

CYNGOR SIR POWYS COUNTY COUNCIL

CABINET EXECUTIVE

30th January 2018

REPORT AUTHOR: County Councillor Aled Davies

Portfolio Holder for Finance

SUBJECT: Financial Overview and Forecast as at 31st December 2017

REPORT FOR: Decision / Discussion / Information

1. Summary

- 1.1 This report provides an update on the Revenue spend against Budget for the year to date, as at 31st December 2017, and provides an early indication of the 2017/18 end of year financial forecast.
- 1.2 The report has been prepared on an exceptions basis, using actual variance against budget to define the RAG (Red, Amber, Green and Blue) status of the services' financial position. This method assists in highlighting those service areas with significant pressures which carry the most financial risk to the Authority and where corrective action must be taken to ensure a balanced year end budget, and mitigate any risk for future years.

2. Revenue

- 2.1 The projected revenue forecast, is shown in the table below, with a projected overspend of £4.536m (October £4.469m), excluding Housing Revenue Account (HRA) and Delegated Schools. This is largely the result of non-delivery of savings targets. There has been limited improvement in recent months and it is of concern that savings delivery is becoming increasingly difficult. This raises concerns about the anticipated year end position. Sensitivity analysis, shown in 3.3 below, demonstrates the impact of the future delivery of savings on the outturn position.

Summary Forecast by Directorate	Total Working Budget	Approved Use To / (From) Reserves	Forecast Spend	Variance (Over) / Under Spend	
	£'000	£'000	£'000	£'000	%
People	71,025	2	77,614	(6,589)	(9)
Place	38,359	(8,153)	37,549	810	2
Schools	24,590	(1,370)	25,039	(449)	(2)
Resources	18,258	(554)	18,036	222	1
Central Activities	12,299	(456)	10,829	1,470	12
Total	164,531	(10,531)	169,067	(4,536)	(3)
Housing Revenue Account	0	(53)	(143)	143	
Schools Delegated	75,449	(2,001)	75,516	(67)	(0)
Total including HRA and Delegated Schools	239,980	(12,585)	244,440	(4,460)	(2)

2.2 The table contained in Appendix A provides a forecast spend by service, against approved working budget, which includes budgeted transfers to / from reserves. It shows the projected position on both savings delivery and service performance.

2.3 The deficit recovery plan has identified £2m of proposals that have been factored in to reduce the deficit. A further £4.6m can be utilised once approval have been given to change the Minimum Revenue Provision, further explained in section 12.

3. **Efficiency savings**

3.1 The efficiency saving target of £11.78m includes both in year and undelivered previous year targets. For prudence the forecast includes savings that have been achieved or have progressed to a point where there is confidence in final delivery taking place.

3.2 An additional £131k of savings has been achieved during the month; Adult Social care £110k and Regeneration, Property and Commissioning £21k, all other Service's unachieved savings remain the same. To date, £7.196m has been achieved (61% of the total), leaving £4.584m yet to be attained.

Financial Year	Target £'000	Delivered £'000	Variance £'000
2015/16	1,323	44	1,279
2016/17	841	476	365
2017/18	9,616	6,676	2,940
Total	11,780	7,196	4,584

3.3 The table contained in Appendix B provides a service breakdown on the delivery of savings required within the budget.

3.4 A sensitivity analysis has been introduced for delivery of savings and the potential impact on the outturn position. The table below shows a range of forecasts, based on the level of confidence in the delivery of the remaining targets. The analysis uses a rating of High, Medium or Low; High being the current forecast position and includes savings already delivered; Medium based on savings with RAG status Amber; and Low, the position if all savings are delivered.

Forecasted sensitivity analysis of savings delivery			
	BASE	POTENTIAL	BEST CASE
Directorate	Current forecast - includes savings already delivered	Forecast if savings with RAG status Amber are delivered	Forecast if all savings are delivered
	£'000	£'000	£'000
People	-6,589	-6293	-5,063
Place	810	1078	1,817
Schools	-449	-449	-242
Resources	222	346	345
Central Activities	1,470	1,470	3,190
Total	-4,536	-3,848	47

- 3.7 To achieve an improved outturn position of £3.848m overspend, (medium confidence in savings delivery) an additional £688k of savings, will need to be delivered.
- 3.6 All services must aim to deliver their targets in order to achieve a balanced budget by year end. If all the savings were delivered, an overall budget outturn of £47k would be achieved. A number of savings continue to be reported as RED and as the year progresses there is an increased risk that these will fail to be delivered. The risk within Children's services is of particular concern and in addition to the non-delivery of savings, the overspend in this service continues to rise and is the main contributor to the overall deficit position.

