

Phil Norrey
Chief Executive

To: The Chair and Members of the
Health and Adult Care Scrutiny
Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(See below)

Your ref :
Our ref :

Date : 17 January 2018
Please ask for : Gerry Rufolo 01392 382299

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HEALTH AND ADULT CARE SCRUTINY COMMITTEE

Thursday, 25th January, 2018

A meeting of the Health and Adult Care Scrutiny Committee is to be held on the above date at 10.30 am at Committee Suite - County Hall to consider the following matters.

P NORREY
Chief Executive

A G E N D A

PART 1 - OPEN COMMITTEE

- 1 Apologies
- 2 Minutes
Minutes of the meeting held on 21 November 2017 (previously circulated)
- 3 Items Requiring Urgent Attention
Items which in the opinion of the Chair should be considered at the meeting as matters of urgency.
- 4 Public Participation
Members of the public may make representations/presentations on any substantive matter listed in the published agenda, as set out hereunder, relating to a specific matter or an examination of services or facilities provided or to be provided.

MATTERS FOR CONSIDERATION OR REVIEW

- 5 Budget 2018/2019: Overall Approach (Pages 1 - 30)
The 2018/19 budget proposals will be scrutinised with consideration of relevant service

area budgets by individual Scrutiny Committees with the Corporate Infrastructure and Regulatory Services Scrutiny Committee considering both its own budget responsibilities as well as any issues raised by the Children's Scrutiny Committee and also the Health and Adult Care Scrutiny Committee, to produce an overarching series of recommendations.

This approach will enable all Scrutiny Members to critique, question and challenge the budget proposals across services, to better understand the implications of the budget proposals across the Council and to make effective recommendations to Cabinet and the Council.

The proceedings of all Scrutiny Committees will be webcast and publicised through normal channels including Twitter and other social media.

The Council must have full regard to and consider the impact of any proposals in relation to equalities prior to making any decisions, as set out in equality impact assessments, and any identified significant risks and mitigation action required.

Public Participation

Additionally, there will be an opportunity for members of the public to address each Scrutiny Committee meeting and make oral representations/presentations on any matter relating to the proposed budget, in line with the public participation scheme.

This Meeting

At this and other Scrutiny Committees in the current cycle, Members are asked to identify salient issues within each Committee's areas of responsibility, to examine the general thrust of the budget and take an overview of priorities and prospects.

At this meeting Chief Officers / Heads of Services will report, inter alia, on:

- the Cabinet's Target Budget for services/suite of services;
- how that compares to the target figure for 2017/18;
- the likely implications of the 2018/19 target for individual areas of service (e.g. in percentage terms compared to current levels) and how those areas have been prioritised;
- any comparisons between the current year and next year's proposals for the major service areas, to illustrate the scale of change within those activities and how the budget has been allocated across services in those years (to illustrate changes of emphasis or priority);
- any "alternative delivery models" or other initiatives contemplated for given services and how it is thought that these may reduce costs; and
- impact assessments undertaken in relation to the draft budget.

Report and Budget 2018/19 Impact Assessment

Joint Report of the County Treasurer, the Chief Officer for Adult Care and Health Services and the Chief Officer for Communities, Public Health, Environment and Prosperity (CT/18/02) on the proposed budget for Adult Care and Health; and Public Health for 2018/19, attached.

[NB: An overview of the impact assessments for all service areas entitled 'Budget 2018/19 Impact Assessment' has also been made available to all Members of the Council in order that Scrutiny Committees may have access to all necessary equality impact assessments undertaken as part of the budget's preparation. The document will also be available at:

<https://new.devon.gov.uk/impact/published/budget-impact-assessment-201819/>

Members are requested to familiarise themselves with its contents, retaining it for future

meetings accepting that this is a dynamic process and individual assessments may necessarily be updated with time. Members of the Council must have full regard to and consider the impact of any proposals in relation to equalities for the purpose of this and other budget meetings prior to making any decisions and any identified significant risks and mitigating action required. Scrutiny Committees will no doubt wish to be assured that risk assessments and projections are adequate and that the evidence supports the assumptions made in the formulation of the budget.

Other Relevant Links: <https://new.devon.gov.uk/impact/> Video on budget challenges;
<https://new.devon.gov.uk/haveyoursay/>

MATTERS FOR INFORMATION

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Work Programme

In accordance with the previous practice, Scrutiny Committees are requested to review the list of forthcoming business (previously circulated) and to determine which items are to be included in the Work Programme.

The Committee may also wish to review the content of the Cabinet Forward Plan to see if there are any specific items therein it might wish to explore further.

The Work Programme and Forward Plan can be found at:

<http://democracy.devon.gov.uk/mgPlansHome.aspx?bcr=1>

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF PRESS AND PUBLIC ON THE GROUNDS THAT EXEMPT INFORMATION MAY BE DISCLOSED

Nil

Members are reminded that Part II Reports contain confidential information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s). Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.

Membership

Councillors S Randall-Johnson (Chair), N Way (Vice-Chair), H Ackland, J Berry, P Crabb, R Gilbert, B Greenslade, R Peart, S Russell, P Sanders, R Scott, J Trail, P Twiss, C Whitton, C Wright and J Yabsley

Devon Councils
Councillor P Diviani

Declaration of Interests

Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.

Access to Information

Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact Gerry Rufolo 01392 382299.

Agenda and minutes of the Committee are published on the Council's Website and can also be accessed via the Modern.Gov app, available from the usual stores.

Webcasting, Recording or Reporting of Meetings and Proceedings

The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: <http://www.devoncc.public-tv/core/>

In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chair. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.

Public Participation

Devon's residents may attend and speak at any meeting of a County Council Scrutiny Committee when it is reviewing any specific matter or examining the provision of services or facilities as listed on the agenda for that meeting.

Scrutiny Committees set aside 15 minutes at the beginning of each meeting to allow anyone who has registered to speak on any such item. Speakers are normally allowed 3 minutes each.

Anyone wishing to speak is requested to register in writing to the Clerk of the Committee (details above) by the deadline, outlined in the Council's Public Participation Scheme <https://new.devon.gov.uk/democracy/committee-meetings/scrutiny-committees/>, indicating which item they wish to speak on and giving a brief outline of the issues/ points they wish to make.

Alternatively, any Member of the public may at any time submit their views on any matter to be considered by a Scrutiny Committee at a meeting or included in its work Programme direct to the Chair or Members of that Committee or via the Democratic Services & Scrutiny Secretariat (committee@devon.gov.uk). Members of the public may also suggest topics (see: <https://new.devon.gov.uk/democracy/committee-meetings/scrutiny-committees/scrutiny-work-programme/>)

All Scrutiny Committee agenda are published at least seven days before the meeting on the Council's website.

