

MINUTES of the meeting of Health and Well-being Overview and Scrutiny Committee held on 13 November 2012 at 7.00 p.m.

Present: Councillors Wendy Curtis (Chair), Mark Coxshall (Vice Chair), Sue Gray, Tony Fish, Martin Healy and Joycelyn Redsell (substitute for Councillor Herd)

Apologies: Councillor Wendy Herd

In attendance: Les Billingham – Head of Adult Social Care
Roger Harris – Head of Commissioning
Mike Jones – Management Accountant
Steve Jones – Democratic Services Manager

Prior to the start of the meeting, the Chair advised all present that the meeting was to be recorded and that the recording would be available on the Council's website within 3 working days.

22. MINUTES

The Minutes of the Health and Well-being Overview and Scrutiny Committee, held on 16 October 2012, were approved as a correct record.

23. ITEMS OF URGENT BUSINESS

The Chair advised the Committee that she had not agreed to the consideration of any items of urgent business.

The Chair then informed Members that the Work Programme, as included at Agenda Item 6, had been updated to include those matters requested by the Committee at its last meeting.

24. DECLARATIONS OF INTEREST

Councillor Wendy Curtis declared a non-pecuniary interest in respect of Item 5 as her daughter works in Adult Social Care.

During the course of the discussion on Agenda Item 5, specifically the final savings proposal in respect of Collins House on page 39 of the Agenda, Councillor Fish advised the Committee that ought to declare a non-pecuniary interest as his sister was involved in intermediate care services employed by Health.

25. BUDGET 2012/13 – GROWTH AND SAVINGS PROPOSALS

The Management Accountant introduced the report and explained that the Committee were requested to review the growth and savings proposals that had been included within Appendix 2 to the report.

Members were informed that a report to the Cabinet on 17 October 2012 had been included at Appendix 1 and that this set out the overall budget position for the Council for 2013/14, together with the next 3 years.

It was reported that an assumption had been made that if all the savings proposals currently being considered by each Overview and Scrutiny Committee were agreed, there would be a projected budget gap of £3.463m for 2013/14.

The Committee discussed each of the growth and savings proposals included within the Agenda in turn:

Adult Social Care – Demographic and complexity pressures (growth)

The Head of Commissioning informed Members that Adult Social Care was facing considerable pressures due to demand, led by both the increasing age profile of the local population, with a greater number of people living over 85 years, together with the increasing complexity of need of people requiring adult social care support.

It was reported that in the four years from 2007/08 the budget for adult social care had grown at a rate of about £1 million per year and that this had almost entirely been driven by demand pressures. Members were informed that in this period an inflationary increase had been awarded in one year only and so the increase in expenditure had been as a result of increases in both demand and complexity of care cases.

It was reported that in the areas of traditional residential care and domiciliary care, numbers had now stabilised and this reflected the fact that the Council had been successful in keeping people out of those forms of care through more independent living options. However, Members were advised that the areas of dementia, autism and mental health had seen rising numbers of people requiring care which also increased costs.

It was further reported that the Council received over £ 2.4m in reablement and social care funding from the PCT and without this, it would have been in a far worse financial position.

Members were also informed that whilst the cost of placements was rising at a rate of about 5% per year, Thurrock was spending less on adult social care per head of population the average amongst other English local authorities.

In respect of the increasing costs of care, the Chair enquired whether residents in Thurrock would see a reduction in the level of services provided. The Head of Commissioning advised the Committee that this was what the Council was trying to avoid and that it was felt that none of the savings proposals would affect the quality of care that people would receive.

The Head of Adult Social Care advised the Committee that the Council had focussed on reducing costs of external placements, managing demand and had placed a stronger emphasis on intervention and developing a community resilient model of service delivery. This meant that the aim was to address factors related to poor health and health inequality so as to deal with people before they met crisis.

The Head of Adult Social Care sought to reassure Members that he was not simply expecting growth year on year as the only response to solving what was a national problem. He explained that there was a move nationally to solve this with measures being put in place, for example through Dilnot. The Committee were informed that the Council, through the Building Positive Futures Programme, was actively trying to do things to ensure it could maintain and improve both the standard of care and outcomes.