4 Reserves

- 4.1 The total revenue reserves held at 1 April 2017, together with the forecast addition/ (use) of reserves during the year and the projected year end balances as at 31st December, are set out in the table in Appendix C.
- 4.2 The revenue reserves held at the beginning of the year totalled £38.8m, with £8.6m held in the General Reserve and Specific and Ring fenced reserves of £28.4m.
- 4.3 The forecast use of reserves to support the revenue budget during the year, (excluding Schools and HRA) is £8.6m, but likely to reduce to £4m subject to approval of the MRP policy change.
- 4.3 The revised forecast level of General Fund reserve as at 31st December 2017 is 2% of total net revenue budget (excluding Schools and HRA). This increases to 4.2% if the budget management reserve is included, and meets the 3% agreed strategy.
- 4.4 The Capital Financing Requirements allows for £1m of additional spending within capital, we have assumed this in our forecast to bridge the funding gap, by transferring monies from reserves set aside for capital to fund revenue instead.

5 Revenue Forecast

- 5.1 Appendix A confirms that the overspend of £4.536m relates to undelivered efficiency savings of £4.6m offset in part by net over/underspends currently projected on service budgets. RAG status has been applied to service variance based on the categories below, and those with a variance calculated at "red" have been explained in more detail.

- **Blue** Underspend above 1%
- **Green** +/- 1% (or £0.05m if budget less than £5m)
- **Amber** Overspend of 1-2% (£0.05m - £0.1m if budget less than £5m)
- **Red** Variance above 2% (£0.1m if budget less than £5m)

<u>6. People Directorate</u>	Net Working Budget:	£ 71,025k
	Net Forecast Expenditure:	£ 77,614k
	Variance (Over)/Under Spend:	£ (6,589)k
	November Forecast (Over)/Under Spend:	£ (6,392)k
	Change in Forecast	£ (197)k

6.1 Adult Social Care (ASC) - Net Budget £57,077k, Forecast Overspend £(1,584)k

6.1.1 The forecast position has improved by £324k from November:

Further efficiency savings have been realised of £110k in Learning Disabilities as the service continues to deliver outcomes and meet the needs of the clients in the most appropriate way, in line with the Social Service and Well-being Act assessments.

Additional monies have been raised in respect of direct payment refunds and deferred charges within Residential/Nursing Care of £56k and £22k respectively. However, there is still a budgeted shortfall of £65k forecast for direct payments.

The inclement weather and the Christmas period had a positive impact on Home Care with a reduction in cost of £70k, due to the reduced service provided as a result of the adverse conditions and a reduction in demand over the festive period.

£100k reduction in Residential/Nursing Care is, in part, due to the level of delayed transfers of care, where clients are awaiting their home of choice, so not yet occupying a care bed.

Winter pressures are continuing with escalations in the NHS across Wales. There is a likelihood that this will impact on the budget situation in the coming months.

6.1.2 A virement is required to align Careline income with the associated cost of service delivery. This means that budget and actual moves from ASC to the Resource Directorate.

- Alarm contributions actual income collected as part of Housing Rent budget £35,700.
- Supporting People grant budget – to cover tenants in receipt of Housing Benefit £39,490.

6.2 Children's – Net Budget £13,150k, Forecast Overspend £ (5,051)k

6.2.1 The forecast overspend for Childrens Services has increased by £552k to that reported at the end of November, mainly due to the following:-

- Additional looked after child, which is a high cost placement of £6.5k per week and changes to the service provision of the existing client base, resulting in further costs of £349k. There is a potential longer term saving because 8 Foster Carers have been recruited, which will give an additional 11 placements and reduce costs of out of county placements as children are returned to Powys.
- Costs in relation to the increase in capacity to deliver the Childrens Improvement Plan. Finance have been working with the service to fully cost this plan, cross referencing the spend requirements to the recommendations and outcomes in the Improvement Plan. The expected outturn to be in the region of £900k, with greater consequences on 2018/19. It is likely there will be further costs that are not yet included in the forecast.

