

KENT COUNTY COUNCIL

ADULT SOCIAL SERVICES POLICY OVERVIEW COMMITTEE

MINUTES of a meeting of the Adult Social Services Policy Overview Committee held at Sessions House, County Hall, Maidstone on Tuesday, 29 January 2008.

PRESENT: Mr J B O Fullarton (Chairman), Ms C J Cribbon (Vice-Chairman), Mrs A D Allen, Mr M J Angell, Mr G Cowan, Mr J Curwood, Mrs E Green, Mr C Hibberd, Mr R E King, Mr S J G Koowaree, Mrs M Newell, Mr M J Northey and Dr T R Robinson.

OTHER MEMBERS PRESENT: Mr N J D Chard (Cabinet Member for Finance), Mr L Christie, Mr M J Fittock, Mr K G Lynes (Cabinet Member for Adult Social Services) and Mr R J E Parker.

IN ATTENDANCE: Mr O Mills, Managing Director, Kent Adult Social Services; Mr S Leidecker, Director of Operations, Kent Adult Social Services; and Miss T A Grayell, Democratic Services Officer.

UNRESTRICTED ITEMS

1. Minutes of the Meeting held on 16 November 2007
(Item A3)

RESOLVED that the Minutes of the meeting held on 16 November 2007 are correctly recorded and they be signed by the Chairman. There were no matters arising.

2. Chairman's Announcements
(Item A4)

The Chairman congratulated the Managing Director of KASS and his team on the quality of the reports placed in front of the Committee.

3. Director's Update (Oral)

(1) Mr Mills reported that CSCI's annual report had been published that morning. This would comment on the eligibility criteria used by local authorities, mostly above 'moderate', and would be likely to use Kent as an example of good practice as we had kept our eligibility criteria as 'moderate'.

(2) He added that a Concordat had been published by the Department of Health in December 2007 to set out how the Department of Health and KCC, amongst other partners, would deliver the 'Putting People First' initiative. He undertook to send every Member a copy of the Concordat.

(3) In response to a question about self funders, Mr Mills explained that all applicants for care packages would have an assessment but had a choice of route thereafter, depending on the services required and their level of savings. If entering a home and having savings above £21,000, a service user would have to pay for themselves, but if accessing domiciliary care in the community, the KCC could arrange services for recipients to pay for themselves. He emphasised that, whatever support they were

ultimately entitled to, and however it was to be delivered, everyone should receive good information and be confident of the quality of the service being delivered.

(4) The Chairman announced that an oral update on the Queen Elizabeth Foundation Centre in Dartford would be made at the end of the meeting to allow local Members to attend and have an opportunity to ask questions.

4. Description of the Budget Setting Process

(Presentation by Mr S Leidecker, Director of Operations, and Miss M Goldsmith, Directorate Finance Manager)

(Mr N J D Chard, Cabinet Member for Finance, was present for this item).

(Miss M Goldsmith, Directorate Finance Manager, was in attendance for this and the following two items)

(1) Mr Leidecker and Miss Goldsmith introduced a series of slides which set out the timetable and process for setting and monitoring the KASS budget. *(The slides used in this presentation are attached to these Minutes as Appendix 1).* Mr Lynes, Mr Chard and Mr Mills also responded to questions from Members. Arising from the presentation, and in response to questions put by Members, the following points were highlighted:-

- (a) The Budget Book had been presented in a different way from previous years. Specific grants, of which there were now very few, were shown differently. More detail on services was presented this year than in previous years, which meant that the changes in spending which would inevitably emerge over the year would also have to be shown and explained in ongoing monitoring.
- (b) Area Based Grants would cease to be ring-fenced, so there was no guarantee they would keep pace with inflation. Under Local Area Agreements (LAAs) agencies would work together to achieve better outcomes from the money invested. KCC was the accountable body for the allocation of funds. Services being delivered under Area Based Grants must be assumed to continue but there was no guarantee that they would all be able to be funded in the future. The majority of grants related to the delivery of key indicators for KASS.
- (c) Members expressed the concern that continued “movement of the goalposts” meant that it was very difficult to compare like with like with each year’s budget. Changes this year reflected questions raised in previous years, but there were also changes this year in the way grants were allocated. KASS tried to present its budget consistently as far as possible but this year was the first year of three year comprehensive spending review. Monitoring of the budget was done month by month by cross checking forecasts against activity, and needed to keep step with the corporate financial timetable.
- (d) KASS had to balance service needs with a very limited budget and faced some stark choices – limit the number of service recipients, change the method of service delivery or reduce the quality of service delivered. This choice presented an ongoing challenge.
- (e) Under year one of the LAA, KASS was confident there would still be some level of flexibility to offset any underspends against overspends. There would always be a need for flexibility to make the most sensible use of the funds available and to minimise risk. Funding under the area based grant system was already mostly committed.
- (f) A good workforce was vital for good service delivery, especially with the move towards personalised services. KCC would always prioritise the provision of a