A number of Members mentioned that the case for growth had been well made but queried the required sum of £1 million as they could not see how this figure had been arrived at. A further query was posed as to whether this was a worst case or best case estimate.

The Head of Adult Social Care informed the Committee that the figure quoted represented the best guess estimate but that this had been difficult for something that had so many variables with more people needing care, people having more complex care needs and an evolving care market with prices that were difficult to sustain. It was reported that growth had been required for previous years that had been sufficient to meet the increasing need without reducing the quality of services.

The Head of Commissioning advised the Committee that officers had also looked at historical trends in order to arrive at this figure.

A Member enquired how much of the £1 million would be spent on growth as opposed to back office staff, whereupon the Head of Commissioning advised the Committee that all of the sum requested as growth would be spent on direct care costs, with none going to back-office costs.

The Chair noted that elsewhere on the Agenda, it was proposed to achieve £300,000 savings for learning disabilities and queried whether

this would impact on service delivery. The Head of Commissioning advised the Committee that this saving was as a result of reducing costs and not reducing the level of care provided.

Members requested that officers provide further additional detail in respect of how the growth figure of £1 million to cover demographic and complexity pressures had been calculated.

There were no further questions to officers in respect of this savings proposal.

Section 256 LD budget: closed sites (saving)

The Head of Commissioning informed Members that the proposal to save £145,000 came from an original budget used to supplement the Section 256 transfer from the Primary Care Trust for services for people with learning disabilities. It was reported that the Learning Disabilities and Health Reform grant now formed part of the direct grant allocation from the Department of Health and fully covered the service.

Members were advised that this budget could be saved without any reduction in service.

There were no questions to officers in respect of this savings proposal.

Deleting one database trainer post (saving)

The Head of Commissioning informed Members that the proposal to save £25,000 came as a result of a vacancy that had arisen due to the resignation of the Integrated Children's System trainer / database support postholder.

It was reported that this provided an opportunity to reallocate that work, including some of the role being covered by the Integrated Adult System postholder and staff using more e-training solutions and the supplier help desk.

A Member enquired whether the post had been vacant for some time and why it had not been shown as a saving before now. The Head of Commissioning informed Members that the vacancy had arisen due to the resignation of the postholder, who left the Council two months ago.

There were no further questions to officers in respect of this savings proposal.

Review of high cost learning disabilities residential placements (saving)

The Head of Commissioning informed Members that from the CIPFA and Audit Commission benchmark data, the Council were shown to be in the highest 20% for costs of learning disabilities residential care and

that this had been the focus of a great deal of work over the past 12 months, as part of the Adult Social Care Transformation Programme.

The Committee were advised that two specific areas had been targeted.

The first concerned detailed price negotiations with suppliers, after comparison had been undertaken by Spikes Cavell, who had been working with the Council for the past 6 months, against national and benchmark prices. It was reported that suppliers costing over £750 per week had been targeted and that this had resulted in forecast savings of £150,000 for 2013/14, with a further £150,000 being identified for 2014/15.

A Member enquired as to the cost of engaging Spikes Cavell, whereupon the Head of Commissioning informed the Committee that the service had been procured at a cost of £25,000.

The Head of Commissioning then informed Members that the second area to be considered involved bringing people back from out of borough placements into more suitable accommodation within Thurrock.

The Head of Adult Social Care provided an example of such a scheme whereby, through joint working with Housing, vacant warden flats in sheltered accommodation had been converted for use by people with learning disabilities with high care needs who could be managed locally.

It was reported that once the full cost of the local care option had been fully calculated, savings would be in the region of £150,000 for 2013/14, with a further £150,000 being identified for 2014/15

A Member enquired as to whether the Council was still working with Mosaic Homes on this scheme, whereupon the Head of Adult Social Care advised the Committee that the scheme he had described was being provided by Mosaic.

There were no further questions to officers in respect of this savings proposal.

Reduction in costs of domiciliary care tender (saving)

The Head of Commissioning informed Members that the new domiciliary care contract would commence on 1 February 2013 and that the Council was nearing the end of the procurement exercise for this.

