



Title/Subject:	Falkirk Integration Joint Board Business Plan 2019/2020
Meeting:	Integration Joint Board
Date:	21 November 2018
Submitted By:	Chief Officer
Action:	For Decision

1. INTRODUCTION

- 1.1 The purpose of this report is to present the business case for the Falkirk Integration Joint Board for 2019/20. The business case focusses on the adult social care arm of the budget. The proposals for NHS elements of the budget are not yet developed. If approved, this business case will be submitted to Falkirk Council to consider as part of their budget setting process. The process for submission to the NHS Board is still to be agreed.
- 1.2 This report sets out the key activities which will need to be undertaken within Adult Social Care if the service is to achieve the necessary savings required by Falkirk Council and cope with the projected increase in demand. However, the Partnership recognises that the Falkirk IJB remains an evolving organisation. As the IJB and the Partnership evolves, it will be necessary to revisit the business plan, ensuring it covers all the services that the IJB has planning responsibility for. It will only be possible to recognise the benefits of integration if such an approach is taken.
- 1.3 Work is underway within the NHS Board to look at the financial outlook for NHS Forth Valley over the next three years. Updates on this work will be provided to future meetings of the IJB.

2. RECOMMENDATIONS

The IJB is asked to:

- 2.1. approve the draft programme of change that is set out in section 9 of this report.
- 2.2. approve the draft programme of savings options set out in Appendix 1 of the Business Plan, noting that further detail will be brought to future meetings of the IJB.
- 2.3. note that both draft programmes will require additional staff capacity to deliver the transformation in adult services and funding for this is being explored.
- 2.4. approve the Business Plan for submission to Falkirk Council in December as part of their budget setting process.

- 2.5. Note that a verbal update on the outcome of Falkirk Council's consideration of the business plan will be presented to the next meeting of the IJB.

3. BACKGROUND

- 3.1. The Integration Scheme of the Falkirk IJB sets out how Falkirk Council and NHS Forth Valley will work together to integrate services. The scheme has a Finance section which outlines the mechanism for agreeing the payments from both partners to the IJB. Section 8.3 of the scheme covers the requirement for a business case to be presented by the IJB to the partners as part of the negotiation process.
- 3.2. The business case is based on the information available at the time of writing and can be affected by National Government budget decisions. In previous years the Scottish Government has either put restrictions on Local Authorities and NHS Board in terms of the reduction they could make to payments passed to the IJB or has provided additional grant funding to the partners at a late stage in the budget settlement negotiations. At this stage it is not known if restrictions will be in place for 2019/20 and beyond, or if any specific funding will be forthcoming. This information will not be known until after the budget settlement in mid December 2018.
- 3.3. The Integrated Resources Advisory Group (IRAG) produced Finance Guidance which set out in more detail the recommended contents of the business case, highlighting that the business case for the IJB should be based on the Strategic Plan.

4. FALKIRK COUNCIL FUNDING PROPOSAL

- 4.1. Falkirk Council have set out an indicative funding settlement for Falkirk IJB for the next 5 years. A summary of the position is set out in the table below:

	2019/ 2020 £m	2020/ 2021 £m	2021/ 2022 £m	2022/ 2023 £m	2023/ 2024 £m	Total £m
Anticipated Pressures	3.587	4.087	4.818	4.882	2.567	19.941
Savings Required	3.316	2.171	2.171	2.171	2.171	12.000
2018/19 Use of Reserves	0.700	-	-	-	-	0.700
Total Savings Required	4.016	2.171	2.171	2.171	2.171	12.700
Savings as a % age of Funding Settlement	6.64%	3.39%	3.19%	2.79%	2.79%	3.50%
Net Increase/(Reduction) in Budget	(0.429)	1.916	2.647	2.711	0.396	7.241
Assumed Additional Grant Funding from Scottish Government	1.666	2.003	2.846	3.004	1.000	10.519

