

NOTICE
OF
MEETING



**ADULT SERVICES AND HEALTH OVERVIEW AND SCRUTINY
PANEL**

will meet on

TUESDAY, 20TH SEPTEMBER, 2016

7.00 pm

COUNCIL CHAMBER - TOWN HALL,

TO: MEMBERS OF THE ADULT SERVICES AND HEALTH OVERVIEW AND
SCRUTINY PANEL

COUNCILLORS MOHAMMED ILYAS (CHAIRMAN), MICHAEL AIREY (VICE-
CHAIRMAN), CHARLES HOLLINGSWORTH, JUDITH DIMENT, LYNNE JONES
AND JOHN LENTON

SHEILA HOLMES (HEALTHWATCH WAM)

SUBSTITUTE MEMBERS

COUNCILLORS MALCOLM BEER, DR LILLY EVANS, SAYONARA LUXTON,
ASGHAR MAJEED, MARION MILLS, NICOLA PRYER, JOHN STORY AND
SIMON WERNER

Karen Shepherd - Democratic Services Manager - Issued: Monday, 12 September 2016

Members of the Press and Public are welcome to attend this meeting.

The agenda is available on the Council's web site at www.rbwm.gov.uk or contact the Panel
Administrator **David Cook**

Fire Alarm - In the event of the fire alarm sounding or other emergency, please leave the building quickly and calmly by the nearest exit. Do not stop to collect personal belongings and do not use the lifts. Congregate in the Town Hall Car Park, Park Street, Maidenhead (immediately adjacent to the Town Hall) and do not re-enter the building until told to do so by a member of staff.

Recording of Meetings – The Council allows the filming, recording and photography of public Council meetings. This may be undertaken by the Council itself, or any person attending the meeting. By entering the meeting room you are acknowledging that you may be audio or video recorded and that this recording will be available for public viewing on the RBWM website. If you have any questions regarding the council's policy, please speak to the Democratic Services or Legal representative at the meeting.

AGENDA

PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES</u> To receive any apologies for absence.	-
2.	<u>DECLARATIONS OF INTEREST</u> To receive any declarations of interest.	5 - 6
3.	<u>MINUTES</u> To approve the part I minutes of the meeting held on July 21 st 2016.	7 - 10
4.	<u>FINANCIAL UPDATE</u> To comment on the Cabinet report.	11 - 30
5.	<u>BUDGET 2017-18 - INITIAL SAVINGS PROPOSALS</u> To comment on the Cabinet report.	31 - 40
6.	<u>OUTCOME BASED HOMECARE – YEAR ONE REVIEW</u> To comment on the Cabinet report.	41 - 48
7.	<u>LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC</u> To consider passing the following resolution:- "That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on the remaining items on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 4 of part I of Schedule 12A of the Act"	-

PART II

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
8.	<u>DELIVERY OF CHILDREN'S SERVICES</u> To comment on the Cabinet report. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	49 - 118
9.	<u>FINANCE UPDATE</u> To note the Part II appendix. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	119 - 120
10.	<u>OUTCOME BASED HOMECARE - APPENDIX</u> To note the Part II appendix. <i>(Not for publication by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	121 - 122

MEMBERS' GUIDANCE NOTE

DECLARING INTERESTS IN MEETINGS

DISCLOSABLE PECUNIARY INTERESTS (DPIs)

DPIs include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any license to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

PREJUDICIAL INTERESTS

This is an interest which a reasonable fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs your ability to judge the public interest. That is, your decision making is influenced by your interest that you are not able to impartially consider only relevant issues.

DECLARING INTERESTS

If you have not disclosed your interest in the register, you **must make** the declaration of interest at the beginning of the meeting, or as soon as you are aware that you have a DPI or Prejudicial Interest. If you have already disclosed the interest in your Register of Interests you are still required to disclose this in the meeting if it relates to the matter being discussed. A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in discussion or vote at a meeting.** The term 'discussion' has been taken to mean a discussion by the members of the committee or other body determining the issue. You should notify Democratic Services before the meeting of your intention to speak. In order to avoid any accusations of taking part in the discussion or vote, you must move to the public area, having made your representations.

If you have any queries then you should obtain advice from the Legal or Democratic Services Officer before participating in the meeting.

If the interest declared has not been entered on to your Register of Interests, you must notify the Monitoring Officer in writing within the next 28 days following the meeting.

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Agenda Item 3

ADULT SERVICES AND HEALTH OVERVIEW AND SCRUTINY PANEL

THURSDAY, 21 JULY 2016

PRESENT: COUNCILLORS MOHAMMED ILYAS (CHAIRMAN), CHARLES HOLLINGSWORTH, MICHAEL AIREY, JOHN STORY, LYNNE JONES AND JUDITH DIMENT

ALSO PRESENT: CLLR COPPINGER

OFFICERS: HILARY HALL, ALISON ALEXANDER, ALAN ABRAHAMSON, ANGELA MORRIS, DAVID COOK

APPOINTMENT OF CHAIRMAN AND VICE CHAIRMAN

Resolved unanimously: that Cllr Ilyas be appointed as Chairman and Cllr M Airey as Vice-Chairman of the Adult Services and Health Overview and Scrutiny Panel.

APOLOGIES

Apologies for absence were received by Cllr Lenton; Cllr Story attended as a substitute.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

MINUTES

The minutes of the meeting held on 19th May 2016 were approved as a true and correct record.

FINANCE UPDATE

The Finance Partner informed the Panel that part I of the report summary had to be amended and should have read that the non-service variances are projected to have a £70k underspend, meaning there is a projected £41k overspend on the General Fund; the appendices to the report were correct.

The Panel were informed that the Adults, Children and Health directorate was reporting a projected overspend of £155,000, which was £8,000 lower than had been reported in June 2016. It was noted that costs often related to a small number of individuals with high associated costs with learning disabilities. It was difficult to get a fixed budget projection for this area and costs varied dependent on need.

Cllr Jones reminded the Panel that the budget for Adult Services was significantly increased last year and in response the Panel were informed that there had been a £3.5 million growth in older person services, however this year there has been a decrease in this area.

Cllr Story questioned if the £440k pressure was a best guess for the year and was informed that there was unpredictability with regards to a small number of high cost cases where the liability of the Council to meet their costs is uncertain either due to their Ordinary Residence or due to their eligibility for Continuing Health Care funding. The pressures within the report were being managed.

Resolved unanimously: that the Adult Services and Health O&S Panel considered the report and approved the recommendations being made to Cabinet.

TENDER FOR RESIDENTIAL AND NURSING SUPPORT CONTRACT FOR OLDER PEOPLE

The Panel considered the Cabinet report regarding a procurement exercise to secure care provision in two older people's residential and nursing homes owned by the Council, Clara Court in Maidenhead and Queens Court in Windsor. Members noted that Clara Court provided 76 beds and was run by Care UK; Queen's Court provided 24 nursing beds and 22 residential places and was run by Central and Cecil who had indicated that they would be withdrawing from their contract. The Council leased the buildings to Radian and Housing solutions respectively.

Cllr Story asked for clarification on the embargo on Queens Court and was informed that officers and the CQC had raised concern about the home and thus had started an improvement programme, until then an embargo on new residents had been introduced. As there had been improvements made a phased introduction of new residents had started.

Sheila Holmes (Healthwatch WAM) asked if it was known which providers were interested in running Queens Court and was informed that a number had shown an interest.

