

**Manchester City Council
Report for Resolution**

Report to: Health Scrutiny Committee -18 December 2014
Subject: Budget Savings Options
Report of: Strategic Director, Children and Families

Summary

Health Scrutiny at its last meeting requested information regarding the proposed budget options for Mental Health Commissioning Models, Homelessness Services including the closure of hostels, Respite Care and Supported Accommodation. Scrutiny also requested information on the impact of the budget options on the Voluntary and Community Sector. Scrutiny also requested more detail on Learning Disability and Reablement Services. As requested the report includes breakdown of numbers of people affected by the individual options.

Recommendations

That Committee notes and make comments on the report for consideration by the Executive.

Wards Affected: All

Contact Officers:

Name: Michael Houghton-Evans
Position: Strategic Director, Children and Families
Telephone: 0161 234 3952
E-mail: m.houghton-evans@manchester.gov.uk

Name: Hazel Summers
Position: Head of Commissioning
Telephone: 0161 234 5595
E-mail: hazel.summers@manchester.gov.uk

Name: Nicky Parker
Position: Head of Business Delivery
Telephone: 0161 234 4266
E-mail: n.parker@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents

are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Executive 26th November 2014 – Budget Savings Options for the Childrens and Families Directorate.

<http://www.manchester.gov.uk/meetings/meeting/2154/executive>

1.0 Background – General

1.1 At its meeting on 20th November 2015 Health Scrutiny Committee considered a report setting out the draft options for the Children & Families Directorate with a total of £44m for 2015/16 with an anticipated further reduction £13.2m for 2016/17. This is a total of £54.2m over the two year period. The Committee have requested additional information regarding some of the budget options. These are:

- Mental Health Commissioning Models,
- Homelessness Services including the closure of hostels ,
- Respite Care and in-house Supported Accommodation Services
- Impact of the budget options on the Voluntary and Community Sector.
- Learning Disability Services
- Reablement Services

2 Financial Context of 2015/16 Budget And Beyond

2.1 The estimated gap between resources and requirements for 2015/16 is a gap of £59m rising to an estimated £91m in 2016/17. This was previously estimated at £60m rising to £100m.

2.2 The provisional local government financial settlement for 2015/16, due to be announced in the week commencing 15 December 2014, should confirm the amount of government funding for 2015/16.

2.3 In 2015/16 there has been a reduction of £50.8m in government funding (based on the 2014/15 local government financial settlement which included indicative figures for 2015/16) and further estimated reduction of £22.4m for 2016/17 giving a total estimated reduction in government funding of £73.2m (the latter based on officers' assessment of funding pre Autumn Statement). This represents a 14.5% reduction in 2015/16 and a further 7.5% in 2016/17.

2.4 This reduction is partly offset by increased resources from grants, an increase in the council tax base, growth in business rates and increased dividends of £14.6m over the two years.

2.5 In addition to the reduction in resources outlined above the local government financial settlement does not provide for unavoidable cost pressures estimated to increase above the 2014/15 figure by £32.6m by 2016/17. These include:-

- Pay and price inflation of £13.7m.
- A further increase in employers pension contribution for 2015/16 and 2016/17 costing £2.4m.
- Demographic pressures of £7.4m as a result of a growing population.
- Increased costs due to end of National insurance contracting out - £3.7m per annum from 2016/17.

- Costs in relation to the Care Bill implementation. These come into effect over two years starting April 2014. Some of these additional costs are being met through external funding leaving a pressure estimated at £1m.
- Deprivation of Liberty – The March 2014 Supreme Court judgement widened and clarified the definition of deprivation of liberty. The judgement has made it clear that if a person is lacking capacity to consent to care arrangements which subjects them to both continuous supervision and control and they are not free to leave they are deprived of their liberty. Additional costs arising from this judgement are estimated at £0.8m.
- Other service pressures of £3.6m.