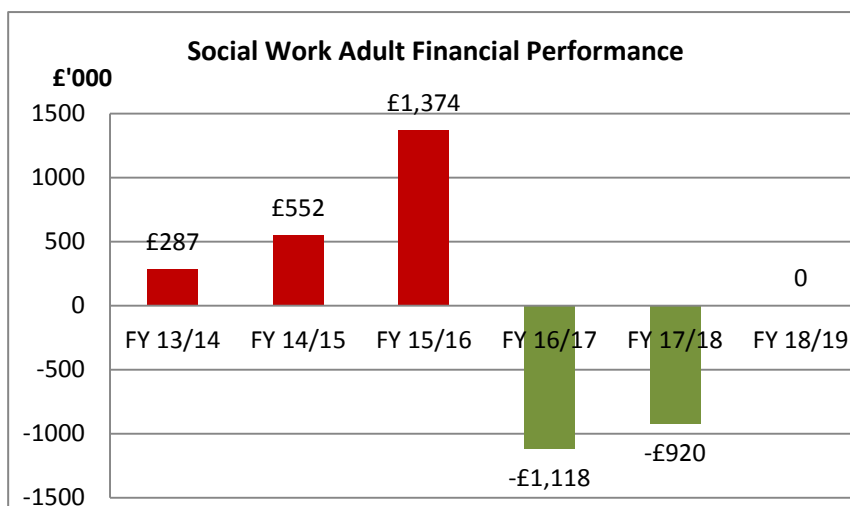
- 4.2. In summary, over the next five years it is anticipated that the additional cost of adult social care for factors like pay inflation, external provider contract uplifts etc will be c£20m. However, it is anticipated that the Scottish Government will provide additional funding of c£10.5m over the next five years for adult social care. This would leave a balance of £9.5m to be met from savings. However, the Council are projecting savings of £12.7m for the Partnership.
- 4.3. The average reduction in funding over the five year period is 3.5%. Falkirk Council anticipates a grant reduction of c1.5% over the next five years. The disproportionate savings requirement on adult social care in part reflects the prioritisation of Children's Services by the Scottish Government. The Scottish Government published their Medium Term Financial Framework, setting out six priority areas. Adult Social Care is not one of the priority areas.
- 4.4. The Joint Strategic Needs Assessment (JSNA) for the Falkirk HSCP is in the process of being refreshed as part of the development of the Strategic Plan for 2019-22.
- 4.5. The projections for an aging population and workforce have been reported nationally and locally and are well understood. The projected increase for older adults, over the life of this business plan, is shown in the table below:

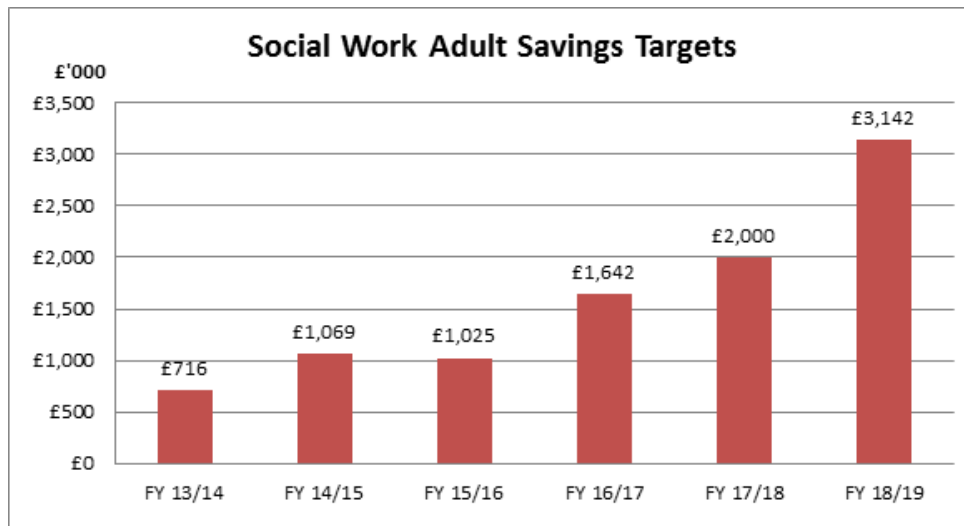
Age Band	%age Increase by 2024
65-74	4.00%
75-84	20.42%
85+	33.97%
Total 65+	12.79%

- 4.6. The increase in the older adult population will undoubtedly bring an increase in those living with more complex and/or multiple conditions. This will undoubtedly mean an increase in demand for services. It is imperative that the Partnership redesigns services to ensure resources can be focussed on those most in need.

5. FINANCIAL PERFORMANCE TO DATE

- 5.1. Adult Social Care has traditionally been an area which experiences spending pressures, in part due to the demand led nature of the service and the complex care packages that can be required. The charts below show the financial performance of adult social work services over the last five years.





- 5.2. From 2013/14 until 2015/16 significant financial overspends were experienced and the service was faced with a huge challenge in turning this around. However, in 2016/17 and 2017/18, as the requirement for savings grew, underspends were achieved by the service. This reflected in part early realisation of savings flowing from changes in service provision as part of the HSCP Change Programme.
- 5.3. The financial turnaround has been achieved during a time of sustained pressure on the service, with ongoing change and transformation becoming the norm. It is a testament to the commitment of the staff within the service that this financial position has been achieved. The impact of the level of transformation required on staff must be recognised and factored into future plans.

