraints** – both within the council and the NHS. This report shows that the department has not been able to contain expenditure within the approved budget, and the deficit with the Selby and York PCT has led to an urgent financial recovery plan. Given that the funding that the council has to spend on adult social services is the 3rd lowest amongst unitary authorities this context presents real problems in terms of the development of local services to meet new demands.

Although tightening of the application of current eligibility criteria has slowed down the increase in expenditure, rising demand and other cost pressures have had a significant impact. Added to additional cost pressures within the new financial year will make it very difficult to maintain all our existing services at their current levels to all our existing customers.

8. These four areas contain their own work streams but it is crucial that we see them as connected and linked. Proposed changes to respond to one set of challenges (e.g. budget constraints) will need to assess the impact on performance targets and objectives.
9. The following areas of achievement over the last year should be particularly noted.
 - The number of people helped to live at home is higher than last year across all customer groups and higher than target for learning disabilities.
 - Morrell House has opened to provide specialist EMI care. And is working very successfully.
 - Key performance indicators, (Star rating blockers) are on target
 - Hebden Rise day service re-provision for people with learning disabilities has been completed
 - Delivery of equipment remains high at 94%
 - Proportion achieving acceptable waiting time for packages of care achieved its target of 85%
 - Service is on target with the main National Service Framework for Mental Health development objectives
 - Introduced a number of short-term pilot schemes for supported housing through Supporting People Programme including for people with alcohol problems, pregnant teenage mothers and a bond guarantee scheme with Citizen's Advice Bureau.

Financial Implications

10. Summary position – The original revenue budget for Social Services for the financial year 2005/06 was £29.2m. During the year a number of changes to this figure were approved including increases to residential and nursing budgets, insurances and recharges. The latest approved budget after these changes is £30.079m. Monitoring reports have been made during the year, informing of expenditure and income trends during 2005/06. The latest report presented to the Executive Member Advisory Panel on the 8th December 2005 indicated the overall Social Services budgets would outturn at £1,171k unless action was taken. These actions were intended to draw back the overall departmental overspend to £132k. Several of these actions have not achieved the expected level of savings.
11. The draft outturn expenditure is £30.872m, which is £793k above the latest approved budget and represents 2.6% of the gross turnover of the portfolio area. The main variations between the approved budget and the draft revenue outturn are itemised in the tables within each of the service plans below and the trends, which may continue into 2006/07, are discussed in more detail in paragraphs 40 -

42. Financial regulations require a detailed explanation of any budget variation in excess of £50k and those above £10k where the variation is greater than 2% above the budget heading.

12. The following sections provide more detailed commentary on each of the service plan areas.

Older People and Physical and Sensory Impairment

Achievements

13. The following areas should be noted.
- The number of older people and people with a disability helped to live at home is higher than last year
 - The number of short breaks has increased
 - The number of older people and people with disabilities admitted to registered care has reduced significantly
 - Morrell House has opened to provide specialist EMI care. And is working very successfully.
 - Key performance indicators, (Star rating blockers) have been achieved
 - Delivery of equipment remains high achieving at 94%
 - Proportion achieving acceptable waiting time for packages of care remains at high level of 90%
 - Increased number of people gaining access to intermediate care
 - The approval & introduction of an electronic single assessment process
 - Preparation for the introduction of person held records
 - Direct Payments overall has increased further
 - Proportion achieving acceptable waiting time for packages of care remains at higher level of 90%
 - Percentage of people without recorded ethnicity well within boundary.
 - The tightening of eligibility has been introduced and is beginning to take effect
 - Delayed discharges due to social care reasons has stayed at very low level all year.
 - Group manager replacement was achieved with minimum disruption.

Critical Success Factors (CSF)

14. The following are the CSF identified in the service plan and a comment on their current position.

Review & Improve financial management information systems

Regular monthly monitoring has occurred with Finance & Group managers. Work to improve the locality/service level finance monitoring has not been as effective as anticipated. This is partly due to fragmented information systems and partly due to operational capacity pressures. New approaches to monitoring and decision making are to be put into place.