quality workforce out of the money available, and impress upon other partners in the LAA the need to do the same.

- (g) KASS operated a complex, well-tested and generally very accurate forecast and allocation process in its Business Plan. It was always difficult to predict expenditure over a long period of time, so changes in spend patterns, in response to changing needs, would inevitably emerge as the year progressed. The Committee would be kept updated on variances in spending against forecast by means of the quarterly budget monitoring report.

(2) Mr Chard added that officers had done an outstanding job this year in controlling and monitoring the budget. Other local authorities had not contained their Adult Social Services budgets half as well as Kent had. Mr Lynes emphasised that the CSCI annual report had highlighted that other local authorities had raised their eligibility criteria while Kent had maintained theirs as moderate. Kent Adult Social Services had an excellent staff team, which is why it performed so well and on budget. However, so much of future demand for service simply could not be predicted, and in addition to this, funding mechanisms were also changing year on year.

(3) RESOLVED that the presentation on the budget setting process be noted, with thanks.

5. Adult Social Services Budget Monitoring 2007/08 *(Item B1 – Report by Managing Director, KASS)*

(1) Mr Mills and Miss Goldsmith introduced the report and answered questions from Members. Points highlighted were as follows:-

- (a) “Management action” covered a range of measures and included an assessment of staffing levels using the ‘traffic’ light system (red being critical), ongoing review of care provision via care packages to ensure best value for money and optimum use of resources, good housekeeping and minimising administration costs wherever possible. KASS had an ongoing culture of reviewing to optimise performance and minimise waste.
- (b) Any adjustment proposed to a client’s care package would only be made after consultation with the client, and with their consent. KASS ran a robust complaints procedure but officers were not aware of any complaints arising from such a review.

(2) RESOLVED that the projected outturn figures for the Directorate for the second quarter (to October 2007) be noted.

6. Budget 2008/09 and Medium Term Plan 2008/09 to 2010/11 *(Item B2 – Report by Managing Director, KASS)*

(1) Mr Lynes praised the excellent work of the KASS staff at headquarters and the frontline over the past year and said how proud he was of them and their work. He emphasised that, despite the £6m efficiency savings the Directorate had had to identify in the Budget report, at a time of great and increasing demand, both he and KASS remained passionate about service delivery and customer care and Members needed to enable them to carry on delivering an excellent service.

(2) Mr Lynes highlighted the achievements of the Directorate over the last year. Kent Adult Social Services was one of only four local authority Adult Social Services Directorates to retain 3-star status every year since the star ratings began, and had retained 'moderate' eligibility criteria for another year when most other authorities had not. Part of Kent's success was its excellent working relationships with partners in Health and the private and voluntary sectors and the joint working initiatives which were in place. KCC had been successful in a number of bids – the Urgent Care Demonstrator, Brighter Futures, POPPs and the Whole System Demonstrator – but it was important to bear in mind that money won via bids was time-limited. He expressed grave concern about the sustainability of these excellent schemes and initiatives once funding for the pilot schemes came to an end. The POC had also commissioned two Select Committees – Transitional Arrangements and Carers in Kent – whose excellent reports would guide and shape future service delivery.