6. OPERATIONAL PERFORMANCE

- 6.1. The financial outturn and the savings noted in section 5 have been achieved during a period of constant flux for the service. This includes the inception of the Health and Social Care Partnership itself, turnover of staff at a senior level, as well as the development of localities. Nonetheless, the service has delivered key elements of the Strategic Plan to build the foundations to support more people to live at home, including:

- Review of eligibility criteria / framework
- Day services review for younger adults
- Redesign of service model of the Caledonia service for people with mental health needs
- Development of Summerford as an Intermediate Care Unit
- Development of the Reablement Pathway Team
- Introduction of Living Well Falkirk
- Full scale redesign and delivery of the home care tender
- Procurement of a new Social Work Information System

- Discharge of long stay residents from Lochview being supported to live in the community
 - Implementation of the Carers Act
- 6.2. The Partnership received an additional £0.325 of funding from Falkirk Council to support the initial change programme. To continue the work further support will be required as highlighted in section 8 of this report. Consideration will be given to how this is funded with options including a bid to the Council's Change Fund and bids for Partnership Funding.

7. DEVELOPMENT OF A BUSINESS PLAN

- 7.1. Staff within adult social care have been working to develop a five year business plan.
- 7.2. Each service manager was asked to submit information on their service area, including the following:
- Their aspirations for their service area
 - The alignment of these aspirations to the HSCP local outcomes
 - The key milestones needed to meet the aspirations
 - The support required to achieve these aspirations
 - The benefits that will flow
 - How we will be able to measure the success
- 7.3. A planning day was subsequently held in which the various plans and aspirations were discussed with service managers with a view to developing a realistic and achievable five year plan.
- 7.4. It was noted that the Strategic Plan for the IJB is under review, albeit the vision and the outcomes are expected to remain broadly similar. Broad priorities that have emerged during the review of the Strategic Plan include:
- Technology enabled care
 - Carers support
 - Mental health
 - Substance misuse
 - Poverty, related to Health and social inequalities
 - Development of a locality based model for service delivery
 - Workforce
 - Communication

- 7.5. Managers were asked to consider their plans in the context of the potential revisions to the Strategic Plan along with the emerging priorities identified.
- 7.6. The focus of the Partnership has to be transformation which will mitigate demand, reduce costs, or generate additional income. It was accepted that this is the only way that the service will be able to meet wider expectations of service delivery.
- 7.7. Fundamentally the work of Service Managers had to answer the question – “What would savings of £12.7m look like for adult social care?” The starting point is to link the changes to the objectives set out in the HSCP’s Strategic Plan, seeking to deliver those objectives at lower cost than is incurred in historical models of service delivery. An illustration which by now is familiar and acknowledged is that the Strategic Plan outcome of self management can be achieved by helping people to regain or learn skills to do things for themselves [reablement] rather than have staff attend their home to do things for them, at greater long term cost. There is, however a question mark around the scale of savings required, and whether £12.7m of savings are achievable without negatively impacting on delivery of the Strategic Plan outcomes. This is a risk which can be mitigated if not removed through a clear and detailed plan of action.

8. 5 YEAR BUSINESS PLAN

- 8.1. The aim of the five year business plan is to clearly set out the aspirations of the Adult Social Work Service and to set out how these aspirations can be achieved. The Partnership recognises that such a large programme of change cannot and should not be rushed but must be delivered in a realistic, albeit challenging, timeframe.
- 8.2. The Service is currently preparing a work plan to accompany future iterations of the business plan. This work plan will set out in tabular form the projects required to deliver the proposed transformation, along with an indicative timeframe for delivery. It will also clearly set out the linkages with the planned work and the updated Strategic Plan outcomes. The work plan will then be the basis for more detailed project plans. Planning support will be essential in ensuring these changes happen.
- 8.3. It should be stressed that officers are still working up these proposals and so some of the options included in this section as examples may not be taken forward. However, the IJB will be kept up to date with proposals.
- 8.4. In addition to the service area changes outlined in this business plan, several important areas of activity have been identified as requiring major attention to ensure continuing strategic fit across the 5 year lifetime of this business plan. These include:

- accelerating the pace of change with implementation of the Public Bodies [Joint Working] [Scotland] Act 2014, through development of a health and social care integrated locality model of service delivery
- replacing a two decade old information software, SWIS, by a newly commissioned information management system, Liquidlogic
- implementing new policy and practice directions in a range of service areas such as dementia, mental health care and support for carers
- delivering Capital Programme projects which align policy change with targeted investment in a high quality environment for service delivery
- reviewing the approach to commissioning and procurement, including core capabilities for responding to market failure, eg unplanned care home closures
- engaging with key stakeholders, not least our own staff, and critically with the public, present and future service users and carers, as a foundation for securing consensus around the changes required in response to demographic growth.

