

## Public Document Pack

# Public Accounts Select Committee Agenda

Monday, 11 November 2013

**7.00 pm,**

Committee Room 2

Civic Suite

Lewisham Town Hall

London SE6 4RU

For more information contact: Andrew Hagger (Tel: 0208 31 49446)

### Part 1

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# Public Accounts Select Committee Members

Members of the committee, listed below, are summoned to attend the meeting to be held on Monday, 11 November 2013.

Barry Quirk, Chief Executive  
Thursday, 31 October 2013

Councillor Alexander Feakes (Chair)	Chair
Councillor Jim Mallory (Vice-Chair)	Vice Chair
Councillor Jackie Addison	
Councillor Abdeslam Amrani	
Councillor David Britton	
Councillor Helen Gibson	
Councillor Sven Griesenbeck	
Councillor Michael Harris	
Councillor Mark Ingleby	
Councillor Madeliene Long	
Councillor Kevin Bonavia (ex-Officio)	
Councillor Alan Hall (ex-Officio)	

## **MINUTES OF THE PUBLIC ACCOUNTS SELECT COMMITTEE**

**Wednesday, 25 September 2013 at 7.00 pm**

**PRESENT:** Councillors Alexander Feakes (Chair), Jim Mallory (Vice-Chair), Sven Griesenbeck and Mark Ingleby

**APOLOGIES:** Councillors Jackie Addison, Abdeslam Amrani, David Britton and Madeliene Long

**ALSO PRESENT:** David Austin (Head Of Audit and Risk), Aileen Buckton (Executive Director for Community Services), Dee Carlin (Head of Joint Commissioning) (LCCG/LBL), Alan Docksey (Head of Resources, CYP), Peter Gadsdon (Head of Strategy & Performance, Customer Services), Andrew Hagger (Scrutiny Manager), Conrad Hall (Head of Business Management & Service Support), Eleanor Hoyle (Project Manager), Robert Mellors (Finance Manager, Community Services and Adult Social Care), Tony Mottram (Head of Business Regulatory Services), Andy Murray, Georgina Nunney (Principal Lawyer) and Ralph Wilkinson (Head of Public Services)

### **1. Minutes of the meeting held on 17 July 2013**

#### **Resolved:**

The Committee agreed the minutes of the meeting held on 17 July 2013.

### **2. Declarations of interest**

2.1 There were none

### **3. Managing Contracts Review - Response from Mayor and Cabinet**

3.1 Andy Murray, Procurement Strategy Manager, introduced the response to the Committee. In response to questions from the Committee officers explained that changes to the procurement strategy had occurred due the Localism Act and the Social Value Act. Localism brought in the right to for the community to identify services provided and challenge them in order to provide them for themselves. This triggers a procurement process. The Social Value Act means that when letting some services contracts then environmental, social and economic activities that add social value can be added to the contract.

#### **Resolved:**

The Committee noted the response.

### **4. Funding and Financial Management of Adult Social Care Review**

4.1 Andrew Hagger, Scrutiny Manager briefly introduced the background papers and case studies.

- 4.2 Robert Mellors, Group Finance Manager, then introduced the report provided by Community Services Directorate, including information on charging, changes to the funding of adult social care, the financial impacts of changes to national policy and legislation as well as case studies highlighting potential costs of providing different types of care.
- 4.3 In response to questions from the Committee about integrating health and social care, officers provided the following information:
- The Council is committed to Health and Social Care integration and this commitment has been formally agreed by Mayor and Cabinet. This approach to health and social care started 2 years ago, so Lewisham are ahead of many other local authorities in their approach.
  - An aim of integration is to keep people out of hospital where possible and to be able to live in the community for as long as possible.
  - There is integration at the neighbourhood levels with GP clusters and a governance structure was agreed by the Health and Wellbeing Board.
  - A factor driving the need to improve integration was poor outcomes in admitting people to hospital and then getting them out when well enough to medically discharge. In order to avoid this, officers looked at the system and how it could be improved. By working closely with health providers, Lewisham has moved to top quartile and made savings.
  - There is an urgent care centre in front of the A&E, which has social care integrated into it. However the IT systems are not integrated, which is a common problem across the country.
  - Integrated budgets can reduce the inefficiencies in the system and Lewisham has launched a pioneer bid to test out a new way of integrating the funding model. This is a government backed project which will alter the way funding is approached. Lewisham has got through to last 30, with only 10 bids being successful. Regardless of the outcome of the pioneer bid, Lewisham hopes to be part of the national conversation around health and social care integration due to the work it has already done.
  - Public health work is another driver for integrating health and social care. One project looked at narrowing the differentials between those with good and bad health outcomes. In Deptford, integrated working in the community between the Council and Community Health workers has achieved some good results.
  - While relationships are very good with Lewisham Hospital due to a shared history of working together, they are not as close with other hospitals. This is largely because of a lack of familiarity and because other hospitals will deal with other local authorities more than with Lewisham. A large part of the evidence submitted to the judicial review of the Trust Special Administrator's report and decision was about integration between Lewisham Hospital and the Council.
  - Lewisham works well with the GP cluster, but officers aren't able to say how far integration with health at that level will go. The new Care Bill and Social Care Act will open up different models and approaches.
  - Work so far has shown that integration can have an impact in terms of positive outcomes for people as well as saving money. Inefficiencies such as duplication are still present in the current system and can be targeted. Service user feedback has shown that people prefer integrated services and that as long as their needs are met they are unconcerned about who does what and which agencies are involved.

- An issue effecting integration is that the acute sector which provides services in hospitals are paid by procedures. This creates a problem where if people are prevented from going into hospital then there will be an impact on acute sector finances. In addition there can sometimes be a lack of familiarity among health professionals about what social care can do and the changes in approach that have occurred.
- There are agreements in place to balance out the savings across organisations so the shift to social care does not simply hit local authority budgets while saving money for the NHS. Officers have also looked at the redistribution of money across organisations in order to avoid the shunting of the costs pressure to other public services.

4.4 In response to questions from the Committee about the proposed Dilnot and Care Bill changes, officers provided the following information:

- The implementation of the Dilnot proposals will require some extra work. The legislation will change the levels of savings needed, so resources will be available to help and officers will need to consider approaches to dealing with this. When it's up and running it should be simpler, and from 2018 on is when the impact of the changes will be properly seen. There will likely be some cash flow impact as the local authority will be required to cover the deferred payment for care until they can get the money back.
- At the moment there is flexibility on what Lewisham can charge but there will be less flexibility after the changes come in. The charging tariffs for local authorities are currently national bands, which could impact on London as the costs for service provisions are likely to be higher in London, but authorities will only be able to charge according to what is decided on a national level.
- Not many will reach the specified cap of £72k, as the people who require residential care (the most expensive care) often do not live long enough to reach the cap. However, longer term domiciliary services could trigger the cap quicker. At risk could be those people who become disabled while they are young, for example through a serious accident.

4.5 In response to further questions from the Committee, officers provided the following information:

- Contract by contract Lewisham is moving towards outcome based commissioning and it is expected that savings will emerge from this.
- Pressures on health services can occur in the night and evening, when access to GPs can be difficult. Therefore the emergency type provision will have to deal with people who may not need emergency treatment.
- While improved public health and promotion of healthier lifestyles means less money may be spent on acute healthcare, this won't impact on the care budget from 2013-16 as those who need this help are probably already ill.
- People with learning disabilities were traditionally offered day care places, which can be expensive, however with personalisation more community options are available, which are often better as well as being cheaper.
- In 4 years the Council and the CCG have made savings of £42m, with health spend in the borough around £500m per year. The savings have not impacted on the quality of services provided.
- Health and Wellbeing Board is a statutory committee and part of its duties is to be assured that commissioning is appropriate for Lewisham. While it doesn't

manage the spend of the CCG it does develop the strategies that shape the spend.

**Resolved:**

That the information presented be submitted as evidence for the review.

**5. Financial forecasts for 2013/14**

5.1 Conrad Hall, Head of Business Management and Service Support introduced the report, highlighting the following key points:

- Figures are correct at 31 July 2013
- An increased overspend of £0.7m is forecast but should not be an issue. There was a similar overspend this time last year which turned into an underspend of £3.5m.
- Council tax collection is down, although this is not surprising given the introduction of the Council Tax Reduction Scheme and is not as bad as the modelled worst case scenarios. Figures are consistent with the experience of other local authorities.
- 95% of the £20.9m savings agreed in setting the 2013/14 budget are forecast to be delivered on schedule

5.2 In response to questions from the Committee about Council Tax, officers provided the following information:

- The new Council Tax Reduction Scheme has not exactly been welcomed by new payers however people are paying with not much recovery action.
- Some have paid large lump sums up front now rather than very small amounts every month, which has been a surprise. As the software supplier can't split the data on this at the moment, it has not been possible to analyse this to find some sort of a cause or pattern.
- Any offers of incentives or discounts for this would be difficult to implement, as due to legislation this discount would have to be offered to all council tax payers. Similar approaches were tried previously but were difficult to administer and didn't have much impact.
- The standard council tax collection scheme has been kept, partly because making any alterations have to be manually done and this would increase the administration costs.

5.3 In response to questions from the Committee about the Dedicated Schools Grant, officers provided the following information:

- The Schools' Forum has identified nine schools holding excess balances. It has agreed to cap these schools' balances but to release the funds back to the schools concerned on completion of a satisfactory budget plan
- The Schools Forum has consistently said funding from the Dedicated Schools Grant should be spent on the children generating that funding and the Council recommends that schools spend money they are given on pupils. There has been a gradual increase over last 3 years in the balances held by schools.
- The balance transfer mechanism has been used previously and worked in bringing the balances down. This mechanism will be used if schools who have

said they are holding money for a specific purpose/project don't deliver on their plans.

- Schools funding is protected in cash terms at the moment.
- There are some instances where money is being held for dealing with a bulge class. While the Council is sympathetic to these concerns, they have been clear that the Council will fund any expansion in classes.
- The financial caution of these schools does not appear to be impacting on performance as results are consistent. Officers will be asking Headteachers and Governors how they are better using their resources.

5.4 The Committee discussed the importance in monitoring any links between excess retained funding and performance in schools.

5.5 In response to questions from the Committee about capital expenditure, officers explained that the capital receipts are in line with what was expected although disposals will be required later on in the year.

**Resolved:**

That Business Panel is made aware of discussions regarding and that the Children and Young People Select Committee and Schools Forum are also informed about potential concerns in excess retained funding and performance in schools.

**6. Catford Town Centre - CRPL Business Plan**

6.1 Conrad Hall, Head of Business Management and Service Support, informed the Committee that the balance sheet for Catford Regeneration Partnership Limited will be circulated to members.

6.2 Eleanor Hoyle, Capital Project Manager, introduced the presentation, highlighting the following key points:

- The opportunity to purchase St Modwen interests arose in mid-2009.
- Objectives are to continue the effective management of the Catford Centre and to enable the redevelopment of the Catford Centre.
- There are two LBL appointed directors with the Day to day management overseen by LBL Capital Project Manager.
- CRPL business plan is reported annually to Full Council.
- There are 23 units with a £735k pa rental income. Retail units are 100% occupied and 13 of the 16 market stalls are occupied.
- The Tesco lease is owned by Petersham Land and subject to a CRPL underlease.
- Redevelopment break clauses included in all lease renewal negotiations since purchase to assist vacant possession.
- Costa, first 'high street' coffee chain in town centre,
- Zone A target of £35 met or exceeded on all new lettings and renewals

6.3 In response to questions from the Committee, officers provided the following information:

- The objectives for CRPL include optimising returns. While there are not any formal social objectives, CRPL is mindful of council objectives.

- The previous management of Catford Town Centre, St Modwen, sat on their investment using a low cost approach. As long as this generated a return on their investment the company was content.
- The active management approach includes supporting local tenants.
- CRPL is ticking over in a difficult market. They are on target for repayments and have not missed one.
- Active management can maximise the redevelopment options and opportunities.
- The market is improving at the lower to middle end, where Catford lies. At the higher end the market is struggling.
- Companies that express an interest in filling vacancies are looked at on a case by case basis based on what they can offer to the local mix of units rather than solely on what they will pay.
- Tesco has changed its corporate strategy recently which may make it more difficult to get them involved in the redevelopment. Petersham Land is also a complicating factor. It could be necessary to buy their interest out or go through a CPO process but this is some way off.

**Resolved:**

The Committee agreed that the item should be considered again alongside the balance sheet.

**7. Building Control procurement**

7.1 Tony Mottram, Head of Business Regulatory Services, introduced the report, highlighting the following key points:

- The wording at paragraph 2.1 should be amended to read 'Consider recommending an amendment to the procurement policy'
- The wording at paragraph 5.1 should have the phrase 'there is no possibility that any extra costs would be incurred' deleted
- The Council must obtain Building Regulation approval from either its own in-house service or from a private certifier.
- Building Regulation compliance is key to whether a building performs satisfactorily throughout its working life. Massive costs can be incurred if construction is not carried out correctly and therefore it is important that Building Control is carried out properly.
- Therefore any building procured by the Council should specify that Building Control is carried out by its own internal service rather than being contracted out.
- The increased income from more building control work could lead to an increase in the size of the team.
- By retaining the Building Control in-house the Council is able to better control the standards that are eventually achieved.
- The procurement of Building Control in this way is allowed under OJEC rules.

7.2 In response to questions from the Committee, officers provided the following information:

- The disadvantage in not using in-house Building Control is that there is less involvement by the Council, which is important if the council is commissioning the job.



- In-house provision will make it easier to link across other departments such as planning as Building Control already have contacts and work closely with colleagues there to share expertise.
- The quality of Building Control provided by the Council is high, with a high level of retention of business (Lewisham retains 75%, compared to Westminster at 30% and the highest in London of Haringey, at 80%). Lewisham also carries out control work in other boroughs and are the biggest supplier among local authorities in London.

7.3 The Committee then discussed the need for the Mayor and cabinet to have information on how Lewisham compares to other local authorities in terms of the quality and cost of its Building Control Service.

**Resolved:**

The Committee decided to refer the following to Mayor and Cabinet:

The Committee recommends that the Mayor and Cabinet should accept the recommendation set out in paragraphs 2.1 and 2.2 of the Building Control Procurement report.

In addition, the Committee asks that officers provide the Mayor and Cabinet with:

- Information on how Lewisham compares to other local authorities in terms of the quality and cost of its Building Control Service.
- A mechanism to allow a quality measurement for Building Control Services, to ensure and demonstrate that high quality standards of building control are provided.

**8. Select Committee work programme**

8.1 Andrew Hagger, Scrutiny Manager, introduced the work programme report.

8.2 The Committee discussed the next revenue and capital budget monitoring report and that it should include figures on projects with a capital expenditure of £1m or more.

8.3 The Committee also discussed the contributions of Conrad Hall to supporting the work of the Committee and wished him well in his new position

**Resolved:**

The Committee agreed that the next revenue and capital budget monitoring report should include figures on projects with a capital expenditure of £1m or more.

The Committee formally recorded their thanks to Conrad Hall for the support he has given the Committee and wished him well in his new position.

**9. Referrals to Mayor and Cabinet**

9.1 There were none

The meeting ended at 9.30 pm

Chair:

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Date:

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# Agenda Item 2

<b>Committee</b>	Public Accounts Select Committee	<b>Item No.</b>	2
<b>Title</b>	Declarations of Interest		
<b>Wards</b>			
<b>Contributors</b>	Chief Executive		
<b>Class</b>	Part 1	<b>Date</b>	11 November 2013

## Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

### 1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct:-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

### 2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person\* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person\* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member's knowledge, the Council is landlord and the tenant is a firm in which the relevant person\* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
  - (a) that body to the member's knowledge has a place of business or land in the borough; and
  - (b) either
    - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
    - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person\* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

\*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

### (3) Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

### (4) Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

### (5) Declaration and Impact of interest on member's participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their family, friend or close associate more than it would affect those in the local area

generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.

- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

**(6) Sensitive information**

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

**(7) Exempt categories**

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

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# Agenda Item 3

Public Accounts Select Committee		
<b>Report Title</b>	Response from Mayor and Cabinet to matters referred by the Public Accounts Select Committee on Cross-borough Working	
<b>Key Decision</b>	No	Item No
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director for Resources & Regeneration (Head of Business & Committee)	
<b>Class</b>	Part 1	Date: November 11 2013

## 1. Summary

This report informs members of the response given at Mayor and Cabinet to a referral in respect of recommendations to the Mayor following the discussions held on a report on cross borough working which the Select Committee considered in June 2013.

## 2. Purpose of the Report

To report to members the response given at Mayor and Cabinet to recommendations made by the Select Committee on June 13 2013.

## 3. Recommendation

The Select Committee is recommended to receive the Mayoral response to their consideration of the Local Government Association report and the Tri-borough report on cross borough working.