Cllr Jones asked if the tender process would specify a mix of beds; for example separating dementia beds. The Panel were informed that the tender process would provide an opportunity to look at requirements and provide placements without putting service users at risk.

It was noted that the Royal Borough did have a high proportion per head of care homes and this provided a budget pressure when private care placements could no longer afford to pay for their care. Provision was being put in the Local Borough Plan that any new providers needed to show need for a new care home and officers worked with providers to ensure private residents had sufficient funds to support their care.

In response to a question raised by Cllr Hollingsworth it was confirmed that during the change over of providers extra provision would be in place to monitor the well being of residents and the providers would also wish to ensure residents are well cared for as they would not want a safeguarding complaint against them.

The Chairman asked how often standards at homes were checked and was informed that if an individual safeguarding issue was raised then this would trigger an inspection and if required an improvement action plan would be introduced. There were also CQC inspections.

Resolved unanimously: that the Adult Services and Health O&S Panel considered the report and approved the recommendations being made to Cabinet.

FORWARD PLAN

The Panel noted the forward plan and agreed that at future meetings they would drill down some of the budget lines raised in the Financial Update report, look at the cost of home care and review agency staff / case loads.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the

meeting whilst discussion takes place on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

The meeting, which began at 7.00 pm, finished at 7.45 pm

CHAIRMAN.....

DATE.....

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Report for: INFORMATION



Contains Confidential or Exempt Information	Main paper - Part I, Appendix F part II (Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)
Title	Financial Update
Responsible Officer(s)	Russell O'Keefe, Strategic Director of Corporate and Community Services, 01628 796521
Contact officer, job title and phone number	Rob Stubbs, Head of Finance, 01628 796341
Member reporting	Councillor Saunders, Lead Member for Finance
For Consideration By	Cabinet
Date to be Considered	29 September 2016
Implementation Date if Not Called In	Immediate
Affected Wards	All

REPORT SUMMARY

1. This report sets out the Council's financial performance to date in 2016-17. In summary there is a projected £418k underspend on the General Fund. This is an increase of £198k from the August financial monitoring report. This is due to further underspends in service budgets (68k), details of which are included in section 4 and a £130k capital financing variance (reported July Cabinet) being included in the approved estimate.
2. Consequently the Council remains in a strong financial position, the Council's Development Fund balance of £1.104m bringing the combined General Fund Reserves to £6.198m in excess of the £5.27m recommended minimum level set at Council in February 2016.

If recommendations are adopted, how will residents benefit?

Benefits to residents and reasons why they will benefit	Dates by which they can expect to notice a difference
Assurance that the Council is making effective use of its resources and that budgets are being reviewed regularly.	29 September 2016

1. Details of Recommendations

RECOMMENDED: That Cabinet:

- i) **Notes the Council's projected outturn position.**
- ii) **Approves a £113k S106 funded capital budget for the expansion of Eton Porny school, (see paragraph 4.8).**
- iii) **Approves the removal of a £195k capital budget in respect of a feasibility study of a satellite grammar school (see paragraph 4.9).**

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 As this is a monitoring report decisions are normally not necessary but may be required and in this case a S106 funded budget is recommended.

3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date delivered
General Fund Reserves Achieved	Below £5.0m	£5.0m-£5.49m	£5.5m-£6.0m	Above £6.0m	31 May 2017

- 3.1 The General Fund Reserve is £5.094m and the balance on the Development Fund is £1.104m, see appendix D for a breakdown of the balance on the Development Fund. The combined reserves are £6.198m. The 2016-17 budget report recommended a minimal reserve level of £5.27m to cover known risks for 18 months.

4. FINANCIAL DETAILS

- 4.1. The Strategic Director of **Adults, Children & Health Services** reports projected outturn figure for 2016-17 of £57.391m against a controllable net budget of £57.292m, an overspend of £99k. This is a reduction of £32k on the £131k overspend reported to Cabinet in August.

The most significant variances are:

- Pressures continue in funding the provision of services to those with a learning disability and mental health problems - projected overspend of £416k, 2.5%, on a net budget of £17m. The pressure arises from the changing care requirements of a small number of residents with high needs, a delay in the de-registration of homes, and a Secretary of State adjudication of an Ordinary Residence dispute.
- Savings projected from the budget for the provision of services to older people is unchanged - at £255k underspend, 1.8%, on a net budget of £14m. This saving arises from a lower than anticipated demand for services for older people.

- Overspends mainly due to the additional cost of agency staff in key posts across Quality Assurance (£80k), the Pods (£70k), the MASH (£358k) and Children's disability teams (£60k). The reduction in agency costs resulting from initiatives to recruit permanent social workers and team managers that was reported in August is continuing. With the recent appointment of key permanent staff in the Pods, the projected overspend has reduced from £120k to £70k. Agency costs are expected to reduce further over the rest of the year.
- There are projected underspends on the care costs of children in care, particularly in internal fostering (-£170k), costs of children leaving care (-£111k), and children with disabilities (-£376k). This is mainly due to fewer than expected numbers requiring high cost support.
- Recent changes in residential placements for children in care have resulted in a £78k increased cost in Commissioning, but this has been partly offset by staff vacancies which will deliver a £30k saving this year.

There are no projected variances to report within the HR budget.

In addition to the variances, there are a number of specific items with financial risks. These will have a potential impact on the final budget outturn in 2016/17. The risks are not reported within the variances identified:

- Home to School Transport – outturn projections will become clearer in September when demands on transport provision from new pupils are confirmed, but if spending continues at the same rate as in 2015-16, the additional budget allocated for 2016-17 could result in a further pressure of up to £300k. Actions being taken to address these pressures include reshaping transport policy and increasing numbers of high needs places in all areas to help provision in local schools and reduce reliance on expensive transport.
- There are three high cost cases where the liability of the council to meet their costs is uncertain either due to their Ordinary Residence or due to their eligibility for Continuing Health Care funding. The maximum additional cost this year to the Directorate should these cases all be decided against the council is estimated at £165k, and the maximum saving if all cases were settled in favour of the council is estimated at £558k this year.

- 4.2. The Strategic Director of **Corporate and Community Services** reports a projected outturn figure for 2016-17 of £4.173m against a controllable net budget of £4.205m, an underspend of £32k.

This is a similar variance to the projected underspend reported to Cabinet last month (£31k). However the change includes a £9k pressure in Land Charges income due to slow market conditions offset by a £10k increase in income from advertising.

- 4.3. The Strategic Director of **Operations and Customer Services** projects a £280k underspend on the directorate 2016-17 approved budget of £21.576m. This is a small increase to the projected underspend reported to Cabinet in August (£245K).

The change to the overall projected variance is based on a further improvement in car parking income in town centres, with a currently projected over achievement of £70K at year end (increased from £35K projected in July).

Small budget pressures and mitigating efficiencies and savings continue across many of the OCS services.

- In Libraries Arts & Heritage, the Registrars service continues to achieve strong income performance, offset by several minor pressures.
- In Communities Protection & Enforcement Services, waste disposal tonnages continue to be lower than predicted while garden waste services take-up continues to be strong.
- For Customer Services, there are some continuing pressures around Housing Options savings targets and facilities management, but mitigation plans are in place.
- Highways & Transport continues to show pressures on income targets in Transport & Access and Traffic & Road Safety, and on the Street Cleansing budget. However, these are fully mitigated by savings and efficiencies achieved in other areas of the service.
- In ICT, un-budgeted spend to improve security of Members' IT has been absorbed and the services continues to project a healthy underspend at year end.
- Revenues & Benefits pressures from overpayment recovery continue but are mitigated by contract savings (Academy print) and widespread efficiencies.