2.6 The following table shows the resources available, the budget requirement and savings requirement for 2015/16 and 2016/17.

| | 2015 / 16 £'000 | 2016 / 17 £'000 |
|---|--------------------|--------------------|
| Resources Available: | | |
| Settlement | 299,763 | *277,281 |
| Public Health Funding | 48,304 | 48,304 |
| Other non ring fenced Grants | 38,311 | 39,783 |
| Council Tax | 117,404 | 119,165 |
| Business Rates Increased Income | 5,000 | 10,000 |
| Dividends | 8,750 | 8,750 |
| Total Resources Available | 517,532 | 503,283 |
| Resources Required: | | |
| <i>Corporate Costs:</i> | | |
| Contingency | 2,300 | 2,300 |
| Levies | 71,189 | 71,792 |
| Capital Financing | 51,982 | 51,982 |
| Additional Allowances and other pension costs | | |
| Insurance Costs | 10,886 | 10,886 |
| | 2,004 | 2,004 |
| <i>Sub Total Corporate Costs</i> | <i>130,361</i> | <i>138,964</i> |
| <i>Directorate Costs:</i> | | |
| Directorate Budgets | 415,369 | 414,969 |
| Directorate Inflationary Pressures | 14,292 | 23,894 |
| Unfunded Pressures | 9,100 | 16,636 |
| <i>Sub Total Directorate Costs</i> | <i>438,761</i> | <i>455,499</i> |
| | | |
| Total Resources Required | 577,122 | 594,463 |
| | | |
| Total Shortfall | 59,590 | 91,180 |

* initial assessment pre Autumn Statement

- 2.7 As the corporate costs including levies and capital financing costs are largely fixed the majority of the shortfall has to be met from directorate budgets.

3.0 Mental Health – Future Commissioning Approach

3.1 The objective of the redesign of mental health social care services includes an expectation of providing a level of support to enable service users to be helped towards recovery, to establish social activity, to be engaged within the community and to be helped in reducing their need for ongoing social care support. This includes supporting people of a working age wherever possible to return to and remain in employment.

3.2 The commissioning of a Wellbeing Service (funded through Public Health and the subject of a parallel consultation process) which will have a holistic role in supporting adults in improving their health. The aim of this service would be to offer one to one support and work within communities to provide a more whole-person view of health. The key aims of this service will be:

- To support people to improve their mental and physical health and remain independent.
- To support people of working age to return to, and remain in, employment.
- To support communities to become resilient, productive and independent.

3.3 Working Well in Greater Manchester

- The proposed Working Well programme across Greater Manchester will support 5000 benefit claimants who have struggled to find work through more integrated and intensive support (It is an example of a key programme to demonstrate to government the advantages of devolution and through integration with partners, achieve better outcomes).
- Evidence and learning from the above programme and its delivery model is demonstrating how residents who require support with their mental health can be supported back into employment. Commissioners intend to replicate elements of the above delivery model and redesign existing services to deliver the Council's public sector reform priorities around employment and skills. The new service delivery model will include a robust bio-psychosocial assessment, a key worker case management approach and the delivery of sequenced, timely interventions built on evidence from the Troubled Families' delivery model.
- This will be a step change for Manchester as our commissioning intentions see all mental health and well being services reconfigured and focused on employment and skills and meaningful occupation which, collectively, are an intrinsic element of mental health recovery.

3.4 The intention is to decommission the Recovery & Connect Service which is currently provided by the MMHSCT. This option needs to be seen in the

broader objective of the redesign of mental health services. Service user figures at the end of October 2014, show that potentially 142 service users would be affected. However the target length of using the service is 26 weeks and all current service users would be able to complete their period within the service. Furthermore, all service users will be assessed within Community Care Legislation.

4.0 Homelessness Services

- 4.1 The commissioned services that Manchester City Council currently funds through the homeless prevention grant are focused upon providing a safety net for people who are already homeless. The suggested option continues this approach through a more cohesive funding arrangement.
- 4.2 The suggested option also includes funding for a 'no second night out' style service, which was previously funded through AGMA.
- 4.3 The Homeless Service option is to focus on five priorities, with some of these priorities including services that were previously funded separately. Four of the five priorities are related to providing support to service users who are already homeless.
- 4.4 Two of the priorities are focused upon reducing the number of nights on the streets for people who are new to rough sleeping, and entrenched rough sleepers. One of the priorities is focused on providing education, employment and training to homeless people in order to help them become independent and stop being homeless. The severe weather hub also focuses on people who are already homeless, providing a cohesive and co-ordinated multi-agency approach to helping the service user move away from being homeless.
- 4.5 The fifth priority service is a preventative service working with young people who are either homeless or at risk of becoming homeless. This service is currently commissioned by the Council and therefore will not change the number of people becoming / not becoming homeless.
- 4.6 Officers believe that the option to restructure the commissioned homeless services will not increase the number of people becoming homeless, but should reduce the number of entrenched rough sleepers.
- 4.7 The headcount for November 2014 counted 43 rough sleepers. This is consistent with the estimates of rough sleepers in the city from agencies in the city working with this group.

