

Monmouthshire Select Committee Minutes

Meeting of Adults Select Committee held at Remote Meeting on Tuesday, 26th January, 2021 at 10.30 am

Councillors Present

County Councillor S. Howarth, (Chairman)

County Councillors: L.Brown, R. Edwards, M.Groucutt, S. Howarth, P.Pavia, M. Powell, S. Woodhouse, C. Bowie, T. Crowhurst and P. Murphy

Also in attendance County Councillor: P. Murphy, Cabinet Member for Whole Authority Resources

C. Bowie, T. Crowhurst

Officers in Attendance

Robert McGowan, Policy and Scrutiny Officer
Hazel Ilett, Scrutiny Manager
Jonathan Davies, Central Accountancy Finance Manager
Tyrone Stokes, Accountant
Ian Bakewell, Housing & Regeneration Manager
Mark Hand, Head of Place-making, Housing, Highways and Flood

APOLOGIES: County Councillors R. Harris and M.Lane

1. Declarations of interest

Paul Pavia declared an interest as a consultant for Practice Solutions Ltd. who hold the contract for ADSS Cymru, the Association of the Directors of Social Services in Wales.

2. Public Open Forum

No members of the public were present.

3. Budget Monitoring: Scrutiny of the budget monitoring capital and revenue position at Month 7, setting the context for scrutiny of budget proposals.

Tyrone Stokes presented the report and answered the members' questions with additional comments from Jonathan Davies and Cabinet member Phil Murphy.

The Outturn forecast shows the deficit increasing from £24k in Month 2 to £180k in Month 7 – is that mostly from the pandemic?

To put this into context, we have a roughly £8m budget for the Adult division, so the overspend in relation to the total is very small. The overspend itself is not related to Covid but is due to the over-and-above budgeted pay award for staff, and not meeting the 2% efficiency for frontline operations. Salary budgets have a 2% efficiency saving taken off but for the frontline services can't keep the vacancies open, which leaves them unable to make that efficiency saving.

For Social Care, Health and Safeguarding, there is a £69k overspend, largely due to the increased cost of care packages – what is the risk to care homes, and their financial state?

The Care market is being helped significantly by the Welsh Government Covid Hardship Fund, which allows us to make payments to Care Homes for any void beds that they have, and give

them a £50 per week allowance to help them to get over the pandemic. We don't see any significant risk currently because the Hardship Fund is in place until 30th March. We don't know, however, what resources Welsh Government will commit as we come out of the pandemic – we won't be able to go from the pandemic to the 'new normal' without some sort of transition.

Could a further breakdown be given of the overspend vs. underspend?

The Adult Select portfolio includes the Adult budget, which is an overspend of £180k, which is offset by a £4k underspend in Community Care, a £103k underspend in Commissioning and a £4k underspend in Resources and Performance. Adding them all together gives a net overspend of £69k.

What is the reason for the underspend in Commissioning?

Due to the pandemic, there are several schemes that can't recommence e.g. day services, due to the close proximity in one building; we have done a lot of outreach support for those clients. We have therefore seen many natural savings such as building overheads, for example. Also, we have had a Commissioner Officer post vacant for over a year – plans to recruit to that have been delayed, and have added to the underspend.

Day care centres aren't open as they were before because of lockdown. If there are savings in this area, can we ensure that when lockdown is lifted, these centres are still sustainable?

The savings will be there next year in order to facilitate the re-opening of day care centres, or whatever new provision we might decide to put in its place.

Regarding the capital slippage for Crick Care home, will there be any long-term problems as a result? Have the deadlines been extended?

Crick Road is a partnership with Aneurin Bevan via Welsh Government funding, which AB hosts. We have engaged with AB and had confirmation from Welsh Government that those deadlines have been extended, and the funding has moved with it too, to safeguard that.

In terms of the reduced capacity to offer services, have significant packages of care been handed back to the authority during the last year?

At the start of the pandemic, we did see packages being returned or clients refusing to have carers come to their homes. When the first lockdown eased, those clients started to return. With this second upturn in the pandemic, we haven't seen the same levels of care packages being returned. Infection control is much better, we know a lot more about the virus, sufficient PPE, and now there's the vaccination programme as well. And people have become accustomed to working in a different way e.g. carers arriving in PPE, which was a shock to people at the start.

Provision of Liberty Safeguards – what does this £100k saving relate to?

