

Medium Term Financial Strategy – Health, Housing and Adult Social Care

Introduction

Adult Social Care

1. Adult social care and health are facing significant challenges to make care and support sustainable for the future. Demand for Adult Social Care rises each year. People are living longer into old age requiring support. There are more people living longer with complex long term conditions and there are increasing numbers of young adults in transition to adult services with complex needs.
2. This increased demand for services coincides with significant financial pressure arising from reduced Local Authority funding, legislative changes driven by the Care Act, an increased public expectation of Adult Social Care and an expectation of high quality, personalised and flexible support for those who are eligible for care.
3. The Government have also committed to write a green paper on the future of adult social care to be published in the Summer of 2018. The paper will set out plans for how government proposes to improve care and support for older people and tackle the challenge of an ageing population.

Early Intervention and Prevention

4. We need to find innovative ways to shift the focus of all our activities towards prevention. Our activities will need to be much more focused on behavioural change and harnessing the skills of local people and communities rather than traditional interventions. Much of this activity will be informed by Public Health professionals and we need similar thinking in relation to those already in the care system to re-able people and help them regain their independence.
5. This will require new ways of operating within communities, empowering people and facilitating solutions rather than 'cash based' services. Our investment in early intervention and prevention programmes are driving this innovation and move toward York becoming a genuine asset based area. These include: embedding Local Area Coordination and Community Facilitators, scaling up Social Prescribing, exploring a Community Catalysts model to help address loneliness through community enterprise solutions and

recent work on scaling social action through a Cities of Service impact volunteering model to help augment public services.

6. We will focus on providing Universal Information and advice to promote health and wellbeing, enable targeted and co-ordinated support for those at risk of increasing need that delivers against outcomes, maximize independence through reablement and community support and ensure personalised ongoing good quality support.
7. The national enquiry into the future of civil society provides a strong policy framework to guide our work on early intervention, prevention and asset based community development, recognising the need for a new relationship between the citizen and state and building stronger and more resilient communities that reflect the principles of co-production.

Future Focus Programme-a new operating model for Adult Social Care

8. The department is developing a model under the Future Focus programme which shifts the support from the end of the customer journey when a crisis point is reached to intervening earlier and, where possible, preventing it being reached in the first place. The successful implementation of this model is crucial to managing demand for social care services over the next four years and critical to maintain the financial stability of the Department.
9. Phase 1 has been completed which analysed what a future operating model might look like and areas where potential cashable and non-cashable savings could be achieved. (these are further described in the Savings annex 2). The key outcomes of the new operating model are:
 - Building resilience: In keeping with the council's approach to strength based approaches and creating resilient communities, the new model seeks to build resilience through strength and outcomes based conversations with people at every point in the care journey. The model will help York's citizens use community and voluntary services in concert with any required council commissioned care. This will connect people to their communities, prevent unnecessary escalation of need, keep citizens independent and in the community for longer and reduce overall demand for formal council and health provision.

- Collaboration and Co-production: The new operating model builds on key relationships with trusted partners aligning with projects and opportunities within the community and in wider health services. Support will be coordinated through a range of community and health based provision, connecting ASC staff to what is available in peoples communities.
 - Right Place – Right Time: The opportunity to work differently, reduce waiting times for people and reduce the bureaucracy associated with the current model will allow ASC to free-up resources of skills and time to be directed to areas where their expertise, professionalism and skills can have the greatest impact on people’s wellbeing
 - Improve CYC ASC financial and operational sustainability: The new model looks to re-profile care packages towards less intensive services by directing care delivered in residential, hospital and nursing settings towards care delivered in the community wherever appropriate.
10. The programme has worked with staff, partners and customer groups and co-designed an understanding of five core functions of a new model of working. These are underpinned by more fluid working and a much stronger focus on strengths-based activities within ASC to deliver the best support to York’s population:
- Accessing help in the community: Making methods of support available before contacting the council. The model requires us to focus on improving the quality and accessibility to local, up to date information. To improve and increase use of community-based support such as the Local Area Coordinators, and increase outreach offer of information, advice and guidance into the community through partners and community services.
 - Initial contact: A citizen’s first contact with the council; Where contact is made, or a referral is received from partners that a social care response is likely, an Initial Contact and Response Function will effectively triage and respond to contacts. Staff will be skilled in working with the individual and their family to look at appropriate opportunities in their communities. There is an emphasis on the importance of face to face conversations to look to address root causes of

issues in a strengths based way rather than a service based response to presenting need.