5.0 The closure of hostels and supported accommodation

- 5.1 Hostels and supported accommodation for homeless people, ex offenders, young people at risk and women at risk of domestic violence are commissioned and funded through Housing Related Support where the budget option is to reduce the funding by £2million from a budget £5.2 million. Should this option be supported by then there is the potential for hostels and

supported accommodation schemes to close. As a result there is the potential for the Council to receive more homeless applications because supported accommodation schemes currently take direct referrals and accommodate people who might otherwise make a homeless application.

5.2 There are two concerns arising from this:

- The potential for an increase in homelessness applications which would need to be processed and accommodation secured. Pressure on remaining schemes could lead to increased use of residential bed and breakfast hotels to discharge duty.
- The potential for an increase in the levels of rough sleeping because those who are not owed a statutory duty, but who have support needs, may resort to the streets.

5.3 Where hostels close, MCC staff would need to ensure secure alternative accommodation was available on the basis of their individual need.

5.4 Commissioners, providers and housing benefit staff are working hard to look at alternative models of managing accommodation, which promote independence, in order to keep as many hostels open as possible. Should this option be accepted many people within the accommodation buildings will no longer receive the levels of support provided previously. Providers are also looking at utilising hostels as general let accommodation by remodelling the provision and services to deliver Intensive Housing Management. If this process is possible, then fewer hostels will close. Furthermore, existing MCC provided services, such as Housing Connect, would work with individuals moving out of hostels, providing support and encouragement to integrate with the local community and undertake meaningful activity and move towards employment. Externally commissioned floating support would also be remodelled to provide resettlement from hostels.

5.5 The pressures on social housing particularly for 1 bedroom accommodation as a result of the changes in welfare benefits means that there has been an increase in the use of private rented sector properties. Affordable properties are concentrated in the north and east of Manchester. Strategic Housing continue to monitor the impact of the changes.

6.0 Domestic Abuse

Background

6.1 Communities Scrutiny received a detailed report on Domestic Violence and Abuse in November 2014 including the range of interventions and an update on the co - design of the Delivering Differently programme. This update focuses on the budget options and the potential impact on refugees in the city.

6.2 Manchester City Council commissions two Women's Domestic Abuse organisations to provide services, funded through Housing Related Support (HRS). This funding provides short term support to other Manchester residents

who are at a point of crisis in their life for example homelessness, to help move them to independence and self reliance. Reducing the Housing Related Support budget is one budget option to be considered in the current consultation exercise and all services in receipt of this funding have been asked to model savings of 10%,20%, 30% and 40% to understand the impact on service provision and the organisations.

Current Domestic Abuse and Violence and Housing Related Support

- 6.4 Manchester City Council's Housing Related Support budget currently funds two organisations to provide domestic abuse services across the city, Manchester Women's Aid and Saheli.
- 6.5 **Women's Aid:** Manchester City Council funds Manchester Women's Aid £486,421 through the Housing Related Support contract. This is to provide both accommodation (refuges) and outreach services. The accommodation service is funded £332,815 for women experiencing domestic abuse in 5 refuges across the city. The outreach service funding is £153,605 and consists of support for up to 70 people. The service is not gender specific. The service provides support for men / women experiencing domestic abuse who have been assessed as able to live in their home. The service provides support and advice on a range of issues including:
- Making a safety plan
 - Legal support and protection
 - Information about benefits and entitlements
 - Discussion about different housing options
 - Immigration information
 - Help around Child Contact arrangements
 - Signposting service users to specialist services
- 6.6 MCC also funds Manchester Women's Aid through a Play contract. For 2014/15 Manchester Women's Aid received £32,324.64. This is relevant in the context that there are also budget options in place to reduce funding for play contracts.
- 6.7 **Saheli:** Manchester City Council currently funds Saheli £75,117.62 through the Housing Related Support contract. Saheli provides accommodation for up to 6 women with children. It specialises in providing support to Asian women who experience domestic abuse.
- 6.8 Asian women who are victims of Domestic Abuse have very different profiles, histories and experiences from the rest of the population. Saheli has spent over 30 years developing support for these women.
- 6.9 As well as providing accommodation, Saheli also provide outreach work, which is not funded by the Council. Last year they supported over 1200 women to get help, information and advice. They train frontline professionals from statutory and voluntary agencies, school teachers, community projects, and businesses on responding to forced marriage, honour based violence,