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Induction loop system available

NOTES FOR VISITORS

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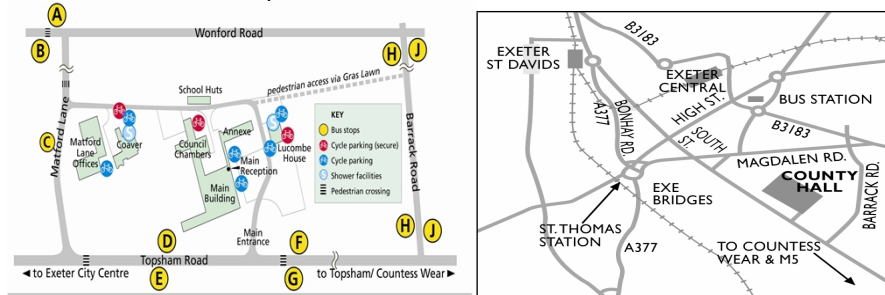
Car Sharing

Carsharing allows people to benefit from the convenience of the car, whilst alleviating the associated problems of congestion and pollution. For more information see: <https://liftshare.com/uk/community/devon>.

Car Parking and Security

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As indicated above, parking cannot be guaranteed and visitors should allow themselves enough time to find alternative parking if necessary. Public car parking can be found at the Cathedral Quay or Magdalen Road Car Parks (approx. 20 minutes walk). There are two disabled parking bays within the visitor car park. Additional disabled parking bays are available in the staff car park. These can be accessed via the intercom at the entrance barrier to the staff car park.



NB   Denotes bus stops

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First Aid

Contact Main Reception (extension 2504) for a trained first aider.

CT/18/02

Health and Adult Care Scrutiny Committee

25th January 2018

Joint Report of the County Treasurer, the Chief Officer for Adult Care and Health Services and the Chief Officer for Communities, Public Health, Environment and Prosperity.

2018/19 Budget

Recommendation: that the Scrutiny Committee consider whether it wishes to draw to the attention of the Cabinet any observations on the proposals contained within the draft Revenue Budget 2018/19 and Capital Programme for 2018/19 to 2022/23.

1. Introduction and Commentary

- 1.1 At its meeting of 13th December 2017, Cabinet set Revenue Budget targets for 2018/19. The targets incorporate inflation and pressures and income initiatives and savings required to set a budget within reduced funding levels provided by Government in the recent provisional financial settlement.
- 1.2 A number of major decisions remain to be taken. At this stage, the final outcome of the Local Government Finance Settlement is awaited and details of the council tax base, collection fund surpluses and tax base yield have yet to be confirmed along with the local element of Business Rates. Information should be available by the time that County Council considers final budget proposals for 2018/19 on 15th February 2018. However, given the late notification of the provisional settlement and in line with arrangements from previous years, 22nd February 2018 has been set aside for a second County Council budget meeting if required.
- 1.3 The draft budget attached to this report complies with the targets set by Cabinet on 13th December which total £477.391 millions. The total includes funding for budget pressures of £28.593 millions that mainly relates to additional expenditure to allow for service growth to cater for demographic changes such as increased children and adult service users and unavoidable cost pressures. Savings and income initiatives of £20.842 millions are required to set a balanced budget. The target for Adult Care and Health also includes £10.148 millions in relation to the one-off Improved Better Care Fund grant announced by the Chancellor in March 2017.
- 1.4 The targets set for each service area have been subject to different pressures and influences. The table below shows the 2018/19 Budget Targets by Chief Officer.

	2017/18		Savings & Additional	One-off Improved Better Care Fund	2018/19	
	Adjusted Budget*	Inflation & Pressures	Income	£000	Base Budget	
	£000	£000	£000	£000	£000	
Adult Care & Health	214,769	11,337	(8,403)	10,148	227,851	+6.1%
Childrens Services	118,964	10,038	(3,515)		125,487	+5.5%
Communities, Public Health, Environment & Prosperity	35,530	1,034	(1,837)		34,727	-2.3%
Corporate Services	34,025	2,957	(2,364)		34,618	+1.7%
Highways, Infrastructure Development & Waste	56,204	3,227	(4,723)		54,708	-2.7%
	459,492	28,593	(20,842)	10,148	477,391	

* Adjusted for Permanent Virements

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- 1.5 This report provides detailed budget proposals in respect of all Services, in line with the targets outlined above.

2. Additional Improved Better Care Fund Grant

- 2.1 As part of the Chancellors Spring Budget in March 2017, additional funding for authorities with Adult Social Care responsibilities was announced. This took the form of an additional Improved Better Care Fund Grant. For the County Council it has meant, in round terms, an extra £15 millions in the current year, £10 millions in 2018/19 and £5 millions in 2019/20. These grants are one off and not cumulative or ongoing.
- 2.2 The Government requires these grants to be pooled in the Better Care Fund but used for Adult Social Care purposes. The Government has set out detailed improvements it expects to see including targets in relation to Delayed Transfers of Care (DToC). Indications are that if targets are not met then grants could be reduced or direction imposed on how they are to be spent. The Improved Better Care Fund grant funding is included in the Targets above.

3. The Provisional Local Government Finance Settlement 2018/19

- 3.1 On 19th December 2017, the Secretary of State for the Department for Communities and Local Government, Rt. Hon. Sajid Javid MP, made a statement to Parliament on the Provisional Local Government Finance Settlement for 2018/19.
- 3.2 Members may recall, that the 2016/17 local government finance settlement announced Core Spending Power figures for the four year period of 2016/17 to 2019/20. The Provisional Settlement for 2018/19 has confirmed the Core Funding figures at the expected level of £115.2 millions. There have however been other changes as set out below:
- 3.2.1 It had previously been announced that the national figure for the Rural Services Delivery Grant would be reduced in 2018/19 from £65 millions to £50 millions; this is not now going ahead and the grant will remain at the current level. This change means funding of £6 millions to the County Council, £1.4 millions more than expected. Due to the Business Rates Pilot outlined later in this report, this funding will not be paid as a separate grant in 2018/19 but will be rolled into Core Funding and increase the resources available to the Council from the £115.2 millions noted above to £121.2 millions.
- 3.2.2 The Government consulted earlier in the year on further changes to the New Homes Bonus Scheme. The Government has decided not to go ahead with the proposed changes and will instead keep the scheme unchanged from the current year except for a reduction in the number of years benefit from 5 years currently to 4 years. New Homes Bonus grant figures have been announced and the sum for the County Council is just under £300,000 more than anticipated, at £3.8 millions.
- 3.2.3 The Chancellor's Autumn Budget announced a change in the annual Business Rates inflationary increase from Retail Price Index (RPI) to Consumer Price Index (CPI). This change is effective from 2018/19 and will mean a reduction to Business Rates received by Local Authorities as part of Core Funding. The Government undertook to compensate authorities for this loss and the Provisional Settlement includes a grant to the County Council of £2.1 millions for this purpose.

