



'To Follow' Agenda Items

This is a supplement to the original agenda and includes reports that were marked as 'to follow'

Nottingham City Council Health and Adult Social Care Scrutiny Committee

Date: Thursday 15 February 2024

Time: 9:30am

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Scrutiny and Audit Support Officer: Adrian Mann

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Nottingham City Council

Health and Adult Social Care Scrutiny Committee

Minutes of the meeting held in the Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 30 January 2024 from 3:02pm to 5:13pm

Membership

Present

Councillor Georgia Power (Chair)
Councillor Maria Joannou (Vice Chair)
Councillor Michael Edwards
Councillor Eunice Regan

Absent

Councillor Saj Ahmad
Councillor Kirsty Jones
Councillor Farzanna Mahmood
Councillor Sarita-Marie Rehman-Wall

Colleagues, partners and others in attendance:

Nancy Barnard - Head of Governance
Sarah Collis - Chair, Healthwatch Nottingham and Nottinghamshire
Roz Howie - Director of Commissioning and Partnerships
Adrian Mann - Scrutiny and Audit Support Officer
Damon Stanton - Scrutiny and Audit Support Officer
Sara Storey - Director of Adult Social Care
Catherine Underwood - Corporate Director for People
Councillor Linda Woodings - Portfolio Holder for Adult Social Care and Health

30 Apologies for Absence

Councillor Saj Ahmed - work commitments
Councillor Farzanna Mahmood - unwell
Councillor Kirsty Jones - personal reasons

31 Declarations of Interests

In the interests of transparency in relation to item 5 (Impact of the Proposed 2024-25 Budget on Adult Social Care), Councillor Georgia Power declared that the Cherry Trees Residential Care Home, which is affected by the current savings proposals, is located within her Ward of Bestwood.

32 Minutes

The Committee confirmed the minutes of the meeting held on 14 December 2023 as a correct record and they were signed by the Chair.

33 New Health Scrutiny Regulations and Statutory Guidance

The Chair presented a report on the new powers to be introduced for the Secretary of State to intervene in the development of proposals for the reconfiguration of local health services. The following points were raised:

- a) The new powers will come into force on 31 January 2024. As the Committee has a good relationship with the NHS Nottingham and Nottinghamshire Integrated Care Board and other local partners, the new powers of, and the process for making referrals to, the Secretary of State should have a limited impact on the current processes in relation to the scrutiny of proposals for the reconfiguration of local health services.

The Committee noted the report.

34 Impact of the Proposed 2024-25 Budget on Adult Social Care

Councillor Linda Woodings, Portfolio Holder for Adult Social Care and Health; Catherine Underwood, Corporate Director for People; Sara Storey, Director of Adult Social Care; and Roz Howie, Interim Director of Commissioning and Partnerships, presented a report that outlined the impact of the proposed 2024/25 budget on Adult Social Care. The following points were raised:

- a) The Council is facing substantial challenges in the development of a balanced budget for 2024/25, with the budget gap as at December 2023 standing at £33.215 million. Reductions in funding from central Government, significant increases in service demand and high levels of inflation have resulted in difficult choices and cuts to services needing to be made.
- b) The Council has undertaken a 'Duties and Powers' review to assess its legal duties and responsibilities, and where service provision is discretionary. In respect of the budget-setting process, this approach was used to better understand the level at which services are currently delivered and provided, to enable the Council to determine its ability and capacity to mitigate as far as it reasonably can the pressures faced currently, and identify opportunities in which savings could be made. The review outlined the legal minimum level at which the Council is required to discharge its services. Alongside the 'Duties and Powers' framework, Adult Social Care is also taking every other reasonable step to reduce costs, including through a transformation process and efficiency savings.
- c) The 'Duties and Powers' review has identified the spending within Adult Social Care where there is a duty to provide a service, but where there is also discretion over the level and type of service provided. Subsequently, a challenging process has been undertaken through which consideration was given as to how the Service could take every opportunity to spend less, resulting in the savings proposals have been put forward. Nevertheless, despite the proposed savings, the Council will continue to provide key, statutory services to vulnerable residents.