'Deprivation of Liberty Safeguarding' is where we have a joint safeguarding team with Aneurin Bevan and other Gwent authorities. As part of the Capitalisation directive, we can capitalise certain revenue expenditures to help with the bottom line. One of the items that we've decided to capitalise is our contribution to the 'DOLS' team.

How many members of staff were put on furlough at the start, and how many are still?

In terms of Social Care, staff that were working in a day centre are still providing services to clients, just through a different vehicle, providing more 1-1 support, e.g. over the phone. Some of our community meals staff have been furloughed, but they are few in number. Furloughing can only happen in income-generating departments, which curtails the amount that can be used.

4. Budget Scrutiny: Scrutiny of the budget proposals for 2021/22

1. Budget Scrutiny: Scrutiny of the budget proposals for 2021/22

Jonathan Davies and Tyrone Stokes delivered the presentation and answered the members' questions with Ian Saunders and Peter Davies.

This committee previously had a report that said the Disabled Facility Grant will be reduced to £600k from £900k?

The support for the £900k capital budget for DFGs has been in the proposals for a number of years now. So continuation at that level, above £600k, has been reported for a while, with £900k as the base budget. We aren't sure which report is referred to but we can check that.

The Disabled Facility Grant includes Safety At Home, the amount for which is going up – is the £900k for DFG definite, and how much of it is the DFGs, rather than Safety At Home?

We try to be as flexible with that on a year-by-year basis as we can. We work closely with Social Care around that split because we know how important safety at home is. Around £100k of that budget goes to safety at home but we will be flexible, and will take our steer from OTEs and Care And Repair in relation to the levels of expenditure. In addition to our budget we also have Enable, which is a Welsh Government grant that helps us to build in some flexibility around adaptation.

Covid is splitting society – is the council acknowledging the number of people going through resultant difficulties, and what effect will this have on the budget's distribution?

As we exit the pandemic, we don't know what's around the corner or what the new level will be. In terms of addressing the pandemic, the Welsh Government Covid Hardship Fund has allowed us to address the pressures in the Care sector as well – this is support across the board, covering younger adults (including those with physical and mental disabilities) and older adults (to help to stabilise the marketplace and address those needs as we go through the pandemic.) There was significant investment in this year's budget for physically and learning disabled adults: £1.044m. We have tried to address all of the population's needs, not leaving anyone behind, and are committed to continuing that.

The figures from Stats Wales don't agree with Monmouthshire's – can this be addressed?

The reason is that our budget, which we label as 'DFGs', should probably be 'Disabled Adaptations', so it has proved to be a bit misleading.

Regarding the increase in fees for residential and non-residential care: what effect would the £100 cap have on the residential side? How does the cap operate?

In terms of charging, we follow the Social Services and Wellbeing Act that was introduced in 2014 by Welsh Government. For non-residential services it covers care in the home or community (day centres and respite), and the amount that we can charge anybody is capped at £100 per week. To arrive at that, they go through a means-tested assessment. If they are assessed that they can pay up to the maximum of £100, we will charge them whichever is lower: the £100 or the cost of the service. So if someone were only getting 2 hours per week, we would only charge them the hourly rate (£14.64) x 2. If someone were getting 20 hours a week, 20 x £14.64 would be much more than £100, in which case we would charge them the £100.

There is no cap for residential services. It is based not only on the person's income but also on their assets and dwelling i.e. their main property would be brought into consideration. If it is deemed that they have enough income and capital to pay for themselves, then they might not qualify for local authority financial support.

Does the £100 cap apply if, for example, someone is coming in in the morning and again in the evening to help an elderly person who doesn't need a care home?

When we charge, there is no distinction between whether the service was provided by the local authority or external market. If someone were to get 1 hour per week from the local authority and 1 hour private, the charge would be roughly £30 per week. If someone is assessed and they can pay the maximum amount, it is capped at £100 so we would charge them £30. If they were to get 20 hours a week – 5 from the local authority and 5 from the private sector – it would be approximately £150 total, and therefore the charge would be £100. No one will pay any more than £100 if they've come through the local authority and they've been financially assessed, in terms of non-residential. That includes care in their own home or day centre provision – it's all capped at £100. We have an hourly rate for care in the home and a session charge for day centre attendance.

So non-residential is not based on income or capital?