Improve staff retention and workforce planning

There has been some loss of staff due to savings and short-term posts coming to an end. A comprehensive workforce development plan has not yet been achieved,

with much of the workforce focus currently directed towards the job evaluation process and home care restructure. Some rationalisation of management roles has taken place. Sickness rates are reducing.

Improve performance for Assessment and Care Package Timescales

Both indicators have been achieved within the acceptable.

Improve joint planning and working with key partners.

There has been involvement with the PCT planning streams on emergency care; developing a vision and out of hospital service development. Work on the long-term commissioning plan for older people's social care has involved PCT colleagues. Discussions with the PCT to develop joint commissioning plans for Older people & older people with mental health problems has moved on slowly due to the financial risks but some re-investment in community services has occurred through the closure of Acomb Gables, with support from Adult Services.

There has been significant joint planning with NHS and voluntary sector partners to submit a bid for funding through the Partnership for Older People Programme.

Develop a more robust business planning approach

Areas where reviews have taken place or are shortly to be completed are:

- The Financial assessments and discretionary charging process and policy. Cross directorate reviews are in the latter stages and an internal audit has finished with an action plan in place.
- An internal audit of Residential and nursing contracting is completed with an action plan in place.
- Administration functions across Adults & Learning Disability (LD) services has been completed.
- A strategy for re-commissioning home care is to be approved by members
- The development of accommodation services for older people is being developed in conjunction with an older people's housing strategy

Areas where performance did not achieve expectations

15. The following areas are ones where performance has not met targets set or projects have slipped against their predicted timescale.

- Unit costs of residential care are increasing due to specialist fee increases and market forces
- Achievement of financial targets has not occurred with increase in cost pressure in in-house services due to sickness, other absence and regulatory demands and increased complexity of levels of service provision following assessment requiring additional external care provision.
- Review targets have proved difficult due to higher numbers of people being supported and staffing levels that have not been sufficient.

New external priorities or demands

16. The following have been new priorities or demands requiring attention during the year, that were not reflected in the original service plan:

- Preparation for White paper- developing a Prevention strategy; improving Partnership arrangements for out of hospital services.
- Planning and Implementation of the Long Term conditions National Service Framework with the PCT.

- Local Public Service Agreement and Local area Agreement planning to ensure the older people and healthier community objectives of the Council are reflected across different sectors.
- Planning for the partnerships for Older People Projects (POPSS) bid for 2006/07
- Plan for use of Assistive Technology grant in 2006/7
- Partnership development for Older people's strategy in York and with sub-regional partners in North Yorkshire to match the geographical coverage of the new Primary care Trust structure.
- Preparation of a 10-15 year long term commissioning strategy with the Department of Health Change Agent Team and Institute of Public Care (IPC), Oxford Brookes University.

Significant organisational issues

17. The following issues have had an impact on the achievement of the service plan.
- The cost implications of formalising the Partnership arrangements in respect of Occupational Therapy & Community Equipment Loans Service (CELS).
 - Financial planning for the medium term in context of budget pressures in 2005/06.
 - Staff availability and capacity to undertake essential preparation for new commissioning and service development plans.

Prospects for next 12 months

18. The following are the key opportunities and risks facing the service.
- Information systems remain weak and fragmented and information available does not fully reflect all adult service activity. The planning for introduction of the Electronic Social Care Record and the replacement for the existing customer data base, (ISIS) will help to improve this.
 - Plans to deal with underachievement in key performance areas will be stretched by lack of operational capacity and the reduction in activity required to meet budgets.
 - Will need to develop better systems for measuring Human Resources performance indicators within the plans as data is limited.
 - There may be financial risks from the PCT financial recovery plan unless the impact for social care is considered within a joint planning framework.
 - If the POPSS bid is successful there will be a major opportunity to redesign the service framework to give more emphasis to preventative services.
 - The opportunity exists to support more people at home for longer with the Assistive Technology Grant.