(3) *Staffing Levels*

In response to a question put by Mrs Green, and concerns raised by Mrs Green and Mrs Newell, Mr Leidecker explained that it was difficult to give a detailed account of all staff vacancies being held across the County at any one time. Staffing situations in the districts varied, but he assured Members that no one district or team would be holding more than one or two care management vacancies at any one time. The Directorate operated a monthly traffic light system to monitor vacancies and sickness levels within each team. These are assessed by senior managers and used to inform recruitment decisions, with 'red' seen as critical. Mr Mills added that, to ensure maximum capacity, the four acute hospitals in the county, at which KASS care managers were employed in-house, were excluded from any management action.

(4) *Legal Costs of PFI arrangements*

In response to a question from Mrs Newell, Mr Lynes explained that KCC was working together with district councils on a PFI Initiative 'Better Homes, Active Lives'. As the time had approached for the final PFI agreement to be signed, some districts had become reluctant to share in the unknown level of risk ahead and so, to avoid jeopardising the future of the project, KCC had taken on a greater share of the risk.

(5) *Maximising Benefits*

In response to a question from Mrs Newell, Mr Leidecker explained that the likely savings to the KCC arising from maximising benefits for Kent residents was very difficult to estimate. KCC and its partners had initiatives in place to support Kent residents to claim maximum benefits available; Age Concern, for example, had started clinics to give benefit advice. Miss Goldsmith added that the Internal Audit were due to start an audit on maximisation of benefits. It was anticipated that this would evidence the effectiveness of the work being undertaken on this, and would also show up the effectiveness of the KCC's message. Pilot schemes between KCC and the Department of Work and Pensions (DWP) were in place, using DWP staff seconded to KCC. The problems of identifying and maximising benefits were attached only to existing service users. New service users would have their benefits maximised from the start of their involvement.

(6) *Domiciliary Care Charging*

In response to a question from Mrs Newell, Mr Mills explained that, once the new domiciliary care charges had been in place for a whole financial year, they would show up as part of the regular base budget and not as a "change".

(7) RESOLVED that the Budget proposals for the Directorate be noted and agreed, and Members' concerns (on staffing levels) expressed in paragraph (3) above be taken into account when preparing the final Budget for ratification by the County Council.

7. Six Monthly Performance Update and Annual Performance Review Report for Adult Social Care

(Item B3 – Report by Managing Director, KASS)

(Ms D Exall, Head of Performance and Planning, was in attendance for this and the following two items)

(1) Ms Exall introduced the report and emphasised that the Directorate was on good track, considering the budget pressures it was under. It was important for the public to be able to see clearly how well the Directorate was doing, so an easy-read larger type version of the star rating letter had been prepared, and emphasis had, as always, been placed on the clarity of the information presented. Points highlighted were as follows:-

- (a) Members welcomed the announcement of the retained Three Star rating and congratulated officers on this achievement
- (b) Kent would be in the highest band for the uptake of Direct Payments but would need to protect service users from being pressurised into using Direct Payments under personalised budget arrangements, and this view should be expressly robustly in Kent's response to the consultation. "Putting People First" offered maximum options with the aim of maximising control.
- (c) Of the "Key areas for improvement", delayed transfers of care would be addressed by working with the PCTs and Acute Trusts, and the number of drug misusers sustained in treatment would be addressed via KCC's involvement in KDAAT, using information from partners such as the police. A recent change in the treatment route via the NHS and Mental Health Trust would help increase the number of misusers receiving treatment.
- (d) With the publication of the Carers in Kent Select Committee report, this was a good time to develop a Carers' Strategy, and information on performance would make a valuable contribution to this.

(2) RESOLVED that the progress on performance to date be noted, and that the easy-read 'Key Messages' document be welcomed.

8. Active Lives

(Item B4 – Report by Managing Director, KASS)

(1) Ms Exall introduced the final version of the Active Lives document, which was being presented for the Committee's approval prior to ratification by the full Council.

(2) Ms Exall received Members' congratulations on the well-produced document, and commented that District Councils would need to pay attention to it as part of LAA arrangements, and it could be used to draw attention to Local Strategic Partnerships.

(3) One thing was highlighted which was not mentioned in the Active Lives document; continuing education. Education was a vital part of social development and so was of enormous value. Ms Exall agreed that this was a good point.