The OCS directorate budget has been updated with the transfer of Parks and Open Spaces (£831k) moving in from the corporate directorate.

4.4. Revenue budget movements this month:

	£000
Approved Estimate	82,925
Loss of rental income Quadrant re Homeless Residents Scheme	50
Delivering OCS differently	100
Rounding	(2)
Service Expenditure Budget this Month	83,073

On the request of Corporate O&SP an expanded full year Movement Statement has been included in the report in Appendix E.

4.5. Cash Balances Forecast

Appendix F provides details of the Borough's cash balances. The intention is to show the graph monthly to provide an early warning of the need to make key Treasury decisions.

4.6. Liabilities

On the request of Corporate O&SP a part II list of liabilities has been included in the report (Appendix G).

4.7. Capital Programme

The approved 2016-17 capital estimate is £43.635m; the projected outturn for the financial year is £43.635m. The capital outturn in 2015-16 was £27.421m. See appendices B and C for further details.

	Exp	Inc	Net
	£'000	£'000	£'000
Approved estimate	43,635	(18,965)	24,670
Variances identified	(195)	0	(195)
Slippage to 2017-18	0	0	0
Projected Outturn 2016-17	43,440	(18,965)	24,475

Overall capital programme status

	Report to Sept 2016 Cabinet
Number of schemes in programme	529
Yet to Start	49%
In Progress	30%
Completed	15%
Ongoing Programmes e.g. Disabled Facilities Grant	6%
Devolved Formula Capital Grant schemes budgets devolved to schools	0%

4.8. Capital addition for approval

S106 funds are available (£113k) for use in the Eton sub-area for creating additional space at either Eton Wick school or Eton Porny school. Both schools were consulted about potential schemes which were then assessed by officers for S106 compliance and benefits to the pupils. The Director of Children's Services and the previous Lead Member approved Eton Porny's scheme which will bring space within the school into use thus increasing the space per pupil ratio. Approval is now sought for a S106 funded capital budget to carry out the work.

4.9. Capital removal

A £200k capital budget was approved to investigate the feasibility of a satellite grammar school. Approval is now being sought to remove £195k (the unspent balance) as legislation allows school conversion to selective education to be covered by central funding.

5. LEGAL IMPLICATIONS

- 5.1 In producing and reviewing this report the Council is meeting its legal obligations to monitor its financial position.

6. VALUE FOR MONEY

- 6.1 Service monitoring ensures a constant review of budgets for economy, efficiency and effectiveness.

7. SUSTAINABILITY IMPACT APPRAISAL

7.1 N/A

8. Risk Management

Risks	Uncontrolled Risk	Controls	Controlled Risk
None			

9. LINKS TO STRATEGIC OBJECTIVES

9.1 Residents can be assured that the Council is providing value for money by delivering economic services.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

10.1 This is a monitoring report with no actions related to staff or service provision. An Equality Impact Assessment (EQIA) has not, therefore, been completed for the production of this report. An EQIA would be required should this report generate any changes to policy.

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

11.1 None.

12. PROPERTY AND ASSETS

12.1 None.

13. ANY OTHER IMPLICATIONS

13.1 None.

14. CONSULTATION

14.1 Overview & Scrutiny meetings are scheduled prior to this Cabinet. Any comments from those meetings will be reported verbally to Cabinet.

15. TIMETABLE FOR IMPLEMENTATION

15.1 N/A.

16. APPENDICES

16.1 Appendix A Revenue budget summary
Appendix B Capital budget summary
Appendix C Capital variances
Appendix D Development Fund analysis
Appendix E Revenue Movement Statement
Appendix F Cash Flow Forecast
Appendix G Liabilities (Part 2 Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)

17. BACKGROUND INFORMATION

17.1 Budget Report to Council February 2016.

18. CONSULTATION (MANDATORY)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Cllr Saunders	Lead Member for Finance	26/8/2016	31/8/2016	
Cllr Rankin	Deputy Lead Member for Finance	26/8/2016		
Alison Alexander	Managing Director	26/8/2016	27/8/2016	Throughout
Corporate Management Team (CMT)	Strategic Directors	26/8/2016		Throughout
External None				

REPORT HISTORY

Decision type:	Urgency item?
For information	No

Full name of report author	Job title	Full contact no:
Richard Bunn	Chief Accountant	01628 796510

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SUMMARY	2016/17		
	Budget	Approved Estimate	Projected Variance
	£000	£000	£000
Adult, Children's & Health Commissioning	7,642	7,837	148
Schools and Educational Services	2,914	2,923	0
Health, Early Help & Safeguarding	10,411	10,423	(210)
Health and Adult Social Care	32,408	32,323	161
Human Resources	1,167	1,529	0
A,C&H Management	834	1,032	0
Total Adult, Children & Health	55,376	56,067	99
Better Care Fund-Expenditure	9,915	10,956	0
Better Care Fund-Income	(8,485)	(9,730)	0
Total Better Care Fund	1,430	1,226	0
Maintained Schools	42,127	40,661	0
Early Years Education and Childcare Provision	7,154	6,274	0
Admissions and Pupil Growth	545	381	0
Support Services for Schools and Early Years	1,714	1,611	94
High Needs and Alternative Provision	13,430	13,633	66
Dedicated Schools Grant	(64,970)	(62,561)	(160)
Total Schools Budget(DSG)	0	(1)	0
Total Adult, Children and Health Services	56,806	57,292	99
Director of Operations & Customer Services	(27)	377	0
Revenues & Benefits	816	748	0
Highways & Transport	6,125	6,378	0
Community, Protection & Enforcement Services	6,957	7,227	(130)
Customer Services	1,740	1,885	0
Technology & Change Delivery	2,915	2,603	(150)
Library, Arts & Heritage Services	2,280	2,358	0
Total Operations & Customer Services	20,806	21,576	(280)
Director of Corporate & Community Services	85	127	0
Planning, Development and Regeneration Service	(819)	(708)	77
Corporate Management	433	428	0
Performance	429	410	(20)
Democratic Services	1,955	2,014	(52)
Elections	261	263	0
Legal	104	104	(47)
Finance	2,353	2,426	(25)
Building Services	40	26	0
Communities and Economic Development	(801)	(885)	35
Total Corporate & Community Services	4,040	4,205	(32)
TOTAL EXPENDITURE	81,652	83,073	(213)

SUMMARY	2016/17		
	Budget	Approved Estimate	Projected Variance
	£000	£000	£000
Total Service Expenditure	81,652	83,073	(213)
Contribution to / (from) Development Fund	1,133	455	0
Pensions deficit recovery	2,115	2,115	0
Pay reward	500	5	(5)
Transfer to/(from) Provision for the clearance of Shurlock Road			(200)
Transfer to/(from) Provision for Redundancy		(286)	0
Environment Agency levy	150	150	0
Capital Financing inc Interest Receipts	<u>5,128</u>	<u>5,258</u>	<u>0</u>
NET REQUIREMENTS	90,678	90,770	(418)
Less - Special Expenses	(981)	(981)	0
Transfer to / (from) balances	<u>0</u>	<u>(92)</u>	<u>418</u>
GROSS COUNCIL TAX REQUIREMENT	89,697	89,697	0
General Fund			
Opening Balance	4,681	4,768	4,676
Transfers to / (from) balances	<u>0</u>	<u>(92)</u>	<u>418</u>
	<u><u>4,681</u></u>	<u><u>4,676</u></u>	<u><u>5,094</u></u>
NOTE Service variances that are negative represent an underspend, positive represents an overspend.			