.7.	<u>Place Directorate</u>	Net Working Budget:	£ 38,359k
		Net Forecast Expenditure:	£ 37,549k
		Variance (Over)/Under Spend:	£ 810k
		November Forecast (Over)/Under Spend:	£ 740k
		Change in Forecast	£ 70k

8	<u>Schools Service</u> (non delegated)	Net Working Budget	£ 24,590k
		Net Forecast Expenditure	£ 25,039k
		Variance (Over)/Under Spend:	£ (449)k
		November Forecast (Over)/Under Spend:	£ (524)k
		Change in Forecast	£ 75k

9	<u>Resources Directorate</u>	Net Working Budget:	£ 18,258k
		Net Forecast Expenditure:	£ 18,036k
		Variance (Over)/Under Spend:	£ 222k
		November Forecast (Over)/Under Spend	£ 193k
		Change in Forecast	£ 29k

10	<u>Central Activities</u>	Net Working Budget:	£ 12,299k
		Net Forecast Expenditure:	£ 10,829k
		Variance (Over)/Under Spend:	£ 1,470k
		November Forecast (Over)/Under Spend	£ 1,514k
		Change in Forecast	£ (44)k

10.2 The £500k relating to transformation capitalisation and the £1m relating to the use of reserve monies set aside for capital, which can now be utilised to fund revenue have been accounted for in the figures above.

10.3 There has been no further decrease due to discounts and exemptions in respect of Council Tax; the surplus remains at £500k.

11	<u>Schools Delegated</u>	Net Working Budget:	£ 75,449k
		Net Forecast Expenditure:	£ 75,516k
		Variance (Over)/Under Spend:	£ (67)k
		November Forecast (Over)/Under Spend	£ 136k
		Change in Forecast	£ (203)k

11.1 The individual Schools Delegated budgets are forecasting a deficit reserves balance at the 31st March 2018 of £1.6m. The figures, where available, incorporates figures provided from the High Schools and the All Through School in accordance with the Scheme for Financing Schools and reflects any update to their previous available forecast year end position.

11.2 The primary schools forecast is based on their latest budget plan. Primary schools update their budgets on a regular basis when changes occur, it has therefore been assumed that the schools are working to their latest budget plan held by finance.

Financial surgeries have taken place. Additional meetings have been organised where necessary to ensure timely action of forecast deficits.

- 11.3 The budgeted and forecast use of Schools Reserves is shown in the table below. The current information projects a £2.001m use of reserves.

	Opening Balance	Original Budgeted Contribution/ (Use)	Revised Budgeted Contribution/ (Use)	Forecast Underspend/ (Overspend)	Forecast Closing Balance
School Sector	£'000	£'000	£'000	£'000	£'000
Primary	1,608	(503)	(329)	0	1,279
Special	(259)	42	19	(20)	(260)
Secondary	(864)	(1,522)	(1,742)	(47)	(2,653)
Total	485	(1,983)	(2,052)	(67)	(1,634)
School Loans/Other	(493)	55	51	0	(442)
Total Balance	(8)	(1,928)	(2,001)	(67)	(2,076)

12 Deficit Recovery Plan

- 12.1 The current forecast also allows for a capitalisation direction of £500k for revenue transformation costs and £1m of additional spending within capital and we will utilise this to bridge the gap transferring monies from reserves set aside for capital to fund revenue instead.
- 12.2 Cabinet agreed that budget managers should look to minimise spend where possible, and refrain from all spend unless essential, this includes delaying recruitment where appropriate.
- 12.3 Appendix D provides a request to draw down £321k in 2017/18 and £253k in 2018/19 from the Adult Social Care Reserve. It also sets out an overview of the ASC Improvement Plan.
- 12.5 A separate report has been prepared for approval in January to revise its MRP policy release £4.624m in 2017/18, to mitigate the deficit.

13 Options Considered/Available

No alternative options are considered appropriate as a result of this report.

14 Preferred Choice and Reasons

None to consider.

15 Impact Assessment

Is an impact assessment required? Yes/No

16 Corporate Improvement Plan

To achieve the Corporate Improvement Plan (CIP) objectives the Council undertakes forward planning with its medium term financial strategy (MTFS) - this sets out the financial requirements to deliver the short and longer term council vision. These capital

and revenue monitoring reports are used to ensure the funding identified to deliver the council priorities is spent appropriately and remains within a cash limited budget.