(4) RESOLVED that the final version of the Active Lives document be approved, to replace the previous Active Lives document in the Policy Framework, subject to it being ratified by the full County Council

9. Joint Strategic Needs Assessment (Adults)
(Item B5 – Report by Managing Director, KASS)

(1) Ms Exall introduced the report and explained that it was now a statutory requirement to undertake a JSNA, but Kent had already done some considerable work which was already influencing the Directorate's budget setting and strategic planning for next year. However, there was still plenty to do. A report would be published in April summarising the key issues arising from the data analysis, but the JSNA was really a process rather than a product. Modelling would be done district by district as social care needs varied greatly across geographical regions. Information used as the basis for an assessment was gathered from census returns and current activity levels, so was reliable, although any forecast or projection would have some margin of error. Modelling would therefore seek to estimate best and worst cases. In response to questions raised by Members, the following points were highlighted:-

- (a) Members welcomed the JSNA, as changing lifestyles and care needs had received much coverage in the national media.
- (b) Preventative work was vital and the population needed to be well educated on the need to take responsibility to look after themselves and protect their own health as well as how to access services when needed.
- (c) Choice, independence and flexibility were to be applauded but inevitably carried a cost. Much of the current elderly population came from a generation that did not want to "make a fuss", but future generations would be more willing to make a fuss and demand a choice of service.
- (d) The JSNA would have to have sufficient teeth to impact on PCTs' local development plans and the allocation of health funding.
- (e) The Active Lives process had been vital in identifying issues which had then fed into the JSNA. Transport was a big issue, as people expected to maintain an active lifestyle way beyond their ability to drive themselves. There was a need to close the gap in provision between commercial providers, who necessarily concentrated on the most economically viable service provision, and actual needs. A strategy was in place to address all issues around maintaining independence, including transport.
- (f) Inequalities in health care were still a major issue which would not necessarily be altered by the JSNA.

(2) RESOLVED that the information set out in the report be noted, with thanks.

10. Day Services for Adults with a Learning Disability – Value for Money Review
(Item B6 – Report by Managing Director, KASS)
(Mr D Watson, Business Change Manager, and Mrs M Howard, Director, Provision and Commissioning, were in attendance for this and the following items)

(1) Mrs Howard introduced the Value for Money report, which had been prepared by PriceWaterhouse Coopers, and highlighted its key findings, recommendations and the patterns of use it had shown up. The report had shown that Kent provided services for more service users than other local authorities but at a lower unit cost, and PriceWaterhouse Coopers were pleased with Kent's modernisation agenda. In

discussion, and in response to questions from Members, the following points were highlighted:-

- (a) Members congratulated the Directorate on receiving a generally good appraisal, but some Members expressed the view that the comments made by PriceWaterhouse Coopers lacked the compassion with which service delivery of this type should be associated.
- (b) Clients with learning disabilities placed in Kent by other local authorities were charged for service provision by Kent so did not draw services or funding away from Kent clients.
- (c) The transition period between young people and adults was a key area to be addressed, as young people had higher expectations of service provision than did older people.

(2) RESOLVED that the Value for Money report on day services for people with learning disabilities, its key findings and progress, be noted.

11. Valuing People Now – From Progress to Transformation

(Item B7 – Report by Managing Director, KASS)

(Mr D Sowerby, Joint Director, Learning Disability, and Ms S Gratton, Head of Learning Disability Commissioning, Eastern and Coastal Kent PCT, were in attendance for this and the following items)

(1) Mr Sowerby and Mr Mills introduced the report and explained that Kent had the opportunity, until the end of March 2008, to comment on the Valuing People Now (VPN) proposals. Mr Sowerby set out how service provision for people with learning disabilities had changed through the 20th century, arriving at the production of the Valuing People strategy in 1999. VPN would now build on and develop further the Valuing People strategy, setting out four key priorities for action on which consultees were able to comment. Mr Sowerby said that, in his view, Kent's two key issues were leadership and accountability and organisational change. A presentation on these key issues would be made to the Cabinet in March at which people with learning disabilities would attend to speak to Members.