Memorandum Item	
Current balance on the Development Fund	
	£000
Opening Balance	649
Transfer (to) / from other reserves	
Transfer from General Fund - sweep	
Transfer (to) / from General Fund - other initiatives	<u>455</u>
	<u><u>1,104</u></u>

Portfolio Summary	2016/17 Original Budget			New Schemes – 2016/17 Approved Estimate			Schemes Approved in Prior Years			Projections – Gross Expenditure					
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	2016/17 Projected	2016/17 SLIPPAGE Projected	TOTAL Projected	VARIANCE Projected	VARIANCE Projected	
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	(£'000)	(£'000)	(£'000)	(£'000)	(%)	
Community & Corporate Services															
SMILE Leisure	428	(120)	308	678	(120)	558	46	(14)	32	724	0	724	0	0%	
Community Facilities	135	0	135	235	(100)	135	0	0	0	235	0	235	0	0%	
Outdoor Facilities	370	(100)	270	537	(151)	386	739	(465)	274	1276	0	1,276	0	0%	
Property & Development	0	0	0	0	0	0	512	0	512	512	0	512	0	0%	
Governance, Policy, Performance_Partnerships	838	0	838	709	0	709	610	0	610	1,319	0	1,319	0	0%	
Regeneration & Economic Development	6,397	(185)	6,212	7,138	(450)	6,688	4,850	(1,096)	3,754	11,988	0	11,988	0	0%	
Total Community & Corporate Services	8,168	(405)	7,763	9,297	(821)	8,476	6,757	(1,575)	5,182	16,054	0	16,054	0	0	
Operations & Customer Services															
Technology & Change Delivery	0	0	0	0	0	0	335	(6)	329	335	0	335	0		
Revenues & Benefits	0	0	0	48	0	48	48	0	48	96	0	96	0		
Customer Services	0	0	0	0	0	0	249	0	249	249	0	249	0		
Green Spaces & Parks	343	(308)	35	436	(322)	114	269	(136)	133	705	0	705	0	0%	
Highways & Transport	9,609	(3,155)	6,454	10,501	(3,537)	6,964	2,117	(892)	1,225	12,618	0	12,618	0	0%	
Community,Protection & Enforcement Services	640	(380)	260	710	(380)	330	815	(721)	94	1,525	0	1,525	0	0%	
Libraries, Arts & Heritage	367	(295)	72	367	(295)	72	468	(147)	321	835	0	835	0	0%	
Total Operations & Customer Services	10,959	(4,138)	6,821	12,062	(4,534)	7,528	4,301	(1,902)	2,399	16,363	0	16,363	0	0	
Adult, Children & Health															
HR	0	0	0	0	0	0	0	0	0	0	0	0	0		
Adult Social Care	41	0	41	41	0	41	217	(185)	32	258	0	258	0	0%	
Housing	0	0	0	0	0	0	2,397	(2,017)	380	2,397	0	2,397	0		
Non Schools	0	0	0	89	(89)	0	305	(233)	72	394	0	394	0		
Schools – Non Devolved	4,550	(4,190)	360	4,274	(3,714)	560	2,192	(2,192)	0	6,271	0	6,271	(195)	-4%	
Schools – Devolved Capital	250	(250)	0	618	(618)	0	1,085	(1,085)	0	1,703	0	1,703	0	0%	
Total Adult, Children & Health	4,841	(4,440)	401	5,022	(4,421)	601	6,196	(5,712)	484	11,023	0	8,368	(195)	(0)	
Total Committed Schemes	23,968	(8,983)	14,985	26,381	(9,776)	16,605	17,254	(9,189)	8,065	43,440	0	40,785	(195)	0	

	(£'000)	(£'000)	(£'000)
Portfolio Total	23,968	43,635	43,440
External Funding			
Government Grants	(7,890)	(12,432)	(12,432)
Developers' Contributions	(933)	(5,393)	(5,393)
Other Contributions	(160)	(1,140)	(1,140)
Total External Funding Sources	(8,983)	(18,965)	(18,965)
Total Corporate Funding	14,985	24,670	24,475

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Capital Monitoring Report - July 2016-17

At 31 August 2016, the approved estimate stood at £43.635m

	Exp	Inc	Net
	£'000	£'000	£'000
Approved Estimate	43,635	(18,965)	24,670
Variances identified	(195)	0	(195)
Slippage to 2016/17	0	0	0
Projected Outturn 2015/16	43,440	(18,965)	24,475

Overall Projected Expenditure and Slippage

Projected outturn for the financial year is £43.440m

Variances are reported as follows.

CSFF	School Kitchens	(150)	150	0	Revised Business Case
CSGF	Woodlands Park School Roof-2015-16	(20)	20	0	Revised Business Case
CSHA	Woodlands Park School Internal Remodelling	170	(170)	0	Revised Business Case
CSHT	Feasibility for Satellite Grammar	(195)	0	(195)	Budget no longer required due to central government funding as agreed at cabinet briefing.
		<u>(195)</u>	<u>0</u>	<u>(195)</u>	

There is no slippage to report at this stage.

Overall Programme Status

The project statistics show the following position:

Scheme progress	No.	%
Yet to Start	255	49%
In Progress	161	30%
Completed	81	15%
Ongoing Programmes e.g.. Disabled Facilities Grant	31	6%
Devolved Formula Capital Grant schemes budgets devolved to schools	1	0%
Total Schemes	<u>529</u>	<u>100%</u>