- 3.2.4 The provisional settlement has set the Council Tax increase that will trigger a referendum, excluding the Social Care Precept, at 3% for 2018/19; an increase of 1%.
- 3.3 The Adult Social Care Precept regulations have remained unchanged. In 2016/17, the Social Care Precept was capped at 2% per annum for the period 2016/17 to 2019/20. Members may recall that Government changed these regulations last year and allowed Authorities to increase the precept to a maximum of 3% per annum over the period 2017/18 to 2019/20 as long as the total increase over the three years did not exceed 6%. The Council increased the Adult Social Care Precept by 3% in 2017/18. If the Adult Social Care Precept is increased by 2% in 2018/19 then there can only be a 1% increase in 2019/20; if the Adult Social Care Precept is increased by 3% in 2018/19 then there can be no increase in 2019/20.
- 3.4 In 2018/19 government funding (core funding) for the County Council will reduce from £128.3 millions in 2017/18 to £115.2 millions in 2018/19, on a like for like basis and before any benefit from the Business Rates Pilot outlined below. This is a reduction of £13.1 millions, or 10.2%. Although this is in line with the four year settlement announced in 2016/17 it is still a significant reduction to our funding at a time when there are huge pressures on Social Care services.

4. 2018/19 100% Business Rate Retention Pilots

- 4.1 During the summer the Department for Communities and Local Government invited Local Authorities to submit applications to become 100% Business Rates Retention Pilots in 2018/19. The Government's intention is that the new pilots will run alongside the five current 100% pilots which have been in operation since 1 April 2017. The current pilots, and the new wave in 2018/19, will help explore options, with Government, for the design of future local government finance reforms.
- 4.2 The County Council along with all the Devon Districts and the two Unitary Authorities submitted an application, to become a Pilot area, to Government at the end of October.
- 4.3 As part of Sajid Javid's statement to Parliament on the Provisional Local Government Finance Settlement he announced that due to the large number of pilot applications a total of ten have been accepted for 2018/19.
- 4.4 The Devon application is one of the ten successful bids. It is understood that at least three DCLG officials independently scored each pilot bid based on the application criteria originally set. This in combination with ministerial judgement and Treasury cost limits, led to Devon's success.
- 4.5 The success of the Devon wide bid brings with it not only an opportunity to help inform future local government finance reforms but a financial benefit to all of the authorities too. The pilot bid submitted estimated that for 2018/19 there could be a benefit of just under £17 millions to geographic Devon of which nearly £10 millions could come to the County Council. This is only an estimate and the final sums will not be known until the end of the Pilot year. It should also be noted that this benefit is currently for one year only.

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5. Service Specific Budget Issues - Adult Care and Health

- 5.1 Budget targets are set for each service area in the Council's organisational structure. This committee will receive the proposed budget for the service areas of Adult Care and Health Services, and Public Health. Public health is managed by the Chief Officer for Communities, Public Health, Environment and Prosperity. The Public health budget is also being considered by the Corporate Infrastructure and Regulatory Services Scrutiny Committee which is meeting on 31st January.
- 5.2 The overall financial approach in Adult Care and Health is to protect the most vulnerable whilst preventing future costs from rising at an unsustainable rate. This involves improving efficiency and effectiveness, but also increasingly it means looking for ways to deliver the responses that are needed to meet the needs of individuals differently. A further aim is to contain the cost pressures that otherwise arise from an ageing population and rising incidence and complexity of need for care for adults of working age.
- 5.3 This budget recognises rising financial pressure in Adults with an additional investment of £21.5 millions, partially offset by savings plans of £8.4 millions, to give a net budget increase of £13.1 millions.
- 5.4 Adult Social Care continues to face the challenges of providing services for an increasing ageing population with people in Devon aged over 75 projected to increase by 3.2% next year. If this increase translated through to demand for services, it would mean approximately an additional 225 people requiring social care next year. There is continuing growth in demand for disability services, and also significant cost pressures in the care markets, largely due to increasing labour cost, and the need to ensure sufficient supply of care of the right quality is a continual challenge. These factors have been assessed and result in a proposed increase in Adult Services' budget of £11.3 millions to cover inflationary and demand pressures. There are two main cost drivers in Adult Social Care:
- 5.4.1 Demand - the number of packages of care can be volatile in a number of areas. The 2018/19 budget has been planned on the basis of the most recent volume data available at the time of preparation, with allowances made for anticipated growth in demand for services next year, and the effects of savings strategies. The area of Learning Disability is a significant area of growth in activity over recent years and continues to be under significant pressure.
- 5.4.2 Unit Cost - the unit cost for packages of care has been continuing to increase during 2017/18. This can be extremely volatile and dependant on market conditions. The impact of the National Living Wage increase next year of 4.4% is a key driver of price inflation in the care markets as it impacts directly on the price of labour. NLW is estimated to add in the region of £4.1 millions to the cost of adult social care services in 2018/19. In addition, workforce recruitment and retention in the care markets remains an issue, with a particular shortage of nurses which in turn, drives up unit costs of nursing care packages. The latest average unit rates (uplifted for inflation) have been used during budget planning.
- 5.5 The Adult Care and Health budget includes £23.4 millions of NHS support to social care via the Better Care Fund. There is a further £10.1 millions of one off Improved Better Care Fund funding which has been included in the Adult budget for 2018/19 which is subject to joint agreement with NHS partners. Discussions

are on-going on deployment for the benefit of the overall health and social care system. Total pooled budget for the BCF is currently planned to be in the region of £84 millions for 2018/19.

- 5.6 A guiding principle in planning the budget has been to ensure that clients are supported in the care setting that most effectively maximises their independence.

6. Service Specific Budget Issues - Public Health

- 6.1 As indicated in paragraph 5.1, the Public health budget is being considered by the Corporate Infrastructure and Regulatory Services Scrutiny Committee which is meeting on 31st January.
- 6.2 The Public Health grant remains ring fenced for 2018/19. The value of the grant for 2018/19 is £27.512 millions which represents a reduction of £726,000 (2.6%) on the grant received in 2017/18. A letter from Public Health England (21.12.17) gives an indicative further grant reduction by 2.6% for 2019/20 and notes that the ring-fencing should still be removed beyond 2020 subject to the assurance arrangements between Public Health England and the Department for Health. In order to achieve a balanced budget against the future forecast of reduced funding, key service areas have been re-procured during 2017/18 including sexual health services, substance misuse services and domestic violence services. This has resulted in an efficiency saving of £450,000 to the substance misuse and domestic violence services budget. The outcome of the sexual health procurement is not yet known.
- 6.3 The decision was taken by Cabinet in March 2017 that the Public Health Nursing Service should not be re-procured in year for 2018/19 but should remain part of the Integrated Children's Services Contract. The contract value has been reduced through negotiation for this extra year, which included entering a risk share arrangement for £418,000 that has been funded by corporate resource as the Public Health Grant is fully allocated for the year.
- 6.4 Following its suspension in 2016/17, 2017/18 saw the re-introduction of the universal NHS Healthcheck programme. The 2018/19 budget allows for a higher level of activity to enable the programme to catch up. Additionally, a new service to prevent the onset of diabetes is to be launched in April 2018 and this is partly funded by The Big Lottery. In addition, grant funding has been won to support the development of Cranbrook as a Healthy New Town.
- 6.5 Detailed budget risk assessments for Adult Care and Health services and Public Health are included within the budget pages, which describe the key financial risks and mitigations.