- 8.5. Work is also underway to consider the support that will be required in order to deliver the projects outlined above. The scale of the transformation required across Adult Social Care is significant and will be resource intensive. Failure to adequately resource the work may lead to non-delivery of the anticipated benefits.
- 8.6. The Adult Social Work Service has a workforce of almost 1,000 people, approximately 750 Full Time Equivalents, which is managed and led by 6 Service Managers and a single Head of Service. Shared support is provided for functions including HR, finance, workforce development, commissioning, information and performance management.
- 8.7. The success of the change programme hinges upon there being sufficient management capacity. The experience of the Service in optimising efficiency to date suggests that we move in to the present 5 year business planning programme from a position of little or no unallocated capacity remaining within the management structure. This is a position we require to address as a matter of some urgency.
- 8.8. Moving forward, improvement will be necessary in key aspects of planning and information management, quality assurance, key process improvement and public engagement and communication. The infrastructure to deliver all of this is not currently in place. Success will only be realised if a programme to address this is put in place.

9. SERVICE CHANGE & TRANSFORMATION

- 9.1. This section of the report sets out the aspirations for each of the key adult social work service areas, along with some options for changes in service delivery.

9.2. Assessment & Care Planning

Assessment and Care Planning is a critical function in determining how the service meets individual need and allocates resource. As such this will continue to be a key focus for ongoing transformation in the Partnership.

- 9.2.1. The Partnership recognises that care is provided to a large proportion of the Falkirk population. The Social Care Survey for 2017 indicated that 61.9 per 1,000 of those over 65 years old are in receipt of home care. This is well above the Scottish average of 48.9. The current projections for the population of Falkirk show an expected rise in the population of those over 65 years old of 10% by 2024.
- 9.2.2. In addition, the Social Care Survey suggested that in the Falkirk area there is a higher proportion of 18-64 year olds receiving care than would be expected on the basis of benchmarking with comparators across Scotland. That we provide support to more people, on a per capita adjusted basis, than elsewhere is not a badge of success. By enabling more people to live their lives independently of services, through a reablement ethos, we support those people to achieve better outcomes related to feeling independent and in control of their own lives. We also free up costly service inputs, such as hours of home care support, to enable people who have high levels of care need to continue to live in their own homes rather than be compelled to move to institutional care settings.
- 9.2.3. The above data must be caveated in that the service has introduced changes over the last two years which through time will bring Falkirk's performance into closer alignment with experience across Scotland, there being an ambition to reach a best performing position. However, failure to deliver that change, i.e. continuing to provide the services as we currently do, to a cohort of service users who we know from benchmarking can be supported to be independent of services, will quickly lead to our model becoming over-burdened and unsustainable in the face of demographic change.
- 9.2.4. Following on from the work already undertaken, it is recognised that a whole system review of assessment and planning is required. The planned workstreams should result in better outcomes for those assessed by the service and at the same time helping to reduce demand for services. This approach will be critical if the Partnership is to address the pressures on services and the budget. However, it must be recognised that along with the procedural changes required, there is a significant cultural change required. As a service, there needs to be a greater shift away from providing people with as much support as possible, to providing people with the right support that will help them to meet their outcomes. It is recognised that over-provision of care can de-skill people and create dependencies that do not necessarily take into account an individual's desired outcomes. Such a significant cultural shift is underway but can take time.

9.2.5. There are a number of strands to the work required in this area, outlined in the table below:

Embed the new eligibility criteria	During 2016/17 the Service implemented a new framework of eligibility criteria. The step change was away from prescriptive provision of services, towards a focus on the person's outcomes, taking account of their strengths and natural supports. This is a cultural change which can only be embedded through intensive effort and attention over time.
Continued roll out of Self Directed Support	This is a national programme of change, founded upon giving people control over their own budget for care and support, with work underway locally to design an 'Individual Budget Calculator.'
Embed reablement into the assessment process	The key principle of reablement is that people should be supported to gain or regain independence or as much independence as possible. It follows that it will not be appropriate to allocate a budget for care and support under SDS, unless reablement has been provided.
Continued roll out of outcomes focussed reviews	Effective reviewing practice is integral to the assessment and planning process. The Service has identified reviewing practice as a key improvement opportunity.
Adopting a process of financial assessment as part of the assessment process	Financial security is critical to the achievement of personal outcomes. The Service has identified a focus on income maximisation, as an integral part of assessment and planning, as an area of improvement opportunity. This will enable a more robust contributions policy to be adopted. The Work can link to Falkirk Council's entitlement calculator which helps people work out what benefits can be claimed.
Supporting self assessment and direct access to low level support and solutions.	Living Well Falkirk offers people pathways to managing their own support for low level interventions, removing the need for some assessment and planning work, thereby enabling more efficient use of the resource.