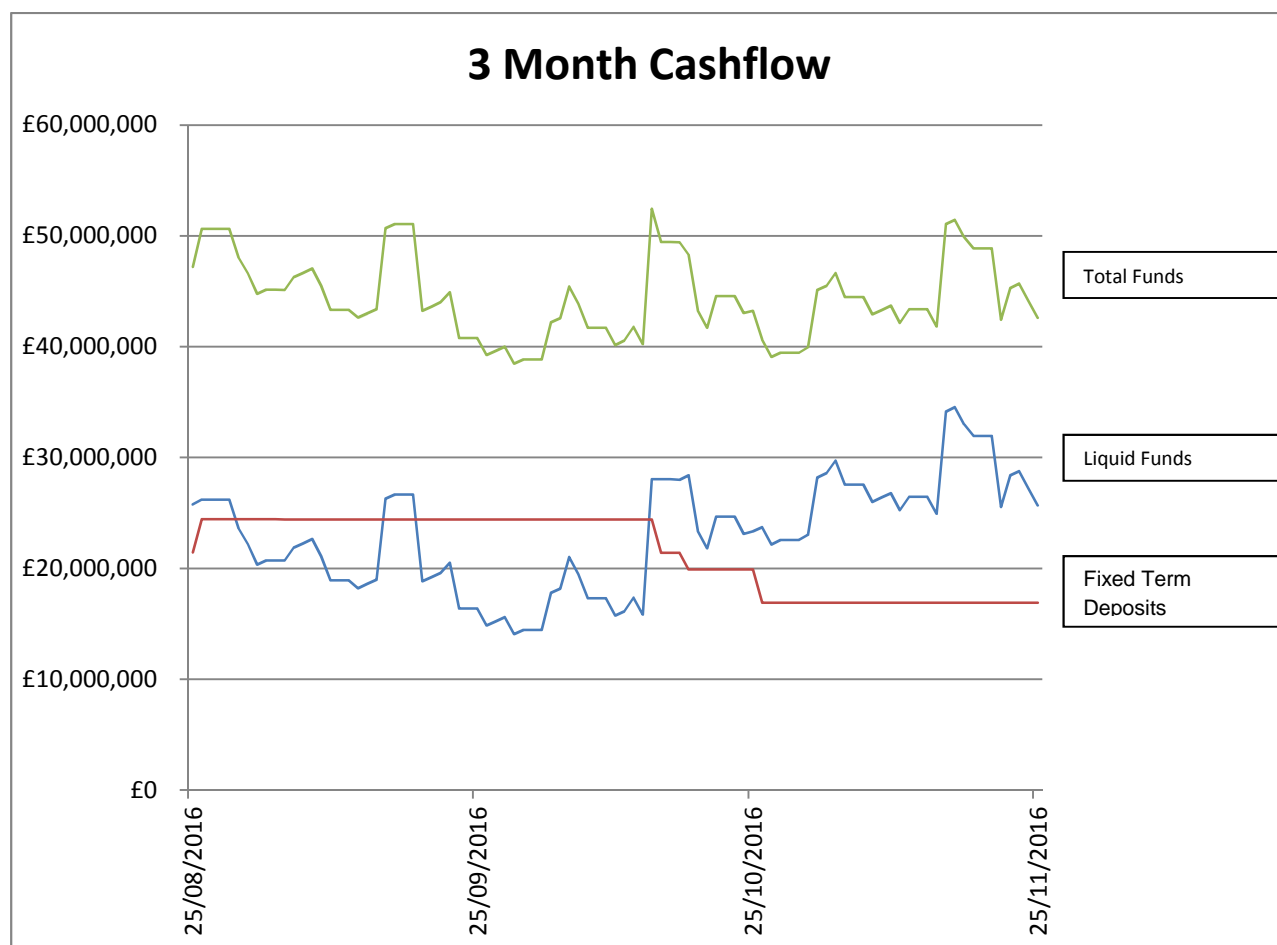
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Corporate Development Fund (AE35) £000		
Balance B/F from 2015/16		649
Transacted amounts in 2016/17		
To/From Capital Fund		0
To/From General Fund		
Transition Grant (2016/17 budget - February Council)	1,278	
Restructure of the Development and Regeneration service (2016/17 budget - February Council)	-56	
Minerals and Waste Strategy (2016/17 budget - February Council)	-61	
Adjustment to contribution due to revised New Homes Bonus (2016/17 budget - February Council)	-28	
Delivering Children's Services (March Cabinet)	-200	
Additional Transport Model costs (April CMT)	-43	
Heathrow Expansion (March Cabinet)	-30	
Delivering Operations Services (March Cabinet)	-100	
Road & Streetworks Permit scheme (March Cabinet)	-120	
Review of Sunday Parking charges (April Council)	-81	
Forest Bridge Contingency (CMT June 2016)	-100	
Dynamic Purchasing System (March Cabinet)	-4	
		455
		<u>1,104</u>

Budget Movement Statement 2016-17

	Funded by Development Fund	Funded by the General Fund	Funded by Provision	Included in the original budget	Total	Approval
	£'000	£'000	£'000	£'000	£'000	
Original Budget					81,652	
1 Transforming Services	200				200	Cabinet March
2 Disabled Facilities Grant				(302)	(302)	Council Feb.
3 Transport model	43				43	CMT April
4 Heathrow Expansion	30				30	Cabinet March
5 Redundancy cost			73		73	Cabinet May
6 Redundancy cost			92		92	Cabinet May
7 Desborough improvements		50			50	Cabinet March
8 Transforming Services	100				100	Cabinet March
9 NRSWA parking scheme	120				120	Cabinet March
10 Sunday parking	81				81	Cabinet April
11 Cleaning & maintenance costs at Cox Green Youth Centre		20			20	Council Feb.
12 Redundancy cost			96		96	Cabinet May
13 Forest Bridge Contingency	100				100	CMT June
14 Pay reward				191	191	Council Feb.
15 Pay reward				173	173	Council Feb.
16 Pay reward				131	131	Council Feb.
17 Dynamic purchasing system	4				4	Cabinet March
18 Redundancy cost			25		25	Cabinet May
19 Bus contract		44			44	Cabinet May
20 Loss of rental income		50			50	Cabinet June
21 Transforming Services		100			100	Cabinet June
Changes Approved	678	264	286	193	1,421	
Approved Estimate September Cabinet					83,073	

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Liquid Funds

Investments in bank deposit account(s) and money market funds providing instant access to funds.

Fixed Term Deposits

Investments in banks, building societies and local authorities. Funds are usually invested for three months or more but not usually for longer than 12 months.

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Report for: ACTION



Contains Confidential or Exempt Information	No - Part I
Title	Initial Savings in Respect of 2017-18 Budget
Responsible Officer(s)	Russell O'Keefe, Strategic Director of Corporate and Community Services, 01628 796521
Contact officer, job title and phone number	Rob Stubbs, Head of Finance, 01628 796341
Member reporting	Councillor Saunders, Lead Member for Finance
For Consideration By	Cabinet
Date to be Considered	29 September 2016
Implementation Date if Not Called In	Immediate
Affected Wards	All

REPORT SUMMARY

1. The Medium Term Financial Plan (MTFP) presented to Council in February 2016 identified the need to reduce council expenditure by £5.6m in 2017-18. As the economic climate changes in the UK the Council's expenditure level might need to change. Any significant changes will be weaved into the Medium Term Financial Plan.
2. In March 2016 Cabinet approved a refreshed Transformation Programme 2016- 2018 with the aim to create a leaner and more agile organisation, focused on the customers, services and the communities the Council serves.
3. Guided by the Council's Transformation Programme, work to date has identified how the council's expenditure can be reduced by £5.3m in 2017-18 through a mixture of increasing income and reducing cost. The details are included in this report. Further savings proposals will be brought to Cabinet in February 2017.
4. Members should be aware that some of the savings proposed are subject to individual cabinet reports and are therefore only included as draft proposals to be subsequently approved for inclusion in the budget.
5. The report recommends that managers are authorised to implement the proposals as soon as practicable to secure implementation by 1st April or earlier and that these proposals are included in the Budget for 2017-18 when discussed in February 2017.