female genital mutilation and how to engage better with BME women and girls. In the last six months they have provided training to over 400 professionals in over 12 schools and 12 community projects. Saheli have also delivered awareness workshops to children and young people through schools and youth groups, helping increase their awareness and ability to respond to abuse and preventing its escalation. This work will reduce if the funding from the Council is reduced, due to lack of capacity. The core service, plus the wider work that Saheli undertakes, highlights the issue of preventing domestic abuse within this section of the population.

- 6.10 Saheli is also funded £26,000 from the Equalities Grant (see above). This service supports women into employment, particularly within the catering industry. Again this needs to be taken into account when understanding the cumulative impact on an individual organisation

6.11 Provider Performance

Manchester Women's Aid

Play contract:

Monitoring information (up to the end of quarter 2 year 2) indicates the number of children engaged in the play session. Since the beginning of the contract (August 1st 2013) the numbers of children who the project have engaged with is as follows:

| Area | Number of Children |
|-------------|--------------------|
| North | 14 |
| Central | 6 |
| South | 13 |
| Wythenshawe | 6 |

Housing Related Support Headlines to date (April – September 2014)

Refuge accommodation:

| | |
|---|----------|
| Households currently supported | 32 |
| Average length of support | 5 months |
| Number of households who have left the refuges | 28 |
| Average length of support | 4 months |
| % of households achieving a greater level of independence at the end of the support | 82.14% |

Outreach service:

| | |
|------------------------------------|-----|
| Total households using the service | 225 |
| Households currently supported | 70 |

| | |
|---|----------|
| Average length of support | 3 months |
| Households no longer receiving support | 155 |
| Average length of support | 4 months |
| % of households achieving a greater level of independence at the end of the support | 98.06 % |

Saheli

Equalities Funding:

Saheli have recruited 28 women from BME communities to their catering social enterprise funded via the Equalities Funding.

Housing Related Support Headlines to date (April - September 2014)

| | |
|---|----------|
| Households currently supported | 5 |
| Average length of support | 6 months |
| Households who have left the refuge | 3 |
| Average length of support | 8 months |
| % of households achieving a greater level of independence at the end of the support | 100 % |

6.12 Budget Option

As stated above the option within the consultation is to reduce the Housing Related Support budget. Therefore, all Housing Related Support providers have been asked to look at options relating to a reduction in their funding from the Council.

6.13 Impact Analysis

- With any reduction in budget this would mean a reconfiguration of services, which would involve working with other organisations to develop joint working, working with landlords to develop new ways of managing the refuges, and a reduction in staff. It may also reduce the number of bedspaces
- Many Housing Related Support Providers are investigating opportunities to redesign services and accommodation to increase the potential to claim housing benefit for intensive housing management support.
- The reduction in core funding from MCC may impact upon match funding that the organisations receives. This will reduce the amount of money coming into Manchester for domestic abuse and violence work.
- The capacity within the organisation to work with MCC to develop Delivering Differently, which was discussed at the last Scrutiny, would be threatened,

alongside the work that is being undertaken at a Greater Manchester level on creating a Domestic Abuse consortia.

- The possible cessation of the £26,000 from the Equalities Grant will further impact on Saheli's ability to provide services for vulnerable women.
- The possible cessation of the £32,324.64. from the Play contract will also impact on Manchester Womens' Aid.
- The two organisations are currently completing a full impact assessment on the services.

7.0 Respite Care

7.1 The respite service supports learning disabled people who live at home primarily supported by their families.

7.2 There is a budget option to review the current Respite Service and estate and provide the service through a new delivery model providing a targeted service offer delivering savings of £427k in year 1. The option will focus on an enablement and step down approach to crisis care, ensuring that the initial response to people in crisis need is 'stabilise and make safe' with a strong emphasis on reassessment and preparation for move on.