9.3. **Review of Care Packages**

The review of care packages forms part of the workload of the Assessment and Care Planning teams. However, it has been highlighted separately in the business plan as it forms such a critical part of the strategy to manage demand and budget pressures. The full implementation of a reablement ethos will in time change how new referrals are supported. It remains the case that the majority of existing service provision was commenced before reablement was available. There is a major challenge in reviewing over provision of service which has been in place in some cases over many years.

- 9.3.1. In the past, savings have been generated by focussing on the review of high cost care packages. To date, such reviews have generated in excess of £1m in savings. Whilst such exercises have been highly effective, it is essential that a strategy for tackling reviews on an ongoing basis is developed and appropriate processes embedded in the service. There is no principled case for restricting the application of reviewing best practice to high cost care packages alone. The next step in this programme will involve embedding outcomes based review, rooted in reablement, across all service provision.
- 9.3.2. An appropriate strategy to tackle reviews should result in better outcomes for service users who should see an improvement in their capacity, as well as reduced spend for the service. Anecdotally the Partnership has been approached by some providers who recognise that they will struggle to meet new demand without appropriate reviews of existing care packages. It is recognised that some care packages may increase whilst some efficiencies may be absorbed by new demand.
- 9.3.3. The review strategy will consider both the short term imperative of targeting our resources effectively as well as the wider need to ensure the review process is appropriately embedded into the work of the service and is sustainable.

9.4. **Residential Care**

In reviewing our provision of residential care, a number of factors were noted:

- Our in house residential care is relatively expensive when compared to private sector providers.
 - The average age for admission to a care home is lower for Falkirk than for the Scotland average and Falkirk is the only area in Scotland where average age on admission fell by comparison with the position 10 years.
 - In 2017, Falkirk had a higher percentage of residents between the ages of 18-64 (12%) than Scotland (10%)
 - Of the 29 local authorities where data was available, Falkirk had the 10th highest percentage of 18-64 year old long stay residents in 2017.
 - A number of residential care packages are placements outwith the area.
- 9.4.1. As a Partnership we have recognised that residential care does not always provide the best outcomes for our service users and their families, particularly for younger residents, and those placed outwith the area. The Scottish Government will imminently publish a report, provisionally titled 'Coming Home' which will set a national policy imperative to support people with learning disabilities to live within their own communities rather than in out of area placements. While the HSCP has been successful in supporting several people who were delayed for long periods of time in their discharge from Lochview Hospital, there are a significant number of other service users who are supported in out of area placements and who can be supported in 'coming home.' Progress on Transitions planning will have a positive impact on the avoidance of new out of area placements

- 9.4.2. The alignment of practice with the Strategic Plan outcomes of service user experience and community based support will be expected to change current expenditure priorities.
- 9.4.3. Moving forward, the aim is for high quality residential care to be provided when all other potential care plans have been explored. Residential care will effectively become a last resort and will be available within the area where possible. Supported care within the community will be available, in collaboration with our partners, including Falkirk Housing Services.
- 9.4.4. Key milestones in achieving this aspiration are:
- Further training and development for our assessment and care planning team, embedding the reablement approach and outcomes focussed assessment.
 - Review of in house residential care provision with a view to delivery of a redesign and rationalisation programme. This will recognise the shift towards supporting service users, who do not need nursing care, to remain at home.
 - Review of out of area placements with the potential to relocate back to the Falkirk area with more suitable arrangements.
 - Complete action planning around in house home care, significantly increasing the flexibility and responsiveness of the service so as to prevent or delay admission to care home.
 - Embed the ethos of Home First in hospital settings, recognising the current strong correlation between admission to hospital and admission onward to care home.
- 9.4.5. Projected spend on residential care for 2018/19 is £42.1m. Given this scale of spend as a proportion of total Social Work Adult Services budget it is imperative that a significant contribution to the 2019/20 saving comes from this area. The aspiration must be to achieve a baseline saving of £1m in this area of spend, with a contribution to the saving coming from both in house and external home care. Further significant reduction in spend should be achieved in the remaining years of the 5 year business case.

9.5. **Home Care**

In 2018 the average number of weekly home care hours provided by Falkirk is c14,370. In 2015 the equivalent figure was 13,510, reflecting an increase of 6.4% over the last three years. The Partnership needs to understand the reasons behind this increase and the work planned in Assessment and Care Planning will help the Partnership to understand the cost drivers and how they can be mitigated.

- 9.5.1. The way that home care is provided has been changing over the three years also. In 2015 the split of hours of internal versus external provision was 50:50. In 2018 this moved to 35:65. The number of hours being provided externally is

steadily increasing, with the costs in part being offset by a reduction in internal home care.