Budget

19. The table below sets out the variations in accordance with the financial regulations

OLDER PEOPLE & PHYSICAL DISABILITIES	Budget £'000	Variation £'000	Variation %
Carers – expenditure deferred to offset overspends across the service	2	-55	-2750

OLDER PEOPLE & PHYSICAL DISABILITIES	Budget £'000	Variation £'000	Variation %
Community Support Budget – an increase both in customers receiving intensive support and customer/ family expectation of support in their own homes. Tightening of the eligibility criteria did not deliver the anticipated net savings of £300k as the reduction in customers was accompanied by a reduction in income. In addition there has been a reduction in the level of continuing health care income from that expected.	1,154	+1,241	
	2,838	-38	
Offset by Internal Home Care Service - hours provided per week reduced to offset overall home care overspend.		<u>-401</u>	
	3,992	+802	+20
Offset by the increased use of social services government grant in this area			
Direct Payments – take up higher than budgeted level and mainly due to one very expensive customer.	38	+127	+334
Transport - mainly due to reduced use of spot purchased taxis for transporting respite customers.	66	-12	-18
Social Care Teams – sickness and vacancies covered by agency staff have led to increased costs.	1386	+111	+8
Meals Service – as the service has reduced income has also reduced due to a greater extent than the cost of meals provided	3	+22	+733
Mobile Wardens – due to extensive sickness among wardens and night wardens as well as additional unplanned expenditure on vehicles.	462	+31	+7
Warden Call centre - due to sickness and replacement cover as well as additional unplanned expenditure on replacement equipment and other revenue budgets due to staffing changes offset by additional customer income.	-318	+44	+14
Night Time Care Service – overspend on staffing to cover long term sickness.	128	+46	+36

OLDER PEOPLE & PHYSICAL DISABILITIES	Budget £'000	Variation £'000	Variation %
Elderly Persons Homes – an overspend on staffing due to cover for staff sickness and increased staffing levels in order to comply with CSCI standards		+193	
an overspend on repairs and running costs, including equipment and catering supplies		+120	
offset by additional income from customers and the PCT		<u>-152</u>	
	3609	+161	+4
Private Sector Adaptations – New partnering arrangements with Property Services have lead to an increased in cost of work for same level of service	185	+30	+16
Expenditure deferred to offset budget pressures across the service		-96	
Other minor variations	8,726	-5	0
Total Older people & Physical Disabilities	18,279	+1,206	+7

Learning Disabilities

Achievements

20. The following area should be noted.

- There has been a recent learning disability inspection by the Council for Social Care Inspection. The report is very positive about the current service levels and the prospects for improvement and the final rating will be reported to Members at the July meeting.
- There has been a continued improvement in performance of the service relating to formal Performance indicators:
 - i. The number of annual reviews and re-assessment has risen significantly over the year and has reached 85%
 - ii. The number of people helped to live at home has risen from last year and their has been a 14% increase in people living in supported living accommodation
 - iii. There are no people where ethnicity is not recorded
 - iv. The number of direct payment users has increased
 - v. The % of people receiving a statement of needs is consistently high at 88%
- There has been an increase in the number of people with a learning disability in work- there are now 21 people in paid work and some 34 others in voluntary work
- 44% of people living in long-term in-house NHS accommodation have been discharged into the community

- The re-provision of Hebden Rise day service has been completed, with a resultant 5 smaller services options, including individualised supports for customers. This had been achieved on time and budget targets.
- The integration of the service with Selby York Primary Care Trust and North Yorkshire County Council had continued and this has begun to pay dividends in efficiency terms- e.g. joint training and less duplication of staff time
- The Valuing People Partnership Board (multi agency and carers/customer Board) has gained in strength over the year, becoming more focused on the quality issues to be addressed within the services.

Critical Success Factors (CSF)

21. The following are the CSF identified in the service plan and a comment on their current position

Embed new integrated management arrangements

This has started to consolidate and has been assisted by the temporary appointment of the Deputy Head of Service post who came into in December 05. In addition, the creation of the LD leadership team is starting to form the strategic direction of the overall service.