7. Capital Programme

- 7.1 The Council's capital programme has been produced to maximise investment in the county's infrastructure and assets and to support service delivery and priorities.
- 7.2 As part of the 2018/19 capital programme for Health and Adult Care, there are no new starts funded from corporate capital resources. Within the programme there is funding to support the multi service Hub at Barnstaple and continued support for Extra Care Housing with £9 millions available over the next four

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years of the plan. The Programme also includes the Disabled Facilities Grant scheme; these sums will be part of the Better Care Fund and administered by the Devon District Councils.

8. Equality Impact Assessment

- 8.1 Under the Equality Act 2010, the County Council has a legal duty to give due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations when making decisions about services. This duty applies to the eight 'protected characteristics' of age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex and sexual orientation. Where relevant, Impact Assessments are carried out to consider how best to meet this duty, which includes mitigating against the negative impact of service reductions.
- 8.2 The Equality Act 2010 and other relevant legislation does not prevent the Council from taking difficult decisions which result in service reductions or closures for example, it does however require the Council to ensure that such decisions are:
- Informed and properly considered with a rigorous, conscious approach and open mind.
 - Taking due regard of the effects on the protected characteristics with the need to ensure nothing results in unlawful discrimination in terms of access to, or standards of, services or employment as well as considering any opportunities to advance equality and foster good relations.
 - Proportionate (negative impacts are proportionate to the aims of the policy decision).
 - Fair
 - Necessary
 - Reasonable, and
 - Those affected have been adequately consulted.
- 8.3 The report 'Budget 2018 – 2019 Equality Impact Assessment' provides information on the impacts of new savings strategies. Previous years assessments are available at <https://new.devon.gov.uk/impact/> under 'Published Assessments'. The report for 2018/19 provides a detailed analysis of community feedback and data and views on budget priorities and council tax.

The 2018/19 report is published at <https://new.devon.gov.uk/impact/published/budget-impact-assessment-201819/>

Mary Davis

Jennie Stephens

Virginia Pearson

County Treasurer

Chief Officer for Adult Care
and Health

Chief Officer for
Communities, Public Health,
Environment and Prosperity

Electoral Divisions : All

Local Government Act 1972

List of Background Papers

Contact for Enquiries : Mary Davis

Tel No: (01392) 383310 Room 199

Background Paper Date File Ref

Nil

Date Published 16 January 2018

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Leadership Group Commentary

From austerity to opportunity

In a challenging financial environment for local government, a major funding change is on the horizon which will present us with more opportunities to re-assess the way we do things at Devon County Council.

By 2020 we expect to receive very little direct funding from central Government and will be almost entirely dependent on Council Tax and Business Rate income from Devon residents and businesses. In itself this does not mean significant extra resource, but it does mean greater certainty and will make it easier to plan long term.

To help us prepare for this significant shift in the way our budget is managed, we are delighted that the County Council, along with our district and unitary colleagues, has been successful as one of only 10 business rate retention pilots for 2018/19.

We will be able to learn from the pilot and be in a much stronger position from which to determine our own financial future, and really question how best we can help improve the lives of people in Devon and channel our resources accordingly.

Devon County Council remains a large, resilient, forward-focused organisation investing in our local services and the economy. We are looking to challenge ourselves about the way we deliver our services to ensure we are really doing what matters for the people of Devon.

Working for the people of Devon

We have worked hard over the past seven years to save £230 millions by reducing the number of people who work for the Council; embracing digital technology to be more flexible, innovative and connected, and selling some of our property and using proceeds to invest in Devon's infrastructure and economy.

We have also championed social enterprises and ensured services thrive with the success of Libraries Unlimited, the independent organisation that now runs the county's 50 libraries on the Council's behalf, and DYS Space which now operates the county's youth services.

And we are supporting innovative ways of improving the health and wellbeing of communities with projects like Integrated Care Exeter (ICE) which has been nationally recognised for promoting community resilience. ICE is all about social prescribing where GPs refer patients they believe would benefit from increased social activity to a trusted 'Community Connector'. They work with the patient to identify the root of their problem, understand what matters to them, and plan a way forward together, putting people's independence, health and wellbeing at its core.

Doing what matters

We are working in a very dynamic environment - more people living in Devon over the age of 65 means increased pressure on services; health and social care services supporting the most vulnerable are already at breaking point, and the costs of protecting children, and supporting those with complex needs and learning disabilities are growing.

We need to find the best ways to protect these vital services while working with our partners to create the conditions for a more prosperous future through the Heart of the South West Productivity Strategy and national Industrial Strategy.

It's a complex situation with many conflicting demands on the County Council – but it's also an exciting time for us as we rethink what we do and how we do it.

Our core purpose is to help citizens to live their life well in a way that makes sense to them. To realise our purpose, we need to connect with citizens, be curious and ask the

difficult questions so we can fully understand why we do the things we do, and how people want to receive their services and who from.

We have broken our purpose in to nine areas where we believe we should focus our energy and expertise to find out more about how we work, and seek to solve problems to meet people's needs. They are:

- Become and remain independent.
- Get the best start in life.
- Get from A to B.
- Learn.
- Stay healthy.
- Keep my environment safe and looking good.
- Prosper.
- Keep safe.
- See that Devon is making good decisions.

Show you care

But we can't do this alone. Our strong connections and co-dependencies with our partners are crucial in helping us make the most of all our resources and respond collectively to local need.

Devon is also fortunate to have many strong and active communities, with people prepared to stand up and show they care by giving their time and energy to make our county a better place. We are working closely with our communities to improve the lives of people across Devon as we know we can never achieve this on our own. By working together, we can hope to meet the social and environmental challenges facing us in Devon and all show we care.