It was reported that the Council had set a "fixed declared rate" as part of the tender exercise and that this had reduced the rate paid to

providers from £13.96 per hour to £13.00 per hour. The Committee were advised that the effect of this reduction was estimated to see a £200,000 saving on the amount paid to providers each year.

A Member enquired whether the reduction in the rate paid per hour would have an effect on people coming into the care system to work. The Head of Commissioning advised Members that he was acutely aware of the staffing and recruitment issues but that he felt the new rate was comparable with that paid by neighbouring authorities, which saw Thurrock paying more than Southend but slightly less than both Havering and Essex.

A Member then enquired why the Council was looking toward bigger companies to provide such services and not smaller locally based companies. The Head of Adult Social Care informed the Committee that the Council had to follow EU procurement regulations for large contracts such as this and that it had to operate a transparent process.

The Chair advised the Committee that the Council had recently adopted the “living wage” and enquired as to how it could ensure that contractors paid the same. The Head of Commissioning advised the Committee that the Council could not insist that contractors paid the living wage at present and that if this were to be the case, it could see an increase in costs.

A Member enquired whether the Council could ask contractors to identify at what price they could deliver the service for, rather than giving a single price. The Head of Commissioning advised Members that this could cause problems with differential rates across the borough. It was reported that most local authorities set an appropriate price for care and at Thurrock, this had been based on market testing.

The Head of Adult Social Care advised Members that once a procurement process had been started on the basis suggested, the contract could not be awarded below the fixed declared rate set by the Council and that this would have the opposite effect to that desired, in that care workers would be paid less.

There were no further questions to officers in respect of this savings proposal.

Carers Centre and Collins House (saving)

The Head of Adult Social Care informed Members that two efficiency reviews had been undertaken during the year as part of a rolling programme of reviewing services provided in-house.

It was reported that a review had been undertaken in respect of the Carers Centre and that the view was for this to be outsourced to provide information and advice to carers across Thurrock, replacing the

Grays centric provision that previously existed. It was reported that the contact for this had been won by local third sector providers.

Members were advised that the second phase would look to provide locality accommodation for the remaining groups and services in Council premises and that this would enable the Carers Centre to be returned to the Council for disposal as part of the asset rationalisation strategy.

Members were informed that this efficiency review would see a saving of £42,000 being achieved.

The Head of Adult Social Care further informed Members that the second efficiency review had been undertaken in respect of Collins House.

It was reported that Collins House now provided 14 intermediate care beds which enabled people to be discharged earlier from hospital and undergo a period of rehabilitation before returning home. Members were advised that the service offered improved outcomes and produced efficiency savings of £58,000.

A Member enquired if the services offered by Collins House would include services for stroke victims, whereupon the Head of Adult Social Care confirmed that this was one of a range of services offered.

There were no further questions to officers in respect of this savings proposal.

After considering the report and asking questions of officers, the Committee agreed to note each of the growth and savings proposals included within the Agenda. Furthermore, Members requested that further information be provided as to

RESOLVED:

- 1. That the proposals for budget growth and savings in 2013/14 and future years, as set out in the appendices to the report, be noted.**
- 2. That additional detail be provided in respect of how the growth figure of £1 million to cover demographic and complexity pressures had been calculated.**

26. WORK PROGRAMME

The Chair informed Members that the work programme had been updated to include those matters requested by the Committee at its last

meeting, with items on the out of hours GP service and black mould being scheduled to come to the Committee in March 2013.

In light of recent events at Basildon Hospital, Members requested that an item be added to the work programme before the February meeting of the Committee when the Chief Executive of Basildon Hospital was due to attend.

Members advised that they needed to seek the views of the CQC in respect of the situation at the hospital and expressed some concern that they had not received any such information as of yet. It was suggested that a report or a letter should be requested from CQC setting out their concerns as the Committee required evidence upon which to base its work.

Members requested that an additional meeting be arranged to consider the issue of Basildon Hospital and that Democratic Services be requested to make the necessary arrangements.

RESOLVED:

That an additional meeting of the Committee be arranged to consider the matter of Basildon Hospital and that Democratic Services be requested to make the necessary arrangements.

The meeting finished at 7.59 p.m.

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
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