(2) Arising from the presentation, and in response to questions raised by Members, the following points were highlighted:-

- (a) Mr Sowerby gave a definition of "learning disability" as severely impaired social functioning and severe intellectual impairment (e.g., the ability to handle new information or change) which developed before adulthood. This distinguished those with learning disabilities from people who had suffered similar impairments as a result of a car accident, for example, in adulthood.
- (b) It was vital to encourage people with learning disabilities to engage with work as far as possible to develop their work skills and help them avoid the 'benefit trap'.
- (c) A strategic board had been set up to look at the transfer of resources for people with LD from the NHS to the KCC, led by Miss C Highwood, KASS Director of Resources, and included the Directors of Finance from the two PCTs and Ms Gratton.
- (d) Kent had placed 200 of its own people with learning disabilities out of the county, and 1,500 had been placed in Kent by other local authorities, for whom funding did not follow. Approximately 900 out of the 1,500 incomers were placed in Thanet, giving it a disproportionately high percentage.

- (e) Members expressed the concern that the VPN strategy did not include any reference to education amongst its four top priorities, although good education facilities for people with learning disabilities were vital as they learn for longer. There had been more educational opportunities for people with learning disabilities years ago than there were now! Changes being made now should have happened years ago.
- (f) In recent years, society seemed to have made very little progress in enabling people with learning disabilities to play a part in the community.
- (g) Area Partnership Boards (examples quoted were Dartford and Maidstone) did engage with people with learning disabilities and had been addressing the issue of integration, and such a link could also usefully be included when drafting the Terms of Reference of the Accessing Democracy Select Committee. All Members could be informed of the arrangements for their Local Area Partnership Boards so they could access them and become involved.
- (h) It was important to allow people with learning disabilities to lead change and for KCC to fit around their agenda, rather than the other way around.
- (i) Work linked to “Learning Disability Awareness Week” in 2007 had highlighted that some people’s attitudes to learning disabilities were very out of date.
- (j) Sevenoaks Town Council was currently running a good initiative wherein local shop keepers who were willing to welcome and act as champions to people with learning disabilities would display a badge in their shop windows. People with learning disabilities who experienced problems or became distressed while out in the town centre knew they could go to a shop displaying the badge to receive support and understanding.
- (k) There were a number of things KCC could and should do; address the transport issue by liaising with commercial bus providers, and establish a Kent Employability Forum to support potential employees with learning disabilities and employers seeking to take them.

(3) RESOLVED that the consultation process be noted and Members’ comments and suggestions, listed above, be included in KCC’s response to the VPN consultation.

12. What Makes A Good Day? – A Plan to Improve Days for People with a Learning Disability in Kent – Consultation Update
(Item B8 – Report by Managing Director, KASS)

(1) Mr Watson and Mrs Howard presented a series of slides and some short films, and outlined the consultation process and timetable. Arising from the presentation, and in response to comments and questions raised by Members, the following points were highlighted:-

- (a) Members expressed concern about there being sufficient alternative options for activities for people with learning disabilities if a centre were to close under the modernisation programme. It might have been more helpful had the consultation asked “what stops us having a good day?”
- (b) Service users and their families were understandably concerned about losing services when the present arrangements ended. Often any change was seen as being necessarily detrimental.
- (c) Parents did not necessarily know what their children wanted and it was important to ensure that service users had the chance to put their own views as well.

- (d) Change in service provision was an issue being experienced by all local authorities around the country. A major exercise to identify what service users want had been needed for a long time.
- (e) There would need to be a range of options to allow choice. Some activities might only appeal to a small number of participants.
- (f) Members found the answers received to the questions listed in the report were very moving. The KCC had let down previous generations, and must not let down them or others in the future once it has taken the time to ask their views.

(2) RESOLVED that the consultation process and responses to it, listed in the report, be noted.

13. Re-provision of NHS Accommodation in Kent *(Item B9 – Report by Managing Director, KASS)*

(1) Ms Gratton introduced the report and explained there was a group of 170 people who had left long-stay hospital years ago to be accommodated in various provisions (e.g., group homes) in the community, supported by NHS staff. This NHS staff support would not continue beyond 2010 so alternative support provision needed to be found. New provision would make use of Valuing People Now and other initiatives for people with learning disabilities that Members had heard about in previous reports.