For more information on the contents of this section, please contact Angie Sinclair, Deputy County Treasurer on 01392 380711 or email angie.sinclair@devon.gov.uk

Agenda Item 5

Adult Care and Health

How the 2018/19 Budget has been built up

	2017/18 Adjusted Budget	Changes	2018/19 Outturn Budget
	£'000	£'000	£'000
Adult Care Operations and Health	190,041	12,901	202,942
Adult Commissioning and Health	24,728	181	24,909
Total	214,769	13,082	227,851

	Change £' 000
Reasons for changes in Revenue Budget	
Technical and Service Changes	
Inflation	3,411
National Living Wage	4,085
Adult Services demographic and demand pressures	3,841
Improved Better Care Fund	10,148
	21,485
Savings Requirements	
Promoting independence and creating improved short-term intervention for people in their own home	(1,044)
Continuing transfer of personal care to the Living Well At Home contract and finding alternative solutions for those with small packages of care.	(3,667)
Supporting people with disabilities to live more independently and to reduce their dependence over time	(1,875)
More robust application of existing process for community based service charging	(1,458)
Workforce reductions	(263)
Review of contracts	(96)
	(8,403)
Total	13,082

Analysis of Total Expenditure 2018/19

	Gross Expenditure	Grant and Contribution Income	External Income	Internal Income	Net Expenditure
	£'000	£'000	£'000	£'000	£'000
Adult Care Operations and Health	267,034	(17,634)	(46,438)	(20)	202,942
Adult Commissioning and Health	27,088	(1,719)	(460)	0	24,909
Total	294,122	(19,353)	(46,898)	(20)	227,851

Agenda Item 5

Adult Care Operations and Health

2017/18 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2018/19 Outturn Budget £'000	2018/19 Net Changes £'000
Disability Services					
2,009	Day Opportunities	2,139	(8)	2,131	122
19,179	Direct Payments	20,340	(1,954)	18,386	(793)
32,620	Enabling/Other	33,573	(350)	33,223	603
1,232	Nursing Care	1,973	(312)	1,661	429
7,058	Personal Care	9,020	(2,131)	6,889	(169)
25,659	Residential Care	31,524	(3,120)	28,404	2,745
87,757		98,569	(7,875)	90,694	2,937
0	Improved Better Care Fund	10,148	0	10,148	10,148
In House Services					
2,831	Day Opportunities	2,916	(43)	2,873	42
5,072	Reablement and Community Enabling	5,946	(825)	5,121	49
3,818	Residential Care	3,572	0	3,572	(246)
11,721		12,434	(868)	11,566	(155)
Older People					
1,247	Day Opportunities	1,118	(70)	1,048	(199)
6,208	Direct Payments	7,759	(1,957)	5,802	(406)
2,829	Enabling/Other	3,736	(708)	3,028	199
10,773	Nursing Care	18,666	(6,951)	11,715	942
18,100	Personal Care	26,103	(12,561)	13,542	(4,558)
29,598	Residential Care	63,950	(30,853)	33,097	3,499
68,755		121,332	(53,100)	68,232	(523)
21,151	OP&D Care Management	23,893	(2,249)	21,644	493
657	Workforce Development	658	0	658	1
190,041		267,034	(64,092)	202,942	12,901

Analysis of changes:

£'000

Technical and Service Changes

Demographic and other growth in demand	3,504
Inflation	2,952
Provision to fund extended National Living Wage increase in April 2018	4,085
Improved Better Care Fund	10,148
	20,689

Savings strategies

Promoting independence and creating improved short-term intervention for people in their own home	(603)
Continuing transfer of personal care to the Living Well At Home contract and finding alternative solutions for those with small packages of care	(3,667)
Supporting people with disabilities to live more independently and to reduce their dependence over time	(1,875)
More robust application of existing process for community based service charging	(1,458)
Workforce reductions	(89)
Review of contracts	(96)
	(7,788)

Total	12,901
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Service Commentary

Adult Care Operations and Health is the operational care management service which offers advice, information and signposting as well as assessment, support planning and reviews for older people and younger adults with disabilities with eligible social care needs. It arranges care, largely from the independent sector, for either short-term interventions or long-term care on a personalised basis. It undertakes statutory safeguarding responsibilities for vulnerable adults. The staff undertaking these functions – including professionally qualified social workers and occupational therapists – are co-located and co-managed with community based NHS staff.

Additionally, it provides those adult social care services we continue to deliver directly rather than commission from the independent sector. These include a number of different establishments throughout the county which provide services to Older People and people with Disabilities.

Included in the Operations budget is £10.148 millions of new improved Better Care Fund temporary funding from central government which was announced in March 2017. The deployment of this is subject to joint agreement with NHS partners and discussions are currently underway on deployment for the benefit of health and social care overall.

The budget also includes £23.357 millions of Better Care Fund funding which contributes directly to the provision of social care services.

Key challenges to operations include management of volume and price pressures, which are fundamental to the financial sustainability of the budget, and delivery of the operational change required under the Promoting Independence programme, particularly in disabilities which has seen continuing demand pressure in the last year.

As service users become better able to live more independent and fulfilling lives, the requirement for the current levels of commissioned services will reduce, both in terms of the numbers of packages of care, and the volume of services supplied per client.

Service Statistics and Other Information

		Number of people budgeted to receive service Average through Year		
		2017/18	Change	2018/19
Reablement (across all client groups)	Service Users	2,786	552	3,338
These are new people expected to go through the reablement process				
Disability Services				
Day Opportunities	Service Users	311	(35)	276
Direct Payments	Service Users	1,357	(12)	1,345
Enabling	Service Users	1,345	14	1,359
Nursing Care (including Respite)	Service Users	34	9	43
Personal Care	Service Users	687	80	767
Residential Care (including Respite)	Service Users	575	24	599
Autistic Spectrum	Service Users	149	23	172
Older People and Disability - In house				
Day Opportunities	Service Users	205	(7)	198
Community Enabling	Service Users	330	0	330
Residential Care (including Respite)	Service Users	46	(1)	45
Older People				
Day Opportunities	Service Users	453	(104)	349
Direct Payments	Service Users	705	(21)	684
Enabling	Service Users	279	26	305
Nursing Care (including Respite)	Service Users	520	22	542
Personal Care	Service Users	3,089	(266)	2,823
Residential Care (including Respite)	Service Users	1,986	10	1,996

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Adult Commissioning and Health

2017/18 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2018/19 Outturn Budget £'000	2018/19 Net Changes £'000
Adult Commissioning and Health					
5,687	Centrally Managed Contracts	6,051	(419)	5,632	(55)
997	Policy, Performance and Involvement	1,048	0	1,048	51
2,409	Strategic Commissioning	2,541	(160)	2,381	(28)
1,503	Transformation	1,432	(20)	1,412	(91)
10,596		11,072	(599)	10,473	(123)
14,132	Mental Health	16,016	(1,580)	14,436	304
24,728		27,088	(2,179)	24,909	181

Analysis of changes:

£'000

Technical and Service Changes

Demographic and other growth in demand in Mental Health
Inflation

337

459

796

Savings Strategies

Management and support reductions
Promoting independence for adults with mental health needs

(174)

(441)

(615)

Total

181

Service Commentary

Centrally Managed Contracts are those managed directly by commissioning staff including support to carers, homelessness and service user representation.

The Policy, Performance and Involvement function comprises the Management Information Team responsible for commissioning intelligence, statutory returns and surveys, internal performance management, and involvement in sector-led improvement; the Policy Team responsible for commissioning and operational policy development and strategic planning; and the Involvement and Policy Team responsible for engaging the users of our services and their carers, and ensuring we are considering their diverse needs, in everything we do.

Commissioning staff work with NHS colleagues to assess the strategic health and social care needs of the Devon population. This then shapes the care provider markets from which Devon County Council purchases most of its adult social care services to ensure that the right preventive, short-term and longer-term services are available to those with eligible needs at the time they are needed, and at prices which are affordable within the Council's social care budgets. This is undertaken by working with the Care Quality Commission to assure and improve their quality along with managing contractual provider relationships to ensure their delivery.