- 9.5.2. The efficiency and effectiveness of the internal home care provision has been under review during 2018/19. The service has struggled with high sickness absence levels, currently running at around 9.5%. In addition, a number of changes have been introduced within the service to improve flexibility and responsiveness. These changes will take some time to bed in. Areas of progress within the home care service include:
- Move to a single grade of carer to improve service flexibility and responsiveness
 - Working in localities with a schedule co-ordinator based in each locality
 - Review of the medications administration policy to improve service flexibility and responsiveness
 - Amendments to shift patterns – moving away from a historic arrangement of using bands of availability
 - Encourage use of pooled cars or personal cars to improve productivity
 - Maximising the use of the CM2000 system to provide robust management information
- 9.5.3. A separate workstream has been ongoing as part of the Priority Setting Framework project, run in conjunction with the Scottish Government and Glasgow Caledonian University. This project has focussed on home care with a view to considering how best to focus the work of the in-house service and how best to procure care externally.
- 9.5.4. Data shows that externally provided home care is, on average, cheaper than that provided internally. The focus of the internal service will be reviewed to ensure continued strategic fit. This approach is likely to result in significant savings for the Partnership albeit an options appraisal exercise will be necessary. Partnership areas that have undertaken a similar piece of work have taken c2 years to deliver the project.
- 9.5.5. The IJB received a number of reports on the new home care tender, delivered for 2018/19. These reports included information on the cost of providing continuity of care for those service users in receipt of services from poorer ranking providers. There could be efficiencies by reviewing the continuity of care policy through review and planning with service users. Reducing packages to three poorer ranking providers could, for example, produce savings of £0.150m.
- 9.5.6. A review of the MECS service and the out of hours service could be undertaken, exploring the opportunities presented by integration for more efficient joining working with out of hours services for health care. A single out of hours service has the potential to recognise efficiencies, providing more flexibility and holistic care.

9.5.7. Work is required to look at the provision of housing with care across the area. There is an established and highly valued model of housing with care in, for example, the Dorrator court complex. Enhancing such provision considering equal access across the Falkirk area will help the IJB to keep people out of residential care where appropriate and could be delivered in collaboration with our partners in Housing Services and Registered Social Landlords.

9.5.8. A more detailed proposal setting out the way forward for home care will be brought to a future meeting of the IJB.

9.6. **Day Care**

The IJB has received regular reports on the review of day services for younger people. This review encompassed a shift from building based day care to more inclusive, community based day care. This change was supported by extensive consultation in order to reflect the views of service users, their carers and younger people who were potential future users of the service. The change programme accommodated both the need for reassurance that change would retain what existing service users liked about the previous service model and the aspirations of those who wished to be involved in more day to day, age appropriate activities in their communities, rather than attend a day centre. .

9.6.1. Whilst the driver for the day service review was not financial, the review has placed the service on a more sustainable financial footing, giving a stronger fit with the expectation of more service users seeking to manage their own budget. The programme is supported by use of ringfenced funding which allowed the commissioning of services such as Dates n Mates and Neighbourhood Networks. The day service for younger adults was excluded from a requirement of budget savings in 2018/19 in order to support the implementation of the change programme. In 2019/20 it will not be possible to continue this exclusion of day services from a contribution to savings.

9.6.2. During 2019/20 an evaluation of the work done to date on the review of day services for younger people will be undertaken, looking at service user experience to better understand the impact of the change.

9.6.3. For the 2018/19 budget a review of older adults day services was agreed. The financial report presented to the IJB in October 2018 noted that savings were not expected to be achieved in 2018/19. However, the day services review is underway. This review is being led jointly by Service Managers in Falkirk Council and NHS Forth Valley and is expected to take c18 months.

9.6.4. In the meantime, there are some efficiency savings which could be realised. The Partnership currently procures day care, on a block basis, from a number of external providers and in some cases we recognise that these services are under utilised. Through procurement discussions with these providers, it is anticipated that significant savings could be identified.

9.7. **Alcohol and Drug Partnership Services**

Falkirk Alcohol and Drug Partnership (ADP) will carry out a review of service provision in the area, including:

- What is spent on ADP services?
- What services are being delivered?
- What are these services achieving?
- Are there gaps in service provision?
- How do we prioritise spend in this area?

9.7.1. The Partnership spends a substantial amount on residential care and day care services for those with alcohol and drug issues. The review will consider whether this approach is meeting the outcomes of the service users and providing Best Value for the Partnership.

9.7.2. A task force has been established to develop a partnership response to the very concerning current increase in the incidence of drug related deaths. It can also be anticipated that this work will lead to a review of investment priorities.

9.7.3. To support this work, a revised governance process for the Falkirk ADP and the link with the Falkirk IJB is being developed. This will ensure that the ADP review process includes appropriate oversight, allowing the IJB to fulfil its statutory responsibilities.

