

HEALTH AND ADULT CARE SCRUTINY COMMITTEE

26 January 2021

Present:-

Councillors S Randall-Johnson (Chair), H Ackland (Vice-Chair), M Asvachin, J Berry, P Crabb, R Peart, S Russell, P Sanders, A Saywell, M Shaw, R Scott, J Trail, P Twiss, N Way, C Wright and J Yabsley

District Councils

Councillor L Evans

Members attending in accordance with Standing Order 25

Councillors A Dewhirst and A Leadbetter

* 219 **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* 220 **Public Participation**

In accordance with the Council's Public Participation Rules, the Committee received and acknowledged representations from Gerald Lavers, Christine Lavers, GERALYN ARTHURS, Councillor David Cox (Teignbridge District Council) and John Smith on a matter to be considered by the Committee, namely 'Modernising Health and Care Services in the Teignmouth and Dawlish Area' (Minute 214* refers). They highlighted their concerns relating to the consultation proposals and process (for a range of reasons) and need to retain services at the hospital and the lack of inpatient/nursing beds in the area.

* 221 **Budget 2021/2022**

(Councillor A Leadbetter attended the meeting in accordance withstanding Order 25 and spoke to this item with the consent of the Committee and referred to the dedicated work of Health and Adult Services management and staff and all partners during the pandemic and the welcome increase in the proposed budget for Services; and Councillor A Dewhirst also attended and spoke to this item in relation to young people transitioning into Adult Care and cost implications)

The Committee noted that the proposed budget for the 2021/22 financial year would be scrutinised by individual Scrutiny Committees.

The Chairs of the Children's Scrutiny Committee and the Health and Adult Care Scrutiny Committee would present any relevant resolutions and an

overview of those issues arising to the Corporate Infrastructure and Regulatory Services Committee. This Committee would also consider the draft budget proposals within its own remit, providing an opportunity for Scrutiny Members to comment on proposals for the Council's Budget in its entirety. The resulting resolutions from Scrutiny will be reported to Cabinet and Council.

This would follow the opportunity for individual Scrutiny Committees – at this meeting – to have an initial overview of the budget proposals and examine them to identify any specific issues or areas of interest that might be considered at the Corporate Infrastructure and Regulatory Services Committee for incorporation into any recommendations to Cabinet and Council.

The Committee then considered the joint report of the County Treasurer and the Chief Officer for Adult Care and Health Services and Director of Public Health (CT/21/04) on the provisional financial settlement made by Government and the spending targets set by the Cabinet for each service area which included the estimated impact of inflation, national living wage, demographic growth, contractual or legislative pressures and any other service developments or investment, and proposed budget savings. reductions. The Report also detailed the proposed medium-term capital programme for the Adult Care and Health Service noting that there was no service need for new projects funded from capital resources and this would be kept under review.

The Cabinet, at its meeting of 9th December 2020, had set Revenue Budget targets for 2021/22. That Report had also updated on the recent Spending Review (SR2020) and presented Budget Targets for 2021/22, which were set out in full at paragraph 3 of its Report and represented an overall increase of £28.4 millions or 5.2% (based on Revenue Spending Targets for 2021/22 of just over £571 millions).

In terms of the Spending Review 2020, this confirmed a one-year spending review, not the three years hoped for, but with the economic and financial impact of the Pandemic this had been reduced to one year.

This Report also outlined the key messages from the Spending Review 2020 that would impact next year's budget. Some of these included:

- Core Spending Power to increase by 4.5%;
- A new Social Care grant of £300 millions (nationally);
- The Council Tax increase that would trigger the need for a referendum was 2%;
- The option to set an Adult Social Care Precept of up to 3%;
- current Social Care grants would continue next year;
- A public sector pay freeze, except for those earning less than £24,000;
- The National Living Wage would increase by 2.2% to £8.91 per hour;

- A grant of £670 million nationally to offset some of the impact of the Pandemic on the Council Tax Base;
- A Council Tax Income Guarantee Scheme to compensate authorities for 75% of irrecoverable losses in the current year;
- The current New Homes Bonus scheme would continue;
- The Fairer Funding Review, 75% Business Rate Retention and Business Rates Reset had been delayed; and
- Covid funding of £1.55 billion nationally; along with the continuation of the 75% Covid Sales Fees and Charges compensation scheme into the first quarter of 2021/22.