7.3 Currently the 'as is' in-house Respite offer is delivered over five sites as follows:

- Hall Lane, Baguley, Wythenshawe – providing 10 beds for older people with a mental health diagnosis
- Ryebank Road, Chorlton – providing 5 beds to Learning Disabled adults
- West View, Northenden - providing 4 beds to Learning Disabled adults
- Edlington Walk, Newton Heath – providing 4/5 beds to Learning Disabled adults
- Broadland Walk, Moston – providing 4/5 beds to Learning Disabled adults

7.4 Budget option

To rationalise this service offer through developing a new 3 site delivery model that focuses provision over the three localities of the city of North Central and South using Hall Lane, Broadland Walk and Edlington properties. West View would become a Network House providing supported accommodation (see section 7 of this report) and Ryebank would be decommissioned.

Hall Lane has a day centre on the ground floor and provided respite care for older people with mental health needs on the first floor. The Hall Lane site has been temporarily closed whilst building improvements were made including installing a new lift and some refurbishment. This has meant that during this period of building works the respite offer to the cohort of older people with

mental health needs on the first floor has been delivered effectively off site by specialist external providers.

The budget option means that this arrangement would continue to be delivered in the external market and the first floor of Hall Lane is changed to provide respite care for learning disabled people. This would ensure an integrated day service and respite care offer could be delivered from this site and poorer quality non accessible properties elsewhere could be decommissioned. It would also cut down transport costs and enable wrap around health services for this group of people could be delivered from one site. It would enable the decommissioning of Ryebank, a poorer quality property and it would also increase the bed space by 1 which is 365 additional bed nights.

7.5 In the last 12 month period:

- At Hall Lane 138 older people accessed planned respite services and 35 older people accessed the service as an emergency for a total figure of 3,650 nights.
- At Broadlands 20 learning disabled people accessed the service for 906 nights
- At Edlington 29 learning disabled people accessed for 1242 nights
- At Ryebank 28 learning disabled people accessed for 1260 nights
- At West View 36 learning disabled people accessed for 1468 nights

The proposal would increase capacity by 1 bed, 365 bed nights

8.0 In House Supported Accommodation Service

8.1 The Supported Accommodation Service is delivered by MCC staff and provides support to people with learning and physical disabilities so that they can live independent, supported lives in their own properties in partnership with housing providers. They have their own tenancies with the housing providers and the supported accommodation staff support people to retain independent lives rather than enter long term residential care. The current budget is £8.3m, there are 364 FTE and 133 disabled people are supported in 48 Network properties.

8.2 Budget option

This option would reduce the budget for supported accommodation by £1.1m. This budget has reduced significantly over the last 2 years through developing more efficient ways of working. To achieve further savings, a new delivery model option needs to be developed in line with LLLB and the reform principles of PSR, particularly around promoting independence.

This would require a new delivery model based on place, with a new service offer, some new rented properties opening in January, a centralised placement infrastructure managed by commissioners with a strong sense of

reassessment, use of assistive technology, community based support and a move on process for those who can.

8.3 The options would review the current provision across the locality based services (North, Central, South and the Physical Disability Service) and develop an integrated supported accommodation offer encompassing Disability Services with a locality and neighbourhood focussed model of delivery with a ‘hub and spoke’ approach based on the 3 localities. This would link administration and the staffing resource infrastructure of all properties and disability services in a designated locality. This will better enable a locality based support strategy and a delivery model that would:

- Support greater individual independence
- Offer greater choice
- Support people to access the right accommodation with the right level of support at the right time in their lives.

8.4 The key pieces of work would be:

| | |
|---|---------------|
| Supported Accommodation & Phys Disability Redesign | £340k savings |
| Rationalisation of properties and development of partnership with Arcon Housing | £313k savings |
| Increasing referrals to the Shared Lives provision | £166k savings |
| Cut the non staffing budget | £250k savings |
| Total | £1.1m |

As the portfolio of Supported Accommodation Network properties has altered and continues to be rationalised there is a need to ensure that the service delivery model, the management arrangements and frontline staff resourcing adequately meets the operational requirement of the service.