## 4. Background

- 4.1 The Mayor considered the attached report entitled 'Response to the comments of the Public Accounts Select Committee on Cross-borough Working' at the Mayor & Cabinet meeting held on October 23 2013.

## 5. Mayoral Response

- 5.1 The Mayor received an officer report and a presentation from the Cabinet Member for Resources, Councillor Paul Maslin, and the Head of Strategy Director.
- 5.2 The Mayor resolved that the response shown in the attached report be submitted to the Select Committee.

## **BACKGROUND PAPERS**

Mayor & Cabinet minutes October 23 2013

If you have any queries on this report, please contact Kevin Flaherty, Head of Business & Committee, 0208 314 9327



<b>Mayor and Cabinet</b>			
<b>Title</b>	Response to the comments of the Public Accounts Select Committee on Cross-borough Working		
<b>Wards</b>	All	<b>Item</b>	
<b>Contributors</b>	Executive Director for Resources & Regeneration		
<b>Class</b>	<b>Part 1</b>	<b>Date</b>	23 October 2013

## **1. Summary**

- 1.1 On 13 June 2013, the Public Accounts Select Committee considered a report entitled Cross-borough working.
- 1.2 The Committee recommended that the Mayor and Cabinet should take note of the Local Government Association report and the Tri-borough report that the Public Accounts Select Committee received at the meeting.
- 1.3 The Mayor was asked to agree that the Executive Director for Resources & Regeneration should provide a response to the Committee's recommendation. This report sets out the proposed response.

## **2. Recommendation**

The Mayor is recommended to:

- 2.1 Note the LGA report and the Tri-borough report and approve this response for submission to the Public Accounts Select Committee.

## **3. Background and policy context**

- 3.1 As a public body the challenge facing the Council over the coming years is to be more adaptive and flexible, whilst retaining a relentless focus on, and commitment to, improving life chances for citizens. The broad policy framework for the Council's work is the borough's Sustainable Community Strategy 2008-20.
- 3.2 The public spending reductions that face local government through to 2018 will mean that even greater innovation and collaboration will be needed in order to protect services to the greatest extent possible.
- 3.3 Sharing services across local authorities is a mechanism that has been shown to deliver cashable efficiencies. The majority of examples of sharing services are shared procurement activity between one or two individual authorities, or sub-regional groups such as the West London Alliance, or East London Solutions.
- 3.4 A smaller number of authorities, although still significant numbers, share management structures and teams (from the Chief Executive to whole

management teams as in Hammersmith and Fulham and Kensington and Chelsea).

- 3.5 A smaller number still share direct service provision across Boroughs- Tri-Borough in London being the most high profile example of sharing a large range of services.

#### **4. Response to Public Accounts Select Committee on Cross-borough working**

4.1 The Council is continually looking for ways to be more efficient, effective and deliver better outcomes for the residents of Lewisham. Cross-Borough working is one of the ways that the council looks to reduce costs, and improve services. The Public Accounts Committee looked at examples of the innovative work the council is already doing in agreeing cross council frameworks contracts, shared procurements between councils, and sharing services.

4.2 The council is already involved in a number of cross Borough initiatives. These arise as pragmatic solutions to procurement or commissioning challenges. This means that there are no 'common' partner arrangements as have occurred in other Boroughs. Lewisham is currently sharing procurement activity/ contracts on:

- IT contract across Lewisham, Croydon, Lambeth, Barking and Dagenham, Brent and Havering
- Bromley/ Lewisham IT support contract
- Croydon/Lewisham street lighting PFI and clienting
- Learning and development – Southwark/Greenwich/ Lewisham
- Libraries pan London procurement
- Supporting People - Southwark, Lambeth, Lewisham and Bromley
- Welfare catering- Southwark, Lewisham and Lambeth

4.3 The council is also sharing procurement across local partner agencies, for instance through integrated commissioning with local Health partners

4.4 The need for constant vigilance for new opportunities for sharing services and contracts is stark given the reductions in public spending planned for the next three years, and the documents highlighted by the committee are a useful summary of work in this area for far.

#### **5. Legal implications**

There are no specific legal implications.

#### **6. Financial implications**

There are no financial implications.

#### **7. Equalities implications**

There are no equalities implications.

**8. Crime and disorder implications**

There are no crime and disorder implications.

**9. Environmental implications**

There are no environmental implications.

**10. Background Documents and Report Author**

10.1 Public Accounts Committee Cross Borough Working 13 June 2013

<http://councilmeetings.lewisham.gov.uk/documents/s22829/03CrossBoroughWorking13062013.pdf>

10.2 If you require further information regarding this report please contact Robyn Fairman on 020 8314 6635.

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Public Accounts Select Committee		
<b>Report Title</b>	<b>Financial forecasts for 2013/14</b>	
<b>Key decision</b>	<b>No</b>	<b>Item No. 4</b>
<b>Ward</b>	<b>N/A</b>	
<b>Contributors</b>	<b>EXECUTIVE DIRECTOR FOR RESOURCES &amp; REGENERATION</b>	
<b>Class</b>	<b>Part 1</b>	<b>Date: 11 November 2013</b>

## 1 Summary of the Report

1.1 This report sets out the financial forecasts for 2013/14 as at 30 September 2013. The key areas to note are as follows:

- i. An overspend of £0.6m against the directorates' net general fund revenue budget is forecast. At the same time last year an underspend of £0.9m was forecast. The consolidated results for the year were an underspend of £3.5m.
- ii. 95% of the £20.9m savings agreed in setting the 2013/14 budget are forecast to be delivered on schedule.
- iii. On the capital programme, the forecast expenditure for 2013/14 is now £132m, compared to the budget of £150.8m. This reduction is mainly due to schools projects being rephased. However, to 30 September 2013 only 29% of the budget (and 34% of the forecast) had been spent, around two thirds of the figure expected if the programme is to be delivered in full. The forecasts on the projects are being reviewed.
- iv. The Housing Revenue Account (HRA) is projecting an underspend of £0.5m.
- v. The Dedicated Schools Grant (DSG) is forecast to be spent to budget but three schools are expected to apply for a licensed deficit and the balances of £15.7m include £5.5m of excess balances as defined by the schools' forum.
- vi. As at 30 September 2013 council tax collection is 0.52% lower than last year in terms of the percentage of gross cash collected and 0.48% lower against this year's profile. Performance statistics for the first 6 months of the year still indicate that the impact of welfare reform in this area has been significantly less than the worst-case scenario. As this is the first year of the reforms there are no trends to measure against as yet so a degree of caution is needed at this stage.
- vii. Business rates collection is 0.78% higher than the same period last year and if this performance is maintained the target of 98.50% for the year should be achievable.

## 2 Purpose of the Report

2.1 To set out the financial forecasts for 2013/14 at end of September 2013.

### 3 Recommendations

- 3.1 To note the financial forecasts for the year ending 31 March 2014.

### 4 Policy Context

- 4.1 Reporting financial results in a clear and meaningful format contributes directly to the Council's tenth corporate priority: inspiring efficiency, effectiveness and equity.

### 5. Overall Directorate Outturn

- 5.1 The forecasts against the directorates' general fund revenue budgets are shown in the table below; in summary an overspend of £0.6m. At the same time last year an underspend of £0.9m was forecast. The financial result for 2012/13 was an underspend of £3.5m on the general fund revenue budget.

Directorate	Gross budgeted spend	Gross budgeted income	Net budget	Forecast over/(under) spend
	£'000	£'000	£'000	£'000
CYP (1)	79,610	(20,451)	59,159	1,182
Community Services	178,813	(60,599)	118,214	(1,899)
Customer Services (2)	78,658	(47,586)	31,072	1,547
Resources & Regeneration	58,344	(12,995)	45,349	(225)
<b>Directorate total</b>	<b>395,425</b>	<b>(141,631)</b>	<b>253,794</b>	<b>605</b>
<b>Corporate items</b>			30,838	
<b>Budget requirement</b>			<b>284,632</b>	

- (1) – gross figures excludes £250m Dedicated Schools' Grant expenditure and matching grant income
- (2) – gross figures exclude approximately £225m matching income and expenditure for housing benefits. This figure is lower than last year due to the implementation of the Council Tax Reduction Scheme (CTRS), an effect of which is to replace benefits paid out with discounts at source

- 5.2 The table below sets out the proportion of agreed savings delivered in the year. Any variances are included in the overall forecasts shown in the table above.

Directorate	Savings agreed for 2013/14	Forecast delivery	Variance	
	£'000	£'000	£'000	%
CYP	6,469	6,469	0	0
Community Services	6,930	6,430	500	7
Customer Services	2,453	2,245	208	8
Resources & Regeneration	5,082	4,664	418	8
<b>Total</b>	<b>20,934</b>	<b>19,808</b>	<b>1,126</b>	<b>5</b>

- 5.3 The variance reported above for Community Services represents the proposed saving from the reablement service; this is now unlikely to be achieved in this financial year. The shortfall in savings in Customer Services relates to the introduction of cashless parking payments. This will materialise over the life of the new contract but not in the first year of operation.

## 6. Children and Young People's Services

- 6.1 The directorate is forecasting an overspend of £1.2m. At this time last year the forecast was for an underspend of £0.6m and the result was an underspend of £1.1m.

CYP Directorate – Service Area	Gross budgeted spend	Gross budgeted income - grants	Gross budgeted income - other	Net budget	Forecast over / (under) spend
	£'000	£'000	£'000	£'000	£'000
Children's Social Care	47,455	(1,892)	(583)	44,980	2,042
Standards and Achievements	4,125	(221)	(2,138)	1,766	(212)
School Infrastructure	1,574	0	(15)	1,559	0
Targeted Services and Joint Commissioning	15,299	(1076)	(2,245)	11,978	(239)
Resources & Performance	11,157	0	(10,955)	202	(409)
Schools	0	0	(1,326)	(1,326)	0
<b>Total</b>	<b>79,610</b>	<b>(3,189)</b>	<b>(17,262)</b>	<b>59,159</b>	<b>1,182</b>

- 6.2 The main budget pressure is a net £2.0m in respect of the budget for **Children's Social Care** and comprises the following three main areas.

- a. The placement budget for *looked after children (LAC)* is currently forecast to overspend by £0.9m. The number of LAC has increased since August by 7 and now totals 501 children. This time last year there were 12 fewer children in care (these figures exclude asylum seekers).
- b. *Clients with no recourse to public funds* are those cases that have an application to remain in the country and are waiting to be dealt with by the Home Office. These clients are not seeking asylum but are people to whom the local authority owes a duty of care; they and their children are causing a significant cost pressure. The caseload now stands at 8,120 client/weeks (or about an annualised equivalent of 156 clients) against the budget assumption of 44. This represents an increase in numbers by about 71% since April 13. In order to minimise the costs, families are being accommodated in low cost accommodation out of area. Work is under way to better track the No recourse families in order to speed up and improve the processing of their applications to the Home Office but progress has been slow and the difficulties of the UKBA have been highlighted in the press. This is now creating a cost pressure of £1.8m
- c. There are an increasing number of *young people leaving care* who require support and together with the national changes in housing benefit has created pressure on this budget since last year and this has continued into this year. Delays in finding appropriate accommodation for some of the young people results in them remaining in expensive provision. The current average caseload is 54 fte against budget assumption of 23. As the number of Asylum Seekers is below the threshold grant, funding is not available. The unit cost of these placement has been brought down from £140 per day at the start of the year to the current cost of £105 per day. Currently the management action is focused on increasing the usage of Supported Lodgings and

also using preferred provider agreements A review is taking place with children and young people directorate representatives and housing representatives to consider alternatives. These combined efforts are expected to offset the cost of accommodation and placements which are the main cost drivers for this service and will hope to reduce the spend by about 20% in future years. The current spend is £2.1m, which gives a budget pressure of £0.8m.

6.3 These cost pressures in Children’s Social Care total £3.5m. Efficiency measures, over and above those agreed in the budget, are expected to offset £1.5m of those pressures, with a further £0.8m of savings in the other service areas. These additional measures are:

- Reduction in supplies and services spend – £1.2m
- General impact of expenditure controls - £0.7m
- Further reductions in agency staff and vacancies - £0.4m.

This will leave an overall forecast overspend of £1.2m.

6.4 The savings on the **youth service** were agreed to be delivered over two years. The re-organisation is planned to take place in October. Most youth activities occur in the summer and consequently most of the expenditure occurs before November. With the re-organisation it is anticipated the shortfall in savings will be covered either by some staff leaving early or some posts being held vacant.

6.5 The delay in closing the **Early Years Centres** will mean that this saving will not be delivered as intended. However the funding shortfall of £0.7m will be covered by the DSG.

6.6 The key unit costs and activity levels within children’s social care are summarised below.

	<u>Average weekly unit costs</u>		<u>Client numbers</u>
	<u>September 2012 (£)</u>	<u>September 2013 (£)</u>	<u>September 2013</u>
Local authority fostering	385	350	204
Agency fostering	875	853	215
Residential homes	2,969	2,822	42

6.7 These demonstrate the importance of the directorate’s strategy for shifting the balance of provision towards fostering (as well as of course trying to bear down on costs). As examples, every client moving from agency to local authority fostering results in a saving of around £27,000 p.a. and around £109,000 for every movement from a residential placement to agency fostering.

## 7. Community Services

7.1 As at 30 September 2013 the directorate forecasts an underspend of £1.9m, broken down across the directorate as set out below. This remains significantly greater than the forecast underspend of £0.1m at the same point last year. The actual result last year was an underspend of £2.2m.



<b>Community Services Directorate – Service Area</b>	<b>Gross budgeted expenditure</b>	<b>Gross budgeted income</b>	<b>Net budget</b>	<b>Forecast over/ (under) spend</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cultural and Community Development	24,187	(7,427)	16,760	(393)
Adult Services Division	112,098	(30,670)	81,428	(381)
Public Health	14,648	(14,648)	0	(637)
Crime Reduction & Supporting People	25,695	(7,640)	18,055	(394)
Strategy & Performance	2,185	(188)	1,997	(120)
Community Reserves	0	(26)	(26)	26
<b>Total</b>	<b>178,813</b>	<b>(60,599)</b>	<b>118,214</b>	<b>(1,899)</b>

7.2 **Adult Social Care** is now forecast to underspend by £0.4m. As is to be expected on a budget of £112m, a number of over and underspends are forecast against individual services. These broadly offset one another leading to the overall forecast underspend of £0.4m. Nonetheless, the delayed delivery of the enablement saving is a concern given that this is of key significance to the long-term cost reduction strategy in this area.

7.3 The key issues to note are as follows:

- i. Learning disability budgets are projected to underspend by £0.1m. The main financial issues for this client group remain transition from CYP budgets and a shift in the balance of care with growing numbers of direct payments.
- ii. The safeguarding, quality and risk service, which includes budgets for residential and nursing care for older adults and physical disability, is projected to overspend its budget by £0.4m.
- iii. The assessment and support planning service for domiciliary care is now projected to overspend by £0.2m although this is offset by recovery of unspent sums from recipients of direct payments.
- iv. Overall, the proportion of the purchased services budgets spent on home care and direct payments has increased in this financial year for older adults and stayed the same for younger adults. Further reducing the dependence on residential care and supporting more clients in their own homes, which is the overall strategy being pursued, would bear down further on costs.

7.4 A net underspend of £0.4m is forecast for the **Crime Reduction and Supporting People** division.

7.5 This is net of a forecast overspend within the youth offending service of £0.2m as a result of the changes to the financing of secure remand and youth detention, where local authorities now bear all of the financial risk associated with this provision. This is a volatile area of spend which is not entirely controllable in that costs are driven by the number of local young people ordered into secure remand by the courts, the severity of their offences and hence how long they are held pending the court process.