A number of grants (likely ringfenced) had also been announced including Cyber Security modernisation, Test and Trace, Personal Protective Equipment, Rough Sleepers, Domestic Abuse, Troubled Families, School Transport Capacity, Secure Children's Homes, Social Housing Decarbonisation, Roads Maintenance and upgrades, Cycling, High Street Regeneration and Levelling up for local infrastructure.

The Capital Programme for 2021/22 to 2025/26 would be presented to Cabinet at the February Budget meeting.

However, at the Cabinet meeting on the 13th January 2021, revised spending targets had been presented following the Provisional Settlement for 2021/22 which had been received on the 17th December 2020.

The Provisional Settlement for the County Council was as follows;

£000

Revenue Support Grant	549
Business Rates Central Government	80,654
Top Up	
New Homes Bonus	2,486
Rural Services Delivery Grant	7,823
Social Care Support Grant SR20	3,149
Social Care Support Grant SR19	20,160
Improved Better Care Fund	28,270
Covid-19 Funding	14,823
Council Tax Support Grant	6,358

Notwithstanding the targets set by Cabinet in December (Revenue Spending Targets of just over £571 millions), much had happened, including a new variant of the Coronavirus and another national lockdown which had led to a review of those Targets.

The proposed changes were;

- reducing the planned savings by £3.7 millions across Adult Care and Health, Children's Services and Highways, Infrastructure and Waste;

- an additional Investment of £302,000 in Legal Services to support Children's Services and Risk Management to support the whole organisation; and
- an additional £3.3 millions to fund the cost of the 2.2% increase in the National Living Wage.

In summary, the proposed Budget Targets had increased by just under £7.3 millions to nearly £578.5 millions, an increase of 6.6% on the 2020/21 Budget.

The revised Budget Targets for 2021/22 were as follows.

The budget for Adult Care & Health was £282.435 millions, a net change of £21.6 millions or 8.3%. For Children's Services, this was £158.267 millions, the net change being £11.398 millions (7.8%). Community Health, Environment and Prosperity was £39.873 millions, with the net change of £81.000 or 0.2%. For Corporate Services £40,387 millions, a net increase of £2,821 millions (7.5%) and in relation to Highways, Infrastructure Development & Waste £57.520 millions, a decrease of £307.000 (-0.5%).

The Committee was reminded that its consideration of the draft Health and Adult Social Care Services and Public Health budgets was just part of the process of setting the County Council's budget which, following this meeting, would culminate in the Cabinet meeting on 12 February 2021 formulating a budget for consideration by the County Council on 18 February 2021.

The Chief Officer for Adult Care and Health Services and Director of Public Health commented on their respective budgets and likely implications of the 2021/22 target for individual service areas, confirming that the overall approach had been to strike a balance between the reality of the financial challenges facing the Council and providing sustainable support services against the increasing demands of front-line services and operational demands. In order to deliver budget targets in Adult Care and Health Services budget savings were required but the amount in the 2021/22 budget was one of the lowest savings figures in recent years. The Public Health service was predominantly funded by a ring-fenced grant from the Department of Health and Social Care and was yet to be announced.

The Leadership Group commentary in the Report referred to the continuance of a further £8.621 millions from the improved Better Care Fund the deployment of which was subject to agreement with NHS partners to meet adult social care needs, reducing pressures on the NHS – including reducing delayed transfers of care; and stabilising the social care provider market. The Budgets also included £35.546 millions of the BCF funding which contributed directly to the provision of social care services.

The Chief Officer and the Locality Director, North and East Care (Care and Health) referred to the need to secure market sufficiency in care homes and

personal care and the work force which continued to be a challenge and which impacted on the wider care system.

The Report also contained the detailed budget proposals for Adult Care and Health, and Public Health, prepared in line with the targets referred to above, reflecting the different pressures and influences faced by services. The Adult Care and Health Services base budget was £282.435 millions (a net increase of 8.3% from 2020/21), and included inflation and pressures of £26.235 millions and required savings and income initiatives of £4.557 millions.

Under the Equality Act 2010, the County Council had 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. Where relevant, Impact Assessments were carried out to consider how best to meet this duty, which included mitigating against the negative impact of service reductions.