It is, because if someone has gone through a means-tested assessment they will only be charged what they can afford. If they can afford to pay more than the £100, it will be capped at £100. It still includes income and capital but not their main dwelling, as they live in the community and still need a home. But if they then go into residential or nursing care, the main dwelling is then taken into consideration; that's one of the differences between residential and non-residential, and why the charge can be more, or they might not qualify for local authority assistance, because with residential more can be taken into consideration than with means-tested assessment.

Is that different from England?

Yes, the Welsh Care Act is different from the English one. Therefore, if someone moves from England to Wales there can be some confusion that we need to clear up with them. Also, if clients engage in services with solicitors from England, or places like Age Concern, we have to point out to them that the Act is different in Wales.

There is an assumption of a 1% increase of pay costs for staff – what about care staff? What would be the wider impact if companies also provided more than 1% for their staff?

The pay award is governed by the announcement from the UK Chancellor. We have been prudent in assigning a 1% pay award. The external carers are explained in the slideshow presentation, concerning the pressures that we have in Adult Social Care next year: we have a £536k pressure for provider fees, which is to incorporate any pay increases that private providers might give their staff. We have a fair fee negotiation tool that we use with the care providers; with this, we look at all issues such as pay award. One of the indicators we look at is the increase in the National Living Wage. That's already been announced by the UK Chancellor, and we have incorporated it in our modelling.

Will we still be able to get staff from overseas following Brexit? Will UK staff be willing to fill the vacancies?

This will be a national concern and we don't know how things will pan out. We've tried to address as much as possible to alleviate the impact on the front line services. With the providers, we have tried to meet the wage increase.

Is it wise to include the £536k – will the care providers therefore raise their pay further?

One of our mission statements as an authority is to be transparent. It is right to put forward our budget and try to address those issues. We have the fair fee consultation negotiation, so discussion with providers about fees is already underway, so that we can continue to work in partnership. But we do have limited financial resources with which to work, something that the Care sector appreciates. The fair fee negotiation tool has served us very well for the last 10+ years.

What discussions have taken place to try to understand how the Hardship Fund will evolve?

Our approach has been to focus on things that we can control i.e. those elements of the budget that we know. We also have the risk register looking at potential Covid risks and how they may or may not be funded as we move into the next financial year. We need to consider a number of things. Most important is to have the engagement with Welsh Government about how the Fund might continue, perhaps developing into more specific grants coming through, moving away from a claims basis towards allocation. We're continuing to lobby at a political level, with the Leader making strong representations. But at a local level, we're looking at the potential impacts from the pandemic on service deliveries, and how the demands on services might change as we come out of it. There are many different things to consider over the long term.

Regarding void payments, have we seen any unintended consequences with providers not accepting placements because the voids are covered?

We are making void payments on behalf of Welsh Government through the Hardship Fund. It is understandable that care homes are cautious about accepting new clients, but they aren't resistant, and are working with us. We talk to the care sector in a weekly forum about various issues and how we can support them with any problems they encounter. It is a joint approach.

With people needing rehabilitation and reablement due to Covid, do we have a pipeline figure in terms of pressure and new care packages for next year?

We have a short-term intervention reablement policy and a reablement team. We are over-recruiting our own in-house home carers to accommodate the demand, and Health has come up with winter pressures money to alleviate that impact. There is also a £250k extra investment for the shortfall in commissioned care in the Usk area. We are looking to accommodate that specific additional capacity in next year's budget.

As Covid is a health issue, surely the process of rehabilitation and reablement shouldn't be a pressure that falls solely to local authorities? What about the Health Board and its funding?

Our 3 community care teams are integrated with Health, so we have their practitioners as well around OTs. We have a joint integrated services partnership board that meets as well. The assessment process will identify what is a social care task and responsibility from the local authority and what is a Health one. It is split out at that stage, ensuring that everyone is meeting their obligations.

Coming out of the pandemic, Welsh Government should have Social Care very high on its agenda. All local authorities in Wales will lobby them very hard for fair funding within the care sector. We hope that there is proper recognition and funding as we move into that period, as the sector will continue to be a budgetary pressure point. So it's not just a case of local authorities

and health boards – Welsh Government plays a key role in its acknowledgement of where funding is distributed.

Regarding the provider fees, could the £536k figure potentially increase?

We have modelled this figure in terms of our fair fee negotiations. Part 9 of the Act covers to the pooling of residential budgets, and another covers a regional fee-setting process: there is a Gwent working group that has discussed this, but it is a long way off from being agreed, as is pricing up the implications if Monmouthshire were to adopt it. If we were to get to that juncture, before adopting anything it would be presented to members for scrutiny and agreement.