- 7.6 The division is due to deliver significant savings on the supporting people programme this year and next. At present the service is on target to achieve programme savings of £1.2m for 2013/14. However, this requires that significant de-commissioning of services and renegotiation of contracts goes ahead as planned. There are some significant risks within this for 2014/15 although in the current financial year Supporting People budgets are projected to underspend by £0.2m. The Drugs & Alcohol service is also projected to underspend by £0.4m; this relates to services funded from the Public Health Grant.
- 7.7 From April 2013, responsibility for local **Public Health** functions transferred to local authorities. Resources to fund these new functions in Lewisham have been transferred in the form of a specific grant of £19.5m in 2013/14. This includes £4.9m relating to drug & alcohol funding that has been managed by the council locally for the last five years so only £14.6m of this funding is new.
- 7.8 At the present time commitments against this budget are £18.9m. A process has begun to consider and prioritise options for the use of the sum currently not committed. These changes will require approval by the Mayor. At this stage it is assumed that none of this will be committed on new activity but that it will be used to support eligible base budget activity. This will result in an underspend of £0.6m. However the options remain either to commit the grant on new projects in this year or to carry the unspent balance forward to 2014/15; to the extent that either of these options are pursued, the total underspend would reduce.
- 7.9 The **Cultural and Community Services** division is projected to underspend by £0.4m in 2013/14. There is a forecast underspend of £0.1m within the budget for the Broadway Theatre which is offset by a similar overspend within the Deptford Lounge budget and various other minor variances. Across the division as a whole there is a staffing underspend of £0.1m, reflecting the early delivery of planned savings.
- 7.10 The **Community Education Lewisham (CEL)** service is forecast to spend to budget. However, the treatment of some of the grant income, which is planned to finance capital works at the Brockley site, has not yet been fully determined. This might impact on the presentation of the forecast (although not on the total cash spend).
- 7.11 The **community grants sector** service is forecasting an underspend of £0.3m, which comprises a large number of relatively small amounts (for example; where planned grants will not currently proceed due to matters to be resolved with individual groups). The largest single item making up the underspend is £0.1m in respect of the reduced contribution to the London Boroughs Grants Scheme.
- 7.12 The available 2013/14 funding for the **Community Sector Investment Fund** is £2.1m, after taking account of unspent amounts rolled forward from previous years. A report to Mayor and Cabinet on 10 July 2013 set out the spending plans against this budget. There is expected to be a small in year underspend but permission to carry this forward will be sought at year end. In 2012/13 a significant element of the movement between the early forecasts and final results for the directorate was due to those early forecasts being, in hindsight, unduly optimistic with regard to the ability to commission and spend these grants within the year. The forecast of only a small variance should therefore

be regarded with some caution although decisions allocating £2m of the £2.1m available funding to specific organisations have now been taken.

## 8. Customer Services

- 8.1 As at 30 September 2013 an overspend of £1.5m is forecast. This represents an increase of £0.3m compared to the overspend forecast at this point last year of £1.2m. The final variation at outturn was a £0.9m overspend.

Customer Services Directorate – Service Area	Gross budgeted spend £'000	Gross budgeted income £'000	Net budget £'000	Forecast over/(under) spend £'000
Strategic Housing and Regulatory services	13,589	(10,055)	3,534	500
Environment	41,098	(20,348)	20,750	86
Public Services *	21,879	(16,943)	4,936	961
Strategy & Performance	2,092	(240)	1,852	0
<b>Total</b>	<b>78,658</b>	<b>(47,586)</b>	<b>31,072</b>	<b>1,547</b>

\* - excludes £225m of matching income and expenditure in respect of housing benefits

- 8.2 Within the **strategic housing service** slippage in the planned implementation of a major reorganisation is currently creating a pressure on salaries budgets of £0.2m. This is to be managed down throughout the year although ER/VR costs relating to the restructuring materialising through the year may have an impact on the outturn.
- 8.3 The number of clients in bed and breakfast accommodation has risen from an average of 79.5 in 2012/13 to an average of 145 in September 2013. The number of “live” rent accounts relating to Bed and Breakfast at the end of September 2013 is 165. This compares to 78 as at the end of September 2012. Should this level of demand be maintained throughout the year an overspend of around £0.8m would be expected. It was previously reported that this was expected to be mitigated by the final stream of temporary accommodation units coming into service in the autumn and the implementation of alternative procurement arrangements. Whilst some mitigation is still expected the continued growth in numbers means that the overspend is expected to be around £0.5m by the end of the financial year.
- 8.4 There are also forecast overspends of £0.1m within the Private Sector Leasing (PSL) budget, where void rates are currently higher than anticipated. This is expected to be managed down throughout the year and a balanced budget achieved.
- 8.5 The **Environment division** is projecting an overspend of £0.1m resulting from reduced income from pest control and bereavement services and a number of minor overspends across the division. Management action to reallocate unspent resources from across the directorate is being used to offset the long term income shortfall at Beckenham Place Park.
- 8.6 The **Public Services division** projected overspend is £1.0m. Parking budgets account for the entire overspend, largely as a result of a shortfall in parking income (£0.7m), additional legal costs relating to Parking Control Notices (£0.1m) and the non achievement of savings relating to the new contract (£0.2m).

- 8.7 The table below gives a more detailed analysis of the projected position in respect of parking budgets together with a comparison with last year's performance.

<b>Parking Management</b>	<b>2013/14 Budget</b>	<b>2013/14 Forecast over/(under)</b>	<b>2012/13 Variation</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>
Fines	(2,867)	(383)	(473)
Pay and Display	(2,794)	762	332
Permit	(2,340)	319	382
Other	(100)	5	(76)
<b>Total income</b>	<b>(8,101)</b>	<b>703</b>	<b>165</b>
Enforcement contract	1,573	214	513
Car park running costs	231	-14	-10
Management and administration	325	36	119
Legal fees	114	75	87
<b>Total expenditure</b>	<b>2,243</b>	<b>321</b>	<b>709</b>
<b>Net income</b>	<b>(5,858)</b>	<b>1,024</b>	<b>874</b>

- 8.8 The largest contributor to the income shortfall is a significant reduction in pay and display income. The decline experienced over the last two years has continued. Indications are that income will drop by 10%, approximately £0.3m, in 2013/14. In addition to this, the planned closure of two car parks during the year will result in a £0.2m loss of income.
- 8.9 The shortfall in savings relates to the introduction of cashless parking payments. This will materialise over the life of the new contract but not in the first year of operation.
- 8.10 Additional management and legal costs are incurred in the collection of Parking Control Notices (PCNs). The costs are offset by income raised through improved collection.
- 8.11 A recent High Court judgement (David Atfield v London Borough of Barnet) has been reviewed by officers. The judgement did not comment on the level of the charges but the rationale for determining what the charges should be. The judgement makes clear that the only lawful basis for deciding on parking charges of any sort is the traffic management reasons set out as the objectives of the traffic regulation in the Road Traffic Regulations Act 1984. The judgement also sets out that Councils can lawfully make a surplus on their parking account, the law does not require charges to be set as to simply cover costs. It is also lawful to forecast what that surplus may be and to take this into account in budget setting. However, this should not become a target or a budget in its own right.
- 8.12 The Council set its charges according to the relevant legislation. Officers consider the Council's policy and charges are appropriate and comply with the Road Traffic Regulations Act 1984.
- 8.13 Other Public Services budgets are projecting balanced budgets overall.

## 9. Resources and Regeneration

- 9.1 The directorate is forecasting an underspend of £0.2m. At this point last year an underspend of £1m was forecast and the result for last year was an underspend of £1.1m. The table below sets out this year's forecast by service division.

Resources and Regeneration Directorate - Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast over/(under) spend
	£000s	£000s	£000s	£000s
Audit & Risk	5,438	(2,633)	2,805	63
Corporate Policy & Governance	3,589	(54)	3,535	(239)
Finance	6,497	(1,234)	5,263	(368)
Executive Office	221	0	221	(30)
Personnel & Development	3,353	(270)	3,083	(5)
Legal Services	2,734	(395)	2,339	109
Strategy	2,840	(424)	2,416	(116)
IMT	10,302	(1,177)	9,125	491
Planning & Economic Development	3,692	(1,527)	2,165	(22)
Regeneration & Asset Management	19,678	(5,281)	14,397	(108)
<b>Total</b>	<b>58,344</b>	<b>(12,995)</b>	<b>45,349</b>	<b>(225)</b>

- 9.2 The **Audit & Risk Division** is forecasting an overspend of £0.1m that relates to insurance premium renewal. An element of these costs may be attributable to the HRA and work is underway to quantify any recharge that will bring this overspend back within budget.
- 9.3 The **Corporate Policy & Governance Division** is forecasting an underspend of £0.3m. Of this £0.2m is in staffing costs where several posts are being held vacant and £0.1m is the aggregation of a series of smaller underspends across various supplies and services budgets.
- 9.4 The **Finance division** is forecast to underspend by £0.4m. The bulk of this relates to the contingency for the directorate that is held within this division and is currently forecast to underspend by £0.4m. The underspend on this area has increased since last month due to the inclusion of the pay award that is held here pending reallocation.
- 9.5 The **Legal Services** budget is projected to overspend by £0.1m. This is partly due to agency staffing costs arising on posts for which permanent recruitment is underway.
- 9.6 The significant cost pressure for the directorate is within the **Information Management and Technology** service, at £0.5m. This principally relates to the onerous leases for photocopiers which it will not be possible fully to exit from until August 2014. This issue was highlighted throughout 2012/13, in which year the service underspent by £0.1m. The main contract for core IT services is also forecast to overspend by £0.2m and the impact of redundancies following from the recent restructuring also adds £0.1m to the position. Additional costs on the implementation of the Oracle upgrade has also added £0.1m to the forecast. However, there are offsetting savings in printing costs and SLA income with Lewisham Homes which have brought the overall forecast down to the projected overspend of £0.5m.

## **10. Corporate Provisions and Treasury Management**

- 10.1 The Corporate financial provisions include working balances, Capital Expenditure charged to the Revenue Account (CERA) and interest on revenue balances. Although they are not expected to overspend, certainty on the outturn on these provisions will only become clear towards the end of the financial year.
- 10.2 With continued concerns about the stability of the banking sector, the Council's treasury management strategy continues to be focused on avoiding risk. Investment returns are at such historically low levels that there is in any case little opportunity to seek higher returns, except at unreasonable levels of risk, and so there is relatively little upside in pursuing an alternative strategy. The effect of this is that real returns, after inflation, are negative.

## **11 Dedicated Schools' Grant**

- 11.1 As at 31 March 2013 balances held by schools were £15.7m in aggregate, £2.3m higher than the equivalent figure a year before.
- 11.2 There is a capping limit which the Schools' Forum can apply if a primary school or special school has balances in excess of 8% of its budget, or 5% for a secondary school. Under this agreed definition there are 32 schools with excess balances which total £5.5m in aggregate. The Schools' Forum has identified nine of these schools as being of particular concern, which accounts for £2.8m, slightly more than half of the excess balances. The Forum has agreed to cap these schools' balances at the percentage levels set out above, but to release the funds back to the schools concerned on completion of a satisfactory budget plan. If those plans are not then delivered the excess balances will be distributed to other schools in 2014/15. Of the 9 schools mentioned above eight of the schools have been visited and challenged about their spending plans and discussions with the last schools will take place shortly.
- 11.3 Currently three schools will be in deficit at the year end, namely Trinity, Sedgehill and Edmund Waller. All three are in the process of applying for a licensed deficit.
- 11.4 The only budget pressure is on the independent school fees budget where there are currently 12 more pupils placed than allowed for in the budget. The cost for this year can be met from contingency. Subject to other funding uncertainties being resolved in a cost-neutral way, (for example; for post 16 high needs funding where student numbers and costs will not be clear until after September), the current forecast is that expenditure on the DSG, which is of course mostly delegated to schools, will be on budget.
- 11.5 While the budget pressure identified on SEN can be met this year from the contingency this is only a short term solution to the problem. The budgetary pressure is expected to increase over the coming months as the pupil numbers grow and funding does not keep pace with the growth. The national funding arrangements for high need children is such that no inflation is taken into account and only a partial allowance is made for growth in numbers. The expected shortfall in 2014/15 is £0.5m and in 2015/16 this will grow to £2.0m. With this in mind the Schools' Forum have set up a sub-group to consider this

issue and they will report back to the Forum later in 2013/14 on possible areas of saving to cover the £0.5m for next year and, in a further 12 months time, a more detailed report on the long term capacity issues within Lewisham for High Needs children.

## 12. Housing Revenue Account

12.1 The Housing Revenue Account is projecting an underspend of £0.5m. The table below sets out the budgets and projected variations by service

HRA – Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast over/(under) spend
	£'000	£'000	£'000	£'000
Customer Services – Housing	12,176	(3,172)	9,004	238
Lewisham Homes & Repairs and Maintenance	36,538	0	36,538	0
Resources	1,634	0	1,634	0
Rents and Service Charges	0	(80,065)	(80,065)	(713)
HRA Subsidy	0	(34,353)	(34,353)	0
Capital and Debt Financing (net of Major Works income)	72,382	(9,176)	63,206	0
Other Centrally Managed Budgets	5,006	(970)	4,036	21
<b>Total</b>	<b>127,736</b>	<b>(127,736)</b>	<b>0</b>	<b>(485)</b>

12.2 The £0.2m overspend in Customer Services Housing Budgets relates to reduced rent and service charge income from hostels due to higher than budgeted void rates. The current void rate is 15.92% compared to a budget rate of 14.9%.

12.3 Rent income is forecast to exceed budget by £0.7m. This is because: (1) voids (other than hostels) are currently running at a lower level than budgeted for; and (2) vacancies resulting from regeneration schemes are now expected to be less in 2013/14 than originally forecast.

12.4 The rent collection rate for current year rents is 98.25%. This falls to 94.74% when brought forward arrears are taken into account.

## 13. Collection Fund

13.1 As at 30 September 2013, £54.1m of Council Tax had been collected, 50.65% of the total amount due for the year of £106.8m. This is 0.48% lower than the profiled collection rate of 51.13% if the overall target for the year of 94.5% is to be met. At the same time last year, the collection rate to date was 51.17%, 0.52% higher than this year.

13.2 Business rates collection is at 65.52%, an increase of 0.78% compared to the same period last year and 1.18% higher than the 64.34% profiled collection rate if the overall target rate for the year of 98.5% is to be achieved.

## 14. Capital Expenditure

- 14.1 The overall spend this year to the end of September is £44.3m, which is only 29% of the Budget and 34% of the Latest Forecast. Following substantial schools capital works during the summer, the forecast expenditure for the year has been reduced for a number of these projects.
- 14.2 For the non-schools schemes, project managers are still reporting that they expect to deliver their projects on budget this year. Given the latest spend, it is probable that a number of these forecasts are not realistic, since on a straight-line average (which is broadly appropriate for the programme as a whole) around 50% of the programme should have been spent to date if it were to be delivered on time. A number of these schemes are currently being reviewed and amended forecasts will be reported in the next monitoring where appropriate.

	2013/14 Budget	2013/14 Forecast	Spend to 30 Sept	Budget Spent to Date	Forecast Spent to Date
	£m	£m	£m	%	%
Community Services	1.6	1.6	0.3	19	19
Resources & Regeneration	19.6	19.3	4.6	23	24
CYP	69.1	50.7	24.1	35	48
Customer Services	3.9	4.0	0.3	8	8
Housing (Gen Fund)	11.7	11.4	1.3	11	11
<b>Total General Fund</b>	<b>105.9</b>	<b>87.0</b>	<b>30.6</b>	<b>29</b>	<b>35</b>
HRA - Council	2.1	2.3	1.4	67	61
HRA - Lewisham Homes	42.8	42.8	12.3	29	29
<b>Total HRA</b>	<b>44.9</b>	<b>45.1</b>	<b>13.7</b>	<b>31</b>	<b>31</b>
<b>Total Expenditure</b>	<b>150.8</b>	<b>132.1</b>	<b>44.3</b>	<b>29</b>	<b>34</b>

- 14.3 The table below shows the current position on the major projects in the 2013/14 General Fund capital programme (i.e. those over £1m in 2013/14).

	2013/14 Budget	2013/14 Forecast	Spend to 30 Sep	Budget Spent to Date	Forecast Spent to Date
	£m	£m	£m	%	%
TfL - Highways and Bridges	3.4	3.7	1.1	32	30
LBL - Highways and Bridges	5.5	5.5	0.1	2	2
Catford Broadway & Town Centre Regeneration	6.5	6.5	0.6	9	9
Asset Management Programme	2.4	2.4	0.3	13	13
BSF - Prendergast Hilly Fields	8.6	8.6	6.8	79	79
BSF - Sydenham	10.0	10.0	4.1	41	41
BSF – Brent Knoll	2.8	2.8	0.0	0	0
Primary Places Programme	36.6	20.6	10.3	28	50
Other Schools Capital Works	10.2	8.0	2.5	25	31
Vehicle Replacement	2.1	2.1	0.0	0	0
Lewisham Mortuary - Cremator	1.2	1.2	0.2	17	17
Disabled Facilities / Private Sector Grants	1.7	1.4	0.5	29	36
Housing Regeneration Schemes (Kender, Excalibur, Heathside and Lethbridge)	5.2	5.1	0.7	13	14
Deptford Station, Town Centre & High Street Improvements	1.6	2.0	1.2	75	60



14.4 One of the main sources of financing the programme is capital receipts from the sale of property assets. £3.4m of usable receipts have been received so far this year, comprising £1.7m in respect of previous year's Housing stock transfers, £0.6m (net) from Housing Right to Buy sales and £1.1m from other sales.

## **15. Financial Implications**

15.1 This report concerns the financial forecasts for the 2013/14 financial year. However, there are no direct financial implications in noting these.