Review & improve financial management information systems

Regular monitoring of budgets and performance indicators with service managers in situ. Regular liaison with finance support in place. The tracking systems and monitoring arrangements within the team have improved significantly and we are able to track spending effectively

Improve staff retention and workforce planning

This work is ongoing as part of a regionally driven workforce planning exercise for Learning disability services led by the Valuing People Regional Office. The retention of staff as mentioned above is good – only 3.1% turnover. 42% of staff have now gained NVQ2

Improve joint planning and working with key partners.

Communication and planning within the integrated unit continues to be strong- liaisons with key partners North Yorkshire Social Services and also the Primary Care Trust have been strengthened with joint planning and actions on the following areas:

- Dementia pathway for people with learning disabilities
- Commissioning long stay re-provision
- Joint commissioning strategy in process of being developed
- Accommodation review for customers
- Transitions planning

Develop a more robust business planning approach

The development of a three year planning framework for the whole service has begun- details relating to local targets are to agreed by all partner agencies

Areas where performance did not achieve expectations

22. The following areas are ones where performance has not met targets set or projects have slipped against their predicted timescales.
- Setting of local targets to ensure measurements of success are easy to monitor

- Continued pressure on maintaining the number of reviews undertaken means a review of how reviews are currently being done is required.
- Work with planning for older carers is required
- Further work to ensure full compliance with eligibility criteria is required.
- Achievement of financial targets has not occurred with increase in cost pressures as peoples needs increase and costs increase for service provision.

New External Priorities and demands

- The number of people in transitions phase of adulthood continues to rise
- The new White Paper- “Our Health Our Lives Our Say” will place an emphasis on how the service can provide a preventative strategy for people with a learning disability
- Some changes with legislation and guidance relating to people with mental health and learning disabilities has put additional pressures on the team in terms of recording systems and changes of professional practice.

Significant Organisational Issues

23. Financial planning in the next year in relation to continuing budget pressures.

Prospects for next 12 months

24. The following are the key opportunities and risks facing the service.
- The budget position poses a significant challenge. It affects the overall Learning Disability service both from the City of York Councils perspective but also that of the Primary Care Trust and North Yorkshire County Council- all have an impact on the ability to deliver on service plans and outcomes for customers.
 - The recent CSCI inspection report offered some areas for improvement but also highlighted the strength of joint working arrangements across the integrated service. Building upon these strengths will continue to offer tangible benefits for both customers, carers and in terms of efficiencies. One of the key challenges will be to maintain the positive integrated arrangements in light of local PCT reconfiguration.
 - The involvement in the individualised budget work, whilst posing some system change challenges also offers opportunities for the service and community services as a whole to have a better understanding of any likely issues arising from the expected adult social care white paper.

Budget

25. The table below sets out the variations in accordance with the financial regulations

LEARNING DISABILITIES	Budget £'000	Variation £'000	Variation %
Community Support Budget - mainly due to an increase in the needs of existing customers. This overspend is likely to continue due to the high cost of these packages of care. Once service has been provided it is likely to continue for the foreseeable future.	531	+259	+49
Residential and Nursing Care – due to an increase in the number of customers.	3657	+147	+4

LEARNING DISABILITIES	Budget £'000	Variation £'000	Variation %
Direct Payments – take up above budgeted level.	203	+21	+10
Increase in cost of transport	150	+96	+64
Head of Service – expenditure deferred to offset budget pressures across the service.	45	-45	-100
CSA – increase in Supporting People income.	-120	-18	-15
Other minor variations	3,456	-48	-1
Total Learning Disabilities	7,922	+412	+5

Mental Health

Achievements

26. The following area should be noted.
- Service remains on target with the main NSF service development objectives
 - The savings target for 2005/06 has been achieved.