- Initial response: Where follow up action needs to be taken by the as a result of the initial contact the response function will be made up of multi-skilled professionals. Consistent, standardised guidance will be used to support staff in having the right conversations with residents and will include an upfront finance checkpoint to establish any financial impacts of statutory care.
 - Assessment: Strengths-based assessment: Underpinning all aspects of model is a new approach that has a clear focus on a person's strengths and outcomes. Any "assessment" forms will be viewed as a shared agreement between the council and resident. Systems will be redesigned and reshaped to suit the needs of residents and staff. Mobile working will allow staff to populate forms while with residents, saving time
 - Continual Support Planning:The current support planning and review functions will combine to become a new continual support planning function. A clear distinction between 'crisis' support and longer term support planning will be maintained. A principle that longer term support planning should be remain mindful of opportunities and better outcomes afforded by local communities to ensure that resilience and greater independence underpins all parts of the social care journey.
11. The successful implementation of the model will have responsive and supportive communities helping people remain independent, fulfilling their lives and reducing the need for social care intervention. The model will be implemented over the next four years.

Health and Social Care integration

12. The Government continues with its intention to integrate health and social care; The Secretary of State for Health had social care added to their portfolio in January 2018 demonstrating the importance and link between the two areas.
13. The Better Care Fund is still the vehicle primarily being used to drive the change. Additional funding was announced in 2017/18 in

the form of an additional £2bn nationally for adult social care plus the introduction of the improved Better Care Fund (iBCF). The table below shows the totality of the fund for York.

Funding source	2017/18 (£m)	2018/19 (£m)	2019/20
£2bn national allocation budget 2017	2.847	2.072	1.032
Improved Better Care Fund	0.000	1.663	3.447
Total improved Better Care Fund	2.847	3.735	4.479
Disabled Facilities Grant (capital)	1.101	1.199	1.199*
CCG's Better Care Fund contribution	11.400	11.617	11.617*
Total Better Care fund for CYC and Vale of York CCG	15.348	16.551	17.249

*2019/20 allocations not yet announced

14. The iBCF is intended to stabilise and provide extra capacity within the local health and social care economy: The grant must specifically be used to:
 - Meet adult social care needs
 - Reduce pressure on the NHS
 - Ensure the local social care market is supported

15. The additional funding to date has and will be used to stabilise the local economy by securing the continuation of services that may otherwise have stopped. Additional funding from 2018/19 onwards will buy extra care capacity, will fund a project aimed at improving seven day discharge and will fund a post to implement a city wide alcohol prevention strategy amongst other things.

16. Other key aims to be achieved through the integration with health will include;
 - Supporting the development of new pathways to reduce delayed transfers of care and facilitate early safe discharge
 - Development of integrated service and integrated commissioning with the Vale of York CCG

- Agreement on how we to work together and our organisational form in the short and medium term and how we are going to develop integrated services and integrated commissioning with the Vale of York CCG.
 - Improving our whole system approach to commissioning for outcomes
 - Working in partnership with our partners to continuously improve and personalise services so as they remain sustainable and resilient.
 - Enable people in York to make choices about the care and support they receive and have those choices supported.
17. It should be noted that £300k of the additional £900k iBCF funding in 2018/19 is at risk if York does not improve its performance in discharging people from hospital.
18. The integration with health over the coming years will be a key driver in improving the support offered to residents currently and the council will have to work with key partners, such as the NHS and Public Health to make it successful. This ambition needs to be set against the significant and mounting financial pressures in both the VoY CCG and the York & District Hospital Foundation Trust , which may hamper progress.

Older Person's Accommodation programme

19. The programme is entering its final phase. The Council currently operates two homes compared to the nine at the start of the process in April 2015 and a state of the art extra care facility has been built at Glen Lodge Independent Living scheme designed to accommodate those living with dementia.
20. There are several exciting opportunities to be pursued in the next few years, namely:
- Extension of the Marjorie Waite Court independent living scheme
 - Potential for the Oakhaven Older Person's home site to be recommissioned as an extra care scheme
 - Construction has started at the Burnholme site which will see the building of a health hub, centre and care home
 - Development of the Lowfields site in Acomb to include health and care facilities.

21. This programme is essential to managing future demand in ASC. The provision of alternative forms of care to residential care is essential for the future financial sustainability of ASC.
22. The Department is also entering the final year of a three year agreement with residential and nursing care homes which fixes the standard price the Council pays. Discussions will be held with providers in 2018/19 about agreeing a further three year agreement for 2019/20 to 2021/22 allowing the department to place people at affordable prices in a supplier controlled market.