17 **Local Member(s)**

This report relates to all service areas across the whole County.

18 **Other Front Line Services**

This report relates to all service areas across the whole County.

19 **Communications**

This report has no specific communication considerations. Detailed finance reports are presented to Heads of Service, Cabinet and the Audit Committee. These reports are public and are part of a range of statutory and non-statutory financial information documents including the Statement of Accounts.

20 **Support Services (Legal, Finance, HR, ICT, BPU)**

This report has no specific impact on support services other than reporting on those service areas financial outturns. Financial Services work closely with all service areas in monitoring financial performance against budgets.

21 **Scrutiny**

Has this report been scrutinised? Yes / No

22 **Statutory Officers**

The Head of Financial Services (Acting Section 151 Officer) has provided the following comment:

As with previous reports to Cabinet the position is a prudent reflection of the projected 2017/18 revenue budget outturn. The projections will only be adjusted when there is confidence and evidence that savings have been delivered.

The actions identified within the Deficit Recovery Plan are in the process of being implemented to reduce the level of projected deficit currently being forecast and to bring the budget back to as near a balanced position as possible. This is essential to limit the impact on the General Fund reserve and to safeguard the council's financial position.

The increasing demand within Children Services and the implementation of the improvement plan continues to be the main financial challenge for the Authority. It is essential that the costings developed to support the plan are robust in order to provide the appropriate level of financial resource and governance.

The overall schools' balance position remains a risk that needs to be addressed and will require concerted effort to ensure it is managed effectively.

The Monitoring Officer has no specific concerns with this report.

23 **Members' Interests**

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
<p>a. The contents of this report are noted by Cabinet; and</p> <p>b. Cabinet supports appropriate action by services to curtail or reduce the reported forecasted service deficits.</p> <p>c. To approve the virements detailed in para 6.1.2</p> <p>d. To approve use of the ASC reserve as requested at 12.3 and further explained in Appendix D</p>	<p>To monitor the council's financial performance and ensure that spending remains within approved limits and that the 3% minimum general fund reserve is maintained.</p>

Relevant Policy (ies):		Financial Regulations	
Within policy:	Yes	Within Budget:	n/a
Relevant Local Member(s):			
Person(s) To Implement Decision:		Jane Thomas	
Date By When Decision To Be Implemented:		ongoing	
Contact Officer	Tel	Fax	E mail
Jane Thomas	01597 826341	01597 826290	jane.thomas@powys.gov.uk

Forecast Outturn and Undelivered Savings as at 31st December 2017

Service Area	Net Budget	Forecast Spend	Variance (Over) / Under spend	Total Unachieved Savings as at 31st December 2017	Service Under/(Over) spend excl. unachieved savings	Variance (Over) / Under spend as a % of Net Budget	Variance BRAG status
		£'000	£'000	£'000	£'000	%	
People							
Adult & Commissioning	57,077	58,661	(1,584)	(424)	(1,160)	(2.8)	R
Children Services	13,150	18,201	(5,051)	(1,101)	(3,950)	(38.4)	R
Housing General Fund	798	752	46	0	46	5.8	B
Place							
Leisure & Recreation	9,069	8,939	130	0	130	1.4	B
Regeneration, Property & Commissioning	8,906	8,787	119	(63)	182	1.3	B
Highways, Transport & Recycling	20,384	19,823	561	(944)	1,505	2.8	B
Schools							
Schools Service	24,590	25,039	(449)	(207)	(242)	(1.8)	A
Resources							
Business Services	6,275	6,303	(28)	(92)	64	(0.4)	G
Information Services	4,588	4,583	5	(32)	37	0.1	G
Legal Services	3,030	2,961	69	0	69	2.3	B
Financial Services	1,877	1,740	137	0	137	7.3	B
Workforce, OD & Comms	2,488	2,449	39	0	39	1.6	B
Service Area Totals	152,232	158,238	(6,006)	(2,863)	(3,143)	(3.9)	
Central Activities	12,299	10,829	1,470	(1,720)	3,190	12.0	B
Total	164,531	169,067	(4,536)	(4,583)	47	(2.8)	
Housing Revenue Account (HRA)	0	(143)	143	0	143		G
Schools Delegated	75,449	75,516	(67)	0	(67)	(0.1)	G
Total including HRA	239,980	244,440	(4,460)	(4,583)	123		

