

BRIGHTON & HOVE CITY COUNCIL
SCRUTINY PANEL ON THE 2015/16 BUDGET

10.00am 6 JANUARY 2015

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor

Also in attendance: Councillor Littman and Mitchell

PART ONE

5 PROCEDURAL BUSINESS

5.1 There were no declarations of interest and the press & public were not excluded from the meeting.

6 MINUTES OF THE PREVIOUS MEETING

6.1 The draft minutes of the panel meeting of 12 December 2014 were agreed.

7 CHAIR'S COMMUNICATIONS

7.1 There were none.

8 BUDGET DISCUSSION

8.1 Witnesses at this session were:

- Cllr Rob Jarrett (RJ), Lead Member for Adult Social Care
- Denise D'Souza (DD), Executive Director Adult Services
- Cllr Bill Randall (BR), Chair of Housing Committee
- Geoff Raw (GR), Executive Director Environment, Development & Housing
- Dr Tom Scanlon (TS), Director of Public Health

Adult Social Care

8.2 RJ explained that adult social care (ASC) services were experiencing intense pressures due to funding reductions, increasing demand for services, and significant new responsibilities in relation to Deprivation of Liberty Safeguards (DOLS), and the implementation of the Care Act. Moreover, the entire local health and social care system is experiencing similar pressures, and it is important that our strategies for dealing with

problems for ASC do not simply increase pressures elsewhere in the system. ASC is currently projected to overspend across the current financial year, in part because council committees have declined to approve the implementation of plans previously agreed in principle at Budget Council which would have enabled in-year savings to be made.

- 8.3 For the coming year, ASC planning will continue to focus on supporting people to maintain independent lives in the community rather than going into residential care, with an additional focus on the increased use of tele-care technology to support independent living.
- 8.4 ASC staff are frequently working beyond their contracted requirements to ensure that services are delivered, and there is therefore little prospect of making significant staff cost savings.
- 8.5 Given the high levels of pressure across the system, there would be a significant risk involved in wholesale service re-design at this point (some re-design will be necessary in response to the Care Act and to BCF).
- 8.6 Because of the degree of strain the health and social care system is experiencing we need to be very cautious about the achievability of the ASC budget saving plans.
- 8.7 DD outlined some of the specific pressures currently being experienced by ASC. These include:

Deprivations of Liberty Safeguards. A recent court judgement in relation to DOLS has seen the number of assessments increase from around 35 per annum to 35+ per month. There is a significant financial cost to these assessments, but also a severe drain on senior manager capacity (approximately 500K for the year 14/15 – this is an additional cost to the local authority which will recur and which is not covered by central government funding).

Care Act. The Care Act introduces significant new responsibilities for local authorities from 01 April 2015, particularly in terms of the number of assessments that may need to be carried out. Some transformation funding has been centrally provided, but it is not yet clear what level of funding will be provided to discharge the new responsibilities.

Better Care Fund (BCF). BCF requires the council and the city Clinical Commissioning Group (CCG) to develop a series of new initiatives aimed at reducing hospital and residential care admissions by better supporting people in the community. This work is progressing well, with active and positive engagement from the CCG. The CCG is providing additional funding to pump-prime BCF work.

Community Care Budget. The growth of demand on this budget that has been experienced in recent years has slowed somewhat this year, and the CCG has agreed to underwrite a significant proportion of the service overspend (1-1.3M) provided that the council works with them (via BCF) to reduce hospital discharge times for people with complex health problems.

Learning Disability (LD). An independent review of LD services has recently been completed and high-level intentions to re-design services will be reported to February 2015 Health & Wellbeing Board (HWB). The service re-design plans will seek to give learning disabled people greater control over their support and to encourage more people into employment. This will entail changes to the current models of care – e.g. a diminishing role for day services.

Resource Centres. A review of short-term bed use is currently ongoing. The council is talking to the CCG about funding for some ASC-funded beds that are used by people with significant health needs – the aim being for the CCG to agree to underwrite costs for beds which are supporting the delivery of NHS care.

- 8.8 GM noted that she was reassured to hear that so much has been achieved in terms of ASC and CCG co-working in recent months.
- 8.9 In response to a question from LL on the potential for co-working across local authorities, DD informed members that there was effective work ongoing here, with the potential to do even more. Examples include sharing the cost of homeless prevention services with neighbouring authorities, sharing an independent Chair for the Adult Safeguarding Board with East Sussex County Council, the regional implementation of elements of the Care Act, and the recent decision to co-commission a new Integrated Community Equipment Store service with West Sussex County Council. Generally speaking, there are opportunities to achieve significant economies of scale for services delivered to a population of 500,000 plus, and therefore an impetus for Brighton & Hove to work jointly with its neighbours on a number of projects.
- 8.10 In answer to a question from DS about the potential negative impact on individuals and on voluntary and community sector organisations of supporting more people in the community, DD acknowledged that this was a significant issue. This forms a core strand of the BCF plans, with a major focus on reducing loneliness, and equal footing for third sector organisations when planning for the integration of support services. There will be a similar focus in any LD service re-design which will support learning disabled people and their families and carers to lead fulfilling lives.