(2) New capital of £175m was being made available over the three years by the Department of Health to meet bids for funding made by PCTs. The schemes bid for under this funding would address updating of housing stock which no longer met residents' needs and the provision of new types of accommodation to meet identified needs. The contracts for new support arrangements would transfer from the NHS to the KCC.

(3) In discussion, and in response to questions raised by Members, the following points were highlighted:-

- (a) Services currently involved in the change were mostly not registered with CSCI, so would need to register and meet CSCI standards, even if they would transfer to a new status in two years' time. The PCTs had been asked in their operational plans to make contingencies to cover possible additional costs incurred in meeting registration requirements.
- (b) Bids had been prepared for a variety of types of accommodation. A housing assessment of the needs and wishes of the residents concerned had been undertaken to see if they preferred to move to rural or urban locations, nearer to their families, etc. The types of accommodation proposed in the bids would seek to match these needs as closely as possible.
- (c) The group of 170 service users ranged in age from the 30s to the 90s but mostly were in the 40 to 60 age group. It was a finite group; no new service users would now join.
- (d) Residents in the group concerned had different levels of involvement in their community. Some areas of the county had developed their residents' skills more effectively than others and given them more opportunities to integrate, while in other areas homes were more self-contained.
- (e) Local authorities would take the lead for the future commissioning arrangements for all the group except those few who may have very specialised medical needs which the NHS would continue to meet.

(4) RESOLVED that the information on the commissioning plan contained in the report, and information given in answer to questions, be noted, with thanks.

14. Update on Select Committee Work

(Item C1 – Report by Overview and Scrutiny Manager)

(1) Mr Mills and Mr M J Angell introduced the proposal being put forward by the Directorate for a Select Committee to look into Autistic Spectrum Disorder. Such a Committee would be ground breaking as no other local authority had undertaken such a piece of work.

(2) RESOLVED that:-

- (a) the successful completion of the work of the Carers in Kent and Gypsies and Traveller Sites Select Committees be noted;
- (b) the work of the Transitional Arrangements IMG be reported to a future meeting of the of the Committee; and
- (c) the proposal for a Select Committee Topic Review to cover Autistic Spectrum Disorder be supported and recommended to the Policy Overview Co-ordinating Committee on 14 February 2008 as this Committee's contribution to the ongoing Select Committee work programme.

15. Director's Update

(Mr L Christie, Mr M J Fittock and Mr R J E Parker were present for this item)

(1) At the end of the formal part of the meeting, Mr Mills and Mrs Howard gave an oral update on developments relating to the Queen Elizabeth Foundation Day Centre (QEFDC) in Dartford, and answered a number of questions put by the Committee and local Members who had attended for this item.

(2) Mr Mills explained that services at QEFDC were provided under contract to KCC. Under its modernisation programme, KCC was now aiming to provide more person-centred services. The proposals were currently at the consultation stage.

(3) Mrs Howard added that proposals for change had been put together with QEFDC staff to provide a range of alternatives. Proposals included the establishment of social network sites locally, accessible services in Dartford, Gravesham and Swanley, and relocation of gym equipment in a community centre so it would be accessible for all to use. Consultation with service users and centre staff to assess users' aspirations, needs and wants was ongoing, alongside an assessment of their eligibility to use Direct Payments to purchase services.

(4) Local Members reported a number of rumours, misleading and late information which had emerged locally, fuelling the anxiety of service users and their families, who were already fearful of the changes proposed.

(5) Responding to questions put to them by Members, Mr Mills and Mrs Howard explained the following:-

- (a) As services at the Centre were not provided by the KCC, they were not subject to the County Council's established protocol for "closure or change of use of

premises". However, changes to the services would follow the spirit of this protocol, with extensive consultation taking place.