## **16. Legal Implications**

16.1 The Council must act prudently in relation to the stewardship of Council taxpayers' funds. The Council must set and maintain a balanced budget.

## **17. Crime and Disorder Act Implications**

17.1 There are no crime and disorder implications relevant to this report.

## **18. Equalities Implications**

18.1 There are no equalities implications relevant to this report.

## **19. Environmental Implications**

19.1 There are no environmental implications relevant to this report.

## **20. Conclusion**

20.1 Members should note the action being taken to address the issues identified in this report.

## **BACKGROUND PAPERS AND APPENDICES**

None

If there are any queries on this report, please contact;

Peter Stachniewski, Interim Head of Financial Services.

Tel – 020 8314 8379 ; [peter.stachniewski@lewisham.gov.uk](mailto:peter.stachniewski@lewisham.gov.uk)

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# Agenda Item 5

Public Accounts Select Committee			
<b>Title</b>	Funding and Financial Management of Adult Social Care Review: Draft report and recommendations	<b>Item No.</b>	5
<b>Contributors</b>	Scrutiny Manager		
<b>Class</b>	Part 1	<b>Date</b>	11 November 2013

## 1. Purpose of paper

- 1.1 As part of the work programme for 2013/14, the Select Committee agreed to carry out a review looking at the funding and financial management of Adult Social Care in Lewisham. The review was scoped in April 2013 and evidence sessions held in July 2013 and September 2013.
- 1.2 The attached report presents the evidence received for the review. Members of the Committee are asked to agree the report and suggest recommendations for submission to Mayor and Cabinet.

## 2. Recommendations

Members of the Select Committee are asked to:

- Agree the draft review report
- Consider any recommendations the report should make
- Note that the final report, including the recommendations agreed at this meeting, will be presented to Mayor and Cabinet

## 3. The report and recommendations

The draft report attached at **Appendix 1** presents the written and verbal evidence received by the Committee. The Chair's introduction and executive summary will be inserted once the draft report has been agreed and the finalised report will be presented to a Mayor and Cabinet at the earliest opportunity.

## 4. Legal implications

The report will be submitted to Mayor and Cabinet, which holds the decision making powers in respect of this matter.

## 5. Financial implications

There are no direct financial implications arising out of this report. However, the financial implications of any specific recommendations will need to be considered in due course.

## **6. Equalities implications**

There are no direct equalities implications arising from the implementation of the recommendations set out in this report. The Council works to eliminate unlawful discrimination and harassment, promote equality of opportunity and good relations between different groups in the community and to recognise and to take account of people's differences.

For more information on this report please contact Andrew Hagger, Scrutiny Manger, on 020 8314 9446.

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# Overview and Scrutiny

## Funding and Financial Management of Adult Social Care Review

### Public Accounts Select Committee

November 2013

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#### Membership of the Public Accounts Select Committee in 2013:

Councillor Alexander Feakes (Chair)

Councillor Jim Mallory (Vice-Chair)

Councillor Jackie Addison

Councillor Abdeslam Amrani

Councillor David Britton

Councillor Helen Gibson

Councillor Sven Griesenbeck

Councillor Michael Harris

Councillor Mark Ingleby

Councillor Madeliene Long

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## **1. Chair's Introduction**

To be inserted.

Photograph of Chair

Councillor Alexander Feakes  
Chair of the Public Accounts Select Committee

## 2. Executive summary

To be inserted

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#### **4. Recommendations**

The Committee will decide on recommendations at the meeting of 11 November 2013

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## 5. Purpose and structure of review

- 5.1. At its meeting on 17 April 2013, the Committee decided as part of its work programme to undertake an in-depth review into the funding and financial management of Adult Social Care.
- 5.2. The Committee agreed that, set against the context of potential increasing spend due to a demand led service and changing demographics as well as increased pressures to save money on local authorities, adult social care services face significant challenges. Added to this are potential changes emerging from central government which could have a serious impact on the finances of adult social care services. Therefore the Committee decided to pursue the following key lines of inquiry:
- How are demographics changing in Lewisham and what increased financial pressures could this represent?
  - How is the adult social care budget being managed now?
  - What has been the financial impact of the rollout of personalisation?
  - How are contracts and procurement managed within adult social care? Have there been or are there planned any ways to improve the cost-effectiveness of these?
  - How has the application of charging within adult social care been structured and how has this impacted on the overall budget position?
  - What is the likely impact on adult social care of the provisions set out in the Care Bill and the Dilnot proposals?
  - What is the potential for the use of alternative delivery models, such as trading companies or the increased use of public health responsibilities to support adult social care?

- 5.3. Evidence was taken at the following Committee meetings:

### 17 July 2013

- Information around the historic, current and future budget management and financial pressures on adult social care in Lewisham
- Benchmarking and demographic information for Lewisham
- Personalisation
- Procurement and contract management including contracts held by Adult Social Care

### 25 September 2013

- Financial impacts of changing policies and legislation
- Alternative delivery models, including a case study
- Outcome based commissioning, including a case study
- Charging
- Case studies of costs associated different types of care provision
- Further information on contracts held by Lewisham.

- 5.4. The Committee received a draft final report and finalised its recommendations at its 11 November 2013 meeting

## **6. Management of the Adult Social Care budget**

- 6.1. Lewisham Adult Social Care provides support to people over the age of 18 who are in need of community care services. These include services for:
- older people
  - people with physical disabilities
  - people with sensory disabilities (deaf or hard of hearing, blind or partially-sighted)
  - people with learning disabilities
  - people who provide unpaid care to friends or family.
- 6.2. People who require mental health services will receive support from the South London and Maudsley NHS Mental Health Trust (SLAM).
- 6.3. Services provided by Adult Social Care (ASC) include residential and nursing care, domiciliary care for those requiring assistance in their own homes, community support and activities including daycare, information and advisory services and advocacy, as well as support for carers.
- 6.4. At £81.1m, the adult social care budget is the largest net budget in the Council (33% of the total) and is therefore central to the Council's financial position.

### **Historic position**

- 6.5. In 2007, the Public Accounts Select Committee carried out a review into the, then newly formed, Community Services Directorate. One of the directorate's main responsibilities was the delivery of adult social care services. The review recognised that the budgetary commitments in providing adult social care in Lewisham are considerable and that government policy at the time favoured increased integration and personalisation of adult social care and community health services. The Committee highlighted concerns about how budgets for ASC were forecast and managed, and that demographic shifts such as greater longevity and increased survival (through better medical provision) of disabled children from the late 1980s were now impacting on adult services.<sup>1</sup>
- 6.6. Before the creation of the Community Services Directorate, Adult Social Care and Children's Social Care had historically been delivered together from one department. Adults and Children's Social Care were split in an attempt to align ASC's work more closely with health services. Prior to the creation of Community Services there were overspends, including an overspend of £2m in 2004/5, part of an overall overspend for Social Care & Health of £9.5m. Due to some of the delivery arrangements in place there was limited monitoring and management of budgets.
- 6.7. Over the last 6 years there has been a phased and on-going re-organisation of services and the budget is now controlled directly by officers in the Community Services Directorate, with improved monitoring and forecasting. In

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<sup>1</sup> Review of Community Services, Public Accounts Select Committee

addition, the Public Accounts Committee regularly monitors all Council spending in its recurring Budget and Capital Monitoring reports. This monitoring includes Adult Social Care budgets.

- 6.8. In an attempt to deal with historic overspend and the high cost of care packages, officers looked at how care needs were assessed and how care services were provided. Assessment panels were introduced to look at the costs related to the care packages on offer, in order to identify potential improvements in the way social workers approached assessment and provision of services, with the panels offering alternative and sometimes cheaper services
- 6.9. Contracts for residential and nursing care were historically carried out primarily on a block purchase basis. Block purchasing is where the Council purchases regular set amounts of bed space from providers regardless of demand. This is to ensure availability of beds at all times, but can prove costly, particularly when the bed space is not always utilised. This has now been phased out where possible and spot purchasing more widely introduced. Spot purchasing is where individual bed spaces are purchased as and when a need has been identified on a client by client basis. This offers flexible, shorter term contracts and tailored care packages for service users. This approach to purchasing is in line with the national agenda of “personalisation” in adult social care. Personalisation aims to give people more choice and control over the support they receive and will be explored in more detail in a later section. As part of the personalised approach, integration work with health service providers has increased the amount of people leaving hospital to go back to their own homes rather than residential or nursing placements, which is generally more favoured by service users and is also less expensive.
- 6.10. ASC is largely a demand led service and the local authority is legally required to provide services for those people assessed as in need of them. Therefore costs can be less predictable than other services the Council provides; if there is a sudden increase in demand for services this creates a serious resource pressure for the Council to resolve.
- 6.11. There have also been some additional “growth pressure” monies provided to ASC in recent years, to assist with the transition of young people with Learning Disabilities and Physical Disabilities moving from Children and Young People to Adult Social Care services. This additional funding amounted to £1.196m in 2010/11 and £1m in 2012/13.

### **Current position**

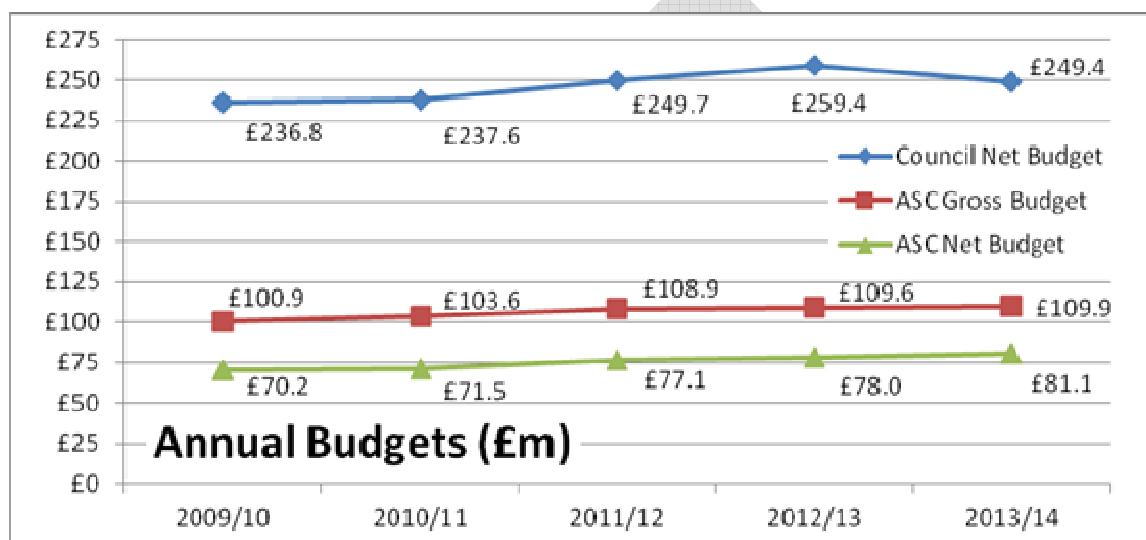
- 6.12. As has been mentioned previously, the adult social care budget is the largest net budget in the Council and therefore has a large impact on the Councils financial position. The gross budgeted expenditure has increased for three main reasons in addition to inflation and funded pressures:<sup>2</sup>

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<sup>2</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

- The transfer of responsibility for learning disability services in 2011 previously provided by health (£7.7m)
- The impact of additional funding for adult social care paid via health (£4.9m)
- Specific local arrangements where the Council make payments to nursing homes and home care agencies on behalf of health then recharges the costs.

6.13. Net spend has increased due to absorption of previously ring-fenced central government grants into the base budget - £6.7m in 2011/12 and a further £7.9m in 2013/14. Excluding these transfers the net ASC budget has fallen by £3.7m since 2009/10. The budget movements are highlighted in the table below:<sup>3</sup>



6.14. Adult Social Care can be divided into four main areas, with the table below highlighting the separate areas and the budgets associated with them for 2013/14:<sup>4</sup>

	Expenditure £m	Income £m	Net £m
Information & prevention	3.3	-1.9	1.5
Enablement/ short term intervention	3.3	-1.6	1.7
Social work & assessment	11.2	-1.3	9.8
Packages & placements	89.7	-21.6	68.1
	107.5	-26.4	81.1

<sup>3</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

<sup>4</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

- 6.15. Since the 2009/10 financial year ASC has achieved the following savings:
- 2010/11 £ 256k
  - 2011/12 £2,916k
  - 2012/13 £2,050k
- 6.16. In addition, a further £8,306k in savings have been agreed for 2013/14 and 2014/15.
- 6.17. Across all of the Council, detailed budgets are set at the beginning of the year and budget holders are expected to contain spend within these budgets. Given the ongoing intense pressure on all Council budgets, there are a range of measures to ensure all spending is prioritised appropriately and only when necessary. Corporate measures to manage spending effectively include the Department Expenditure Panel (DEP), where all requests to fill posts, even on a temporary basis, or to appoint agency staff are subject to a process are considered by panel of senior managers before being approved
- 6.18. Approval for and spend on packages and placements is monitored through expert panels. A Residential and Nursing panel considers placements for older adults and clients with a physical disability. Separate panels meet to consider requests for all home care, direct payments and day care packages. These panels have been subject to scrutiny by Internal Audit and Senior Finance Managers. The Committee was informed by officers at the 17 July meeting that the majority of invoice payments are made through the same system as social workers, so there is little risk of over commitment and it has been a long time since there has been a large unexpected invoice to pay.
- 6.19. Overall, the proportion of spend on home care and direct payments has increased for older adults and stayed the same for younger adults. By reducing the dependence on residential care and by supporting more clients to stay in their own homes, costs can be further reduced as well as outcomes for clients improved.
- 6.20. Benchmarking against comparator boroughs can be difficult as not all boroughs present information in the same way. Officers benchmark against Southwark and Lambeth as they purchase services from the same providers, as do Greenwich. They also benchmark against other local authorities who are regarded as getting good value on their contracts, such as Wandsworth.
- 6.21. Lewisham stipulates payment of the London Living Wage by home care providers and this accounts, in some part, for slightly higher average costs paid by Lewisham (£19/hr vs the London average £18/hr – Personal Social Services Expenditure PSSEX1 return). However, as personalisation is rolled out and people increasingly purchase services directly from providers, ensuring payment of the London Living Wage will be a challenge. Officers are working on how best to ensure that the LLW is paid to all those providing care for Lewisham service users

6.22. The following table shows spend per capita of overall population, compared with other comparator boroughs in London:<sup>5</sup>

	<b>Older Adults (75+) £</b>	<b>Physical Disabilities (18-65) £</b>	<b>Learning Disabilities (18-65) £</b>	<b>Mental Health (18-65) £</b>
<b>LB Lewisham</b>	3341	79	177	44
<b>London average</b>	2430	45	143	47
<b>Inner London average</b>	3751	50	137	63
Barking & Dagenham	2755	44	108	34
Brent	1972	44	119	37
Croydon	2036	40	181	47
Ealing	2430	48	118	32
Greenwich	2646	54	143	35
Hackney	5411	41	123	76
Haringey	3253	56	142	64
Hounslow	1984	38	138	44
Lambeth	3676	60	164	76
Merton	2127	47	151	34
Newham	3998	45	123	45
Southwark	3916	53	167	62
Tower Hamlets	5229	69	131	72
Waltham Forest	2504	43	161	47
Wandsworth	3132	37	167	49

6.23. In total Community Services budgets under spent by £2.2m in 2012/13 and adult social care budgets contributed £0.6m to this underspend. The following table shows the variance over the last 4 years:<sup>6</sup>

Year	Net budget (£m)	Overspend (Underspend) (£m)	% variance
2009/10	70.2	0	0%
2010/11	71.5	1.48	2.1%
2011/12	77.2	0.4	0.5%
2012/13	78.0	(0.6)	-0.8%

<sup>5</sup> Funding and Financial Management of Adult Social Care Review: Second Evidence Session Report, Public Accounts Select Committee, 25 September 2013

<sup>6</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

6.24. As at 30 September 2013 the Community Service Directorate forecasts an underspend of £1.9m for 2013/14, which is significantly greater than the forecast underspend of £0.1m at the same point last year. Adult Social Care is now forecast to underspend by £0.4m.