Critical Success Factors (CSF)

27. The following are the CSF were identified in the service plan and a comment on their current position.

Strengthen partnership arrangements with PCT

The Mental Health Partnership agreement has been revised and approved by Members. Protocols covering specific aspects of the policy are currently being put in place and the constitution of the Partnership Board being revised. The new agreement became operational on 1st April 2006.

Review & Improve financial management information systems

Revised financial arrangements were included in the revised partnership agreement and financial management arrangements have been put into place for 2006/07 budget management and reporting.

Improve staff retention and workforce planning i.e. Approved Social Workers (ASWs)

Staff retention has improved and there are currently two staff undertaking ASW training.

Improve performance information

There has been some limited improvement with information systems but major progress remains dependent on replacement to ISIS and introduction of Electronic Social Care Record (ESCR). Data entry is still reliant on dual entry for a majority of social care information. In the interim other solutions will be investigated to reduce this risk.

Areas where performance did not achieve expectations

28. The following areas are ones where performance has not met targets set or projects have slipped against their predicted timescale
- Management information, as described above, remains weak, whilst improving. It is reliant on interconnected systems that are not fully in place and double entry of data. Information from the service suggests that the

assessments, reviews and statements of need have taken place but the data base has not been comprehensively updated with this and other referral information as it is requiring input into two systems.

- It has not been possible yet to achieve any breakthrough with mental health service users moving to Direct payments. The volatile nature of mental health and the integrated service provision both mitigate against this. North Yorkshire will be leading work into considering how the barriers to improvement can be overcome for this customer group.

New external priorities or demands

29. The following issues have impacted on the service planning.

- Preparation for White paper- developing a Prevention Strategy; improving Partnership arrangements
- Impact of budgetary problems within both PCT and in social care services.
- Planning for the use of the Assistive Technology grant

Significant organisational issues

30. The following organisational issues have impacted on the achievement of the service plan.

- Changes in the PCT infrastructure announced part way through the 2005/06 year and will continue for a period with the establishment of a new Strategic Health Authority recently, the establishment of new PCT arrangements in the autumn and planning for the future commissioning and providing structure for mental health services.
- Establishing the formal Partnership arrangements;
- Financial planning for medium term in context of budget pressures in 2005/06 and savings required in 2006/08 period and impact of Supporting People changes.

Prospects for next 12 months

31. The following are the key opportunities and risks facing the service.

- Plans are being put in place to deal with underachievement in performance but these will be stretched by any need to reduce activity to meet budgets.
- Will need to develop better systems for measuring Personnel PIs within the plans as data is limited.
- Service reconfiguration as the plans for rehabilitation & recovery are implemented
- Further organisational change;
- Developing clear Pathways of care
- Developing supported living schemes to improve the proportion of community based services.
- Reconfiguration of the Community Mental Health Teams to 4 areas.

Budget

32. The table below sets out the variations in accordance with the financial regulations

MENTAL HEALTH	Budget £'000	Variation £'000	Variation %
Residential and Nursing Care – due to a reduction in number of customers towards the end of the financial year.	1244	-33	-3
22 The Avenue – cost of IT Link between establishment and PCT in order for staff to access information from both systems and shortfall in Supporting People income due to number of customers being eligible falling after budget set.	32	+28	+88
Other minor variations	785	-36	-5
Total Mental Health	2061	-41	-2

Corporate Services

Achievements

33. The following area should be noted.
- Supporting People programme delivered on all the action areas identified in the inspection report and completed all service reviews in time despite significant staff changes.
 - Introduced a number of short-term pilot schemes for supported housing through Supporting People Programme including for people with alcohol problems, pregnant teenage mothers and a bond guarantee scheme with Citizen's Advice Bureau
 - Successfully managed the organisational re-structure that impacted directly on Corporate Services, including the disaggregation of functions related to Children's Services
 - The development of the Learning Disabilities commissioning plan and development of alternative support services as part of the modernising of day support at Hebden Rise

Critical Success Factors (CSF)

34. The following are the CSF identified in the service plan and a comment on their current position.

Smooth transition to new service structure

The new structure was introduced in the autumn although the final changes and accommodation moves were not completed until January. The new arrangements have been begun to bed in and the divisional managers working on strengthening cohesion and improving support to other divisions in the department.