- (b) What was proposed would give a wider range of services than was available at present. Although the building would eventually close, service provision and the funding which covered it would continue. The changes being made were a re-commissioning exercise, not a reduction in service.
- (c) Results of the extensive of consultation through Active Lives For Adults had shown that many people had expressed a wish to be integrated in the community and to have a job, not to be segregated. Although the original aim of the Centre was to integrate its service users, for most this had simply not happened.
- (d) KCC have made a commitment that all Centre users would be offered alternative services. It was possible that some may not meet the eligibility criteria which would be applied to the re-provision of services and would not qualify to use Direct Payments, but KCC had given a commitment that those that did not prove eligible would be able to access other parts of service in the community by other means. It was KCC's aim that no-one should be left without services. It was important that all organisations met their obligations under the Disability Discrimination Act and ensure disabled people had access to generic services. Although it could seek to influence the provision of services by others, KCC was not ultimately responsible for the delivery of services provided by other agencies.
- (e) KCC had a responsibility to achieve best value for public money by making sure it benefited the greatest range of service users possible.
- (f) The premises had not been sold, as had been reported in the local media.

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Budget Presentation – ASSPOC – 29th January 2008

Budget Setting Process 2008-09 to 2010-11

- Indicative budgets for all directorates 08-09 & 09-10 at County Council February 07
- During summer 2007, pressures are reviewed, and some budget alignments between directorates for staff transfers etc. made.
- Directorates work up savings options in order to balance to the indicative allocations already set.

Budget Setting Process 2008-09 to 2010-11

- November 2007, POC asked to consider options for delivery of 3% efficiency savings.
- December 2007, provisional local government settlement received.
- January 2008, Draft budget proposals published.
- Late January - POC Papers.
- Early February - Cabinet Scrutiny

Budget Setting Process 2008-09 to 2010-11

- 6th February - Cabinet propose budget for County Council
- County Council – 19th Feb

KASS – Budget Setting Process 2008-09

- Feb 2007 – we had indicative budget allocations for 2008-09 and 2009-10.
- Spring/Summer 2007 – we reviewed the demographic growth calculations that were included in the earlier assumptions.
- Looked back at trends, and worked with planning and policy teams to estimate future growth.
- Areas and centrally run services also highlighted local pressures.

KASS – Budget Process 2008-09

- Pricing strategies worked on.
- September – Pressures were finalised (although small changes were made during subsequent months).
- November Savings plans were worked on in order to reflect efficiencies, and also to produce balanced budget against the indicative allocations we had.
- January – We are allocated our draft final budgets subject to County Council.

What happens next

- Finance work with SMT to consider allocation of growth (demography monies) across the services and geographical areas.
- Likewise savings will be allocated
- SMT agree final allocations – February.
- Local finance teams then work with area and service management teams to ensure that budgets are allocated by 1st April.

Historic Basis for budget allocation

- Zero based budget exercise undertaken in 1997-98 at LGR – was on commitment basis at geographical/district level.
- Incremental allocations made since, normally on a commitment basis.
- Analysis carried out to try and apply government formula at district level - this was applied over a 3 year period to the Older People's budgets, which primarily transferred budgets from West Kent to East Kent.

Historic Basis for budget allocation

- It was not possible to apply this for younger adults because the government funding formula did not really take into account disability related factors, but just population and benefits data that could be applicable for all adults under the age of 65.

Format of KASS Budget Book

- For 2008-09 the budget book is amended to include more detail, hence why the monitoring report for 2007-08 is different to the Budget Book.
- For that reason I will focus on explaining the new format.

Gross & Net Budget

- The Gross budget for KASS for 2008-09 is £448m.
- This budget is funded as follows:
 - Government formula funding £ 97m
 - Council Tax £ 202m
 - Area based grants £ 25m
 - Ringfenced specific grants £ 34m
 - Client charges £ 62m
 - Health Income £ 19m
 - Other income £ 9m
 - Total £ 448m

'Budget Book' explanation

- The budget book for 2008-09 is broken down into the 4 main client groups:
 - Older People
 - Learning Disability
 - Physical Disability
 - Mental Health

'Budget Book' explanation

- Under each client group, the following services are shown:
 - Residential
 - Nursing (Older People only)
 - Domiciliary
 - Direct payments
 - Supported Accommodation
 - Other services – which includes services such as daycare, transport, meals, OT Equipment

'Budget Book' explanation

- Other headings on budget book include:
 - Assessment & Related Services
 - Supporting People
 - Gypsy & Traveller Unit
 - People with no recourse to public funds
 - Strategic Management
 - Performance, Policy & Quality Assurance
 - Resources
 - Specific Grant Income