9.8. **Income Generation**

The main area of income generation for the Partnership is the provision of chargeable services. For such services, service users are asked to make a contribution towards the cost of their care. Decision making over service user contributions for Adult Social Care remains with Falkirk Council, not the IJB. However, the Partnership can make recommendations to the Council.

9.8.1. Service user contributions are a complex area, subject to varying rules and restrictions. For example, following implementation of the Carers' Act the Council waives contributions for Carers, albeit the service user may have to make a contribution.

9.8.2. As part of the 2018/19 budget setting process, it was agreed that a review of the contributions for Adult Social Care should be undertaken. Work has commenced on this review. However, with the complex nature of this area and limited resources, due in part to the work on the new Social Work Information System, progress has been limited. In addition, a benchmarking exercise is currently being undertaken across all IJBs in Scotland. It is hoped that this work will help to inform the Falkirk review.

9.8.3. The review of service user contributions involves a number of key questions:

- a) How are people financially assessed? Currently full financial assessments are only carried automatically out for those moving to residential care or those in receipt of respite.
- b) What contribution are service users asked to make? In order to review contributions in a meaningful way, service users must be financially

assessed, including income maximisation work. This will help to ensure that contributions are fair and proportionate. The link between addressing poverty and maximising income through supporting disabled people into work/employability must also be acknowledged and explored in further detail.

- c) How is non payment of debt handled? Currently Social Work Adult Services do not use any formal debt collection methods, beyond sending out reminders for payment. This is the only area of the Council that operates in this way. As such, the same service users can be referred to Sheriff Officers for non-payment of other debts such as Council Tax and Rent.
- d) How will a revised approach to contributions reflect consideration of disability related expenditure and the extension from 1st April 2019 of free personal care to under 65s?

9.8.4. Services which are subject to service user contributions fall into five main areas:

Residential Care	In 2018/19 the maximum charge per week for residential care was £796.25 (with some exceptions). This is subject to full financial assessment.
Day Care	This is subject to a weekly charge.
Care at Home	For under 65 year olds, this is subject to an hourly rate. For over 65 year olds, this is subject to a weekly rate.
Respite Care	This includes: <ul style="list-style-type: none"> • Joint Dementia Initiative • Rowans Short Break Service
Other Care	This includes: <ul style="list-style-type: none"> • MECS • Meals on Wheels • Lunch Club and Day Centre Lunches

9.8.5. Falkirk Council operates a weekly cap system for non residential services which includes:

- a) MECS
- b) Day Care
- c) Care at Home

- 9.8.6. This cap is determined by the age of the service user. In 2018/19 the cap was set as following:

Under 65's	£28.84 per week
Over 65's	£15.04 per week

- 9.8.7. Officers are of the view that the disparity in the cap is unfair and should be reviewed.

- 9.8.8. Two options have been identified for 2019/20 whilst work continues on the contributions review. These are:

- a) An uplift of existing charges. A scale of the income that could be expected based on percentage uplifts is provided below:

2018/19 Projected Income		3%	5%	10%	
Non Residential	£1,385,780	£41,570	£69,290	£138,580	
Residential	£9,126,110	£237,280	£237,280	£237,280	Limited to 2.6%
Total		£278,850	£306,570	£375,860	

- b) Move towards an equalisation of charges. The table below shows anticipated income if the rates for those aged 65+ were increased by 25% in 2019/20.

	2019/20
1. Set day care rate as the weekly cap	
Day Care Rate	£11.28
Weekly Rate	£18.49
Additional Income	£114k
2. Increase weekly cap, then day care rate	
Day Care Rate	£8.87
Weekly Rate	£18.49
Additional Income	£43k
3. Align day care rate, include the rate within weekly cap	
Day Care Rate	£11.28
Weekly Rate	£20.90
Additional Income	£73k

- 9.8.9. If the Council chose to increase non residential contributions by 5% and took option 3 for the equalisation of charges, the additional income would be c£0.380m.

9.9 Capital Planning

It is essential that the Partnership makes best use of the assets it has available. Ideally, efficiencies would be made in the existing infrastructure, which would allow investment to make key buildings fit for purpose. In order to achieve the optimum results, the review must be undertaken across the Partnership, recognising that this is just one of the benefits of integration. Opportunities to co-locate should be taken wherever feasible and beneficial.