The commissioning team is also responsible for commissioning arrangements for support to carers, for the care management of people with mental health needs (working with the Devon Partnership Trust), and for the coordination of activity and governance of the statutory Safeguarding Adults Board.

The Transformation team drives the complex changes required to improve services and which supports the delivery of the service improvement and budget savings strategies across services to people of all ages, in addition to business change in response to a constantly changing regulatory environment.

The key challenges for Adult Commissioning and Health will be to lead the commissioning aspects of the Promoting Independence programme and its supporting strategies, whilst at the same time continuing to manage relationships with a provider market which is under pressure, and recommission services in such a way as to promote functional and efficient care markets and best value for the public purse.

Mental Health services continue a 5 year transformation programme to improve the efficiency of existing services and support people to live as independently as possible, whilst ensuring that those most in need of care are looked after in the most appropriate way for their needs.

Service Statistics and Other Information

		Number of people budgeted to receive service Average through Year		
		2017/18	Change	2018/19
Mental Health Services				
Day Opportunities	Service Users	14	(5)	9
Direct Payments	Service Users	94	(22)	72
Enabling	Service Users	669	(137)	532
Nursing Care (including Respite)	Service Users	8	(3)	5
Personal Care	Service Users	40	(1)	39
Residential Care (including Respite)	Service Users	161	(9)	152

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Public Health

How the 2018/19 Budget has been built up

	2017/18 Adjusted Budget	Changes	2018/19 Outturn Budget
	£'000	£'000	£'000
Public Health	800	(382)	418
Total	800	(382)	418

Reasons for changes in Revenue Budget	Change £' 000
Technical and Service Changes	
One-off - 1 year procurement of Community Health and Care Children's Services	418
Savings Requirements	
Children 5-19 Public Health Programmes - Contract saving negotiated	(800)
Total	(382)

Analysis of Total Expenditure 2018/19

	Gross Expenditure	Grant and Contribution Income	External Income	Internal Income	Net Expenditure
	£'000	£'000	£'000	£'000	£'000
Public Health	28,990	(28,512)	0	(60)	418
Total	28,990	(28,512)	0	(60)	418

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Public Health

2017/18 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2018/19 Outturn Budget £'000	2018/19 Net Changes £'000
Public Health					
2,973	Children 5-19 Public Health Programmes	2,155	0	2,155	(818)
1,000	Community Safety, Violence Prevention and Social Exclusion	989	(35)	954	(46)
40	Health At Work	54	0	54	14
96	Health Protection	107	0	107	11
9,101	Mandated 0-5 Children's Services	8,567	0	8,567	(534)
96	National Child Measurement Programme	111	0	111	15
349	NHS Health Check Programme	683	0	683	334
268	Obesity	559	(90)	469	201
440	Other Public Health	577	(74)	503	63
268	Physical Activity	305	(36)	269	1
365	Public Health Advice to NHS Commissioners	222	0	222	(143)
(28,888)	Public Health Income	0	(28,162)	(28,162)	726
621	Public Mental Health	573	(175)	398	(223)
5,987	Sexual Health	6,219	0	6,219	232
1,133	Smoking and Tobacco	1,314	0	1,314	181
5,848	Substance Misuse	5,444	0	5,444	(404)
1,103	Support Services	1,111	0	1,111	8
800		28,990	(28,572)	418	(382)

Analysis of changes:

£'000

Technical and Service Changes

One-off - 1 year procurement of Community Health and Care Children's Services	418
	<u>418</u>

Savings Strategies and Revised programmes

Children 5-19 Public Health Programmes - Contract saving negotiated	(800)
Reduced grant and revised programmes funded by:	
Reduction in Department of Health grant	726
NHS Health Check programme - Universal programme recommences	334
Obesity - Pre-diabetes intervention spend	201
Sexual Health - Service re-basing for new contract	232
Smoking and Tobacco - Increased demand	181
Other minor adjustments	94
Community Safety, Violence prevention and social exclusion - Re-procurement saving	(46)
Mandated 0-5 children's services - Contract saving negotiated	(952)
Public health Advice to NHS Commissioners - Staffing re-allocated	(143)
Public Mental Health - Contract ends in year	(223)
Substance misuse - Re-procurement saving	(404)
	<u>0</u>
	(800)

Total	(382)
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Service Commentary

Public Health is predominantly funded by a ring-fenced grant from the Department of Health which has reduced by £726,000 or 2.6% for 2018/19. A further grant reduction of 2.6% has been confirmed for 2019/20.

A programme of procurement has been undertaken during 2017/18 to enable service demands to be met from the reducing ring-fenced grant. This has seen the substance misuse support service, domestic and sexual violence support and prevention service and the sexual health services being tendered. This has given rise to £450,000 of savings for 2018/19. The outcome of the sexual health tender and the financial impact of this is not yet known.

The Public Health Nursing Service (0-19 provision) remains part of the Integrated Children's Services contract, and a negotiated reduction in the contract value for this service will see savings between £1.3millions and £1.7millions. The £418,000 risk share provision for integrated children's services has been funded from corporate services.

Grant funding has been secured in addition to the main Public Health grant including funding for a Healthy New Town programme (Cranbrook), and funding from the Big Lottery to support a Pre-Diabetes intervention.

A new intervention service is being launched in April 2018 to engage with and support individuals at high risk of developing Type 2 Diabetes in order to prevent the development of this disease. This intervention is being partially funded (39%) through the receipt of grant funding from The Big Lottery which is additional to the Public Health core grant funding.

Service Statistics and Other Information

Service/ Activity	Unit of Measurement	2017/18	Change	2018/19
		Estimate		Estimate
Local opiate clients in treatment	Individuals	1,189	6	1,195
Local non-opiate clients in treatment	Individuals	415	(2)	413
Local alcohol clients in treatment	Individuals	960	42	1,002
Genito-urinary medicine patients treated	Individuals	28,433	0	28,433
Contraception services accessed	Individuals	30,974	509	31,483

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Grants Paid to External Organisations

2017/18		2018/19
£000	Service and Grant Title	£000
	Adult Commissioning and Health	
27	Recovery Devon	27
13	Rethink open access MH support	13
38	Bridge Collective open access MH support	38
15	Connections open access MH support	15
25	Exeter CVS First step project open access MH support	25
13	MindEx open access MH support	13
131	Total	131

2017/18		2018/19
£000	Service and Grant Title	£000
	Public Health	
25	Devon Rape Crisis	25
10	Young Devon (*)	3
80	North Devon against Domestic Abuse (*)	0
10	Teignbridge D.C	10
125	Total	38

(*) Previously grant-funded, now funding is provided via the contract for the service