Replacement of Social Care recording system

The timescale for identifying and agreeing a contract with a supplier for the system was delayed because of additional information required to evaluate the separate development of a system for Children's Services. Preparatory work has also been delayed because of the need to balance the department's overall budget. It is very likely that the implementation timetable will now stretch into 2007/08

Improved partnership with internal and external stakeholder

Initial work on clarifying support arrangements with other parts of the department have started and this will continue in 2006/07. The changes affecting the health

community both structurally and financially present a challenge to the ongoing development of key partnerships.

Improving attendance in Department

The human resources function has taken an active role in managing longer-term absence particularly in adult social services. Work has started on developing an improved method of recording absence with the longer-term aim of moving away from the Active Health system. This project is also looking at the strategic management of absence including understanding and responding to the causes of absence. Co-ordination of this work with council wide initiatives is planned.

Areas where performance did not achieve expectations

35. The following areas are ones where performance has not met targets set or projects have slipped against their predicted timescale

- Domiciliary Care (relevant qualifications NVQ 2 or above) achieved 33% rather than 40% target . The new Care Awards held up registrations. When current candidates complete (within next 2 months) level will be at 42%
- Certain areas where developments were delayed because of significant staff changes or delays in receiving central government guidance including:
 - Achieving Community Legal Advice Partnership quality mark for information giving.
 - Revised Blue Badge guidance
- Procurement process for the new social care system took longer than anticipated because of the additional evaluation required in relation to the disaggregation of Children's Services.
- Complaints performance across all areas continues to present concern and stays at a low level (65% across all complaint stages). A key factor is always the complex nature of some complaints that given the volume of work makes it difficult to find a resolution in the target timescale. There has also been an increase in the overall demand for different types of enquiries. Although the overall level of complaints decreased by 11% the number of Ombudsman's enquiries went up by 14%, MP enquiries by 80%, and Councilor enquiries 57% - the latter two primarily because of the general election in May last year. In addition it has been the first full year of the Freedom of Information requirements and 29 requests were received and these can be very time consuming. Initiatives to train and brief managers in service teams has been delayed in anticipation of changes in government guidance in relation to social services. Restructures in parts of the department have also distracted attention.

New external priorities or demands

36. The following were new work demands that were not predicted when the original service plan was agreed.

- HR support to divisions within the department, particularly Children's Services in managing the impact of budget reductions.
- Project to improve attendance management following outcome of Personnel Committee decision on use of Active Health
- Preparatory work for Preventative Older People Project bid.
- The work required to support the job evaluation programme in the council has increased work considerably across all divisions.
- Support for adult social care in re-configuring home care services

- Developmental work on creating a long-term commissioning strategy for older people.

Significant organisational issues

37. The following issues have impacted on the achievement of the service plan.
- The restructure of the department during the autumn inevitably disrupted certain aspects of the
 - As part of the action plan to reduce the department's overall deficit Corporate Services delayed work on a number of areas and did not recruit to certain posts such as the policy and planning manager, IT social care replacement project and finance posts
 - The departure of three post holders in the Supporting People team during the year and a vacant manger post for around four months.
 - The departure of HR business partner slowed progress on certain initiatives
 - There are continued vacancies in the finance team.
 - The loss of all the dedicated policy and planning function for the last six months of the year due to secondment and long-term sickness.

Prospects for next 12 months

38. Although there are continued areas of uncertainty in relation to some staffing areas such as policy and planning the division now has a full complement of managers and is beginning to come together and look to areas for development and improvement building on the strengths of the staff group. The critical work areas identified in the Service Plan 2006/07 present an essential if challenging agenda to support the Council and Departmental priorities in a changing policy environment (eg Social Care White Paper, PCT re-structure)

Budget

39. Corporate Services spans both social services and housing functions such as Supporting People. The table below sets out the variations on the social services budgets in accordance with the financial regulations.