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## 7. Pressures on the Adult Social Care budget

- 7.1. Adult social care (ASC) is one of the largest spend areas for local authorities across the country with local authorities in London spending approximately 33 per cent (£2.8 billion) of their overall budgets on ASC services.<sup>7</sup> Demand for ASC services is expected to increase over the coming years with projected increased demand among 18-64 year-olds with disabilities and also from the very elderly as more people than ever are living beyond 85. However, ASC budgets across the country have not kept pace with the growing demand.
- 7.2. The Local Government Association found that adult social care is absorbing a rising proportion of the resources available to councils and estimate that spending on other council services will drop by 66 per cent by the end of the decade to accommodate the rising costs of adult care.
- 7.3. In addition to this, the government has committed to reduce the government's budget by £83bn by 2014-15, with a further £11.5bn of savings identified in the spending review of 2013, including a 10% cut in resource budget for local government.<sup>8</sup> As part of the budget reduction the NHS is required to make total savings of £20 billion per year by 2014/15 and trusts throughout the NHS therefore have efficiency targets of around 4-6 per cent per year. Lewisham Council has already cut its revenue budget by £53m since May 2010. Further savings of between £30m and £55m will be required in 2013/14 and 2014/15, with a likely estimated savings requirement of £85m over the next four years. This has also added to the pressures on the ASC budget.
- 7.4. From April 2013, responsibility for local public health functions transferred to local authorities. Resources to fund these new functions have been transferred to the Council in the form of a specific grant of £19.5m in 2013/14. This money was transferred directly from the former Primary Care Trust and includes £4.9m relating to drug & alcohol funding that has been managed by the Council locally for the last five years, so only £14.6m of this funding is in effect new funding. The grant amount currently funds contracts that have already been entered into, so the current commitment against the public health budget is £18.7m.<sup>9</sup> A prioritisation process has begun to consider options for the use of the sum, approximately £800k, currently not committed and for possible redirecting of funding when the current contracts conclude. While increased healthier lifestyles may mean less money spent on acute healthcare, this will not impact on the short term demands on the care budget from 2013-16, as those who need this help are likely to already be ill.
- 7.5. There has also been additional funding from the Department of Health paid via health partners. In 2012/13 this was £3.5m, of which £1.8m was spent in year. In 2013/14 this has increased to £4.8m and will then increase in 2014/15

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<sup>7</sup> Social Care in London and England – Expenditure and needs, LG Futures for London Councils

<sup>8</sup> Spending Review (2010) HM Treasury:

<sup>9</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

and 2015/16 as additional resources are allocated nationally. The base, these increases and some other sums currently paid to health will become the Integration Transformation Fund (ITF). The ITF will be a pooled budget which can be deployed locally on social care and health, subject to national conditions.<sup>10</sup>

## Savings

- 7.6. As identified in the previous section, ASC have made savings or entered into savings commitments of £13m since 2009/10 and have a current budget of £81m. The approach to savings and cost reduction has been to minimise the negative impact on individual service users. The savings have therefore concentrated on the following areas :
- Reducing social work and assessment unit costs to meet the Audit Commission recommended benchmark of 10% of the overall Adult Social Care Budget
  - Reducing the need for ongoing services through the provision of reablement and short term early intervention
  - Developing integrated health and social care services with both Acute and Community Health partners
  - Changing the mix of care from nursing and residential to care which supports people to live at home, moving from Council commissioned homecare to direct payments
  - Contract efficiencies, particularly Learning Disability supported accommodation
  - Joint procurement – such as the meals contract and equipment provision; and
  - Income generation through a review of the charging policy
- 7.7. The cost of care packages makes up the majority of the spend in ASC, accounting for £68.1m net expenditure from a £81m budget. Personalisation can assist with reducing costs as well as providing choice. Closer working with health services can improve early intervention so that people's conditions do not deteriorate and the costs associated with this can then be reduced, as well as improving health outcomes.
- 7.8. Growth was awarded in 2010/11 and 2012/13 for transitional cases, when the responsibility for funding packages and placements for an individual who transfers from Children and Young People to Adult Social Care services. These costs relate to only a few individuals each year but can be as much as £2,000 per week.
- 7.9. Mental health costs for care packages have historically been low in Lewisham. Learning disabilities care packages have been high, reflecting historical local challenges, which are being addressed. This is being done in part via the expansion of the personalisation of care services, which has

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<sup>10</sup> Funding and Financial Management of Adult Social Care Review: Second Evidence Session Report, Public Accounts Select Committee, 25 September 2013

meant that through choice fewer people are opting for traditional day centre activities and care.

### **Demographic pressures**

- 7.10. In London, the number of people aged 65 or over is expected to increase by nearly 50,000 between 2012 and 2017. Local authorities are already struggling to meet the needs of all those people who require social services intervention. Of 2 million older people in England with care-related needs nearly 800,000 receive no support of any kind from public or private sector agencies. In light of the difficult economic climate, more people are likely to seek support who previously may have managed on their own leading to an increase in demand.<sup>11</sup>
- 7.11. The population aged 60 years and over represents one in seven people in Lewisham. This contrasts with England as a whole, where more than one in five people is over 60. The over 65 population has decreased by over 1,000 residents since 2001, despite an overall growth in the population. It is predicted that for the next ten years overall numbers of older people will initially either remain stable or slightly reduce. Thereafter it is projected that the number of older people will increase by just over 2,500 compared with the 2011 Census figures. The significant factor for Adult Social Care, however, is the growth in the number of 85+ year olds which will mean an increase in people with more complex care needs.
- 7.12. The proportion of Lewisham residents with a disability has remained fairly constant. There are slightly more disabled residents towards the south of the borough, correlated to the average older age of residents there. In the 2001 census 15.6% of residents stated that they had a limiting long-term illness, whilst in 2011 14.4% of residents stated that their day-to-day activities were limited either a little (7.3%) or a lot (7.1%). It is estimated that 19.8% of Lewisham's population may have a common mental illness at any one time, higher than London and England averages (18.2% and 16.6% respectively). This figure is however marginally lower than in Lambeth and Southwark (21.0% and 20.6% respectively). Severe Mental Illness (SMI) affects about 1.1% of Lewisham's population, a figure higher than the national average (0.7%) and consistent with its urban demographic. This means around 2900 residents may suffer from some form of SMI.<sup>12</sup>
- 7.13. Approximately 30 people a year enter the Learning Disability system as new 18+ clients. At this point, the total service cost for Adult Social care can only be estimated, because it includes services provided through SEN (school or college) funding. It is at 19 or 21 years of age (i.e. when the young person leaves education) that the total adult social care spend becomes apparent.

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<sup>11</sup> A case for sustainable funding for adult social care, London Councils, Ernst & Young

<sup>12</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

- 7.14. Demographic profiles suggest that there are an increasing number of young people with more complex needs coming through the system. Almost all pupils at Greenvale School, which currently has 74 places, have multiple profound and complex needs and this is the main feeder school for Learning Disability transition. The services to support and care for these users with multiple and complex needs cost on average £120k per person, per annum. In addition, officers have identified that in 2016/17 a high number of people with autism, some of who will also have a learning disability, will leave school and enter the adult social care system.<sup>13</sup>
- 7.15. The other driver of cost is in relation to the number of young people who are placed out of borough in schools which provide specialist support for people with complex physical disabilities or challenging behaviour. As education providers are developing residential service provision near to schools and colleges, young adults are often choosing not to return to the borough.

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<sup>13</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

## 8. Personalisation

- 8.1. Personalisation gives people more choice and control over their health and social care support and promotes independence and social inclusion. A key focus of the transformation of health and social care is involving users and their carers in determining the services they need and how they should be delivered. Whilst personalisation is most advanced in the field of adult social care, this agenda is also being progressed in other areas of public service, including health, housing, education and the criminal justice field. A key part of personalisation is introducing choice and control through personal budgets and wherever possible direct payments.
- 8.2. By April 2013 more than half of clients in Lewisham received social care funding via a personal budget. [Insert national targets]. Of these, the majority of people chose to have their budget managed for them rather than take a direct payment. By April 2013 1036 people were in receipt of direct payments, equating to 18.6% of service users. By 2014 officers would expect to see a large increase in people choosing Direct Payments and are aiming for 26% of service users to opt for this.<sup>14</sup> To facilitate and encourage the use of direct payments adult social care officers are in the process of re-arranging the payment system so that it is less complex for service users. The contract with Freewood, an external provider who manage the direct payments process on behalf of the Council, is due to come to an end in September 2013, with plans in place to develop a new service in conjunction with Children's Social Care to further support service users.
- 8.3. As part of the on-going reorganisation of adult social care to reduce the spend on assessment and care management and increase the take up of Direct Payments, there will continue to be a shift in emphasis towards the specific needs of individual service users. This will include the allocation of a personal budget or direct payment that will meet outcomes agreed by the service user in partnership with the social worker and provider.
- 8.4. To ensure the effective introduction of personalisation in Lewisham, there has been a strong focus on supporting and empowering people to make informed decisions about where and on what to spend their budget. This is shifting away from a traditional care plan to a support plan model that considers different ways of accessing care. This recognises the role that people and families can play in co-producing the design, delivery and commissioning of services. Outcome based commissioning a key element of developing an effective personalised approach to delivering Adult Social Care services.
- 8.5. An outcome is generally defined as 'an impact on quality of life conditions for people or communities'. The Committee received a case study about Wiltshire Council, who developed a 'Help to Live at Home Service' for older people and others who require help to remain at home. The service is built around the expressed wishes of service users and those outcomes they want to achieve

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<sup>14</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

that they feel would help them move towards greater independence. The service combines personal care, housing support and re-ablement. Assessments for outcomes are carried out by the assessment and care management teams in Wiltshire and providers are responsible, along with the service users, for determining how they deliver the services to meet the defined outcomes. There is a strong emphasis on using community resources as part of the way of meeting the person's needs and a sum of money is made available to the provider for each customer to help pay for the service that will deliver the outcome. Providers are paid on the delivery of the agreed outcomes for the individual rather than on any stipulated hours. Penalties are applied where the failure to deliver an agreed outcome is clearly the responsibility of the provider. In addition to penalties, Wiltshire Council offers a 'subtle premium', where providers who achieve outcomes at below the predicted cost are allowed to keep the difference between the money they have spent delivering service and the agreed price of the customer's support plan. Wiltshire is estimated to save £2m due to the use of this approach.<sup>15</sup>

- 8.6. Apart from personal care, the second greatest need identified by service users is for services that prevent social isolation and provide respite support for carers. Traditionally these services have been met through costly building based Day Care centres. A programme of change is being implemented to reduce building based care and make more extensive use of community facilities and a more personalised offer through greater use of Personal Assistants.
- 8.7. Other changes to the way assessments are carried out, such as using the previously mentioned assessment panels, have made providers, especially Lewisham as a commissioner of services, think more about the costs of what they do and think creatively about it. Assessments can also offer lots of information and advice, such as signposting people to other organisations that could help.
- 8.8. As a part of this approach, there has been investment in services that provide prevention and early intervention. Aids and adaptations can be used to prevent the need for a care package and short-term, focused support such as reablement can get people back on their feet before any longer term care is considered. Officers indicated that 60% of people going through reablement require either no further care or a reduced care package.
- 8.9. To achieve this level of flexibility and personalisation of care services there needs to be support from both the community and the wider market. There has been investment in the voluntary sector so that a more personalised offer can be made available, making more use of community assets to support people. This will enable a further reduction in contract arrangements that can be costly.

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<sup>15</sup> Wiltshire Council Help to Live at Home Service – An Outcome-Based Approach to Social Care, Professor John Bolton, Institute of Public Care, April 2012

- 8.10. The Council has a role to play in developing the market of adult social care provision. Market development is a priority for Lewisham and a challenge for the next two years as current traditional contracts come to an end. Officers indicated that the market needs to evolve in order to deliver personalisation and to provide more choice and control. There is also a need to support people with more complex needs to remain in their communities, which requires closer working with health partners. For some more specialised services the Council will need to remain the commissioner, but many other services can be commissioned locally by individuals according to their requirements.
- 8.11. As part of the Main Grants Programme there is a project underway to build a market for user groups, and develop opportunities in the community to supply services to people as part of the personalisation agenda. Community groups need funding to get started and then set themselves up to be funded through people's direct payments. 8 community development workers are being employed to set up the mechanisms to do this and it is currently being piloted in the north of the borough. In addition, the investment fund projects will grow the local Personal Assistant market to deliver more personalised care and support. Experience so far has indicated that this approach is particularly favoured by younger adults who have a disability, as it provides them with the flexibility to achieve the outcomes they want and potentially increases the scope and diversity of support that can be accessed. Currently Lewisham is working with the voluntary sector to develop a database of verified people who are available to provide services and are working with others to develop the advice and planning side of it.

## 9. The Care Bill and the Dilnot Report

- 9.1. The Government commissioned a report on how Social Care should be funded in the future led by Andrew Dilnot. The final report was published in 2012 and made recommendations on how to achieve an affordable and sustainable funding system for care and support for all adults in England, both in the home and in other settings. Following on from the recommendations of the Dilnot Report the Government has now confirmed that assuming Royal Assent, the Care Bill will come into force on 1<sup>st</sup> April 2015.
- 9.2. The Care Bill will consolidate existing care and support law into a single unified statute, introduce a cap on the costs that people will have to pay for care in their lifetime and delivers a number of elements in the Government's response to the findings of the Francis Inquiry, which identified failures across the health and care system. The Bill will potentially have a significant effect on social care and its associated costs.<sup>16</sup>
- 9.3. Charging for care, both community and residential, will be capped at £72,000 per person. This will mean that once a person has reached the capped level of funding, local authorities will have to fund all further care costs. The number of current self-funders costs will then be transferred to Adult Social Care and there will be an increase in people no longer being charged under the Councils charging policy. A financial mapping exercise will be undertaken to assess the longer term effect of the Care Bill on the Adult Social Care Budget.
- 9.4. In determining who is eligible to receive services, all councils use eligibility criteria based on the Government's guidance: 'Fair Access to Care Services' (FACS). There are four eligibility thresholds: critical, substantial, moderate and low. It is up to councils to decide which threshold they want to set depending on their finances. Lewisham has set its eligibility criteria at substantial and critical, which is in line with most other local authorities in London.
- 9.5. The aim of FACS is to help social care workers make fair and consistent decisions about the level of support needed and to determine whether the Council should pay for this. The draft Care and Support Bill includes a power which requires the Secretary of State to make regulations setting new national eligibility criteria from 2017, which has now been announced. In addition, local authorities must provide or arrange for the provision of services that prevent or delay the need for care.
- 9.6. Government has now introduced proposals setting out a national eligibility framework encompassing a national assessment tool, will be introduced setting the minimum criteria for care. This is expected to be set around the current criteria of "Substantial" which Lewisham has already adopted. The changes will give clearer definition across the country of what "eligible" needs

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<sup>16</sup> The Care Bill: factsheets, Department of Health



are, and provide a list of minimum needs that local authorities must meet in every area. Local Authorities will not be able to restrict eligibility beyond this.

- 9.7. The Care Bill places emphasis on the person, promoting their well-being and reducing or delaying care needs, including how to connect with their community; it gives clear guidance on assessing people on the basis of “what they can do” as opposed to “what they cannot do” and promotes service users identifying their own outcomes when purchasing services.
- 9.8. Any adult with any level of need has a right to an assessment, including carers, for whom this is an extension of existing rights. This will see authorities having early contact with people who have low level needs. Proposals for funding reform should also incentivise more people to engage with their local authority earlier. Assessments will identify what type of proportionate intervention the local authority might make to support the individual, depending on their needs. If the person’s needs are not “eligible” at that time, the local authority will nonetheless be under a duty to provide people with advice about how to meet the needs they do have, and information about what might be available in the community, or from other sources, to support them. This earlier contact with authorities can help delay needs increasing, or even in some cases may prevent people from needing care and support in the future.
- 9.9. In the future the primary mechanism for allocating personal budgets is likely to be through a Resource Allocation Scheme. This converts the results of a series of assessment questions, linked to the eligibility criteria, into a monetary value or Indicative Budget. Support planners will then work with clients to devise care and support within this financial envelope where possible.
- 9.10. Therefore officers expect that the demand for assessments will rise in line with the changes arising from the Bill as more people, especially those who may self-fund, will seek support from local authorities. The current project to reduce the unit cost of assessment and care management recognises this future challenge.
- 9.11. Carers will have the right to receive services in conjunction with an individualised support plan created for themselves as opposed to being included in the Service User’s plan. This will increase the numbers of carers receiving services, although there is no guidance at present regarding financial assessments or charging.
- 9.12. Personalised information and advice provided to all will become part of the legislation. We will need creative and joined up resources targeted to deliver this so that it does not create a cost pressure.
- 9.13. The Government recognises that the changes to the Bill will have a financial impact on local authorities. In the 2013 Spending Review the Government identified a one-off £335m payment to help councils implement the reforms of the Bill. Officers estimate that Lewisham will receive one-off payment of

approximately £1.6m.<sup>17</sup>

- 9.14. The Care Bill also places a greater focus on prevention, which means that the care and support needs of people will be considered earlier than is the currently the case. To achieve this, it is proposed to develop further integration between local authorities and health partners to remove gaps and build services around the needs of people. £3.8bn for integrated care has been identified from NHS budgets to support integration and provide health and social care services for people in the community. This money will be linked to CCG targets around joint assessment and care and support planning, and health and social care support being delivered 7 days a week. The delivery mechanism for accessing this funding will be a 'payment by results' approach.
- 9.15. Lewisham has been working on integration with health partners and have laid foundations for these imminent changes. The "Neighbourhood" model which brings together services across health and social care to work with GPs is being established across the borough and four neighbourhood teams are being established. The approach is to deliver a team around the person which will reduce duplication and provide better outcomes for service users. It will provide service users who have multiple needs with a key worker who will work across both health and social Care and thereby reduce duplication.
- 9.16. Developing and using community resources has been identified as the most cost effective way of helping people to remain in the community. Lewisham has put investment into a range of community projects that are targeted towards meeting the identified needs of the local residents within their own neighbourhoods.
- 9.17. In addition, the investment fund projects will grow the local Personal Assistant market to deliver more personalised care and support. This will build more flexibility and choice for service users and support local people wishing to return to work.