EFFICIENCY TRACKER AS AT 31st DECEMBER 2017

APPENDIX B

Efficiency / Saving	2015/16	2016/17	2017/18	Total to be Achieved 17/18	Total Achieved to Date	Remainder to find	Achieved
	£000's	£000's	£000's	£000's	£000's	£000's	%
Place							
Highways Transport & Recycling	151	364	1,839	2,354	1,410	944	60%
Regeneration, Property & Commissioning	14	35	399	448	385	63	86%
Leisure & Recreation	0	0	730	730	730	0	100%
Place	165	399	2,967	3,532	2,525	1,007	71%
Schools							
Schools	158	88	1,619	1,865	1,658	207	89%
Schools	158	88	1,619	1,865	1,658	207	89%
People							
Adult	0	0	2,231	2,231	1,807	424	81%
Children Services	0	1	1,101	1,101	0	1,101	0%
People	0	1	3,332	3,333	1,807	1,526	54%
Chief Executives							
Chief Executives	0	0	250	250	250	0	100%
Legal	0	12	28	40	40	0	100%
Chief Executives	0	12	278	290	290	0	100%
Resources							
Business Services	0	0	278	278	187	92	67%
Information Services	0	0	232	232	200	32	86%
Professional Services	0	20	215	235	235	0	100%
Corporate Activiites	999	320	695	2,015	295	1,720	15%
Resources	999	340	1,421	2,760	917	1,844	33%
Grand Total	1,323	841	9,616	11,780	7,197	4,583	61%

RESERVES TABLE AS AT 31st DECEMBER 2017

APPENDIX C

Summary	Opening Balance (1st April 17) Surplus / (Deficit)	Forecast Addition / (Use) of Reserves	Forecast (Over) / Under Spend	Projected Balance (31st March 18) Surplus/ (Deficit)
	£'000	£'000	£'000	£'000
General Fund	8,585	(679)	(4,536)	3,370
	8,585	(679)	(4,536)	3,370
Ringfenced & Specific Reserves				
Budget Management Reserve	3,484	100		3,584
Specific Reserves	1,902	(497)		1,405
21st Century Schools Reserve	6,297	(1,580)		4,717
Adult Services Reserve	2,750	0		2,750
Regeneration Reserve	100	0		100
Invest to Save & Corporate Initiatives (inc J)	5,300	(562)		4,738
Insurance Reserve	2,394	(46)		2,348
Transport & Equipment Funding Reserve	6,199	(5,337)		862
Sub-Total	28,426	(7,922)	0	20,504
Schools Delegated Reserves	486	(2,052)	(67)	(1,633)
School Loans & Other Items	(494)	51		(443)
Net School Delegated Reserves	(8)	(2,001)	(67)	(2,076)
Total Ringfenced & Specific Reserves	28,418	(9,923)	(67)	18,428
Housing Revenue Account	1,761	(82)	143	1,822
	1,761	(82)	143	1,822
Total Revenue Reserves	38,764	(10,684)	(4,460)	23,620

Appendix D

CYNGOR SIR POWYS COUNTY COUNCIL

REPORT AUTHOR: Jen Jeffries, Interim Head of Operations for ASC

SUBJECT: Draw Down of Adult Social Care Reserve

REPORT FOR: Decision / Discussion / Information

1. Summary

- 1.1 This report has been prepared to evidence need and seek approval from the Section 151 officer and Cabinet for the draw down of £574k from the Adult Social Care (ASC) Reserve. Broken down into the following:

£'000	Part Year Cost – ASC reserve in 2017/18	Full Year Cost – ASC reserve in 2018/19
Reablement Staffing	88	0
200 Assessments Completed	67	0
Commissioning Support	36	193
Improvement Capacity	130	60
Total	321	253

- 1.2 The report also provides Cabinet with an updated budget for the ASC Improvement Plan. Funding for this will in part come from the ASC reserve for 2017/18 costs and temporary staff. The FRM budgets that will be approved for 2018/19 will fund the remaining cost demand.