Accommodation rationalisation

- addressing ‘voids’ within properties across both the Networks and Physical Disability Service accommodation provisions
- Rationalising the estate of poorer properties removing residents and service offer from those no longer deemed fit for purpose
- developing a residential block of studio and 1 bed apartments that support independent living and better target individual needs with Arcon Housing at the new Marillac House development which will open in January. This will provide 13 independent living flats with a shared support offer on site leading to improved outcomes and reduced in house provision costs which will enable the decommissioning of smaller poorer quality properties.
- Implementing more Assistive Technology, scaling up the pilots with funding from the Better Care Fund. Use of Assistive Technology to

better support residents within their homes to increase independence and reduce the incidence of unnecessary costly staff interventions where applicable.

- Reviewing staffing rotas to develop a more flexible staffing resource model and to ensure that staffing assignments reflect changes in service provision as a result of estate rationalisation and 'move on' of residents as appropriate.
- To ensure that staffing resources are set at the right levels according to the newly defined support packages of individuals following review and reassessment
- We will develop the 'Shared Lives' proposal. This is an option which would better meet the needs of those people who would benefit from living in a family setting rather than independent living increasing their housing choices. Moving 3 people to this arrangement in 6 months would deliver this saving.

9.0 Learning Disability Services

9.1 The council's vision for people with a disability encompasses a number of principles, which align with the broader objectives of the city's Community Strategy:

- All disabled people have equality of opportunity to access and achieve the same goals and achievements as their fellow citizens
- Where people need support from education, health and care services (either individually or combined), that provision is tailored to their personal goals and aspirations and is not overly prescriptive
- People are actively encouraged to influence the design and delivery of services, regardless of whether they use them or not
- There is a strategic shift to exploiting every opportunity to provide services either through universal provision or in universal settings so that disabled people are seen as an integral part of society and not marginalised / residualised through hidden service provision

9.2 Nationally the number of people with learning disabilities receiving local authority funded community services has grown by 2% per year and future growth projections range from 1.2% to 5.1% (average 3.2%). The LGA highlights that demand is increasing *'due to advances in healthcare, those with particular medical conditions who may have historically died in childhood are now surviving and living with those conditions. Life expectancy for People with Learning Disabilities is also increasing. As adults live longer they are experiencing more complex health and social care needs'*.

The budget options draw on the lessons learned from recent reforms including the redefined social care offer. In particular, the options take a targeted approach to savings, prioritising certain groups of people where there is most potential for reform. These include: (i) young people transitioning to adulthood; (ii) older people who would be better served in a non specialist setting; and (iii) younger adults in residential care. In addition, we propose to

reduce the wide variation in costs of packages through targeted use of cost and volume contracts.

- 9.3 **Reforms to assessment and support planning.** There needs to be a fundamental shift in management culture, practices and ways of working, to drive a renewed focus on securing innovative, cost effective solutions for people. A fresh approach is needed which includes a twin track approach, both strengthening existing care management teams and bringing in external partners for a time limited period to work alongside council teams providing fresh expertise and experience. This will build on the council's existing pilot with a peer brokerage organisation and will enable the council to access local residents (often carers of people with a learning disability) employed as peer brokers who have deep knowledge of local support networks in the community.
- 9.4 **Stepping people down into less intensive provision.** Data shows us that the population with a learning disability is living longer. For example, there are 27 people aged over 65 people living in specialised learning disability residential care homes and 47 people in external supported accommodation. There are potentially 17 older people with high cost placements who could be more could be re-housed in more age appropriate accommodation such as sheltered or extra care accommodation or a regular, less expensive care home.
- 9.5 **Reform of the process of transition from children to adult services,** strengthening management of transition cases and supporting financial planning for future years. Transition cases are relatively expensive for the council. In the current year, to date, there have been 12 new young people whose costs have been picked up by the adult learning disability budget at a projected in year cost of £241k. This cost is expected to increase in the second half of the year, as more young people reach the age of 18 and costs currently borne by education move over to social care.
- 9.6 Looking ahead, the council is identifying those children with learning disabilities who are most likely to require adult social care services when they reach adulthood. For example, children who are in special schools and currently receiving specialist short breaks are very likely to be eligible for adult services in the future. There are currently around 20 of these children in each year between school years 10 and 13 In addition, within the residential LAC population, there are a further 17 young people aged 14 and above with a learning disability who are very likely to require adult services. Too many young people are going into residential care because a lack of alternative provision. Currently, the 18-25 age group make up 11% of those in residential care; the 26-44 year olds make up a further 27%. Residential care should be a last resort for younger adults because once in, the individual is likely to remain there for the rest of their lives.
- 9.7 **Managing the market** The market in Manchester is still largely based around traditional care models (e.g. residential care, supported accommodation) and whilst these are appropriate for many individuals there is also a gap in service provision for those looking for an alternative. Commissioners believe there

are particular opportunities for the high volume of people in the middle of the cost / need distribution, where the council could reduce costs and step down provision to more cost effective models.