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<sup>17</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

## 10. Charging

- 10.1. Within ASC, service users can be charged for some or all of the services that they use. There are separate charging regimes for non-residential and residential care:
- Non-residential care charging is governed by an individual local authority's fairer contributions policy which is informed by central government guidelines. It is discretionary for local authorities whether they choose to charge.
  - Residential care charging is governed by central government's Charging for Residential Accommodation Guidance (CRAG) rules, which unlike fairer contributions do not offer much discretion to local authorities in how charging rules are applied.
- 10.2. There are similarities between the two charging regimes, such as:
- When assessing charges, means-testing applies.
  - Both income and capital held are taken into account
  - The financial assessment and related services are not charged for.
- 10.3. However there are also some large differences between them. For example, service users in receipt of residential services must pay the full cost of their services if they have capital in excess of £23,250 (2013/14). For a non-residential service under the fairer contributions guidance, local authorities have discretion whether to charge or not. Thus a council may decide to apply the same thresholds as for residential care and in that case savings over £23,250 will dictate a full cost assessment. Lewisham has chosen to work in this way.
- 10.4. Local authorities are required to offer a deferred payments scheme that enables the resident to defer the full cost element of their charge until the end of the placement and they still pay a contribution based on their income and liquid capital. A national deferred payments scheme is being introduced by the Department of Health (DH) from April 2015, subject to legislation being passed. Locally, not many service users have opted to take up this option, with only 5-10 cases at any one time on average
- 10.5. Lewisham increased its maximum charge for non-residential care from £290 to £395 in April 2011 and will shortly be increasing it to £500 p.w. This will currently affect 18 people.

### **Means testing for residential services**

- 10.6. Adults in residential accommodation are required to contribute to the cost of their care. How much a resident can afford to contribute is determined by a means test.
- 10.7. Where residents have sufficient resources, identified through the means test, they are required to pay the full cost of their accommodation, known as the standard charge. For an independent sector home, the standard charge of the accommodation is defined as the full fee that the local authority would have to

pay to the home. In the case of residents who cannot afford to pay the standard charge, the means test determines how much they are required to pay.

- 10.8. The detailed rules of the means test are different for permanent residential care and temporary residential care. Although the rules of the means test are generally prescriptive, there are defined areas where local authorities can use their discretion.
- 10.9. The means test calculates the disposable income available to the resident, based on a standard treatment of all of their capital assets and income and after allowing an amount for personal expenditure (the personal allowance), and compares that to the standard or full charge. Clients who own capital assets that exceed the upper capital limit pay the standard charge. For all other clients the disposable income is calculated and compared to the standard charge. The resident is required to pay the lesser of the two.
- 10.10. CRAG contains detailed guidance about how to carry out the means test. There is a range of areas of discretion described in CRAG, including the discretion to increase the personal allowance for less dependent residents or residents with a spouse to maintain at home as well as the discretion to disregard the property if a third party, such as a carer, who has given up their own home to live with, and care for, the individual, lives in the property.

### **Fairer charging**

- 10.11. Problems with the variations in home care charging policies between local councils were identified and the government issued statutory guidance on charging in 2000. The guidance includes advice on a number of issues where councils need to take particular care to ensure that any charging policy is reasonable.
- 10.12. The principal differences between charging regimes for residential (i.e. the CRAG framework) and non-residential services are that under fairer charging/contributions the value of a service user's home is not included in the charging assessment and an allowance must be made for the costs of disability.
- 10.13. Unlike the residential charging framework which does not contain much scope for discretion, under fairer charging there is no presumption by the government that all councils will charge and, where they do decide to charge for services, they also retain substantial discretion in the design of their charging policies.
- 10.14. The guidance sets out a broad framework to help councils ensure that their charging policies are fair and operate consistently with their overall social care objectives. Nothing in the guidance requires councils to make existing charging policies, which go beyond the requirements set out in the guidance, less generous to users than they currently are. Lewisham's policy is to set

higher buffer - 35% - allowing service users to retain a higher level of income (an extra £6 to £15 p.w.).

- 10.15. Where disability benefits are taken into account as income in assessing ability to pay a charge, councils should assess the individual user's disability related expenditure (DRE.). In 2011 Lewisham introduced a minimum level of disability related expenditure below which service users are not required to provide evidence of expenditure. Since then this has been inflated at the same rate as benefits. Service users with higher levels of disability related expenditure can still request a full assessment.
- 10.16. Councils are required to ensure that comprehensive benefits advice is provided to all users at the time of a charge assessment. Councils have a responsibility to seek to maximise the incomes of users, where they would be entitled to benefits, particularly where the user is asked to pay a charge. Lewisham's current approach is to meet all new service users and offer benefits advice as part of this meeting, although this may need to change in the light of required savings.
- 10.17. Councils are allowed to take all eligible income into account in the financial assessment. From April 2011 the percentage taken into account increased from 75% to 90% and will shortly increase to 100%.
- 10.18. To ensure that disabled people and their carers are able to enter and progress in work if they wish to, the guidance expects that earnings will be disregarded in charge assessments.

### **Charges and personalisation**

- 10.19. Personalisation offers challenges to charging as a client has more flexibility to assemble a care package from different elements rather than receive fixed units of a few services. Under Fairer Contributions the treatment of capital and income is based on the preceding regime but there is a general expectation that the maximum charge for a service will be the value of that package – or will at least be clearly related to it.
- 10.20. For the majority of services Lewisham charges the true cost of the service. Two examples of where the service is subsidised are meals (which lie outside the Fairer Charging/ Fairer Contributions regimes) and in-house day care where charges are set based on personal budgets agreed for purchased provision. This treatment has been adopted for day care to avoid undesirable discrepancies in charging between clients receiving similar services.
- 10.21. Supported accommodation for service users is not currently charged for but this will be revisited in the next review of the charging policy.

## Impact of the Care Bill on charging

- 10.22. The Care & Support Bill as outlined in a previous section will have implications for charging. Starting from April 2016 there will be cap on the sum a service user has to pay for their care. For service users aged over 65 this will initially be set at £72,000. This cap will exclude daily living costs of residential & nursing care – probably £230 p.w. The cap will, however, include the contribution to a care package made by the local authority so that the cap is reached when the total payment for a service reaches £72,000, even if the proportion met by the service user is small.
- 10.23. The local authority will need to monitor the progress of all service users towards the cap. This will require significant changes to financial systems and in recognition of the cost of this and other changes some additional funding will be made available. Where service users move between boroughs they will take their accumulated contribution towards their cap with them. Capital thresholds will be changed to help people with modest wealth. Changes will mean that people with around £118,000 worth of assets (savings or property) or less will start to receive financial support if they need to go to a care home. The amount that the Government will pay towards someone's care home costs will depend on what assets a person has
- 10.24. From April 2015, there will be a new legal right for people to defer paying care home costs, meaning they do not have to sell their home during their lifetime. The local authority will pay the care home costs during this time. This right can be offered in certain circumstances where an adult owns their home. Local authorities will be able to charge interest on these payment arrangements for the first time, so that they can cover their own costs of offering such agreements. Officers anticipate that this will have a short to medium term cashflow impact on the Council; although this will be rectified as the Council is covering a deferred payment.
- 10.25. For many service users these changes will have no financial impact – including the 50% of recipients of non-residential services who currently pay no charge. Those who require extensive domiciliary services could trigger their cap quickly, especially those younger people who become disabled (such as through an accident).
- 10.26. However the proposed changes will impact on the Council in several ways :
- Service users entering services at 18 will not be charged (it is not clear whether they could be charged once they reach a certain age)
  - Service users receiving large care packages for extended periods will hit the cap, reducing the charge that the Council can make for their care. It would take only 3 years for a service user receiving residential or nursing care (or a home care package costing over £500) to reach the cap.
  - Clients who have previously arranged their own care will now probably approach the Council for financial assistance

- 10.27. Local numbers of self –funders in residential and nursing care are low (35 at the last count) but we have no way of knowing how many people with eligible needs have made their own arrangements for care at home.
- 10.28. Service users who have over £23,250 can opt not to disclose the details of their capital income but simply to pay the full cost for their services. The Council does not know, therefore, whether they would be above or below the new capital thresholds. In the absence of information on numbers of self funders who have not approached the Council and of the detailed financial circumstances of some of those that have it is not possible to make reliable projections of the impact of the proposed changes. Officers are undertaking some initial modelling on based on various assumptions which will be reported to members later in the year.
- 10.29. A potential impact for London boroughs will be the tariffs, which are currently being set according to national bands. As costs are likely to be higher in London but authorities will only be able to charge according to nationally decided tariffs this could have a financial impact. Likewise, general higher costs in London could result in people reaching the funding cap of £72,000 more quickly than elsewhere in the country.

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## **11. Integration of health and social care**

- 11.1. The integration of health and social care offers the opportunity to improve services for patients and users by designing a system that is easy to understand, provides consistency of intervention and more preventative, community-based and personalised services.
- 11.2. The current system can be complex and difficult to understand and often delivers inconsistent services. Therefore it has been increasingly recognised that it is important to look at care and support for people from a holistic perspective. By identifying key areas of overlap and linkages between service provision, individual and community outcomes can be improved, including improved financial sustainability of services through reduced costs.
- 11.3. Lower costs can be achieved for treating patients and service users by using more preventative and community based provision, which tends to have lower overheads. This can result in keeping people at home for longer, therefore reducing the use of acute services (such as A&E and hospital care) which are often expensive. Organisational improvements are also possible by developing a single view of the patient and service user that enables the removal of duplication, improved productivity and better targeting of resources. The biggest financial benefits will be delivered to acute commissioning from reduced activity, although the costs associated with achieving this reduced activity falls on the councils and Clinical Commissioning Groups.
- 11.4. There are challenges to achieving integration, including differing management structures in organisations involved and the culture of the staff. Adult social care operates in an environment that is strongly influenced and governed by local politicians while health services do not have the same governance requirements and NHS organisations are accountable for national targets. Adult social care is rationed and delivered to those most in need of services and access to services is controlled through the application of eligibility criteria. Health services are mainly free at the point of contact and assessment relates only to clinical need through diagnosis and not to eligibility.
- 11.5. Identifying savings is further complicated by the changing nature of national policies, processes and legislations as well as unrelated organisational changes taking place in both health and social care settings. In addition, the positive impact of integration can emerge in different ways along the service user/patient pathway which requires very close monitoring of activity to ensure the full scale of the benefits are included.
- 11.6. Clinical Commissioning Groups mean that GPs are now a key player in integrating health and adult social care, although they may not always have a comprehensive understanding and knowledge of the community based services and social care services available.



- 11.7. Within Lewisham a lot of work has been carried out on the integration of health and social care. The Council is committed to Health and Social Care integration and this commitment has been formally agreed by Mayor and Cabinet. This approach to health and social care started 2 years ago, so Lewisham are ahead of many other local authorities in this regard. The Clinical Commissioning Group, Lewisham and Greenwich NHS Trust and the Council have, over the past year, formally agreed a new integrated model for community based health and social care services. This will increase further the ability of the whole system to reduce admissions and length of stays. A governance structure for this was recently agreed by the Health and Wellbeing Board.
- 11.8. One of the factors driving the need to improve integration was poor outcomes when admitting people to hospital and then delays in discharging them when they were medically well enough to discharge. A partnership, established initially between the Primary Care Trust, Lewisham Hospital and the Council developed a “whole systems approach” to ensure that patients were discharged much more quickly and efficiently. Consequently, in 10/11 and 11/12, this resulted in Lewisham’s performance for delayed transfers of care from hospital being the best in its statistical comparator group and well above the average for England and London as a whole. Lewisham Healthcare NHS Trust and the Council continue to work closely together to ensure early, appropriate, discharge and admission avoidance in the future. This partnership work is having a real impact, as evidenced by out-of borough patients having a length of stay in the hospital which is 2.7 days longer on average than Lewisham residents. Financial savings have also been made.<sup>18</sup>
- 11.9. Budgets for a number of health related activities moved to the local authority 4 years ago under section 75 agreements. Commissioning posts are joint funded by the Council and NHS and are integrated at the local level. This has allowed costs to be cut and the new Clinical Commissioning Group (CCG) will keep this arrangement going.
- 11.10. Integrated budgets can reduce the inefficiencies in the system and Lewisham has launched a pioneer bid to test out new ways of integrating funding. This is a government backed project which will alter the way funding is approached. There is already some understanding of different budget pressures and within the CCG there is an understanding that cost pressures should not be ‘shunted’ from one area to another by reducing one sort of service that another service will then have to pick up the cost of.
- 11.11. Public health work is another driver for integrating health and social care. A project is being carried out looking at narrowing the differentials between those with good and bad health outcomes. Lewisham CCG, the Council and Lewisham and Greenwich NHS Trust have also recently created “multi-agency neighbourhood clusters”, led by GPs and Adult Social Care, to care for more patients in the community and to attempt to further break down barriers between acute and community provision. The cluster teams bring

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<sup>18</sup> Emergency Services Review, Overview and Scrutiny Committee, 14 October 2013

together social work staff, occupational therapists, physiotherapists, district nurses, community matrons and GP practice staff.

- 11.12. A major part of the criticism from Lewisham Council of the Trust Special Administrator's draft report on the reconfiguration of South East London healthcare services was that it failed to take into account the range of effective arrangements already in place locally in Lewisham which have been developed to improve outcomes and experiences for residents. In particular, the response highlighted that the Trust Special Administrator seemed unaware of the successful integration between the hospital and the Council's Adult Social Care and Children's services. The narrow focus on improving economies of scale threatened to dismantle many of these arrangements with no regard to their achievements, the economies they deliver and the extent to which they represent a better model for meeting local people's health and care outcomes.<sup>19</sup>
- 11.13. It has also been helpful for Lewisham Council to work primarily with Lewisham Hospital rather than an array of different hospitals in South and South East London. Officers identified this as an issue for people in London, which has a transient population and requires information to be shared quickly. While this can be done locally where relationships and integration exists it can be problematic on a wider scale and there are difficulties in sharing information across hospitals and with council based social care teams due to the incompatibility of IT systems.
- 11.14. While progress has been made, creating a more integrated service with health has been a challenge, partly because health services have recently been re-organised. Budgets are also managed differently in health, where the driver for spending is the acute sector. Income for the acute sector are related to what treatments people have, which can act as a perverse financial incentive where more treatments can bring in more income.
- 11.15. The work carried out so far has shown that there can be an impact in terms of positive outcomes for people as well as saving money. Inefficiencies such as duplication are still present in the current system and by targeting these further money can be saved with minimal impact on the level of service provision. In addition patients and service users seem to prefer this approach, with less need for them to deal with many different departments and organisations.

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<sup>19</sup> Lewisham Council's response to the TSA proposals, December 2012

## 12. Contracts and procurement

- 12.1. Lewisham Council engages in a number of contracts to provide services for those in need of ASC. All commissioned services are routinely monitored for contract compliance and acceptable performance and quality. This is to ensure that the services commissioned are delivered by providers in line with the contract and specification and that they are providing care of the highest quality, adhering to the principles of best value.
- 12.2. The procurement process is designed to choose the service provider who will provide the service to the required standard identified in the service specification and at the optimum cost, thus representing the best value for money. This is achieved by evaluating the tender submissions on a balance of “Quality” and “Cost”. The “Quality” aspects relate to how the service will operate and potential providers are asked to respond to specific questions (known as method statements) and are based on the Care Quality Commission’s Guidance.
- 12.3. The Public Accounts Select Committee carried out a review in 2012/13 looking at contract management, which found that good contract management can effectively manage risk, that potential additional value can be obtained from effective contract management and that the foundations for good contract management are laid in the stages before the contract awarded. Lewisham has also moved towards a balance between cost and performance. As part of the review the Committee examined a case study residential and nursing contracts.<sup>20</sup>
- 12.4. Commissioned services for adult social care (with total contract values for 2012/13) include:<sup>21</sup>
- Nursing and residential care (£37,100,000)
  - Domiciliary Care (£13,838,188)
  - Day care (£1,696,357)
  - Public funeral (£58,069, approx. £43,000 reclaimed from deceased client’s estate)
  - Welfare meals (£775,624)
  - Community Equipment (£536,037)
  - Direct Payments Support (£395,633)
  - Independent Mental Capacity Advocacy (£14,250)
- 12.5. In addition, contracts are in place for a carer support service (£434,717) and a laundry service (£85,000).