2. Reserve Criteria

- 2.1 The ASC reserve was established as part of the 2017/18 budget setting, to provide a reserve that could be drawn upon for covering cost pressures not funded in the FRM, pump priming initiatives or other one off use. Access to the reserve is based on producing a report/business case setting out the following criteria:
- The use of the reserve can only be agreed as part of a report to formal cabinet. This can be part of the budget monitoring report so long as there is a clear separate recommendation. Depending on the amount it may also need to go to the following Council Meeting for agreement under the terms of the constitution.
 - Any draw down of the reserve will need to have a business case demonstrating why the funds are needed and why the requirement cannot be met by management action to address the one off pressure or overspend. The business case will have to be signed off by the S151 Officer before it goes to Cabinet.
 - The reserve will be reviewed annually as part of the budget process. This will assess whether the amount is appropriate. If the reserve is no longer required (or reduced)

the amount will return to the general fund unless otherwise proposed by the Cabinet as part of the budget policy.

- Any use of the reserve will not automatically lead to an increase in the service's base budget the following year. In other words the service will first have to explore options to meet the funding that has been drawn down in future years. By doing so the reserve in effect becomes a means of 'smoothing' pressure between financial years

3. **Proposals to Draw Down ASC Reserve**

3.1.1 **REABLEMENT – ADDITIONAL STAFF NORTH AND MID AND INCREASING CURRENT HOURS**

3.1.2 **Background** - The in-house domiciliary care service currently provides approximately 9% of the domiciliary care market across Powys. However, for historical reasons, this is solely in the south of the county and there is no in-house domiciliary care service in the north of the county. The separate (but with shared/single management) reablement service provides an equitable services across the county.

3.1.3 A report agreed by Cabinet in December 2016 agreed that efforts should be made to ensure that the in-house service, which at that time constituted 14% of the market, should be available as a service of last resort across the county and not just in the south.

3.1.4 Adult Social Care Senior Management Team agreed that the only safe method for developing an equitable service across the county was to recruit into the reablement service in the north of the county as individual members of staff left the in-house service in the south and for the reablement service to become the domiciliary care service of last resort as well as providing a reablement service. This would enable a safe, but slow transition.

3.1.5 The development of a Dynamic Purchasing System for procuring domiciliary care is partly dependent upon having a service of last resort across the county in order to ensure that provision is possible where there is limited competition. This would both ensure that a service is available and enable some market price influencing/limiting.

3.1.6 There are significant pressures on domiciliary care across the county. The demand has been increasing recently with fewer care staff available and care agencies reporting difficulties in recruiting carers. The shortage in the south (Brecon and Ystradgynlais) has been apparent for some time and recruitment by the council in that area may simply reduce the numbers of staff available for private agencies in those areas. However, the unmet demand in the north currently being experienced is unprecedented in the last 2 years.

3.1.7 Pressures are likely to increase with the potential for service failure becoming more pressing. Winter pressures are already becoming apparent with Delayed Transfers of Care increasing steadily over the past few weeks, councillor enquiries are becoming more regular with individuals not receiving the care they require.

3.1.8 The closure of Fronheulog residential home in Llandrindod is having significant implications for Adult Social Care. These include the reduction in residential care placements available in the area leading to increased domiciliary care demand and

experience care staff potentially being made redundant. These staff may be available to recruit into the domiciliary care services.

3.1.9 The new Regulation and Inspection of Social Care (Wales) Act will be coming into force in April 2018. This will place further pressure on delivering safe and lawful domiciliary care. For instance, the requirement for management and supervision will increase. The Act increases the numbers of supervisions for domiciliary carers from 4 to 6 times per year. This will have an impact upon the current staffing and management requirements of the service.

3.1.10 **Proposal** - The Chief Executive approved additional recruitment for further reablement posts in the mid and north of the county in order to provide a domiciliary care service of last resort where private agencies are finding it difficult to provide care staff. A decision is required to agree the use of the £328k budget available for in-house home care, which is currently propping up the over spend in external homecare in 2017/18. The implications of which will be to make the service safer, but will increase the budget pressure, and overspend on the social services department. There are three reasons why this decision is required and urgent:

- There is significant unmet demand for domiciliary care across the county
- There are experienced care staff becoming redundant in the Llandrindod area following the closure of a home
- This winter, the situation with care staff availability is becoming serious with the number of people that we can't place growing and the DToC numbers increasing. The health and social care system may not be able to provide any care service if we do not alleviate the problem urgently

3.1.11 **Financial Context** - Funding for this additional resource is needed both in year and for 2018/19. The latter has been detailed in the ASC Improvement Plan and will be funded through the first call on monies identified in the FRM, £1.4m for the Improvement Plan is shown.