- 9.8 **Developing new models of care**, giving individuals choice and alternatives to the more traditional, higher cost settings. The highest cost packages are characterised by individuals with very complex needs and a limited number of providers able to provide the level of support needed. These individuals are likely to continue to require intensive support for the rest of their lives – the scope for stepping people down to less intensive support is minimal. However, there is an opportunity to introduce new, more cost-effective models of care such as Shared Lives and Extra Care, which have lower costs and have been identified as potential alternatives to residential or intensive supported accommodation.
- 9.9 **Shared Lives** is an alternative to home care and care homes for people in need of support. The majority of existing provision is either delivered by local authorities or voluntary sector organisations. Carers share their lives and their homes with those they support. The service is used by around 15,000 people in the UK. Shared Lives carers are recruited, vetted, trained and supported by local Shared Lives schemes. The schemes have to be registered with the Care Quality Commission (CQC).
- 9.10 **Specialist Assisted Daily Living** Building on the success of the Extra Care housing scheme at Frank Hatton Court, options for an enhanced model of support for the high need/high risk service users are being considered. This will include personalised self-directed support to be provided for people with
- Learning disabilities including autism
 - Acquired brain injury
 - Mental Health Needs
 - Dementia
 - Complex behavioural needs
- 9.11 The impact of the options would mean that there will be an increasing focus on assessment and review process. If as the evidence is suggesting that children are living longer with very complex needs and therefore there are increasing numbers living longer then the only logical way to future proof the budget is to ensure better focusing on assessment and review and a more robust approach to transition.

Some of the proposed reforms will impact most or all adults with a learning disability who currently receive support from the council. All adults for example will benefit from reformed assessment and support planning processes. Negotiations with providers will also impact a large number of individuals albeit indirectly. For example, the cost and volume contracts will initially be targeted at Supported Accommodation providers, which provide accommodation for around 320 people.

- 9.12 The specific new models of care such as Shared Lives and SADL will impact on a much smaller number of people (60 and ~30 adults respectively) but will have a relatively large impact on costs and outcomes. Shared Lives is expected to save £1.5m alone over four years.

The Transition reforms will also have a relatively small impact on numbers of people but will be critical in improving quality of life and helping to avoid children requiring intensive support in adulthood. Last year there were 38 young adults aged 18-25 who started to receive adult LD services but only 9 of these were in long-term residential care and a further 8 were in Supported Accommodation or Adult Placements. Looking ahead the council estimates that there are around 20 individuals who will be transitioning to adult services each year who would currently require intensive residential or supported accommodation care.

There are 27 people aged over 65 people living in specialised learning disability residential care homes and 47 people in external supported accommodation. There are potentially 17 older people with high cost placements who could be more appropriately served if their challenging behaviour reduces and they could be re-housed in more age appropriate accommodation such as sheltered or extra care accommodation or a regular, less expensive care home.

10 Re-ablement Services

- 10.1 Re-ablement is a service that focuses on enabling people to regain their independence in areas such as personal care, daily living activity, and other practical tasks following a period of illness or an injury. At the moment there is a 'two tier entry' into the service. For citizens referred through the community an eligibility criteria is applied, which is targeted at people with FACS substantial and critical needs. However 40% of the existing service is delivered to people leaving hospital whose needs are lower and the same eligibility criteria is not always applied.
- 10.2 This savings option is looking at how the existing service can firstly reduce inefficiencies within the service to similar benchmarks as other similarly deprived local authorities. By reducing the amount of staff downtime from 17% to 2% this would deliver an initial efficiency saving of £505k. This would require a reduction in workforce numbers by 20FTE and the adoption of electronic rostering systems.
- 10.3 The service would be targeted at people with complex and longer term health conditions, who would benefit from an intermediate health and social care wrap around service and who otherwise would incur high cost hospital readmissions, expensive homecare packages or require admission to a residential or nursing home.