If recommendations are adopted, how will residents benefit?	
Benefits to residents and reasons why they will benefit	Dates by which they can expect to notice a difference
Assurance that the Council regularly reviews budgets and secures effective use of its resources.	On publication of this report

1. Details of Recommendations

RECOMMENDED: That Cabinet:

- (i) **Agree the savings listed in Appendix A for submission to Council in the 2017-18 budgets subject to approval of any subsequent reports on individual schemes.**
- (ii) **Authorises Strategic Directors in agreement with Lead Members to implement savings proposals.**

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 Over the last few years the Council has delivered significant efficiency savings whilst at the same time improving services for residents and keeping council tax at one of the lowest levels in the country.
- 2.2 The MTFP presented to Council in February 2016 identified the need to reduce council expenditure by a further £5.6m in 2017-18. Demand pressures on key services, such as social care, means reducing expenditure is never easy but the Council has approached this in line with our overall priority to always put residents first.
- 2.3 The identification of ways to reduce overall expenditure, either through reducing cost or increasing income, has been carried out through our transformation programme 2016-2018. By the end of the process we expect to be a Council which is:
- More self reliant – successful in becoming less dependent on central government funding and increasing our income generation;
 - Equipped to work in new ways – regularly commissioning the services we need based on outcomes for residents, and making evidence based decisions on those services we change
 - Quicker to respond – more able to adapt to changing circumstances and residents’ needs, including improving our digital offer to customers;
 - Providing a mixed economy of service provision – taking different approaches to delivering services, taking ideas from all sectors as well as our own.
- 2.4 As part of this the Council is proactively using its property assets and land holdings both to improve the area for residents and businesses and create a borough for everyone but also to generate income that can be used to fund key services.

2.5 This transformational approach has meant that the proposals in this report look quite different to those being presented to many other local authorities across the country. In most cases, rather than reducing services these proposals focus on ‘delivering differently’ so that we can deliver them in a way that improves the service or at least maintains it for less cost or increases income. ‘Delivering differently’ sets out an ambition in our transformation programme to create a ‘mixed economy’ approach to service provision in the future. Major proposals for ‘delivering differently’ are tested against the following criteria:

- Ability to preserve and enhance services for the benefit of The Royal Borough and its residents.
- The greatest opportunity for savings.
- The opportunity for community and volunteer involvement.
- The ability to access private finance, charitable funds and sponsorship.
- The opportunity for a strategic partnership with RBWM.
- The best interests of staff.

2.6 The proposals in this report have been developed in close collaboration with Lead Members, explored with Directorate Management Teams and the wider workforce – where some of the ideas have been drawn from.

2.7 The recommendations will enable the Council to operate within budget, deliver the services needed by residents in the most efficient and effective way, including to the most vulnerable, whilst continuing to maintain Council Tax at affordable levels for all residents.

3. KEY IMPLICATIONS

3.1 The implications of delivering the proposals are set out in table 1.

Table 1: Implications

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be delivered
Savings delivered in 2017-18	<5.3m	£5.3m - £5.39m	£5.4 - £5.5m	>£5.5m	31 March 2018

4. FINANCIAL DETAILS

4.1. Table 2 provides a total figure identified as part of the Council’s three year transformation programme to reduce cost while maintaining or improving services to residents or increasing income, see appendix A for full details. Proposals for 2018-19 and 2019-20 are subject to change, so whilst a total figure is captured in table 2 the details are not submitted to Cabinet for approval in this report. ..

Table 2: Savings total

	2017/18	2018/19	2019/20
	Revenue £'000	Revenue £'000	Revenue £'000
Addition	£0	£0	£0
Reduction	£5.278m	£4.406m*	£3.851m*

* Not submitted to Cabinet at this time see paragraph 4.1.

4.2. The Budget report received by Council in February 2016 outlined the financial targets that the Council faces. The need to constantly examine costs and reduce spend was set out in the paper. The council is seeking to reduce costs by £14.4m over three years. This figure includes an additional £1m, stretch target, based on the savings requirement in the Medium Term Financial Plan. Table 3 sets out how the savings proposals are distributed across the three Directorates. The different percentage against gross budget is based on the councils commitment in maintain services to residents, especially those vulnerable.

Directorate	17/18 Options	18/19 Options	19/20 Options	3 Year Stretch Target	3 Year Surplus / (Gap)	Reduction against gross budget
	£000	£000	£000	£000	£000	%
Adults, Children & Health	1,613	1,246	1,076			4.7
Corporate & community	1,065	960	1,275			22.9
Operations & Customers	2,600	2,200	1,500			15.9
TOTALS	5,278	4,406	3,851	14,418	(883)	9.9

4.3. Savings options will be reviewed regularly and shortfalls for each year will be addressed prior to or during the budget process for the year concerned.

5. LEGAL IMPLICATIONS

5.1 This report is part of the process required for the Council to meet its legal obligations to set a balanced annual budget.

6. VALUE FOR MONEY

6.1 The budget process is part of the Council's aim to maximise economy, efficiency and effectiveness in providing services for residents.

7. SUSTAINABILITY IMPACT APPRAISAL

7.1 The proposals in this report have no impact on sustainability objectives.

8. RISK MANAGEMENT

Risks	Uncontrolled Risk	Controls	Controlled Risk
--------------	--------------------------	-----------------	------------------------

Risk of non-achievement of balanced budget	See Appendix A	Early approval maximises time available for implementation. Achievement of savings is monitored throughout the year by CMT.	Minimal
Risk to service delivery	See Appendix A	Consideration at management teams to minimise impact on front line services.	Minimal
Risk of negative payback	See Appendix A	Consideration of proposals at management teams focussed on whether proposals reduce controls that might increase costs in the longer term.	Minimal

9. LINKS TO STRATEGIC OBJECTIVES

- 9.1 Residents can be assured that the Council is providing value for money by delivering economic services, whilst delivering against the council's commitment to serve all residents, deliver specialist services and be innovative in delivery methods.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

- 10.1 Equality Impact Assessments will be carried out, where necessary, prior to implementation and published on the Council's website.

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

- 11.1 If the savings listed in appendix A are approved, there is the potential for staff reductions through either TUPE transfer or redundancy. Based on current information, which could be subject to change, it is estimated that 627 members of staff could be affected in 2017-18 either through redundancy (23) or by transfer to joint ventures under TUPE contacts (604). Members of staff will be consulted as part of the implementation of any proposals that have staffing implications. All efforts will be made to prevent compulsory redundancies including the use of redeployment.

12. PROPERTY AND ASSETS

- 12.1 Following the transfer of services to joint ventures there may be a reduced need for office accommodation. A full property review will be undertaken before any decisions are taken. Property savings have not been included in the 2017-18 savings detailed in Appendix A.

13. ANY OTHER IMPLICATIONS

- 13.1 The impact of other implications are dependant on the nature of each proposal. Details can be found in appendix A.

14. CONSULTATION

- 14.1 Comments from Overview and Scrutiny Panels are either printed below or if time does not permit this will be made available to Members at Cabinet.

15. TIMETABLE FOR IMPLEMENTATION

- 15.1 Implementation will be with immediate affect to ensure achieved by April 2017. The budget will be set in January 2017 with full details going to Cabinet and Council in February 2017.

16. APPENDICES

- 16.1 Appendix A: Initial savings proposals for 2017-18.

17. BACKGROUND INFORMATION

- 17.1 Budget Report to Council February 2016.