3.1.12 To employ 12 x Reablement Support Workers (grade 5) at 25 hours per week. 6 of these to be in Welshpool and 6 in Llandrindod.

3.1.13 To also recruit two team leaders to provide suitable supervision and support to the recruits and existing staff in line with new legislation requirements.

3.1.14 To utilise 20 existing staff who are willing to work an extra 10 hours per week through until 31st March 2018, to support the winter pressure demands and cover until new staff are recruited and inducted into their roles.

Total Full year cost = £290k funded next year from growth

Part year cost = £88k funded from reserve

3.1.15 The budget implications would be approximately £290k in total for a full year and have been fully set out in the improvement plan which is shown in the FRM with a £1.4m requirement.

3.1.16 **Risk Assessment** - The decision is based upon three main considerations – risk and safe lawful practice, whole system planning, budget management:

- Risk and Safe, Lawful Practice – recruiting into the in-house reablement service (who would provide the domiciliary care service of last resort) will reduce the significant and increasing risk being experienced across the county. It would also enable safer management and supervision as required by the new Regulation Act from April 2018.
- Whole System Planning – developing a county wide reablement service which provides a service of last resort for domiciliary care will enable safer and more sustainable care provision; support for the new Dynamic Purchasing System for domiciliary care; and will reduce the risk of Delayed Transfer of Care. In the short term it will also enable a stronger response from the Council to the winter pressures of 2017/18 and support the wider social care system. This was agreed in the Cabinet report of December 2016.
- Budget Management – the budget for 2017/18 included this money and there is currently £328k available in the in-house domiciliary care budget. However, as this money is currently used to offset spend over the set budget for private domiciliary care, its use would result in an increased service overspend for the same amount.

3.1.17 In order to support a full re-modelling of the service a management of change process will be required over the coming months, to merge reablement and the in-house domiciliary care services and to enable reablement to provide the domiciliary care service of last resort as well as a reablement service.

3.2 ADDITIONAL SOCIAL WORK ASSESSMENTS

3.2.1 **Background** - For a variety of reasons the social work staff in Adult Social Care in Radnorshire and Brecon has been reduced and there are significant numbers of vulnerable individuals who have been referred for assessment, but who are placed on a waiting list while awaiting social work availability. This is causing significant failure demand as a number of officer hours are being spent dealing with waiting list queries from concerned relatives and neighbours.

3.2.2. These assessments need to be brought up to date as part of the planning for the ASC inspection.

3.2.3 **Proposal** - Agency social workers have been employed to undertake 200 assessments in Radnorshire and Brecon from December through the winter months. An agency has been commissioned to undertake these and reduce the backlog for assessments. However, this may also result in a greater demand for domiciliary care and residential care as people are assessed and their needs identified. This could result in additional care costs across the area.

3.2.4 **Financial Context** – The agency will be paid for completed assessments and they maximum they will be paid is £67k, to be funded from reserve.

3.2.5 **Risk Assessment** – These assessments have been deemed essential to be completed as part of the inspection readiness programme. To leave these would add to the backlog in the south of the county and provoke more frustrations from families

of the those waiting for support. This is likely to be something that the Inspectors become aware of and would highlight unfavourably

3.3 ADDITIONAL COMMISSIONING SUPPORT

3.3.1 **Background** – The ASC Transformation Plan has been written to evidence the need for remodelling services over the next five years. The initial costs to support the programme is £567k and included with the FRM for 2018/19.

3.3.2. These are additional resources needed to support the three key agenda areas - Living Well, Aging Well and RBP.

3.3.3 **Proposal** – The additional staffing needs are shown below, the temporary posts will be fully funded from grant. The permanent post will require funding from growth in 2018/19.