The Committee raised the following points in discussion:

- d) The Committee enquired whether a full risk analysis was in place, and what role this played in informing the 'Duties and Powers' approach. It was stated that risks from all saving proposals have been considered individually, both for delivery and their wider implications, and have been adequately captured through risk analysis work. Steps are also underway to test the cumulative risk impact across the proposals as a whole.
- e) The Committee queried as to why some Equality Impact Assessments (EIAs) for proposals had not been published. It was explained that all EIAs have been completed and that the initial approach was to publish those associated with the proposals for public consultation. Following the consultation, the EIAs will be amended where required, with completed versions published once all updates have been completed.
- f) The Committee asked when it was anticipated that the proposed savings would be delivered. It was explained that, in relation to the time taken to realise a saving, recurrent savings would only appear in the first year in which they were delivered. If a saving is calculated over two years, this indicates that the savings are likely to be realised over the latter part of the first year and into the second year.
- g) The Committee raised concerns in regards to the proposed closure of The Oaks and Cheery Trees residential care homes and queried the long-term impacts for residents and their families if the services were provided externally, and whether meaningful savings would be made from the proposals given volatilities in the market. It was explained that this had been a difficult decision to make but, ultimately, it has been put forward based around identifying all opportunities for savings to be made on a 'Duties and Powers' methodology. The Council would still have a duty to ensure that this residential care is provided, but it is not a requirement that this is done in-house.
- h) The Committee was concerned that the potential savings generated from the closure of The Oaks and Cheery Trees were low relative to the potential impact and risks. It was set out that the market for residential care is dynamic and testing has shown that there is sufficient supply in the city for adults to access the needed care, including for specialist needs. It is intended for any sale of in-house provision to be on the basis of going concern, which should minimise any disruption to residents – particularly the most vulnerable, such as people affected by dementia. However, if this cannot be achieved then the homes would be closed and care would be re-commissioned individually. The savings set out are based on the presumptions that the rate charged to the Council would be at the standard market rate.
- i) The Committee highlighted that some EIAs outlined that the Council may struggle to find external placements for service users with the most complex care needs. It was explained that the Council is required to source placements for these people and that this responsibility and duty remained. However, until work on placements commenced, the Council needs to remain flexible and cannot be certain of arrangements until or if a buyer is found. If alternative arrangements cannot be found, then no care home residents will be moved and the support that is currently offered would continue.

- j) The Committee asked how the voice and interests of residents of The Oaks and Cheery Trees were being listened to so that the decisions being taken were with due regard of their best interests, particularly if they needed to be represented through an advocate. It was explained that a clear legal framework exists as to how the Council will assess and support those people affected by the proposals, and how their interests are taken into account. The costs of this have been accounted for as part of the savings implementation costs.
- k) The Committee enquired what support would be offered to lunch clubs for adults so that they can build their own business models and be self-sustaining, following the cessation of grant funding for lunch club recipients, as there could otherwise be an impact both on community cohesion and on health and wellbeing outcomes. It was explained that the Council recognises the important role these clubs play in reducing social isolation and supporting vulnerable adults, so the funding will be stepped down over a period of two years to help give clubs time to reduce their reliance on regular grant funding and develop greater sustainability.
- l) The Committee noted that the Barkla Close residential respite care service supported a number of people who might otherwise be difficult to place in the market. It was explained that respite care is a service that the Council has a duty to provide, with 35 families currently using the service and 11 on the waiting list. An alternative could be difficult to source elsewhere as it has often been hard to commission suitable services in this area of high needs. An external expression of interest for providers has closed recently and the results will be taken into account fully in informing any final decision. Barkla Close's in-house provision could only be closed if the Council is able to secure a sustainable alternative.
- m) The Committee sought assurance that there would be the right level of staffing capacity within Adult Social Care to manage all required transitions of care effectively and safely. It was set out that staffing arrangements and management structures have been reviewed, and will continue to be reviewed, to identify any potential efficiencies. Work is underway to scope all transitional arrangements that might be required using existing staff, and this will be completed before a final decision is made.
- n) The Committee considered that the service provided by Jackdawe homecare was highly specialised in supporting vulnerable residents and asked whether there was sufficient capacity in the market to take on the provision of this care at a viable cost. It was explained that the external capacity to provide homecare has improved over the past year. There were 170 people waiting for a homecare package one year ago, which caused significant delays for hospital discharge, but this waiting list had now reduced to single figures. As such, there is a greater confidence in the market (where there have been no homecare provider failures) and the Council has been working more closely with providers to ascertain robustness and capacity. However, until the process to commission individual support needs begins, the Council will not know whether it could find an alternative provider. If no alternative can be found, the Council will continue to run the homecare service to meet the assessed needs. The Council has a duty under the Care Act to work with providers, manage the market and help improve standards, and this will continue.