RJ added that the council was encouraging third sector organisations to work more closely with one another in order to reduce duplication and ensure that limited resources are used in the most efficient way. Funding for carer support and for advocacy has been maintained for the past three years to ensure that service users remain able to make their voices heard.

- 8.11 In response to a question from GM about savings from contract changes, DD told the panel that some savings (130K) had been identified through a rationalisation of ASC commissioning teams. There may be the potential to make further savings in terms of quality monitoring, which is a role which the Care Quality Commission (CQC) is now responsible for across ASC. However, the CQC is not yet in a position where it can deliver this effectively, so there are no immediate savings here. There may also be potential savings to be achieved when the CCG co-locates with the council, although again this savings are not currently realisable. Other contract savings (230K) will be achieved by re-negotiating contracts that are due to end or by transferring responsibility for some services to Public Health (PH).

- 8.12 In answer to a query from GM on the potential to continue to reduce the number of people going into residential care, RJ informed members that there is still some scope to reduce admissions, but that this will inevitably diminish over coming years.

DD added that Brighton & Hove has a high proportion both of people living alone and of people living in converted buildings – both potentially problematic for maintaining independent living. There is an opportunity here to use supported housing to accommodate more of this client group.

Much has been done in recent years to reduce the rate of city admissions into residential care. However, rising incidents of dementia present a real challenge to this trend.

Although the city is not currently experiencing major demographic pressures in terms of a growth in the number of older people, we are seeing steadily increasing demand from younger people with complex physical disability or LD needs. These placements can be very high cost, and there is no obvious way to reduce demand via better preventative services. However, there is a conversation to be had as to where in the local health and care economy the funding for this group should come from. It is also important that ‘younger older’ people are encouraged to keep fit and healthy.

- 8.13 In answer to a question from DS on the achievability of savings plans, RJ told the panel that it would be foolish to be very confident that the savings can be achieved – there are simply too many pressures on the system. Even if all the budget savings are achieved, pressures on other parts of the system may result in overspends.

DD added that budget planning for ASC is inherently difficult because a small number of complex cases can transform an under-spend into an over-spend: with the cost of individual care packages potentially exceeding 500K pa. However, we are in the fortunate position of having a really good partnership with our local NHS commissioners – and also fortunate that our CCG is on a good financial footing.

Housing

- 8.14 BR explained to the panel that housing services were inexorably linked to adult and children’s care provision, with 16% of city households including a disabled resident, a figure which rises to 41% for council properties.
- 8.15 There are a large number of people in the city who are in mainstream housing but who require significant support (typically due to alcohol/substance misuse and/or mental health problems).
- 8.16 Similarly there are lots of older people who are not in dedicated Sheltered (or ‘senior’) housing, but who require similar types of support to that offered to Sheltered scheme residents.
- 8.17 There is a clear need to support vulnerable people who are not in dedicated supported housing then, and this will require co-working with adult and children’s social care, with NHS bodies and with the third sector. It is also important that we ensure that our

dedicated supported housing facilities are as good as they can be – for example the recent work converting Sheltered flats with shared washing facilities to include self-contained showers.

- 8.18 The transfer of responsibilities for ‘Supporting People’ homeless prevention services to ASC makes good sense in terms of best supporting a very vulnerable client group who are too challenging to be supported by Housing alone. Going forward it is essential that the role of different agencies, and in particular of third sector organisations, is more clearly defined, and that all services work effectively together eliminating the duplication that is currently present in the system. Recent work with PH shows that this integrated approach can be really effective.
- 8.19 Making the planned ‘supporting people’ savings (including significant commissioning savings in 2016-17) will be challenging, but we are well placed to manage the process effectively. We are also fortunate that Brighton Housing Trust (BHT) was recently successful in bidding for Big Lottery Fund money to support homeless prevention across Sussex. Working in concert with neighbouring authorities will also be key: many of the city’s homeless population are from elsewhere in Sussex, often from places that don’t offer very much in the way of homelessness support.
- 8.20 BR is sceptical of the merits of plans to end the service which offers housing advice and support to people released from Lewes Prison. Many of these people have a local housing connection or will in any case end up in the city, and there is a real risk of the council incurring significant long-term costs if this group is not appropriately advised and/or housed.
- 8.21 The decision to delete the housing sustainability team is also an unfortunate one, but sadly inevitable given the risks inherent in contracts that were negotiated by West Sussex County Council.
- 8.22 In terms of the Housing Revenue Account (HRA) this year’s budget plans support the continued transfer of funding from management costs to maintenance and renewal, with more being spent on maintenance and new building than at any time in the past 10 years, and more new council homes being built than for many years.
- 8.23 GR added that it was important that the council adopted a consistent approach to housing and that it planned in the context of the next few years. For example, steps are being taken to link ‘supporting people’ services to the Better Care Fund in order to protect them, as far as possible, from the challenging savings required of the council in the next 3-4 years. The council will need to continue to identify efficiencies, and to continue to use the HRA appropriately to support council tenants and leaseholders. It is also important that we distinguish between HRA funding for the essential maintenance of properties and for other services which add additional value (and where we may need to contemplate an element of charging). It is particularly important that the uses we put HRA funds to continue to be supported by council tenants, and to this end the council will need to strive to be more transparent about how funding is used.
- 8.24 In response to a question on ‘supporting people’ savings from DS, DD told the panel that commissioners from ASC, Housing, PH and Children’s Services had come together to look at the whole range of these services. Savings would be achieved by reducing the