Approach to Protecting Priority Areas

23. The Directorate continues to review all service areas and, although some areas have been protected thus far, services will continue to be reviewed and any improvement to the benefit of the customers or users of the service will be considered.

Medium Term Efficiencies and Savings

24. Budget reductions over the next four years will mainly rely on the successful implementation of the new operating model for Adult Social Care and the conclusion of the Older Person's Accommodation Programme.
25. Assessment and Care Management – The new operating model intends to reduce the volume of customers accessing social care and this will impact on the size of the assessment and care management function needed to support customers. Review in this area will also:
 - Simplify and standardise practice and process, sharing best practice where appropriate
 - Use technology to improve the productivity with which staff work
 - Encourage self assessment so customers can determine for themselves whether they are likely to be eligible for services
 - Explore opportunities for joint working with Health Colleagues where appropriate
26. Existing staff resources will be need to implement the model over the next two years. This will be reviewed as the model becomes embedded to see if any further efficiency can be made.

27. A key element of the Future Focus programme is changing the culture and expectations around how an individual manages their needs. The programme will shift the emphasis towards the individual initially considering what they and their community can do to help and support them and away from the Council being the first point of contact.
28. Savings will be generated from the approved Older Person's Accommodation Programme (OPAP) by re-providing the care and support currently given in our homes. The annual budget saving should be in excess of £500k by 2020/21. Members have and will continue to receive reports at crucial decision points.
29. The majority of the savings in this project will derive from expanding the extra care provision in the city and encouraging customers to take up this type of care rather than residential care. This is often a more appropriate setting for individuals and allows them to maintain their own tenancies and join the communities that flourish in these settings.
30. In house small day services will be reviewed and remodelled where appropriate to provide better outcomes for individuals attending these services.
31. Existing contracts will be reviewed to determine if there are any efficiencies to be achieved by retendering, commissioning with Health or exploring any other opportunities which may present themselves.

Risks and Impact Assessment

32. Current customers will be impacted by changes to the services. Customers will be fully informed and where changes make a difference to services received, the transition will be a managed process. The benefits to all current and future customers of moving to a sustainable model which promotes independence are based on the likelihood of better outcomes as well as financial sustainability. It is considered that the mitigated impacts on customers are necessary to move to a sustainable model.
33. The level of change needed will require significant resource in the transition to the new model of working. If this is not available, there is risk around the deliverability of these proposals, which could impact on services to customers and the ability to deliver savings.

34. The Public Health Grant is reducing by £211k in 2018/19 with a similar reduction anticipated in 2019/20. It has been necessary therefore to review all Public Health Contracts and spend in this area. Savings from the Substance Misuse Contract agreed in August 2016 deliver savings in 2017/18 and 2018/19. Further savings are being identified by focusing the sexual health contract on to core provision and through direct delivery of services through the Integrated Wellness Service.
35. Within Housing General Fund the service has achieved savings through a restructure of the Housing management service. Through in-sourcing the Peasholme Centre and adding additional bed capacity it has been able to increase income at the site without additional costs.

Housing Revenue Account

36. The latest update of the 30 year Housing Revenue Account business plan was approved by Members in November 2017. The key headline from the plan was that the service has identified a further £20m capital investment budget from 2018/19 to 2022/23. During 2018/19 the Housing Service will identify the priorities for building council houses over this period which will include buying stock through the new Housing Development Company, developing HRA sites and / or purchasing properties on the open market.
37. In order to manage the HRA with the reduced levels of income as a result of the rent decreases over the four year period 2016/17-2019/20 and the increased levels of sales forecast, a target of cost savings totalling £1.5m have been identified. To date £1,065k has been identified in 2016/17 and 2017/18 and further savings totalling £274k for 2018/19 are detailed in annex 5b of the report.
38. This leaves £186k of the target to be delivered in 2019/20 and it is proposed that these are found from continuing to review all HRA budgets with detailed proposals being submitted to Members in the 2019/20 budget process.
39. The Business Plan (last updated in November 2017) includes a number of assumptions particularly regarding the number and value of Right to Buy Sales and 'High Value Sales' that will impact the overall account and therefore the value of savings in future years

will need to be closely monitored and additional proposals brought forward where necessary. It should be noted that the implementation of the sale of 'high value' council homes has been delayed by the government and detail of how and if the policy will be implemented is awaited.

Decisions Required

40. The decisions that are set out in the 2018/19 savings provide the basis for moving forward over the next two years. Specific reports over the coming months will need to be considered. These will describe in more detail how the principles and intentions above will be turned into a practical way of delivering social care in the city. Investment will be needed in terms of capacity and resources to develop and implement the fundamental change in the way services are currently delivered.

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