Gross / Income

- Within the budget book, the gross figures relate to the amount that we are actually spending to purchase services.
- The income figures relate to the external income that we are receiving, which is mainly as follows:
 - Client charges
 - Health Service funding
 - Other local authorities
 - Other government bodies (but not specific grants)

Gross Expenditure

- Approximately 85% of spend on services is purchased through external market and is driven by demand.
- Because of this, there has to be some flexibility around budget allocation against individual service lines as costs differ, and patterns of demand change.
- It will therefore be necessary during the year to vire (transfer) service budgets between service lines to reflect changing demands .
- Transfers do not usually take place between geographical areas after the budget has been set.

Client Charging

- Client charging is made for the following services:
 - Residential and Nursing Care
 - Clients are 'means tested' against legislation – 'Charging for Residential Guidance'
 - Domiciliary Care
 - Clients are 'means tested' against fairer charging guidance, and Kent's policy on charging is applied

Health Funding

- KASS receive approximately £19M of income from the Health Service in Kent:
- Joint funded services through a Section 31 Pooled arrangement such as intermediate care, integrated care centres, community equipment, RNCC etc.
- Individual clients who are either 100% health responsibility but whom we place on their behalf or clients who are joint funded, mainly learning disability clients.

Gross / Income

- Because of all of the complexities of demand and market driven services, and changing needs and complexities of individual care packages - alongside charging policies which are individually calculated this means that the gross and income budgets cannot be fully correlated. Virement between gross and income may be therefore needed.

Other Local Authority Income

- Although relatively small, this relates mainly to:
 - Cross boundary services to Medway following LGR
 - Other authority clients placed in our in-house homes

Other Government Income

- This includes government funding that does not traditionally come under the remit of a specific grant, but is usually through a bidding mechanism.
- Examples include:
 - Whole Systems Demonstrator
 - Brighter Futures
 - POPPS

Specific Grant Income

- In previous years specific grant income was shown against the budget book service line for which the money was spent against.
- In 08-09, any specific grant income is shown against a separate line within the budget book
- In 07-08 a number of specific grants were received. The majority will be funded as Area Based Grants or as formula funding through base.
- In both instances the income is no longer included within KASS budget.

Specific Grant Income

- The grants affected are:
 - Now transferred to base through formula
 - Delayed Discharges (Reimbursement) - £ 2.5M
 - Access & Systems Capacity - £13.4M
 - Remaining as specific grants
 - Social Care Reform (new 08-09) - £ 2.0M
 - HIV/Aids (08-09 figure awaited)
 - Supporting People - £32.0M
 - (this transfers to ABG in 09-10)

Specific Grant Income

- Area Based Grants
 - Adult Social Care Workforce - £ 3.2M
 - Carers - £ 4.3M
 - Learning Disability Dev. Fund - £ 1.0M
 - Mental Capacity Act - £ 0.6M
 - Mental Health - £ 3.2M
 - Preserved Rights - £11.7M
 - Supporting People Admin - £ 0.9M

Preserved Rights

- This relates to those clients who were placed in residential care prior to 1993.
- At that time they were in receipt of a benefit - Preserved Income Support.
- Many of these clients were not known to Social Services, as they placed themselves, and their benefits covered the cost of their care.
- The exception to this was in respect of some Learning Disability clients, whereby Social Services were 'topping-up' the benefits due to the complex needs of the clients.

Preserved Rights

- In 2002 government ceased the benefit - preserved income support and transferred the funds via specific grant to local authorities.
- Each year the grant has reduced due to an element being rolled into base formula funding and assumed attrition
- We currently have approximately 1,000 clients under the category of Preserved Rights, of which are 700 are with learning disabilities.

KASS Monitoring Processes

- Although the Corporate monitoring requirement is that of a full report on a quarterly basis, we have continued to do full monitoring monthly.
- Reason – volatile demand led budgets – a lot can change in 3 months!

KASS Monitoring Processes

- Forecasts are undertaken at team/district level.
- Aggregated at area then directorate level
- Formal monthly budget monitoring meetings including finance and activity.