number of contracts (there are currently over 70), by eliminating duplication, by ensuring that we identify our best value contracts and commission to this standard across the board, and by de-commissioning some services where performance is too low.

More broadly, there is a general push to move to a more outcomes-based commissioning model which should significantly improve performance and offer opportunities for efficiencies.

When re-commissioning it is also important that the council considers not only the current financial position but also our projected finances in several years' time; there is little point entering into contracts that we can afford now but will not be able to fund in subsequent years.

BR added that the third sector was also engaged in a similar process of rationalisation and integration via the Moneyworks and other initiatives. GR agreed that it was vital that the sector responded to the situation – its offer would have to change as the funding available for services inevitably declines.

- 8.25 In answer to a question about the potential to grow income, GR told members that it was difficult to quantify the potential for additional income. The council already bids for any available funding, and is committed to ensuring that new schemes (e.g. landlord registration) are, as far as possible, self-financing. The potential to charge for certain none-core HRA services is also something that will need to be explored.

BR added that the decision to charge Registered Social Landlords (RSLs) to advertise in the Homemove magazine is another move to maximise the council's income.

In terms of capital projects, GR told members that there may well be the opportunity to draw in additional resources; we are already seeing considerable RSL and private sector interest in building new homes as part of the New Homes for Neighbourhoods initiative.

- 8.26 In response to a question from LL on the potential to continue to make savings from integration, BR told members that this was hard to quantify. However, integration is as much about providing a seamless service for customers as it is about saving money.

- 8.27 In answer to a query from GM on temporary accommodation (TA), GR informed the panel that there was a significant supply issue here, with rising rents across the city making it less attractive for landlords to tie up their properties in long-term TA leases to the council. It was important that the council acted to guarantee landlords a secure income from TA leasing, but there were limits to what we can do as we cannot realistically pay in excess of Local Housing Allowance levels.

- 8.28 GR told members that the council would have to think more innovatively about housing in the coming years, potentially co-investing with RSLs or the private sector to develop properties for key workers or other groups would provide the council with an income-stream as well as increasing housing supply.

- 8.29 GR identified the growth of our city universities as a major pressure in terms of housing supply, with Brighton and Sussex seeking to increase student numbers by more than

12,000, but only planning to create an additional 6,000 dedicated student housing places. However, as well as being a pressure there is the potential here for the council to become involved directly in the student housing market, although this would inevitably mean using sites that might otherwise be used for other purposes.

BR added that he would like to see university expansion take place outside the city – for example around university sites in Hastings – the continued expansion of universities within the city may not be sustainable. The Strategic Housing Partnership is actively engaging with the universities and with student unions on this issue, but with little success to date.

- 8.30 In response to a question from DS on how realistic the budget saving from increasing Traveller site rents was likely to be given the temporary closure of Horsdean required to develop the permanent site (and the failure to reach agreement on an alternative temporary transit provision). GR agreed that this saving was unlikely to be achieved and offered to re-think it.
- 8.31 GM noted that she was reassured to hear that so much work was going on, particularly around ‘supporting people’ services.

Public Health (PH)

- 8.32 TS told members that he had gladly taken the opportunity to re-brand PH as a council service, without losing sight of its core purpose. Areas of particular focus included positioning PH as the locus of the council’s ‘intelligence’ function, with staff from other departments augmenting the existing PH intelligence and research functions; a review of preventative services such as smoking cessation, with a greater emphasis on key interventions (such as workplace support and interactions with people planning to have operations); closer working with care services, particularly around preventing ill-health; and better links with schools (something that would have been very difficult had PH remained an NHS services) – for example the development of ‘parental contracts’ at Varndean and Dorothy Stringer schools aimed at discouraging parents from supplying their children with alcohol.
- 8.33 In response to a question from GM about the end of the PH funding ‘ring-fence’, TS told the panel that he thought it likely that the ring-fence would eventually go, but that restrictions on the use of PH funding are likely to remain for the foreseeable future.
- 8.34 In answer to a query from GM on co-working across the council and with the third sector, TS told members that a good deal of co-working was under way – with for example PH taking over responsibility for some ‘supporting people’ services. PH was working closely with the third sector and with the council’s Communities team to support change.
- 8.35 GM thanked all the witnesses for coming to the meeting and playing their part in a frank and informative discussion.

9 DATE OF NEXT MEETING

The meeting concluded at Time Not Specified

Signed

Chair

Dated this

day of