

**Minutes of the Adult, Community and Housing Services Scrutiny  
Committee**

**Monday, 17th November, 2014 at 6.00 p.m.  
in Committee Room 2 at the Council House, Dudley**

**Present:**

Councillor M Hanif (Chair)  
Councillor R James (Vice Chair)  
Councillors R Body, I Cooper, A Goddard, Z Islam, J Martin, D Perks, K Turner,  
D Tyler and D Vickers.

**Officers:**

M Williams (Assistant Director, Customer Services), (Lead Officer to the Committee), A Pope-Smith (Director of Adult, Community and Housing Services), M Bowsher (Assistant Director Quality and Commissioning) and P Benge (Head of Finance and Accountancy for Adult Social Care) (All Directorate of Adult, Community and Housing Services), I Newman (Treasurer) and K Buckle (Democratic Services Officer) (Both Directorate of Corporate Resources).

**Also in Attendance:**

R Sims (Assistant Director of Housing Strategy & Private Sector) – (Directorate of Adult, Community and Housing Services).

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21. **Declarations of Interest**

In accordance with the Members' Code of Conduct, Councillor K Turner declared a non-pecuniary interest in Agenda Item No 7 – Financial Implications of the Care Act as Director and Chairman of Age Concern Stourbridge and Halesowen.

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22. **Minutes**

Resolved

That the minutes of the meeting held on 21<sup>st</sup> October, 2014, be approved as a correct record and signed.

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23. **Public Forum**

There were no issues raised under this agenda item heading.

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24. **Medium Term Financial Strategy**

A joint report of Officers was submitted on the Medium Term Financial Strategy to 2017/18, with emphasis on the proposals relating to the Committee's terms of reference.

The Director of Adult, Community and Housing Services referred to Appendix B of the report submitted outlining the proposed savings of the Directorate.

Arising from the presentation of the report, and Appendices to the report submitted, Members asked questions and raised concerns and Officers responded as follows:-

- In terms of reductions in management and staffing costs across adult social care, a whole range of management efficiency savings had been implemented with the reduction in Heads of Service, Team Managers and Assistant Team Managers posts.
- That the total saving in relation to management and staffing costs was £200,000.
- That during the preceding three years there had been a number of voluntary redundancies in the Directorate which included a proportion of management posts.
- Confirmation that the Council retained 49% of business rates;
- That there had been reduced numbers eligible for Council Tax reductions impacted positively on the Council Tax base;
- That there were no assumptions built into the Medium Term Financial Strategy for further savings in relation to looked after children, subject to review by the new Chief Officer for Children's Services and Strategic Director for People when appointed to the post.
- Council Tax could not be increased above 2% without the requirement for a referendum and although this would produce additional income, the ongoing Council Tax Freeze Grant was equivalent to a 1% increase;
- That the whole investment process was an important part of the prevention strategy as far as the continuing demand for adult social care was concerned and there were continuing requirements to investigate needs in order to address demands on the services and this would invariably result in delivering services in different ways in order to ensure that resources were targeted at the services required;
- The reliance on voluntary and informal care sectors in order to aid and assist service demands and pressures on resources;
- It was the intention to support new assessments and reviews of service level agreements and conducting further work with voluntary services and voluntary units in order to deliver the services required at the appropriate level;

- The cost of a referendum in relation to Council Tax would be dependent upon whether that was conducted within an election period;
- That there was a bumping process in relation to those posts that had become voluntary redundant however applicants have to demonstrate competencies and that they had reasonable skills for vacant posts;
- Decisions in relation to those applying for voluntary redundancy had been taken in the best interests of the service as there were issues surrounding retaining skills and competence;
- An update was provided in relation to the Better Care Fund and the suggestion of NHS England that the Council should reduce their targets and in view of the ongoing assurance process the amount of funding that would be received had not been determined at the present time;
- That aids and adaptations would be considered once a patient was admitted to hospital with the patient's tenure being considered together with the exploration of a faster route in order to address those aids and adaptations required. It was stated that a review was being conducted on the management of hospital discharge;
- Assertive reviews were contractual reviews which included contract costs for those with complex and greater needs;
- In relation to the infrastructure that was in place to manage the Better Care Fund it was believed that this was robust and involved all key stakeholders;
- There was a framework in place for the delivery of efficiency savings which included an Efficiency Delivery Board which was chaired by the Cabinet Member for Adult and Community Services and the Cabinet Advisory Team for Adult Social Care.
- Assurances were provided that the delivery of efficiency savings were on target and delivery of those savings would produce a balanced outcome by the end of the year;

The Assistant Director for Quality and Commissioning outlined the range of services offered by the Directorate in order to prevent unplanned admissions to hospital, including the Reablement Service, The Falls Prevention Service, the Living Well, Feeling Safe Service and the Dementia Gateways and undertook to circulate full details of services to Members.