18. CONSULTATION (MANDATORY)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Cllr Saunders	Lead Member for Finance	25/8/2016	26/8/16	
Cllr Rankin	Deputy Lead Member for Finance	25/8/2016		
Corporate Management Team (CMT)	Managing Director and Strategic Directors	19/8/2016	22/8/16	Throughout
External None				

REPORT HISTORY

Decision type:	Urgency item?
For information	No

Full name of report author	Job title	Full contact no:
Richard Bunn	Chief Accountant	01628 796510

APPENDIX A

CORPORATE & COMMUNITY SERVICES - SAVINGS OPTIONS			
No.	Description / Budget	Income or saving for 17/18 £000	Equality Impact Assessment Y / N
FINANCE			
Finance Operations / Finance Strategic			
1	Reshape senior finance structure	100	N
Finance Operations			
2	Charge capital programme for project management work carried out within Finance	40	N
3	Rationalise business services when it transfers to financial control	25	N
4	Review financial control processes post AIM system upgrade	30	N
5	Savings by taking on apprentices in finance	20	N
Systems Accountancy			
6	Relocate Agresso Helpdesk back to Finance Systems Team to provide resilience and complete customer experience.	15	N
Insurance and Risk			
7	Explore increased self insured exposure to £750k per claim (currently 500k)	70	N
GOVERNANCE, PARTNERSHIP, PERFORMANCE and POLICY			
Shared Legal Services			
8	Review of legal services (year 1 is the SLS agreement)	250	N
Democratic Services			
9	Reduction in democratic services printing and postage costs	10	N
GPPP Management structure			
10	Review of mgt structure and team structure in GPPP and implementation of a new performance mgt approach and system	235	N
COMMUNITIES and ECONOMIC DEVELOPMENT			
Communications			
11	Potential to move to 3 ATRB from 4 a year	20	N
Leisure Contract			
12	Leisure service contract savings (agreed previously)	250	N
		1,065	

Note: Some of the proposed savings Detailed in this Appendix are subject to Individual Reports To Cabinet

ADULT CHILDREN & HEALTH DIRECTORATE - SAVINGS OPTIONS			
No.	Description / Budget	Income or saving for 17/18	Equality Impact Assessment
		£000	Y / N
COMMISSIONING			
	Commissioning £4.7m net budget		
1	Non renewal of Family Nurse Partnership contract after 30/9/16.	110	Y
	Public Health Commissioning £7.0m gross budget		
2	Re-allocation of Better Care Fund support budget to deliver "Direct Payment" efficiencies.	46	N
3	DAAT - implementation of T&F Group recommendations %%??	150	N
4	Savings to the pan-Berkshire Chlamydia screening contract - full year effect of 2015/16 saving	31	N
5	Management efficiencies from the integration of HV service & Children's Centres	100	N
	Other Commissioning services £1.2m net budget		
6	Commissioning efficiencies	75	N
7	Efficiencies from reorganising Operational Commissioning Team	28	N
8	Self financing of homeshare service	50	N
ADULT SOCIAL CARE			
	Management & all ASC £0.7m net budget		
9	Additional income from financial assessment AA/DLA	335	Y
	Deprivation of Liberty Safeguarding (DOLS) £0.4m net budget		
10	Improved commissioning of Best Interest Assessors	7	N
	Older People £14.4m net budget		
11	Outcome based commissioning including fixed price	80	N
	Mental Health £3.1m net budget		
12	Review of block contract for care services.	31	N
SCHOOLS AND EDUCATIONAL SERVICES			
	School Improvement & Leadership £0.3m net budget		
13	Increase prices and scope of buy-back Governor Services	30	N
	Early Years Education £0.221m net budget		
14	Reduce non statutory improvement offer to early years settings	60	Y
HEALTH, EARLY HELP & SAFEGUARDING			
	Safeguarding and Children in Care £5.6m net budget		
15	Productivity and efficiency in Pods	104	N
16	Youth Service reduction in youth work activity	25	Y
17	Reduction in number of children in care requiring support	108	N
18	Integration of YOT & Youth Services	50	N
	Children & Young People Disability £2.1m net budget		
19	Reduction in number of disabled children requiring high cost placement	100	N
HUMAN RESOURCES			
	Human Resources £1.2m net budget		
20	underspend within Supplementary Pension	23	N
21	HR staffing saving	15	N
22	Training, move to e-learning	25	N
AC&H DIRECTORATE MANAGEMENT			
23	Reduction in support team cost	30	N
		1,613	

Note: Some of the proposed savings Detailed in this Appendix are subject to Individual Reports To Cabinet

APPENDIX A

OPERATIONS & CUSTOMER SERVICES - SAVINGS OPTIONS			
No.	Description / Budget	Income or saving for 17/18	Equality Impact Assessment
		£000	Y / N
REVENUES & BENEFITS £1.8m			
(incorporating Debt Recovery & Revs & Bens Systems Management)			
1	Company Joint venture with a commercial partner	400	N
HIGHWAYS & TRANSPORT			
Parking Provision £1.8m			
2	Contractual Joint Venture with commercial providers.	100	N
Highways & Streetcare £7.1m			
3	Highways & Streetcare - Outsource through 'term contract'	500	N
4	Highways & Streetcare - Implement new permitting scheme for works on the Highway and trade.	100	N
LIBRARIES & CUSTOMER SERVICES - Combined £6.24m			
5	Optimisation & Merger of the service areas	500	Y
COMMUNITY PROTECTION & ENFORCEMENT SERVICES			
Community wardens & parking enforcement £1.5m			
6	Outsource service – and merge	500	N
INFORMATION TECHNOLOGY SERVICES - £2.8m			
7	Optimisation & outsource service	500	N
		2,600	

Note: Some of the proposed savings Detailed in this Appendix are subject to Individual Reports To Cabinet

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Report for:
INFORMATION



Contains Confidential or Exempt Information	Yes – Report Part I Appendix 1 Part II By virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972.
Title	Outcome Based Homecare Contract – Annual Review 2015-16
Responsible Officer(s)	Alison Alexander, Managing Director and Strategic Director of Adults, Children and Health
Contact officer, job title and phone number	Hilary Hall, Head of Commissioning, Adults, Children and Health, 01628 683893
Member reporting	Cllr Coppinger, Lead Member for Adult Services, Health and Sustainability
For Consideration By	Cabinet
Date to be Considered	29 September 2016
Implementation Date if Not Called In	Immediately
Affected Wards	All

REPORT SUMMARY

1. In August 2015, the Royal Borough moved to a new way of commissioning homecare services. Instead of homecare being delivered to do things for people an Outcome based Service was put in place to enable residents to regain or maximise their independence.
2. The contract for the service was awarded to Carewatch Care Services Limited. This report sets out the benefits that have been delivered for borough residents in the first year of the contract's operation, together with the benefits expected in the second year of the contract.

If recommendations are adopted, how will residents benefit?

Benefits to residents and reasons why they will benefit	Dates by which residents can expect to notice a difference
1. Residents receive, in their own home, the service they require, at the right time, to enable them to remain healthy and to live independently.	March 2017

1. DETAILS OF RECOMMENDATIONS

RECOMMENDATION: That Cabinet notes:

- i. The progress in offering outcome based homecare services and the benefits it offers to residents.**
- ii. The plans for developing the service in the second year of the contract**

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 The Royal Borough commissioned homecare services for residents through an outcomes based homecare contract in 2015, to ensure:
 - The best model of home and community based support for the benefit of residents.
 - The service offer is aligned to the Care Act requirements. The provision of 'home care' services was financially sustainable.
 - Satisfaction with service provision
- 2.2 The service specification requires the service provider to support residents to become more independent, rather than receive a daily service that is about the provider undertaking tasks for the resident so that the need for adult social care intervention declines. Outcomes based commissioning is based on the approach that the provider, Carewatch Care Services, innovate and uses a variety of aids/adaptations, including telecare as well as the resources of the voluntary sector, such as Carebank's befriending volunteers, to keep residents safe and independent.
- 2.3 Support residents to become, remain, independent enables our residents to stay in their own homes rather than moving to residential care. This approach aligns with the Care Quality Commission's view of the three important features of integrated care:
 - Services working together across the health and social care sectors.
 - People's control over the planning of their care.
 - Achieving the results that are important to people who use services, their families and their carers.
- 2.6 In February 2015 the contract for Outcome Based Commissioning was awarded to Carewatch Care Service Ltd to commence in August 2015. The contract delivers a 15% saving in year one on the original cost of the homecare package (the cost of the package will vary dependent on need but is based on the rate of £17.95 per hour. Table 1 summarises progress against the original contract specification is.