- o) The Committee raised concerns that, if the provider market was volatile and subject to change, closing Jackdawe would remove the Council's ability to mitigate against provider failure or respond to emergency support needs. It was explained that although the closure may reduce the Council's strategic ability and flexibility to respond, the Service would always have to find a way to meet individual needs and this would remain the case. For homecare, the Council pays an agreed contractual rate where any uplift is agreed each year with providers and is, therefore, protected against requests for increases. The Council has both accredited providers and a number of one-off spot providers, where the costs are significantly higher. However, three spot providers have since moved to the accredited providers framework, which shows the increasing positive relationship the Council has with its providers.
- p) The Committee queried whether reductions in the Personalisation Hub would lead to problems in people being able to use their direct payments effectively – which help reduce demand on Council services. It was explained that work had been done to review how the Council helps to support the management of direct payments. This has identified different ways in which the service could be provided more efficiently, including through automating processing. Benchmarking has taken place with other Local Authorities on how support is delivered, including through Social Worker or Community Care Officer avenues. However, face-to-face services will remain, with efficiencies focussed on the background administrative tasks. Key performance indicators remain in place to monitor any unintended consequences of the changes.
- q) The Committee queried what impacts would arise from the significant restructure of the Adult Social Care Assessment function, which was intended to achieve savings of over £2 million. It was explained that it is anticipated that, due to natural turnover, a number of current and upcoming vacancies will not be replaced. It is aimed to retain as much frontline capacity as possible, while there is a focus on reviewing management structures. The restructures under consideration have been informed through external assessment by the Care Quality Commission, staff engagement sessions and input from the Local Government Association, which has supported some of the past work in reviewing the Council's service delivery structures. The first stage of the proposals would involve freezing current vacancies to deliver first year savings, and the second year would then involve establishing the restructure.
- r) The Committee was concerned that further reductions in staff numbers could increase workloads and associated pressures, resulting in more sickness absence and low morale – in addition to impacting the waiting times for assessment. It was clarified that other areas of identifying budget savings have largely been exhausted, with £67 million in savings having already been identified in previous years, alongside a reduction in the Adult Social Care budget in real terms since 2019. There are currently 2,000 people waiting to be assessed, so measures are in place to help reduce the waiting lists despite the reductions in overall staffing, including increasing Occupational Health capacity. The existing triage system for referrals is working effectively and enables urgent cases to be picked up quickly, despite the overall volume.

- s) The Committee sought assurance that any changes to care packages would be to a similar or improved levels of quality and that standards of care would not be reduced. It was explained that the Council would continue to work with individual citizens and their families to ascertain their needs and to ensure improved outcomes for them. The Council's Commissioning team has had its capacity increased and it work closely with providers to quality assure and manage provider contracts.
- t) The Committee queried what ceasing funding of private telephone land lines provided in accordance with the Chronically Sick and Disabled Persons Act constituted. It was clarified that, from 2025, existing analogue telephone services will be discontinued and digital services will be provided instead, in line with the other services available to vulnerable residents.
- u) The Committee sought assurance that sufficient capacity was in place to deliver the proposed savings at all levels, including through effective project management. It was reported that active project management capacity is in place to support a phased approach to implementation, including ensuring the effective transition of care and the consistency of individual care packages.
- v) The Committee sought assurance that the proposals to expand the Deputyship service were fully appropriate. It was confirmed that the Council intended to work closely with the Office of the Public Guardian to ensure that it was appointed as a formal guardian where needed, as well as increasing access to Deputyship where appropriate.

The Chair thanked the Portfolio Holder and officers for attending the meeting to present the report and answer the Committee's questions.

Resolved:

- 1) To request that all Equality Impact Assessments relevant to the 2024/25 budget proposals are reviewed and published as soon as possible.**
- 2) To request that further information is provided on the capacity requirements being scoped within Adult Social Care to deliver the savings proposals effectively, particularly in the context of ensuring properly supported transitions of care.**
- 3) To request that the overall value of the proposed savings as a percentage of the current Adult Social Care budget is confirmed.**
- 4) To request that the Committee is kept updated on the monitoring of waiting lists in the context of the proposed restructure of the Adult Social Care Assessment function.**
- 5) To recommend that full consideration is given to how the Council's relationships with external providers can be maximised to ensure that the most vulnerable people are supported to the required level of care.**

- 6) To recommend that full consideration is given to how the current residential respite care, homecare and residential care home services could be maintained and continued on an in-house basis (such as through utilising any commercialisation opportunities), given the potentially high risk relative to the value of the projected savings, and the possibility that it may not be achievable to source an external provider to an equivalent service standard at a viable cost.**

35 Work Programme

The Chair presented the Committee's current Work Programme. The following points were discussed:

- a) The Committee is scheduled to consider Nottingham University Hospitals NHS Trust's new Workforce Inclusion Strategy at its next meeting, and the outcomes of the Care Quality Commission's pilot assessment of how the Council is meeting its duties under the Care Act 2014.
- b) The Work Programme will also be kept under review in light of recent issues reported in the media in relation to the Nottinghamshire Healthcare NHS Foundation Trust.

The Committee noted the Work Programme.

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