The Report before the Committee referred to the Budget 2021/22 Impact Assessment, circulated prior to the meeting, giving an overview of the impact assessments for all service areas (available at: <https://www.devon.gov.uk/impact/published/> for the attention of Members so they were aware of the equality impact assessments undertaken as part of the budget's preparation, that any risk assessments and projections were adequate and the evidence supported the assumptions made in the formulation of the budget. Also bearing in mind that the preparation of Impact Assessments were a dynamic process and that individual assessments for specific proposals may need to be updated with time, Members of the Council must have full regard to and consider the impact of any proposals in relation to equalities prior to making any decisions and any identified significant risks and mitigating action required.

Specific issues and observations arising from the current budget proposals raised at the meeting in discussion with the Officers and Members included:

- the remaining uncertainties and implications for the next financial year arising from collection rates by the District Councils (collection authorities) and impact on the Council tax base as a result of the pandemic;
- the Better Care Fund and pooled resources and transparency in relation to improved and integrated care arrangements;
- in regard to Public Health:
 - the final settlement relating to the ring fenced grant was still awaited (with budgeted gross expenditure of £29.536 millions);
 - transfer of responsibilities to Community Services for community safety, violence prevention and social exclusion;
 - impact of the sexual health and alcohol substance abuse budgets where referrals by GPs had decreased during the pandemic; and

- the impact of the pandemic and continued challenges for Public Health and supporting and complementary working with all the other County Council service areas and with the independent sector to add value across the board.
- In regard to Health and Adult Social Care:
 - unavoidable cost pressures relating to the living wage and staffing across social care the complex needs of service users and future uncertainties as a result of the pandemic relating to for example mental health; and the superb performance of the work force across the health and social care system during the pandemic;
 - new contracts going forward would include a minimum £10 per hour rate for all contracted providers for their workforce;
 - social care and health working in integrated teams to address individual and complex needs;
 - the process and work to ensure fair use by adult social care and NHS health services of the BCF pooled resources;
 - within the Risk Assessment consideration of re-wording of risk 9 with more emphasis on service user needs;
 - the impact of the workforce as a result of Brexit (on which further information was requested by members when available) and the need to flag up the requirement for EU nationals to apply for 'settled status' on which a study paper had been published;
 - the mental Health Strategy and Action Plan to reduce long term interventions and promote prevention;
 - cost implications of young people transitioning into adult care services where individual assessments would be made involving both social and health services;
 - changes in Day Care services for example to promote more cost effective alternatives to promote independence to improve outcomes and generally with a 'place' focus approach;
 - reasons relating to increased numbers of young people diagnosed on the Autistic spectrum and other conditions on which further information/report was requested by members; and
 - the remaining uncertainty relating to the reform and funding of adult social care on which the proposed green paper was still awaited from Government.

It was **MOVED** by Councillor S Randall Johnson, **SECONDED** by Councillor A Saywell, and

RESOLVED that the provisional financial settlement and its impact on spending targets be noted and on the proposed Health and Adult Services and Public Health budgets for 2021/22 and the issues and/or observations and requests set out below be drawn to the attention of the Cabinet meeting on 12 February 2021:

(a) Welcomes and supports

(i) the endeavours taken in effective running and financial planning by the Services and subsequently the 8.3% increase in budget for Adult Care and Health;

(ii) the focus on planning transitions for children and young people with disabilities to adult services.

(b) Record concern:

(i) Cabinet to satisfy itself that based on the uncertainties around the covid-19 pandemic that sufficient funds are in place to ameliorate any shortfall in funding or increase in necessary spend;

(ii) that the budget savings projected from services for adults with disability are achievable;

(iii) Cabinet to satisfy itself about the adequacy of mental health provision and an anticipated increase in need as a result of the pandemic;

(iv) this Council's ability to recruit to social care vacancies in light of Brexit and covid-19 and calls for national recognition for these key and valued role domiciliary care workers provide to society and Calls for the Proud to Care recruitment campaign to continue.

(c) Cabinet be asked to:

(i) support this Scrutiny Committee to carry out its statutory function of public accountability by detailing how NHS funds are included within the County Council budget for future budget consideration as this is necessary in moving to Integrated Care Systems with a joint approach for service planning;

(ii) continue to maintain support for prevention work across the Council including exploration of opportunities to increase funding through specific grants;

(iii) specify that all new contracts for social care providers uphold the Council's commitment for national living wage £10 per hour for everyone employed in care;

(iv) demonstrate impact and value for money for residents in services with high spend;

(v) lobby Government to commit to multi-year funding settlements to support financial certainty and longer-term planning; and

(vi) hold Government to account on promises made about the need for social care reform as soon as possible.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.00 am and finished at 12.20 pm