People who are identified as having lower needs (low and medium FACs) would have their needs met by either an extended community support (Home from Hospital Service) or a jointly commissioned and funded model of

reablement with health from the Independent/voluntary sector. This would fit with the Care Act 2014 requirements to offer an 'intake' model of reablement, which is the front door for residents and which is used to improve wellbeing and prevent and or delay the need for further care and hospital/GP admissions and support unpaid carers. This would apply to up to approx 40% of the current 2725 reablement interventions.

- 10.4 The efficiencies work would be followed by a more ambitious integration of the existing MCC Reablement Service into an Intermediate Tier 'targeted' Rehab Service with Health where the offer of reablement sits alongside other health therapies, and social care services and will only be delivered to a targeted cohort of citizens this would result in further savings of £415k and a further reduction of 14 FTE.

11.0 The impact of savings options on the Voluntary and Community Sector

11.1 Introduction

We have a very broad range of grants and contracts with the voluntary sector which total about £40m a year. Budget options currently out for consultation may mean impacts on organisations funded through the following grant and contract programmes. Some organisations are funded through more than one of these programmes. This section focuses on those services funded through Adult Social Care and Public Health which have not already been described above.

Wellbeing Services

The council provide funds the voluntary sector to deliver a range of services to promote and improve the wellbeing of Manchester residents. This funding was £1,184,075 during 2014/15 and paid for services which includes an exercise group for disabled people, home delivery of fresh produce, home from hospital / handyman services and cycle skills / training and good neighbour type schemes.

An option is to reduce funding for wellbeing services and grants. This would result in a reduced budget of £876,325 for 2015/16 (a saving of £307,750). This option would involve stopping some of these services or redesigning them. This will impact on over 35 organisations.

Supporting Carers

The Council currently contracts with 17 organisations providing services to carers such as support groups and health and wellbeing. The financial value of these contracts totals £412,027 and currently 700 carers access these organisations. An option is to invest £350,000 into a Hub model which would develop early help and preventative initiatives. The Hub would help to identify hidden carers and better support residents. The Carers' Hub would be a single point of contact for carers, statutory, voluntary and community organisations and other services delivering health and social care services in

Manchester and provide the overall co-ordination of carers' activity and support in the city. The re-organisation into the Hub model would deliver an efficiency saving of £62,027.

Drugs and Alcohol

The current budget is £12.1m with the VCS being funded £6.7 million. This option is to reduce funding by £3.057 million. Should this option be agreed there would be:

- A redesign of the drug and alcohol treatment services and a tender for one, fully integrated drug and alcohol service (these are currently commissioned separately)
- Changing how the services work with GPs so that it includes alcohol as well as drug misuse
- Linking drug and alcohol recovery support services with other health and wellbeing services so that both work more closely together
- Reviewing the young person's substance misuse service to see if this service could be linked to other health related services for young people.

This option does not focus on any individual drug or alcohol service or its staff and the model would be guided by the principles agreed following consultation.

Sexual health

Sexual health services include the provision of advice and services for contraception and sexually transmitted infections (STIs) including HIV. This is a new responsibility for local authorities following the transfer of Public Health to the Council. The option is to reduce the overall budget for sexual health services by 30% over the next three years from an annual budget of £ 10,772,705 to £7,620,325 (a saving of £3,152,380).

Of this budget, £808,980 is spent per year to support residents to avoid sexual ill-health and support residents living with HIV. The VCS providers are funded £711,650. The option for this is to save £137,775.

11.2 Some funding to the voluntary and community sector is not part of budget options

- Teenage Pregnancy grants
- Advocacy
- Dementia Support Services
- Physical Disability Support Services
- Employment support services for adults with learning disabilities and adults with a physical disability
- Mental health

- 11.3 It is not yet possible to fully quantify the financial impact on the sector of the budget options under consideration. This is because for many of the largest funding streams, organisations from the voluntary sector are funded alongside private sector organisations and until re-tendering processes are complete, the differential impacts on the two sectors will not be clear.
- 11.4 Officers have been mapping the potential impacts of budget options on all organisations and identifying those who are most at risk from multiple spending reductions. These take into account any potential funding reductions from the Clinical Commissioning Groups. These organisations have had face to face meetings to discuss potential impacts on their organisation, staff and service users and have been asked to complete impact assessment forms. This will inform a more detailed analysis of the impact.

12.0 Recommendation

That Committee notes and make comments on the report for consideration by the Executive.