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<sup>20</sup> Managing Contracts Review, Public Accounts Select Committee, 26 March 2013

<sup>21</sup> Funding and Financial Management of Adult Social Care Review: Second Evidence Session Report, Public Accounts Select Committee, 25 September 2013

## Contracts held by ASC

- 12.6. The Council currently commissions residential and nursing places for older and younger adult Lewisham residents through a mixture of block and spot contractual arrangements. These placements are made within the borough and outside of borough from approximately 125 care homes providers.
- 12.7. Historically residential and nursing care homes were provided directly by the local authority, however over the years provision has been taken up by the private, voluntary and independent sector. This has resulted in savings and although costs can fluctuate due to the market, the Executive Director for Community Services is of the opinion that bringing it back in-house would not be any cheaper.
- 12.8. There are not a large number of residential home providers in the borough, and Lewisham will use a large number of them provided that officers are satisfied that the level of quality can be assured. The current economic crisis as well as pressures from increased self-funding has had a negative impact on care homes business, which has seen large national organisations such as Southern Cross Healthcare closing their care homes and the loss of a significant number of care beds. Locally, two Southern cross homes closed in 2011 and 2012 and officers within the Council are monitoring the market on a regular basis. People have a right to specify the home they want to be placed in, so many people will be placed out of the borough to be nearer to family.
- 12.9. New entrants could enter the residential home market and gain a contract with Lewisham provided they were registered with the care Quality Commission and were registered to provide. However providing a nursing home is not an attractive incentive to developers as more money can be made from developing sites for residential use in London than can be made from providing a residential or nursing home. Because of this there has been a decline in providers across London.
- 12.10. Day care and very sheltered housing services are commissioned from two Housing Corporation registered providers and these services are being reviewed. Providing extra care housing and sheltered housing could reduce medium-term costs although there little current provision in the borough. Some funding to develop extra care provision and work is being carried out to analyse what is needed to achieve this, including whether changes to housing funding for local authorities which allows more external borrowing could allow for extra care housing.
- 12.11. A tri borough contracting arrangement for the provision of a hot meals service in the borough has awarded to Apetito in May 2013. The meals service for adults supports vulnerable and older people who require a hot meal to be made for them and delivered to their home and the service operates 365 days per year. The joint procurement approach was taken due to the declining numbers of meals required. Therefore, the cost per meal to the three boroughs rose significantly during the current contract period. The costs per meal under the new contract are lower than those in the existing contract and

a saving has been taken in the 2013/14 budget to reflect this. The Public Accounts Select Committee has previously scrutinised aspects of this contract as part of a scrutiny of cross-borough working.<sup>22</sup>

12.12. Residential and nursing care services for mental health patients in Lewisham falls within the remit of the contract with South London & Maudsley (SLaM) NHS Foundation trust. SLaM is the main provider of mental health services in the Borough and has retained delegated responsibility for all placements, as well as the performance management of the care homes. The individual contracts with each of the services is managed and held by SLaM, with a differing number of patients in each home. The total spend on residential services for mental health patients in 2012/13 was £3,293,437, with nursing placements accounting for an additional £267,369.<sup>23</sup>

12.13. The current arrangement in place for the provision of domiciliary care in Lewisham is a Framework Agreement, which has seventeen providers available to meet assessed needs. The contract for this Framework is due to end in 2014. By moving towards a more outcome based approach and increasing the use of personal budgets so service users can directly purchase the care services they need, domiciliary care will look to achieve a decrease in the number of service users admitted to long term care homes and a decrease in the size of the care packages over time.

12.14. As part of supporting personalisation, work is also underway with the voluntary sector organisations to deliver improved access to employing Personal Assistants, as well as making use of pooled personal budgets. The Council has also recently awarded a contract to a company who specialise in developing local peer support brokerage.

12.15. This will focus initially on Learning Disability Service Users in order to establish a support plan that is personalised and based on outcomes. This will encourage people to commission services and activities jointly. The local learning disability market is well developed to meet this challenge, and has been looking to focus on employment and skills development related activities.

### **Types of contract used**

12.16. Contracts have been changed so that block purchasing has been phased out where possible and spot purchasing has been brought in. This offers flexible, shorter term contracts. Block contracts are only used where there is a scarcity of residential and nursing beds and the Council has to ensure that there is sufficient provision to meet the needs of those who require these services. Spot contracts are used for the majority of care home placements to secure individual placements on a case by case basis. Commissioners utilise a

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<sup>22</sup> Cross Borough Working Case Study - Joint Welfare Meals Catering Service between Lewisham, Southwark and Lambeth, Public Accounts Select Committee, 13 June 2013

<sup>23</sup> Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013

number of negotiation tools to achieve a fair placement fee, including benchmarking other local authorities, the Care Funding Calculator and historical intelligence.

- 12.17. Lewisham's future commissioning intention is to design and procure services so they deliver an outcome based response for service users. For example, older people in particular may not want the same pattern of care, day in day out, as specified in a conventional care plan. Negotiating the detail of the support plan directly with the provider has proven to be successful in other local authorities who have piloted this approach. Lewisham is therefore negotiating with framework providers to work in this way and embed this offer. The framework agreement will be redeveloped in 2014 when all providers will be required to work to personalised outcomes and will still have the requirement to pay the London Living Wage.
- 12.18. The ability to push down contract costs can depend on the contract. For example, if there are a small number of providers and small numbers of people receiving the service, such as with welfare catering, it can be difficult. There are also difficulties in a large number of authorities in London buying services in one contract from a single supplier as this could generate a monopoly provider and result in increased prices.
- 12.19. All commissioned services are routinely monitored for contract compliance and acceptable performance and quality. Contract monitoring officers are responsible for carrying out this area of work and these interventions and activity are designed to ensure that Lewisham's residents receive high quality and cost effective care and that when this is not the case, remedial steps are taken.

### **13. Alternative delivery models**

- 13.1. Nationally, consideration is also being given to different delivery models such as social enterprises and commercial trading companies that provide preventative and early intervention services to support people to live at home, whilst giving alternative and cost effective choices.
- 13.2. The use of new service delivery models can allow local authorities to benefit from reduced costs while allowing a certain level of control over the provision of services and retention of highly qualified and skilled members of the workforce. New service delivery models would not necessarily conflict with the wider move towards greater personalisation and an increase in the number of service users with personal budgets, as new service delivery models can also be used to manage the personalisation agenda reducing the local authority's costs.
- 13.3. A Local Authority Trading Company can maintain a link to the local authority influence and brand and offer reduced staffing and corporate costs. It also has ability to trade with all sectors of the market creating the potential to generate future capital receipts. This approach allows the local area to retain capability and capacity and to provide a strategic response to emerging trends and challenges.
- 13.4. Outsourcing a service is not a new approach and has been approached across the public sector for a number of years. This allows provision to be commercially independent, with the service delivery risk transferred to a third party. There can be low costs of implementation as the cost of transfer can be borne by provider and when underpinned by robust and effect contract management can achieve sustainable quality and performance improvements.
- 13.5. Social enterprise or public service mutuals are another approach and opens up the accessibility of alternative funding streams. It provides flexibility to meet the needs of clients as front line staff have more influence on the service delivered and profits can be reinvested. There is also a risk transfer to a third party, commercial independence and involves stakeholders and service users in development.
- 13.6. Shared services and joint ventures provide continued access to council staff and expertise as well as certainty about service costs. Experience and expertise can be shared among partners and the standardisation of processes enabling more effective use of resources.
- 13.7. The Committee received evidence from a case study regarding Croydon Council and the creation of their Local Authority Trading Company (LATC), Croydon Care Solutions. As a response to pace and direction of change required through the policy of personalisation and the impact of public expenditure reductions, Croydon Council decided to form an LATC to deliver the following services:

- Day Opportunities –Support for vulnerable people
- Resources Bases –Community support for adults with learning disabilities
- Equipment Service – for independent living and mobility
- Employment Support Service – Supporting vulnerable people into work
- Partnership Services for Local Authorities

13.8. There were a number of reasons for choosing an L:ATC approach, including:

- A Company would be able to use the reputation and brand of Croydon Council. The services recommended for transfer into the LATC already deliver high quality services and are highly valued by the people who use them.
- An LATC provides the ability to trade whilst remaining owned by the Council. It would deliver greater transparency regarding the discharge and accomplishment of statutory duties and would ensure essential services can always be accessed, particularly for people with the most complex needs where there might be a lack of market responsiveness.
- It allows the opportunity to test the commercial value of services
- Croydon Council would continue to have an influence on the use of surpluses and future strategic direction of the Company in the short to medium term;
- The Company could be used as a vehicle for the externalisation of other Local Authority services in the future, within Adult Social Care and Housing
- The Company would only require limited start up capital which could be provided by Croydon Council on a commercial basis;
- There would be no requirement to tender services in the first instance and future options for the Company would remain open
- It addresses the aspiration for Croydon Council to be a commissioning led organisation that is able to plan strategically and influence the market whilst enabling service users and customers to access the best quality services to meet their needs.
- It generates significant savings for the Council in the medium term, reduces the Council staffing establishment and corporate overheads.

13.9. The outcome of this is that Croydon is delivering its services with the same budget allocation as six years ago, which is a reduction in real terms. Efficiency savings of £27.235m (from April 2006 to September 2013) have been delivered. The service eligibility threshold has been kept at substantial with funded voluntary organisations supporting people at and below this threshold.<sup>24</sup>

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<sup>24</sup> Update on the Local Authority Trading Company – Report to Adult Social Services Review Panel 24th April 2013



## 14. Sources

### Public Accounts Select Committee Meetings

Review of Community Services, Public Accounts Select Committee  
<http://www.lewisham.gov.uk/mayorandcouncil/overviewscrutiny/Documents/ReviewofCommunityServicesAreportbythePublicAccountsSelectCommitteeJune2007.pdf>

Managing Contracts Review, Public Accounts Select Committee, 26 March 2013  
<http://councilmeetings.lewisham.gov.uk/documents/s22615/Appendix%20A%20-%20ManagingContractsReviewFinalReport.pdf>

Cross Borough Working Case Study - Joint Welfare Meals Catering Service between Lewisham, Southwark and Lambeth, Public Accounts Select Committee, 13 June 2013  
<http://councilmeetings.lewisham.gov.uk/documents/s23002/03Appendix4JointWelfareMealsCateringService13062013.pdf>

Funding and financial management of Adult Social Care review: Scoping paper, Public Accounts Select Committee, 13 June 2013  
<http://councilmeetings.lewisham.gov.uk/documents/s22837/06AppendixDFundingAndFinancialManagementofASCScopingReport13062013.pdf>

Funding and Financial Management of Adult Social Care Review: First Evidence Session Report, Public Accounts Select Committee, 17 July 2013  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=123&MIId=2869&Ver=4>

Revenue and Capital Budget Monitoring Report, Public Accounts Select Committee, 17 July 2013  
<http://councilmeetings.lewisham.gov.uk/documents/s23715/04RevenueAndCapitalMonitoring17072013.pdf>

Minutes of the 17 July 2013 Public Accounts Select Committee Meeting  
<http://councilmeetings.lewisham.gov.uk/documents/s24685/01PACMinutes170713.pdf>

Funding and Financial Management of Adult Social Care Review: Second Evidence Session Report, Public Accounts Select Committee, 25 September 2013  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=123&MIId=2870&Ver=4>

Minutes of the 25 September 2013 Public Accounts Select Committee Meeting  
TBP

## Other outside sources

'Social Care in London and England – Expenditure and needs' by LG Futures for London Councils

<http://www.londoncouncils.gov.uk/policylobbying/healthadultservices/publications/socialcareexpenditurneeds.htm>

'A case for sustainable funding for adult social care' London Councils, Ernst & Young

<http://www.londoncouncils.gov.uk/policylobbying/healthadultservices/socialcare/fundingadultcare.htm>

Lewisham Council's response to the TSA proposals, December 2012

<http://councilmeetings.lewisham.gov.uk/documents/s19348/Appendix%20A%20-%20Council%20response%20to%20the%20TSA.pdf>

Emergency Services Review, Overview and Scrutiny Committee, 14 October 2013

<http://councilmeetings.lewisham.gov.uk/documents/s25005/04%20Emergency%20Services%20Review%20DRAFT%2014%2010%202013.pdf>

Personalisation/ Consultation Briefing, Healthier Communities Select Committee, 30 May 2012

<http://councilmeetings.lewisham.gov.uk/documents/s12532/04%20Personalisation%20Consultation.pdf>

The Care Bill: factsheets, Department of Health

<https://www.gov.uk/government/publications/the-care-bill-factsheets>

Wiltshire Council Help to Live at Home Service – An Outcome-Based Approach to Social Care, Professor John Bolton, Institute of Public Care, April 2012

<http://ipc.brookes.ac.uk/publications/index.php?absid=691>

Step Change Croydon - Social Care: Proposals for the establishment of a Local Authority Trading Company – Report to Croydon Council Cabinet Meeting, 12 July 2010

<http://www.croydon.gov.uk/contents/documents/meetings/546596/910708/2010-07-12/cab20100712stepchangetradingcompany.pdf>

Croydon Health & Adult Social Care Cabinet Member's Bulletin - November 2012

[http://www.croydon.gov.uk/contents/departments/democracy/pdf/714464/1150934/November\\_2012/healthadultnov12.pdf](http://www.croydon.gov.uk/contents/departments/democracy/pdf/714464/1150934/November_2012/healthadultnov12.pdf)

Update on the Local Authority Trading Company – Report to Adult Social Services Review Panel 24th April 2013

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# Agenda Item 6

Public Accounts Select Committee			
<b>Title</b>	Select Committee Work Programme	<b>Item No</b>	6
<b>Contributors</b>	Scrutiny Manager		
<b>Class</b>	Part 1	<b>Date</b>	11 November 2013

## 1 Purpose

- 1.1 To advise Members of the Select Committee of the work programme for the municipal year 2013/14.

## 2 Summary

- 2.1 At the beginning of the municipal year, each select committee drew up a draft work programme for submission to the Business Panel for consideration.
- 2.2 The Business Panel considered the proposed work programmes of each of the select committees on 14 May 2013 and agreed a co-ordinated overview and scrutiny work programme, avoiding duplication of effort and facilitating the effective conduct of business.
- 2.3 However, the work programme is a “living document” and as such can be reviewed at each Select Committee meeting so that members are able to include urgent, high priority items and remove items that are no longer a priority.

## 3 Recommendations

- 3.1 The select committee is asked to:
- note the work programme attached at **Appendix B** and discuss any issues arising from the programme;
  - specify the information and analysis required in the report for each item on the agenda for the next meeting, based on desired outcomes, so that officers are clear on what they need to provide;
  - note all forthcoming executive decisions, attached at **Appendix C**, and consider any key decisions for further scrutiny.

## 4. The work programme

- 4.1 The work programme for 2013/14 was agreed at the meeting of the Committee held on 15 May 2013 and agreed by the Business Panel on 14 May 2013.
- 4.2 The Committee is asked to consider if any urgent issues have arisen that require scrutiny and if any existing items are no longer a priority and can be removed from the work programme. Before adding additional items, each item should be considered against agreed criteria. The flow chart attached at **Appendix A** may help members decide if proposed additional items should be added to the work

programme. The Committee's work programme needs to be achievable in terms of the amount of meeting time available. If the committee agrees to add additional item(s) because they are urgent and high priority, Members will need to consider which medium/low priority item(s) should be removed in order to create sufficient capacity for the new item(s).

## 5. The next meeting

5.1 The following items are scheduled for the next meeting:

<b>Agenda Item</b>	<b>Review Type</b>	<b>Link to Corporate Priority</b>	<b>Priority</b>
<b>1. Revenue Budget Savings proposals</b>	Standard review	Inspiring efficiency, effectiveness and equity	High
<b>2. Asset Management Strategy Update</b>	Performance monitoring	Inspiring efficiency, effectiveness and equity	Medium
<b>3. Annual Complaints Report</b>	Performance monitoring	Inspiring efficiency, effectiveness and equity	Medium

5.2 The Committee is asked to specify the information and analysis it would like to see in the report for each item, based on the outcomes the committee would like to achieve, so that officers are clear on what they need to provide for the next meeting.