Staffing Data for 2018/19

	2017/18 Adjusted Total FTEs	Changes FTEs	2018/19		Total FTEs
			Revenue Funded FTEs	Externally Funded FTEs	
Adult Care Operations and Health	980	(12)	877	91	968
Adult Commissioning and Health*	168	(4)	155	9	164
Adult Care and Health	1,148	(16)	1,032	100	1,132

*includes 75 social work staff assigned to Devon Partnership Trust

Explanation of Movements

Adult Care Operations and Health

In-House Apprentices	3
Reduction in In-House (removal of vacant posts)	(13)
Reduction in Rapid Response (now employed by Health)	(8)
Autism & Specialist Placement Team	5
Disabilities Lead	1
	(12)

Adult Commissioning and Health

Social Work redesign of team	(5)
Reduction in In-House workforce	(2)
Joint Commissioning posts moved from NHS employment to DCC	2
Investment in market workforce development	1
	(4)

Total	(16)
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	2017/18 Adjusted	Changes	2018/19		Total
			Revenue	Externally	
Public Health	31	2	0	33	33
Public Health	31	2	0	33	33

Explanation of Movements

Public Health

New Externally funded projects and support	2
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Total	2
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Adult Care and Health - Risk Assessment

Service	Budget 2018/19 £'000	Risk and Impact	Mitigation
Demand pressure (across all service types)	£169,285 (net)	<p>Adult Care and Health is a demand led service and as such is required to respond to changing external factors.</p> <ul style="list-style-type: none"> • Demand for Learning Disability care packages has increased significantly over recent years and it is a significant risk that demand continues to increase, particularly with higher numbers of young people transitioning to adult care. • The Devon population aged over 75 is projected to increase by 3.2% over the next year which may translate to 225 new individuals needing packages of care. Very old people require more social care support as their needs are more complex and this could be beyond levels planned in the budget. • Winter brings a very high demand for health and social care services particularly in areas that support the NHS to manage the flow of individuals through hospital via timely discharge from hospital. • Despite demographic pressures the actual level of care home placements made by the Council has been stable recently (DCC currently purchases approximately 3,200 placements as at January 2018) There is a risk in the future that placement volumes will be driven upwards by demographic increases. On average every additional placement costs the authority around £28,000 in a full year • There is a significant number of pending new assessments for people with autism needs, some of which 	<p>A work programme is underway (Preparing for Adulthood) to assess and forecast the future transition demand for services over the medium term, allowing for better assessments and planning, with specialist teams for transition assessments are already in place.</p> <p>A consistent application of eligibility criteria and continued development / enhancement of strategies to promote independence as well as managing demand through early prevention activities.</p> <p>Operational teams have formulated response plans for winter in collaboration with NHS partners and providers in order to prepare as best as possible for winter pressures.</p> <p>There are ongoing strategies to support people in their own home and to prevent reliance on ongoing care wherever possible by earlier intervention and reablement, and increase the proportion of care spending on short term recovery services to target resources most effectively.</p> <p>A new autism team has been set up to specialise in planning and assigning the most appropriate packages of care to people who need it, and the financial impact of new cases will be phased</p>

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		may require ongoing care packages, which would be additional to the level budgeted for. This risk has been estimated to be in the region of up to £1 million.	in over the course of the year.
Unit cost pressure (across all service types)	£169,285 (net)	<p>The biggest driver of unit cost pressure is the price of labour in the county, and this is principally driven by changes in National Living Wage, which is rising by 4.4% in April 2018. The effect of the increase in NLW is estimated to add approximately £4.1 millions to the cost of adult social care next year. There is a risk however that labour price growth, and therefore unit costs, exceed planning assumptions.</p> <p>New residential and particularly nursing placements are costing more than the current average of existing placements. Each £1 change in average weekly placement cost equates to approximately £85,000 per year.</p>	<p>The impact of NLW has been modelled and added to the budget.</p> <p>The budget is set based on actual unit costs as at the time of budget preparation, and inflated for forecast prices changes (including from NLW).</p> <p>Unit costs are monitored on a weekly basis by managers, and there is an escalation process in place for approval of high cost packages.</p> <p>A new approach to commissioning placements is currently in development and is expected to begin in April 2018.</p>
Social care workforce	£21,644 (internal workforce only)	<p>This affects both internal DCC social care workforce, and the wider care workforce employed by our commissioned providers.</p> <p>Internally, there are recruitment and retention difficulties for experienced and specialised workers, with a risk that vacancy rates rise and services become increasingly stretched leading to quality and capacity issues such as completion of timely reviews.</p> <p>Externally, commissioned providers face recruitment and retention challenges in respect of care workers. There is a specific challenge in the recruitment of nurses, which is a particular risk area in the nursing sector.</p> <p>External workforce issues risk impacting on unit costs and market sufficiency as supply</p>	<p>Continuing emphasis on Promoting Independence in practitioner Continuing Professional Development programme with next round of training due in February 2018.</p> <p>Practice Quality Assurance case audits to ensure principles of Promoting Independence are being followed in practice</p> <p>The Council has led the 'Proud to Care' campaign now working regionally to promote health and care as a positive career and develop career pathways across the sector.</p> <p>However risks still remain, particularly how Brexit will affect the local labour supply</p>

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		and costs are interlinked.	
HMRC enforcement on night working	£36,251	<p>There is pending HMRC enforcement action affecting providers in Devon following legal judgments earlier in 2017 in respect of providers found not to be paying staff in compliance with the National Living Wage for night sitting working.</p> <p>Enforcement action may risk provider failures which could in turn lead to market sufficiency problems.</p> <p>Adverse impacts could be in the region of up to £1 million.</p>	<p>Historic purchasing of sleep in based services has been analysed and risk exposure estimated.</p> <p>Commissioners liaise closely with providers to find ways to manage risk and provider failure.</p> <p>Lobbying of government that retrospective pay awards are funded.</p>
Market sufficiency	£169,285 (net)	<p>The Council has a statutory duty under section 5 of the Care Act 2014 to ensure the sufficiency of social care markets in Devon.</p> <p>The sufficiency of locally available, good quality care at an affordable price is a risk in some areas of the county as providers face a number of challenges including work force and inflationary pressure.</p>	<p>Commissioners monitor the market to identify areas of poor sufficiency so that operational plans can be prepared including interventions if necessary.</p> <p>Focused work with providers facing most difficulties to improve their approach, learning from the best practice of others.</p>
Joint funding of complex care		<p>Tighter application of eligibility for Continuing Health Care can lead to demand for social care rising.</p> <p>Section 117 of the Mental Health Act places a duty on health and social services to provide aftercare for someone detained under the act. The precise allocation of costs is sometimes subject to dispute and as cases can be of high cost, representing a financial risk.</p>	<p>Joint frameworks and relationships with CCG are well developed, including escalation and challenge where appropriate.</p> <p>There are established protocols for apportionment of costs, which are updated regularly, and established processes for agreement of funding in individual circumstances.</p> <p>Work is on-going to streamline processes for how section 117 cases are funded, which will result in a more efficient process.</p>
Mental Health and Disability repatriations	£105,130	<p>Up to 40 individuals with Mental health needs originally from Devon are currently placed in care placements in other parts of the UK, but are expected to be relocated back to Devon in the near future.</p>	<p>Commissioners will work with Devon Partnership Trust and other partners to identify and monitor repatriation of cases to ensure that the most appropriate and best value</p>