Table 1: Summary progress in the Carewatch contract, September 2106

Objective	Progress Sept 2016
100% of referrals for homecare taken by Carewatch	Achieved
Outcome Based Service in place for all eligible new users by August 2015	Expected January 2016, start delayed – now active.
One monthly invoice for Homecare	Achieved
Carewatch to provide 50% of care directly and 50% through subcontractors	Achieved
Move from a large number of providers to one provider with sub-contractors – so that all hours are contracted via Carewatch	Achieved

- 2.7 Moving from contracting with a number of companies to contracting with one company has reduced the number of hours spent in brokering care packages for residents. Instead more time is spent on assessments and monitoring of the service the company provides. It has also ensured certainty of supply and consolidated the provider market.
- 2.8 At any one time between 350-400 residents in the borough receive homecare packages. As at August 2016, 35 residents are receiving an outcome based service. One of the 35 residents has regained full independence through this new approach, see appendix 1: case study. This number of residents receiving an Outcome Based service will increase on a monthly basis as this is the only type of service available from January 2016.
- 2.9 The contract was due to start to deliver outcome based packages from August 2016. Implementation of the contract was delayed by six months to ensure that initial concerns about the quality of service were resolved. The issues experienced early in the contract relating to quality were largely related to: realigning the local workforce and moving from a dependency model of delivering ‘time and task’ care to people to a model that promotes independence through reablement. This is most simply expressed as moving from washing people to enabling them to wash themselves.
- 2.10 One year into the contract, the benefits now being delivered are:
- Stability in a struggling sector with the provider committed to taking all referrals.
 - A long term contract commitment of 5 years providing certainty of investment that will stabilise the workforce.
 - Higher wages for the staff delivering care.
 - No exposure to living wage increases during the five year term of the contract to the commissioner - RBWM.
 - A service delivering health outcomes – impacting on the level of service residents require from GPs.

2.11 Further benefits anticipated in year two of the contract are:

- Continue to expand the number of residents receiving the new type of service and those in receipt of the service have high quality independence plans.
- The potential growth of the Outcome Based homecare service across East Berkshire authorities to make it more sustainable due to it being a common approach across a wider geography than RBWM.
- The opportunity to offer an independence plan to the 400 existing homecare service users in a sensitive and planned way.

Transferring from the traditional time and task contract to an outcomes based contract has meant the Royal Borough is recognised, nationally, as an example of “emerging thinking and planning of arrangements which others are keen to emulate” (Institute of Public Care discussion paper, April 2015).

Option	Comments
<p>To note the delivery to date and the further benefits anticipated in year two of the contract</p> <p>Recommended</p>	<p>Despite initial issues with implementation, the contract is now delivering outcome based packages of care.</p>

3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be delivered by
<p>Increase the number of existing residents receiving homecare onto outcomes based homecare</p>	<p>0</p>	<p>50</p>	<p>60</p>	<p>70</p>	<p>August 2017</p>

4. FINANCIAL DETAILS

Financial impact on the budget

- 4.1 Savings are expected to be delivered from February 2017 onwards, on the basis of those service users who have been re-abled in their first year of an Outcome Based Service. Carewatch has guaranteed to reduce the average second year cost of packages of care.

Financial Year	Expected saving	Saving description	Amount achieved	How the saving was achieved
2015/16	£150k	This was based on the economies of scale arising from the consolidation of numerous small and medium sized contracts with homecare providers to one single contract with a lead provider.	£150k - delivered over 15-16 and 16-17	The successful tender price for the new higher specification service is below the successful tenderer's previous spot rates for a time and task service.
2017/18	£220k	<p>There were no savings anticipated from the outcome based contract in 2016/17 as the impact on a package of care from reablement would not be realised until the second year of that package.</p> <p>Savings in the region of £220k were forecast for 2017/18, increasing annually thereafter for the term of the contract as more service users benefit from the outcome based service.</p>	N/A	<p>Due to the delay in implementation, there are a lower number of packages of care that will enter their second year early in 2017/18.</p> <p>Savings will only arise in the second year of packages and therefore the forecast £220k saving for 2017/18 is now expected to be delivered in 2018/19.</p>

- 4.2 Savings on the homecare budget are being delivered in 2016/17 as evidenced by a lower number of packages of care. This is likely to be due to the success of telecare and preventative services such as the Better Care Fund supported “falls prevention service”.

	2016/17	2017/18	2018/19
	Revenue £'000	Revenue £'000	Revenue £'000
Addition	£0	£0	£0
Reduction	£0	£0	£220

5. LEGAL IMPLICATIONS

- 5.1 There are no specific legal implications relating to this contract at the time of this report.

6. VALUE FOR MONEY

- 6.1 The underlying premise of the approach is one of value for money. The outcomes based commissioning model is designed to ensure that the service is making effective and efficient use of the health and social care budgets.

7. SUSTAINABILITY IMPACT APPRAISAL

- 7.1 A sustainability impact appraisal is not applicable to this contract.

8. RISK MANAGEMENT

Risks	Uncontrolled Risk	Controls	Controlled Risk
Provider and sub contractors fail to deliver a safe effective service.	Medium	Contract has built in step in rights so that the Royal Borough can intervene if the contract is not delivering.	Low

9. LINKS TO STRATEGIC OBJECTIVES

- 9.1 This contract supports the Royal Borough’s strategic objectives of Residents First, Value for Money and Delivering Together.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

- 10.1 The contract supports equality of access to service.

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

11.1 None

12. PROPERTY AND ASSETS

12.1. The Royal Borough leases space in York House, Windsor to Carewatch to enable the service to be co located with the Adult Social Care teams, thus promoting joint working and communications.

13. ANY OTHER IMPLICATIONS

13.1 None

14. CONSULTATION

14.1 None

15. TIMETABLE FOR IMPLEMENTATION

N/A

16. APPENDICES

- Appendix 1 - Case Study

17. BACKGROUND INFORMATION

- None

18. CONSULTATION (MANDATORY)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Cllr Coppinger	Lead Member Adult Services, Health and Sustainability	19/8/16	22/8/16	
Russell O'Keefe	Strategic Director Corporate and Community			

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
	Services			
Alison Alexander	Managing Director/ Strategic Director Adults, Children and Health		24/8/16	Throughout
Simon Fletcher	Strategic Director Operations and Customer Services			
Alan Abrahamson	Finance Partner	19/8/16	19/8/16	Section 4
Terry Baldwin	Head of HR			

REPORT HISTORY

Decision type:	Urgency item?
For information	No

Full name of report author	Job title	Full contact no:
Nick Davies	Service Leader - Commissioning Adults	01628 683614

Agenda Item 8

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