CORPORATE SERVICES	Budget £'000	Variation £'000	Variation %
Training Services – due to vacancies held through the year	256	-18	-7
Information Management and Technology – freeze on equipment purchase to offset other departmental budget pressures and vacancies held due to delay/difficulty recruiting to ESCR posts	637	-118	-19
Short Breaks for Carers – due to delays in implementing the Direct Payments for Carers scheme and expenditure deferred to offset other budget pressures	0	-55	0
Support Services Manager – due to vacancies during the year.	97	-20	-21
Quality Assurance – due to vacancies during the year.	54	-14	-26
Expenditure deferred to offset budget pressures across the department		-529	
Other minor variations	773	-30	-4
Total Corporate Services	1,817	-784	-43

40. Whilst overall there is a nil variation across support services there was an overspend of £26k on finance due to early retirement costs offset by staff vacancies, an overspend of £22k on medical questionnaires due to an increased number of referrals following the Active Health Pilot and an overspend of £54k on staff advertising due to the increased level of recruitment following the departmental restructure and the use of consultants to recruit to senior posts.

On housing general fund services the corporate services outturn figure is £48k less than the approved budget due to an underspend on supporting people administration. The main reason for this variation is that the costs of the supporting people team have been contained within the government grant without the need for any further contribution from the council's base budget.

Corporate Objectives

41. The development of the service plans last year reflected the council objectives and priorities. Many of the specific actions directly related to council wide initiatives.

Implications

Financial

42. The departmental summary is set out in paragraph 10 above and the major variations are set out in the tables in the report. A number of the under spends, particularly in Corporate Services, are due to one off items where expenditure has been deferred in order to offset the known pressures within the department. It is unlikely that this level of saving will be achieved in 2006/07.
43. The key pressures relate to community support, where controlling of expenditure has been a particular problem. Expenditure on packages of care continues at a consistent level and the number of customers receiving care has increased during the year. Elsewhere on this agenda a report on the review and modernisation of Home Care identifies potential reductions in expenditure which will assist in managing this financial pressure during 2006/07.
44. The reasons for the overspends in adults and learning disability variations are set out in the detailed tables in the body of the report. The position in York is reflected in the country as a whole. Although end of year figures for 2005/6 are not yet available a survey conducted by the Local Government Association and published in March 2006 summarised the position as follows:

However, due to increased numbers of people with more complex needs meeting the eligibility criteria and requiring care, outturn spending was £13,277m - £366m (2.8 per cent) above the budget set for 2004/05 and £850m (6.8 per cent) above FSS.

For 2005/06 government provision was based on an FSS for social services of £13,567m. Whilst this was a cash increase of 6 per cent over the previous year, it was just 2.3 per cent more than council spending on social care in 2004/05. Councils, again reflecting the pressures on services, set their social services budgets at £15,125m in 2005/06. Thus the gap between budgets and FSS has increased to £1,558m (11.4 per cent).

The projected outturn for 2005/06 is £15,335m after taking in to account planned social care efficiencies of £220m for 2005/06. This will increase the gap between 2005/06 FSS and spending on social care to £1,768m (13 per cent) 2005/06 projected spend £15,335m less 2005/06 FSS

£13,567m. The survey shows that nationally, several service areas are experiencing significant spending pressures:

- learning disability services are projecting to spend a further £81m above the budget for 2005/06. More than three quarters of authorities reported facing significant cost pressures in the area of learning disabilities, a higher percentage than any other area;
- older people and physical/sensory services are projecting above budget spending of £18m and £19m respectively, with other service areas contributing to meet pressures through efficiencies

Social Services Finance 2005/06, A Survey of Local Authorities, Research Briefing 1.06, Local Government Association March 2006

Areas where action will be taken to address the position in 2006/07

We will be examining a number of areas to reduce the spend. These fall into two main areas:

- continued drive to increase the efficient use of our resources where this is possible.
- reductions in service levels

45. Staffing

Areas where we can reduce staffing costs will include:

- Robust vacancy management
- Revising the delegated authority for approving cover
- Ensuring that hours in Elderly Person Homes (EPH) and Home Care reflect revised target hours
- Reviewing the arrangements for covering sickness and absence in EPH's and Home Care
- Use of cover to essential situations only - covering regulatory requirements only
- Reviewing any temporary staffing arrangements an/or enhancements

46. Commissioned budgets:

- Community Support Budget (CSB) –
 - continued implementation of minimum standard of provision against existing eligibility levels;
 - further review of standards of provision that can be made for each eligibility banding;
 - consideration of introducing a maximum cost of service provision to individuals
 - providing alternatives to visits - linking this to application of assistive technology.
- Direct Payments- will work this alongside the CSB budget (as one) and decision making on direct payments will be subject to resource release from elsewhere.
- Review of delegated authority for CSB/Direct payment decisions.
- Improved monthly activity and finance information to monitor the effect of financial improvement action on expenditure.
- Changes to the delivery of Home Care as outlined in another report on this meeting's agenda

47. **General**

As part of government guidance we should regularly review the level at which we set our eligibility criteria. It is currently set at moderate and above. Nationally, councils are gradually raising the threshold of eligibility and financial pressures have led to a tightening of councils' eligibility criteria for access to services between 2004/05 and 2005/06. Nationally, seven out of 10 people now only receive support if their needs are substantial/critical; 80 per cent of councils plan to tighten eligibility criteria for learning disability, physical and sensory disabilities and mental health services, with 77 per cent doing the same for older people" (LGA survey).

48. **Impact of these approaches**

The major challenge facing the council is how to continue to achieve the current, good levels of service and stay within the budget allocated for adult social services. For instance, any delays in responding to customers' assessed needs (either due to managing tightly within monthly budgetary targets or due to staff vacancies) would affect key performance indicator thresholds that are crucial to the overall rating of adult social services by the Commission for Social Care Inspection – which in turn feed in to the Comprehensive performance Assessment of the council.

It should also be noted that the size of any reduction in service to bring in a balanced budget would have to be greater than the deficit. This is because the deficit is net of income. If there are fewer customers or if the service is reduced then our income is also reduced. In some instances most of our costs are covered by income and therefore a reduction in service will only reduce net expenditure marginally.

Human Resources (HR)

49. There are no immediate implications to the report. The department has had to deal with a number of staff and organisational issues during the year including the disaggregation of Children's Services, staffing changes in response to budget pressures and an organisational restructure in relation to Corporate Services.

Equalities

50. There are no immediate implications to report. The impact of the new White Paper has been identified as providing a significant opportunity across the whole council for taking forward a number of issues that would contribute to the equalities agenda

Legal

51. There are no immediate implications to report.

Crime and Disorder

52. There are no immediate implications to report.

Information Technology (IT)

53. The procurement of the new social care system has been the main area of attention and a thorough intensive assessment has taken place. 2006/07 will present a major time of organisational change with the implementation of the new system.

Property / Other

54. There are no immediate implications to report.

Risk Management

55. The most significant organisational risks that have had to be managed during the last year have been:
- the budget pressures and financial position as set out in earlier paragraphs
 - the procurement process for the new social care system
 - the financial and organisational challenges affecting our main partner the PCT

Recommendations

56. The Executive Member for Adult Social Services is asked to
- a. Note the progress made in delivering Adult Social Services and Corporate Services plans during 2005/06.
 - b. Note the financial out-turn for the year and the proposed actions to reduce the deficit in 2006/07

Reason: To enable the Executive Member to check that agreed objectives have been met and to agree plans for operating within the approved budget.

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Specialist Implications Officers: None

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Approve Service Plans related to Adult and Children's Services functions in Community Services – Report to Executive Member for Health and Social Services
14th April 2005

Annexes

1. Balanced scorecard for Older People and Physical and Sensory Impairment
2. Balanced scorecard for Learning Disabilities
3. Balanced scorecard for Mental Health
4. Balanced scorecard for Corporate Services