Members were requested to forward any further questions and/or observations in relation to the services offered by the Directorate to the Assistant Director for Quality and Commissioning who confirmed that a report would be submitted to a future meeting of the Committee in relation to any questions and/or observations received.

Following a request of a Member the Assistant Director for Quality and Commissioning confirmed that he would circulate to all Members of the Council the report on the Better Care Fund and the supporting presentation slides that was previously submitted to the Overview and Scrutiny Management Board.

Resolved

That the Cabinet's proposals for the Medium Term Financial Strategy to 2017/18, as set out in the report, and Appendices to the report, submitted be noted.

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25. **Financial Implications of the Care Act.**

The Assistant Director for Quality and Commissioning referred to the powerpoint presentation slides in relation to the financial implications of the Care Act that had been circulated to Members, advising of the modelling work that had been conducted in order to demonstrate the financial implications.

There followed a powerpoint presentation by the Head of Finance and Accountancy for Adult Social Care.

Details of the efficiency and other savings delivered by Adult and Social Care were outlined together with details of further savings required.

The increased demand that would result from the implementation of the Care Act including the impact on the number of assessments that would be required and the number of financial assessments was referred to.

It was noted that national tools had been produced to support consistent reporting of activity and costs and in order to assess the costs of the Care Act the Surrey and Lincolnshire Models had been used by the Council, however nationally priority was being given to further develop the Surrey model across the country.

The number of carers in the Borough and the number of those currently supported by Adult Social Care were provided. Due to the increased number of carers who may require support following the implementation of the Care Act this could significantly impact significantly on the Council's resources.

In relation to changes to funding caps and capped lifetime care costs, it was stated that those with on-going care needs from childhood would not be liable to contribute towards their care costs and there would be a lower cap for those with care needs who were of working age, however funding caps and capped lifetime care costs for those over 65 would be £72,000.

It was stated that currently those with capital assets of over £23,000 were expected to pay the full amount of their care costs for care homes, however that figure was to increase to £118,000. That capital limit had increased from £23,250 to £27,000 for non residential care and although assets below £14,250 were not included that figure would rise to £17,000.

As a result of deferred payments being introduced from 2015, it was stated that no-one would have to sell their home in their lifetime, however the Council could charge interest during the period of the whole agreement. That from 2016 those in care homes would have to contribute to daily living costs which were prescribed at £230 per week. It was noted that daily living costs were not subject to the care cap.

The Head of Finance and Accountancy for Adult Social Care referred to two case studies in order to demonstrate to Members the cost implications of the Care Act.

It was stated that once the care cap had been reached the state would be responsible for reasonable care costs together with financial help for people with both their care and or general living costs should they have less than £17,000 in assets.

In concluding the presentation, the specific pressures upon the Council following the implementation of the Care Act were outlined and It was noted that the Council would be expected to ensure that there were a range of care providers.

Arising from the presentation Members asked questions and made comments and the Assistant Director for Quality and Commissioning and the Head of Finance and Accountancy for Adult Social Care responded as follows:-

- Should a spouse continue to reside in a property that property would not be taken into account as far as assets of the person requiring residential care were concerned;
- Should an asset be deliberately disposed of when a care package was in force or future care needs had been recognised in order to avoid care costs that asset could be brought back into the financial assets;
- The three models referred to provided basic calculations however it was anticipated that there would be a national model and framework in the future in order to calculate the cost of the Care Act;
- The Head of Finance and Accountancy for Adult Social Care participated in a Regional Framework Officers meeting on planning implementation of the Care Act and that work would continue as far as the costs of the Care Act were concerned;
- There would be grant funding available to the Council, however the amount was unknown at the present time and it was anticipated that next year there would be additional cost thresholds and care costs and it was accepted that there were risks to the Council as far as costs were concerned;
- The anticipated rate of interest on deferred payments was 3%.
- Deferred payments would be introduced in 2016;
- In relation to demands upon the Adult Social Care Service those would continue to be assessed based on some local intelligence and working with carers groups;

- Work was continuing with the Council's Welfare Benefits teams in order to assist people who could make claims for benefits;
- There was a rolling programme of Care Act workshops across the Borough in order to raise awareness and the profile of the Care Act and details of those would be circulated to Members following the meeting;
- Information and advice was available in relation to the Council's statutory responsibilities to provide support and the entitlement to Adult, Social Care Services.

Members thanked Officers for the presentation commenting that a complicated subject area had been conveyed in a coherent manner.

Resolved

That the information contained in the presentation, and as reported on at the meeting, the Financial Implications of the Care Act, be noted.

The meeting ended at 7.35 p.m.

CHAIR