- 9.9.1 The Falkirk Council capital programme has previously included budget for two key projects – Bainsford Day Centre roof replacement - c£1.7m and Older Peoples Residential Care Home review c£3.7m. In both cases, it has been agreed that it would not be appropriate to use the funds for the originally intended purpose. To date Falkirk Council has continued to protect these budgets for spend in Adult Social Work. Consideration has therefore been given to more effective use of the budget:

Bainsford Day Centre	<p>This project was reviewed as part of the younger adult day service review. In order to enable service users to have a more inclusive experience within the community, priority has been given to the provision of changing place toilets in the area (in collaboration with Falkirk Community Trust).</p> <p>Further proposals include:</p> <ul style="list-style-type: none"> • Existing day care facility refurbishment • Establishment of independence clinics • Refurbishment of Carronbank House to facilitate building rationalisation and support the West locality. • Further Changing Places Toilets investment
Older Peoples Homes	<p>To date the funds of c£3.7m have been set aside to create a new intermediate care facility on the site of the current Falkirk Community Hospital. No final decision has been made on this project.</p> <p>Falkirk Council's capital budget is subject to ongoing review as the proposals submitted by services will cost more than the funds available. The Council therefore goes through a scoring process to prioritise projects.</p> <p>To date the Council has protected the c£3.7m of capital budget for Adult Social Work Services. Proposals will have to be developed as a priority if the Partnership wants to use this funding.</p>

10. 2019/20 SAVINGS PROPOSALS

- 10.1 The aim of the business plan is to set out a programme of service redesign and transformation that will enable sustainable savings to be recognised over the five year period and support the delivery of the IJB Strategic Plan. However, as set out in section 8, there is further work to do in this area, including a detailed work plan showing project timelines. Once completed, potential savings can be aligned to these timelines.
- 10.2 Appendix 1 summarises the proposed draft savings for 2019/20. Each saving fits with the aspirations for services as set out in section 9 of this report. However, delivery of these savings will be challenging. The risk of delivery along with an initial assessment of the potential impact on service users is included in the appendix.
- 10.3 Where significant service redesign is included, this will be subject to further reports to the IJB along with consultation exercises with all key stakeholders. Experience demonstrates that a methodical and planned approach to change is more likely to result in a successful transition. The challenge for 2019/20 will be ensuring sufficient time to take such an approach.
- 10.4 In the event that the financial settlement for 2019/20 is better than anticipated, there will be a clear opportunity to address the gap in capacity which has been identified as the most significant risk to successful delivery of this business plan. Regardless of the financial settlement, the strategic direction set out in this business plan is anticipated to remain the optimum course of action.

11. CONCLUSIONS

- 11.1 The aim of this business plan is to set out the aspirations for the Adult Social Work service over the next five years. The plan sets out the challenges facing the Partnership both in terms of finances and the level of change and transformation taking place.
- 11.2 Savings options have been presented for Adult Social Work only at this stage. These savings options reflect the aspirations of the Partnership and link back to the outcomes in the Strategic Plan.
- 11.3 This business plan the assumptions in the business plan have been developed and agreed with Partners but are subject to ongoing review and refinement.
- 11.4 If approved the business plan would be issued to Falkirk Council for consideration as part of their budget process. Any feedback from the Council will be reported back to the next meeting of the IJB.

Resource Implications

The resource implications are considered in the body of the report.

Impact on IJB Outcomes and Priorities

The report sets out the savings which can be achieved whilst the Partnership works to deliver the outcomes and priorities of the Strategic Plan.

Legal & Risk Implications

Key risks set out in the report include the capacity of the management team to deliver operational services, delivery efficiencies and implement significant service changes. A support structure must be developed to mitigate these risks.

Consultation

Requirements for consultation on the proposed savings programme will require to be considered.

Equalities Assessment

An equalities assessment will require to be prepared for each of the savings proposals.

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Date: 13 November 2018

List of Background Papers: The papers that may be referred to within the report or previous papers on the same or related subjects.

Falkirk HSCP Savings Plan for 2019/20

1. Efficiency Savings						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
1.1	Reviews of care packages	13.200	1.800	0.500	Green	Low
				0.300	Amber	Med
1.2	Cost reductions – Day Services for Younger Adults	3.291	0.597	0.200	Green	Low
				0.200	Red	Med
1.3	Reduction in costs related to sickness absence		0.150	0.250	Green	Low

2. Changing Models of Service Delivery						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
2.1	Service Review – Model for Day Services for Older Adults	2.527	0.300	0.200	Green	Low
				0.100	Amber	Med
				0.200	Red	
2.2	Review of Home Care: In House	9.361	0.273	0.500	Green	Low
	External	7.347				
2.3	Supporting more people to remain living at home – reducing placements in care homes: In House	6.956	1.500	0.250	Green	Med
				0.250	Amber	Med
	External	35.100		0.500	Red	Med
2.4	Phase 2 implementation of revised eligibility criteria	4.275	0.030	0.250	Green	Low
				0.250	Amber	Med

3. Increasing income and other savings						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
3.1	Charging uplift	10.823	0.530	0.300	Green	Low

	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m
Sub Total	5.180	4.250
Investment required in capacity (reablement provision)		(0.250)
Total		4.000