## 6. Financial Implications

6.1 There are no financial implications arising from this report.

## 7. Legal Implications

7.1 In accordance with the Council's constitution, all scrutiny select committees must devise and submit a work programme to the Business Panel at the start of each municipal year.

## 8. Equalities Implications

8.1 The Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not.

- foster good relations between people who share a protected characteristic and those who do not.

8.2 There may be equalities implications arising from items on the work programme and all activities undertaken by the Select Committee will need to give due consideration to this.

## **9. Date of next meeting**

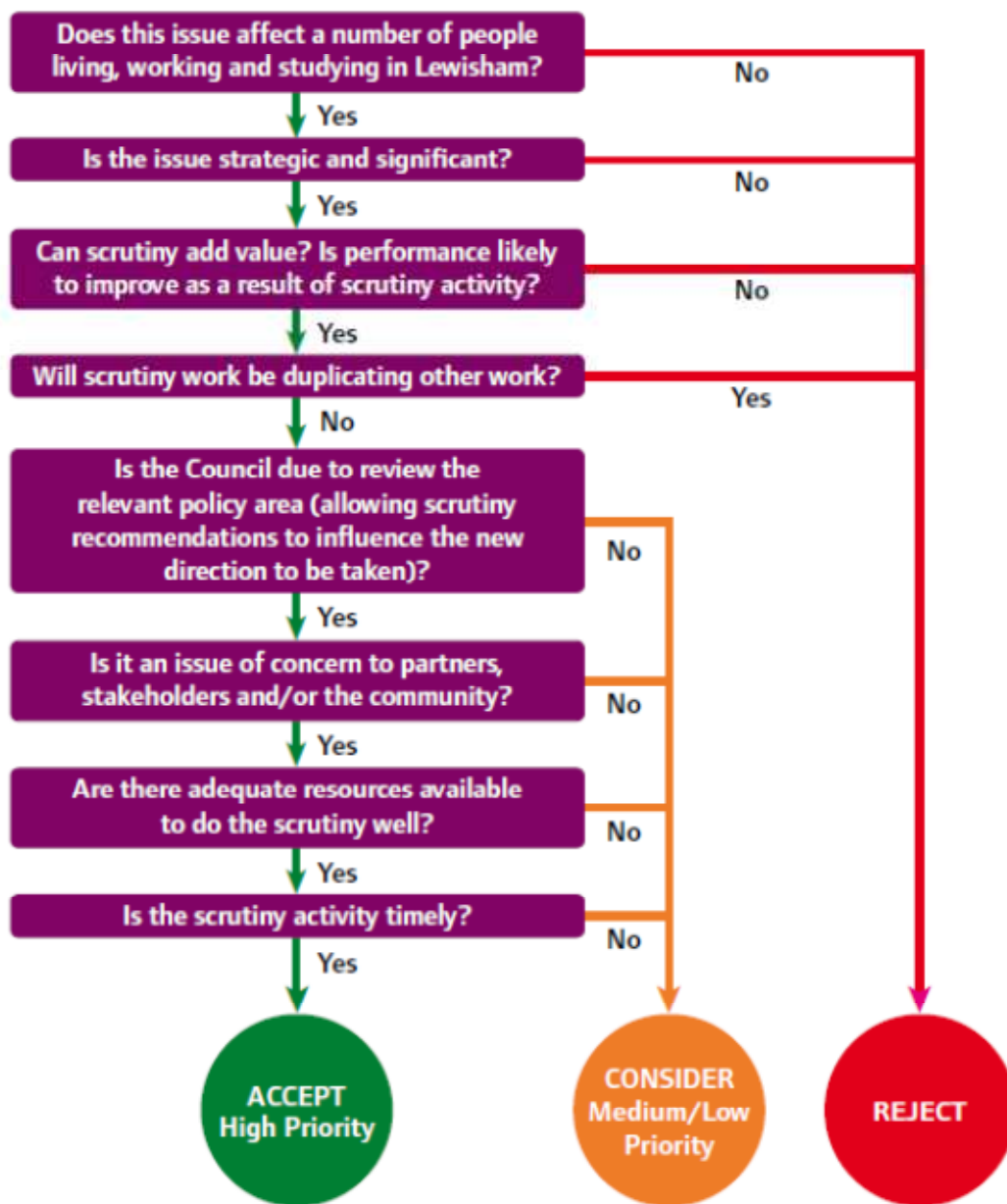
9.1 The date of the next meeting is 9 January 2013.

## **10. Background Documents**

Lewisham Council's Constitution

Centre for Public Scrutiny the Good Scrutiny Guide – a pocket guide for public scrutineers

## Scrutiny work programme – prioritisation process





Work Item	Type of review	Priority	Strategic Priority	Delivery deadline	April	June	July	September	November	January	February	March
Audit Panel Update	Constitutional Requirement/ Information Item	MEDIUM	CP10	March								
Asset Management Strategy update	Performance Monitoring	HIGH	CP10	March						Jan/Mar		Jan/Mar
Revenue and Capital Budget monitoring	Performance Monitoring	HIGH	CP10	February		Final output	As at end May 2012		As at end September 2012		As at end November 2012	
Management report	Information Item	LOW	CP10	February								
Cross-borough working	Standard Review	HIGH	CP10	June					Response			
Funding and Financial Management of ASC Review	In-depth review	HIGH	CP10	November		Scoping report	Evidence session	Evidence session	Final Report			
Fairness review - Update	In-depth review	LOW	CP10	September			Employment					Procurement
Managing Contracts review - Response and update	In-depth review	LOW	CP10	March				Response				Update
Catford Regeneration Ltd	Standard Review	MEDIUM	CP10	September								
Financial Survey	Performance Monitoring	HIGH	CP10	September								
Building Control procurement	Standard Review	MEDIUM	CP10	September								
Revenue Budget Savings proposals	Standard Review	HIGH	CP10	November								
Annual Complaints Report	Performance Monitoring	MEDIUM	CP10	January								
Annual Budget 201/15	Standard Review/ Performance Monitoring	HIGH	CP10	February								
Council tax reduction scheme	Standard Review	HIGH	CP10	November								
Update on Oracle cross-borough project	Standard Review	MEDIUM	CP10	March								

	Item completed
	Item ongoing
	Item outstanding
	Proposed timeframe
	Carried over from last year
	Item added

Meeting Schedule					
1) Wed	17-Apr	Dsp 9-Apr	5) Mon	11-Nov	Dsp 31-Oct
2) Thu	13-Jun	Dsp 4-Jun	6) Thu	09-Jan	Dsp 31-Dec
3) Wed	17-Jul	Dsp 9-Jul	7) Thu	06-Feb	Dsp 28-Jan
4) Tue	25-Sep	Dsp 17-Sep	8) Tue	25-Mar	Dsp 13-Mar

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**MAYOR & CABINET AND SCRUTINY  
PROGRAMME OF BUSINESS**

**Programme of Business for October 2013 - February 2014**

Meeting date	Committee	Item	Directorate	Lead Officer
October				
Wednesday, 30 Oct 2013	Housing Select Committee	Housing Matters update	Customer Services Directorate	
Wednesday, 30 Oct 2013	Housing Select Committee	Key housing issues	Customer Services Directorate	
Wednesday, 30 Oct 2013	Housing Select Committee	Impact of housing benefit cap on Lewisham residents	Customer Services Directorate	
Thursday, 31 Oct 2013	Sustainable Development Select Committee	Build the Lenox	Resources and Regeneration Directorate	Timothy Andrew
Thursday, 31 Oct 2013	Sustainable Development Select Committee	Parking policy monitoring and update	Customer Services Directorate	Ralph Wilkinson
November				
Wednesday, 6 Nov 2013	Children and Young People Select Committee	Savings 2013/14	Children and Young People Directorate	
Wednesday, 6 Nov 2013	Joint Meeting of Children and Young People Select Committee and Safer Stronger Communities Select Committee	Youth Service Reforms	Children and Young People Directorate	
Monday, 11 Nov 2013	Public Accounts Select Committee	Council tax reduction scheme	Resources and Regeneration Directorate	
Monday, 11 Nov 2013	Public Accounts Select Committee	Management report	Resources and Regeneration Directorate	
Monday, 11 Nov 2013	Public Accounts Select Committee	Revenue and Capital Budget Monitoring	Resources and Regeneration Directorate	
Wednesday, 13 Nov 2013	Mayor and Cabinet	Appointment of LA Governors		Frankie Sulke
Wednesday, 13 Nov 2013	Mayor and Cabinet	Asset Rationalisation Update		Janet Senior

Meeting date	Committee	Item	Directorate	Lead Officer
Wednesday, 13 Nov 2013	Mayor and Cabinet	Backr- an employment support network		Kevin Sheehan
Wednesday, 13 Nov 2013	Mayor and Cabinet	Budget Strategy 2014-15		Janet Senior
Wednesday, 13 Nov 2013	Mayor and Cabinet	Excalibur - Phase 3 CPO		Kevin Sheehan
Wednesday, 13 Nov 2013	Mayor and Cabinet	Re-constitution and New Instrument of Government for Edmund Waller Primary School		Frankie Sulke
Wednesday, 13 Nov 2013	Mayor and Cabinet	Referral from Overview & Scrutiny Committee Emergency Services Review		Aileen Buckton
Wednesday, 13 Nov 2013	Mayor and Cabinet	Response to OSBP - Work and Skills Strategy		Janet Senior
Wednesday, 13 Nov 2013	Mayor and Cabinet	Response to Safer Stronger Communities SC - Transforming Rehabilitation		Aileen Buckton
Wednesday, 13 Nov 2013	Mayor and Cabinet	Revenue & Capital Budget Monitoring		Janet Senior
Wednesday, 13 Nov 2013	Mayor and Cabinet	Rewiring Public Services		Janet Senior
Wednesday, 13 Nov 2013	Mayor and Cabinet	Young Mayors Budget		Janet Senior
Wednesday, 13 Nov 2013	Mayor and Cabinet (Contracts)	Award of Highways Maintenance and Planned Works Contract		Janet Senior
Tuesday, 19 Nov 2013	Safer Stronger Communities Select Committee	Promoting a sense of belonging	Community Services Directorate	Liz Dart
Tuesday, 19 Nov 2013	Safer Stronger Communities Select Committee	Update on main grants programme funding	Community Services Directorate	Liz Dart
Tuesday, 26 Nov 2013	Overview and Scrutiny Business Panel	Redevelopment of the Central Lewisham Opportunity Site: Phase 1 Contract Award		Janet Senior
December				
Monday, 2 Dec	Joint Meeting of	Regeneration and Housing in Deptford	Resources and	

Meeting date	Committee	Item	Directorate	Lead Officer
2013	Housing Select Committee and Sustainable Development Select Committee		Regeneration Directorate	
Tuesday, 3 Dec 2013	Children and Young People Select Committee	Generation Play Clubs update	Children and Young People Directorate	
Tuesday, 3 Dec 2013	Children and Young People Select Committee	Nursery Education and Childcare Review	Children and Young People Directorate	
Tuesday, 3 Dec 2013	Children and Young People Select Committee	Secondary school placements planning	Children and Young People Directorate	
Wednesday, 4 Dec 2013	Mayor and Cabinet	Appointment of LA Governors		Frankie Sulke
Wednesday, 4 Dec 2013	Mayor and Cabinet	Consultations on the proposals to enlarge Holbeach Primary school from 2 to 3 fe and John Ball Primary school from 2 to 3 FE		Frankie Sulke
Wednesday, 4 Dec 2013	Mayor and Cabinet	Council Tax Reduction Scheme for 2014-15		Kevin Sheehan
Wednesday, 4 Dec 2013	Mayor and Cabinet	Housing Matters Update		Kevin Sheehan
Wednesday, 4 Dec 2013	Mayor and Cabinet	Management Report		Janet Senior
Wednesday, 4 Dec 2013	Mayor and Cabinet	Planning Service Annual Monitoring 2012-13		Janet Senior
Wednesday, 4 Dec 2013	Mayor and Cabinet	Response to Housing SC - low cost home ownership		Kevin Sheehan
Wednesday, 4 Dec 2013	Mayor and Cabinet	Response to Lee Green Assembly - Manor Road Safety		Janet Senior
Wednesday, 4 Dec 2013	Mayor and Cabinet	Response to OSBP - Council Tax Reduction Scheme		Kevin Sheehan

Meeting date	Committee	Item	Directorate	Lead Officer
Wednesday, 4 Dec 2013	Mayor and Cabinet	Social Value Policy		Aileen Buckton
Wednesday, 4 Dec 2013	Mayor and Cabinet	To approve a licensed deficit for Trinity Secondary School		Frankie Sulke
Wednesday, 4 Dec 2013	Mayor and Cabinet (Contracts)	Award of contracts to cover consultancy services to the Primary Places Programme		Frankie Sulke
Wednesday, 4 Dec 2013	Mayor and Cabinet (Contracts)	Contract Award for works to construct a Primary Phase at Prendergast Ladywell Fields College		Frankie Sulke
Wednesday, 4 Dec 2013	Mayor and Cabinet (Contracts)	Main grants extension		Aileen Buckton
Wednesday, 4 Dec 2013	Mayor and Cabinet (Contracts)	Mercator Road - New Build Scheme		Kevin Sheehan
Wednesday, 4 Dec 2013	Mayor and Cabinet (Contracts)	Request for authority to Award a contract for the enlargement of John Stainer Primary from 1 to 2 FE		Frankie Sulke
Wednesday, 4 Dec 2013	Housing Select Committee	Brockley PFI mid year review	Customer Services Directorate	
Wednesday, 4 Dec 2013	Housing Select Committee	Key housing issues	Customer Services Directorate	
Wednesday, 4 Dec 2013	Housing Select Committee	Lewisham Homes mid year review	Customer Services Directorate	
Wednesday, 4 Dec 2013	Housing Select Committee	Proposed rent and service charge increases	Customer Services Directorate	
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Revenue budget savings proposals	Resources and Regeneration Directorate	Janet Senior
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Highways	Customer Services Directorate	Ian Ransom
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Build the Lenox	Resources and Regeneration Directorate	John Miller
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Business growth strategy	Resources and Regeneration Directorate	Kevin Turner

Meeting date	Committee	Item	Directorate	Lead Officer
	Committee			
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Plans for extension of the DLR	Resources and Regeneration Directorate	Simon Moss
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Road safety and cycling	Resources and Regeneration Directorate	Simon Moss
Tuesday, 10 Dec 2013	Sustainable Development Select Committee	Update on Bakerloo line discussions	Resources and Regeneration Directorate	Simon Moss
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Interim Evaluation of the North Lewisham Plan	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Lewisham Hospital - update	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Library and Information Service	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Prioritisation process for Public Health expenditure in 2014/15 (incl. Sustainability of Community Health Projects and Initiatives)	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Public Health 2012/13 Annual Report	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	Savings Proposals 2014/15	Community Services Directorate	
Wednesday, 11 Dec 2013	Healthier Communities Select Committee	The Francis Report - progress on recommendations	Community Services Directorate	
January				
Thursday, 9 Jan 2014	Public Accounts Select Committee	Annual complaints report	Resources and Regeneration Directorate	
Wednesday, 15 Jan 2014	Mayor and Cabinet	Business Growth Strategy		Janet Senior
Wednesday, 15 Jan 2014	Mayor and Cabinet (Contracts)	Discretionary Rate Relief Awards over £10,000		Aileen Buckton



Meeting date	Committee	Item	Directorate	Lead Officer
Tuesday, 21 Jan 2014	Safer Stronger Communities Select Committee	Local assemblies review	Community Services Directorate	Liz Dart
February				
Wednesday, 5 Feb 2014	Healthier Communities Select Committee	CQC Local Compliance Manager Update & Lewisham Healthcare NHS Trust inspection report update and Mental Health Adult Placement inspection report update/Adult Safeguarding Report	Community Services Directorate	
Wednesday, 12 Feb 2014	Mayor and Cabinet (Contracts)	Commissioned Youth Provision Contract award		Frankie Sulke
Wednesday, 12 Feb 2014	Mayor and Cabinet (Contracts)	Family Intervention Project		Frankie Sulke
Wednesday, 12 Feb 2014	Mayor and Cabinet (Contracts)	Supporting People Contract Pagnell Street and Edward Street		Aileen Buckton
March				
Wednesday, 5 Mar 2014	Housing Select Committee	Newham landlord licensing scheme	Customer Services Directorate	
Wednesday, 5 Mar 2014	Housing Select Committee	In depth review into low cost home ownership report and follow up	Customer Services Directorate	
Wednesday, 5 Mar 2014	Housing Select Committee	Developing Lewisham's housing assets: upgrading existing stock	Customer Services Directorate	
Wednesday, 5 Mar 2014	Housing Select Committee	Review of the housing complaints process	Customer Services Directorate	
Wednesday, 5 Mar 2014	Mayor and Cabinet	Management Report		Janet Senior

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