What is an example of the flexible use of capital receipts to fund service reform?

The flexible use of capital receipts is under a Capitalisation directive from Welsh Government. We've used it in the 2019/20 financial year and have budgeted it for this year too. We are permitted to use our capital receipts to fund eligible revenue expenditure that looks to fund service reform. We propose using another £1m of capital receipts as part of this draft budget. The key risk around that is that our capital receipts pot is limited. Traditionally, we have used that to support our ongoing capital pressures. We have to be mindful of the limited nature of the reserves to support the capital programme. As part of these budget proposals, we recognise that this is an exceptional year and a one-off use of reserves, as far as possible.

So to use capita monies on revenue certain criteria have to be met?

Yes, there are strict criteria for usage of capital receipts, around service transformation, partnership working, sharing with regional authorities and organisations, etc.

Were non-residential care savings based on a slight increase in the hourly rate, and what was the increase? How are the residential care savings arrived at?

Non-residential savings were £11k and residential were £68k. The savings are related to the fees and charges, as discussed earlier, based on the increase announced by the department of Work and Pensions to the state retirement and benefits of 2.5%. We've taken our income budgets and uplifted them 2.5%. That's the extra income that we've put forward as a saving and that we might be able to get from the charging. The residential saving doesn't only relate to our care home (Severn View), it's people in residential care, generally. They could be in a private care home and their placement is funded by the local authority, and their means-tested assessment says that they can't pay the full charge themselves but they have to pay a contribution to the local authority, regardless of whether they reside in our single care home or in a private care home.

Looking forward, is there any expectation to redesign services?

We've taken a conscious decision with next year's budget (21/22) not to bring any savings from redesigning frontline services. It is possible that services will be provided in a different way as we come out of Covid – but we simply don't know at this stage. If and when it is felt that a service needs to be redesigned, we will pick that budget year and bring it the members' attention.

Homelessness is another huge pressure – £874k. Can we hear about the policy update from Welsh Government, and what their expectation will be for the next financial year?

The position is consistent with previous discussions. Welsh Government is continuing with their change in policy concerning eliminating rough sleeping. They want to improve the provision of temporary and permanent accommodation – quality, type, etc. No one would disagree with the sentiment of the policy but it creates a challenge for us. Our demands continue to be high; at

the last count, we had over 120 people in temporary accommodation, most of whom are high need and have challenging, complex cases. The situation over the last 6 months has been more challenging because of funding but it has significantly improved, and continues to. Welsh Government's main thrust has been to uplift the Housing Support grant programme. We have just under £700k extra in that programme and are looking to continue Phase 2 projects that were granted this financial year. We have also had government assurance about the Hardship Fund in this area, and we hope that Cabinet will agree to some additional staffing, taking us to a more proactive position. We continue to work with the housing associations over additional accommodation.

Aside from Health and Care, what is the position of the budget in relation to the other portfolios?
In terms of the overall directorate, we have pressures just under £3m. £1.26m relates to this Adult Select portfolio, the remaining pressures relate to Children's Services and trying to address the overspend and the pressures that were delivered in the paper to CYP Select last week. Public Protection had Covid-related pressures from lost registrar's income, which Welsh Government has now decided to compensate us for, allowing that team to come within its budget. TTP is Gwent-wide, for which there are various boards, managed by Health. We are recovering all of the monies in line with the costs Monmouthshire put forward for TTP.

Chair's Summary:

The committee thanks officers and frontline staff for their hard work. Councillor Pavia is concerned that rehab and reablement doesn't fall disproportionately to local government but that Health takes its fair share of responsibility, especially as Post-Covid syndrome is a complete unknown. Officers agreed and will keep this in mind. As there are a lot of crosscutting aspects in the budgets, officers were asked to put page numbers on the reports. Peter Davies noted that information needs to be distilled and simplified for the public – this is the purpose of the presentation – but that there is further information on the website for any member of the public wishing to seek further details.

5. To confirm the minutes of the previous meeting held on 20th October 2020.

The minutes were confirmed and signed as an accurate record.

6. Adults Select Committee Forward Work Programme

7. Council Cabinet ICMD Forward Plan

8. To confirm the date of the next meeting as 16th March 2021

The meeting ended at **12.35 pm**

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