Post	Salary	WTE	Status
Monitoring Officer	Grade	2	Perm/Temp
Project Support Officer	Grade	2	Temp
Finance Support Officer	Grade	1	Temp
Business Intelligence	Grade	1	Temp
RPB Partnership Support Officer	Grade	1	Grant
Commissioning Support Officer	Grade	1.5	Perm

3.3.4 Key pieces of work these staff will deliver include include:

- Develop Older Peoples Accommodation Masterplan in liaison with PTHB detailing development opportunities and investment proposals across Powys.
- Agree County Wide fees setting methodology for residential and Nursing care homes in partnership with PTHB
- Complete review of Day Time Activities (Phase 3 Embedding future delivery)
- Home Based Support – implement and evaluate the proof of concept programme at Llanidloes, Rhayader & East Radnorshire
- To implement Part 10 of the SSWB Act – (Advocacy Strategy & Independent Advocacy Service)
- Review the need for out of county learning disability services, and to establish systems to develop opportunities to re-allocate resources to allow individuals to return and to support more people in county in the future.

3.3.5 **Financial Context** – These staff would be recruited to and commence their roles in the latter part of the financial year, with minimal cost in 2017/18, other than the usual set up costs of laptop etc. We have assumed one months salary cost is incurred and request to be funded from ASC reserve.

The full year cost for the permanent post would be funded from the first call on budget setting FRM which has £567k included for the Transformation Plan.

The full year cost for the temp posts (until 31/3/19) will continue to be funded from the ASC reserve

Full year cost = £86k, funded from FRM in 2018/19

Full year cost = £193, funded from ASC reserve in 2018/19

Part year cost = £36k, funded from ASC reserve in 2017/18

3.3.6 Risk Assessment –

3.4 IMPROVEMENT CAPACITY – INSPECTION READINESS

3.4.1 Background – The ASC Improvement Plan has been taking shape since autumn 2017. The planned Inspection in spring 2018 was brought forward to January 2018, and so a number of posts have been agreed and have been recruited to.

3.4.2. Proposal – The additional staffing needs are shown below

	Pay Scale	WTE	Status
CSO	Grade 7	3	Temp
Business Manager (Social Care)	Grade 13	1	Permanent
Quality Assurance Manager	Grade 12	1	Permanent
Peripatetic Social Worker	Grade 11	2	Permanent
Dom Care Re-registration Project Officer	Grade10	1	Permanent
O.T. Reviewing Officer	Grade 7	1	Permanent
Regrade of Senior Prac to Team Manager	Grade 14	2	Permanent

3.4.3 Financial Context – These staff are included within the Improvement Plan and for those that are permanent will require first call on growth monies.

Full year cost = £307k, funded from FRM in 2018/19

Full year cost = £60, funded from ASC reserve in 2018/19

Part year cost = £130k, funded from ASC reserve in 2017/18

4. Improvement Plan

4.1 The ASC Improvement Plan has been prepared to address the immediate priorities to enable statutory requirement to be attained and to stabilise the work force. It is expected that this is funded through first call on 2018/19 budget growth. There are some costs already being incurred and these are set out above and a request for funding from the ASC reserve is made.

4.2 Summary of Improvement Plan requirements at Appendix 1

Detail	2018/19 £'000
The continuation of the role of SM1 Senior Manager Social Care Delivery (older Persons Services) this currently is a secondment opportunity for 1 year	77
Upgrade one of the OT snr practitioner posts to a county wide team manager on a fixed term 1 year secondment opportunity. This would enable the OT's to have professional management oversight. 2 day backfill required. One included above	29
Additional staffing to deliver increasing demand in Older services – 7 social workers, 3 CSOs and 2 OTs. 3 CSOs provided above – fixed 12 month contracts	527
Increased capacity for in-house domiciliary care / reablement – as set out above Included above	290
Convert 2 Senior Pracs to Assistant Team Managers and an additional Assistant team manager Older	67
Business Manager to free up ASC managers to deliver statutory requirements Included above	57
Quality Assurance Manager to assist with implementing and reporting on QA processes Included above	52
Dom Care reregistration manager to help support changes to the act re registration and inspection Included above	44
OT reviewing posts to deliver the reviews included above	67
Powys People Direct, ensuring correct support at front end of service, 2 contract officers, 4days of a social worker and a 0.5 CSO	115
Sensory Loss additional specialist social worker for hearing impairments and a 0.5 CSO	64
Peripatetic social workers x2, for Older services	94
Total Improvement Plan Annual Costs	1,483
Fixed Term to be funded from ASC Reserve in 2018/19	60
Funding from Budget Pressures 2018/9	1,423