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		<p>The Transforming Care Partnerships (Learning Disability) programme could result in individuals who are currently in NHS funded placements in hospitals around the country, being transferred back to a Devon care setting where there may be a requirement for adult social care support.</p> <p>There is a risk that placements made back into Devon will be at a higher cost, or a greater responsibility for funding will fall to social care budgets, or both. Potential costs for mental health needs are estimated at £535,000.</p>	<p>placements are secured in Devon, prioritising the most vulnerable cases first.</p> <p>Adult social care managers are engaged in the Transforming Care Partnership with CCGs and work together to forecast future service demands, and manage repatriations of cases in a sensitive and planned way.</p>
<p>NHS Financial Contributors to Social Care (including Better Care Fund)</p>	<p>Total pooled budget currently planned to be in the region of £84 millions</p>	<p>The Council entered a pooled budget arrangement in 2015/16 with NHS Commissioners described nationally as the Better Care Fund (BCF). This pooled arrangement includes circa £23.4 millions of support to DCC social care budgets.</p> <p>All commissioning partners to the Better Care Fund, as well as provider organisations, continue to work under financial strain, and the health community in Devon is facing significant financial challenges.</p> <p>The financial challenges faced by all partners inevitably pose a risk to the short term deployment of resources, ultimately making more difficult the very changes that are necessary to overcome those financial challenges.</p>	<p>A joint commissioning group comprising senior officers for each organisation and with detailed governance and specialist support is overseeing the operation of BCF and will ensure clear communication between DCC and its health partners.</p> <p>All partners are committed to working together to deal with similar challenges faced by each organisation and create integrated services across organisational barriers and system wide working</p> <p>Strong professional relationships between the health and social care sectors have been developed over the past years both with CCGs and provider trusts including hospitals. This creates better opportunities, both for resolving potential conflicts and for aligning strategic objectives of all parties to best meet the needs of the public.</p>

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Public Health - Risk Assessment

Service	Budget 2018/19 £'000	Risk and Impact	Mitigation
Public Health – Mental Health	398	The contract for the Early Help for Mental Health programme may end in September 2018, at the end of its 3 year term, if further funding cannot be found.	Wider sources of funding are being sought, an exit strategy developed and any savings becoming apparent from other contract provision will be re-directed to continue to support some provision for as long as possible.
Public Health - Sexual Health	6,219	This service is in the process of re-procurement. There is a risk that the costs will increase as they have been held very low for the previous 5 years. Service providers may see this as an opportunity to re-base the contract to protect against rising costs over the next 5 -7 years.	The budget allows for an increase in costs.

Capital Programme

The following table details the medium term capital programme for this service and how that programme is being funded.

Project	*Total Scheme Approval £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Adult Care Operations and Health						
Disabled Facilities Grant		5,954	6,368	6,271	6,268	6,268
Districts Capital Grant		480	0	0	0	0
Extra Care Housing	10,832	232	3,000	3,000	3,000	0
Grants to independent care homes to improve quality / capacity	2,500	1,000	500	0	0	0
Total		7,666	9,868	9,271	9,268	6,268
Adult Commissioning and Health						
Adaptations - Disabled adults houses		150	150	150	150	150
Barnstaple Hub	3,000	2,000	0	0	0	0
Care Act and Adult Social Care remodelling and enhanced office accommodation at three sites		30	0	0	0	0
ICT equipment for staff delivering Care Act		20	0	0	0	0
Lifting and handling equipment		10	10	0	0	0
Works for Care Quality Commission & Provider Services		80	50	50	0	0
Total		2,290	210	200	150	150
Adult Care & Health Total		9,956	10,078	9,471	9,418	6,418
Financed by:						
Borrowing - Internal		232	700	3,000	3,000	0
Capital Receipts - General		3,480	2,800	0	0	0
External Funding - Grants		6,244	6,578	6,471	6,418	6,418
Total		9,956	10,078	9,471	9,418	6,418

* Scheme Approvals have been included for individual projects.

This table does not show expenditure on capital projects currently programmed in financial year 2017/18 which may be deferred to 2018/19 owing to changes in project delivery timescales.

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Abbreviations

Abbreviations used within the budget:

AONB	Area of Outstanding Nature Beauty
BACS	Bankers automated clearing services (electronic processing of financial transactions)
BCF	Better Care Fund - formerly known as the Integration Transformation Fund, a national arrangement to pool existing NHS and Local Government funding starting in April 2015.
BDUK	Broadband delivery UK
Blk	Block
CCG	Clinical Commissioning Group
CCLA	Churches, Charities and Local Authorities
CIL	Community Infrastructure Levy
CIPFA	The Chartered Institute of Public Finance & Accountancy
CO	Carbon Monoxide
C of E	Church of England
DAF	Devon Assessment Framework
DC	District Council
DCC	Devon County Council
DDA	Disability Discrimination Act
DEFRA	Department for Environmental Food & Rural Affairs
DFC	Devolved Formula Capital
DPLS	Devon Personalised Learning Service
DSG	Dedicated Schools Grant
EFA	Education Funding Agency
ERDF	European Regional Development Fund
ESPL	Exeter Science Park Ld
EU	European Union
FTE	Full Time Equivalent
IBCF	Improved Better Care Fund - Additional grant funding to supplement the Better Care Fund
ICT	Information & Communications Technology
IID	Investing in Devon funds
INNOVASUMP	Innovations in Sustainable Urban Mobility plans for low carbon urban transport
IT	Information Technology
IVC	In Vessel Composting
LAG	Local Action Group
LEP	Local Enterprise Partnership
LTP	Local Transport Plan
MH	Mental Health
MRP	Minimum Revenue Provision
MTCP	Medium Term Capital Programme
MTFS	Medium Term Financial Strategy

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MUMIS	Major Unforeseen Maintenance Indemnity Scheme
NEWDCCG	Northern, Eastern and Western Devon Clinical Commissioning Group
NFF	National Funding Formula
NHS	National Health Service
NFPI	National Productivity Infrastructure Fund
PFI	Private Finance Initiative
PSPB	Priority School Building Project
PTE	Part-time Equivalent (15 hours)
PWLB	Public Works Loans Board
REACH	Reducing Exploitation and Absence from Care or Home
RPA	Rural Payments Agency
RSG	Revenue Support Grant
S106	Funding from developers resulting from planning obligations authorised by section 106 of the Town and Country Planning Act 1990
SCOMIS	Schools Management Information Service
SEND	Special Education Needs and Disability
UASC	Unaccompanied Asylum Seeking Children
VAWG	Violence against Women and Girls
VELP	Vehicle Equipment Loan Pool

