

Health, Inclusion and Social Care Policy and Accountability Committee Agenda

Monday 11 February 2019 at 6.00 pm
Courtyard Room - Hammersmith Town Hall

MEMBERSHIP

Administration	Opposition
Councillor Lucy Richardson (Chair) Councillor Jonathan Caleb-Landy Councillor Bora Kwon Councillor Mercy Umeh	Councillor Amanda Lloyd-Harris
Co-optees	
Victoria Brignell, Action On Disability Jim Grealy, Save Our Hospitals Bryan Naylor, Age UK	

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Date Issued: 01 February 2019

Health, Inclusion and Social Care Policy and Accountability Committee Agenda

11 February 2019

<u>Item</u>	<u>Pages</u>
1. MINUTES OF THE PREVIOUS MEETING	4 - 27
(a) To approve as an accurate record and the Chair to sign the minutes of the meeting of the Health, Adult Social Care and Social Inclusion PAC held on:	
i) Tuesday, 4 December 2018	
ii) Tuesday, 15 January 2019	
(b) To note the outstanding actions.	
2. APOLOGIES FOR ABSENCE	
3. DECLARATION OF INTEREST	

If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.

At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.

Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.

Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.

- 4. 2019 MEDIUM TERM FINANCIAL STRATEGY (MTFS) – SOCIAL CARE** 28 - 48
- This report sets out the budget proposals for adult social care services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges.
- 5. 2019 MEDIUM TERM FINANCIAL STRATEGY (MTFS) – PUBLIC HEALTH** 49 - 63
- This report sets out the budget proposals for public health services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges
- 6. WEST LONDON MENTAL HEALTH TRUST - CQC INSPECTION FINDINGS AND UPDATE** To Follow
- 7. HAMMERSMITH & FULHAM CLINICAL COMMISSIONING GROUP - UPDATE** To Follow
- 8. WORK PROGRAMME** 64 - 67
- The Committee is asked to consider its work programme for the remainder of the municipal year.
- 9. DATES OF FUTURE MEETINGS**

Tuesday, 26 March 2019

Agenda Item 1

London Borough of Hammersmith & Fulham



Health, Inclusion and Social Care Policy and Accountability Committee Minutes

Tuesday 4 December 2018

PRESENT

Committee members: Councillors Lucy Richardson (Chair), Jonathan Caleb-Landy, Bora Kwon, Amanda Lloyd-Harris and Mercy Umeh

Co-opted members: Victoria Brignell (Action On Disability), Jim Greal (Save Our Hospitals), Bryan Naylor (Age UK) and Jen Nightingale

Other Councillors: Ben Coleman

Officers: Vanessa Andrae, Vice-Chair, H&F CCG; Martin Calleja, Head of Health Partnerships; Janet Cree, Managing Director, H&F CCG; Olivia Clymer, Chief Executive, Healthwatch; Rory Hegarty, Assistant Director of Communications, H&F CCG; Dr Joanna Medhurst, Medical Director, Central London Community Healthcare NHS Trust (CLCH); Lisa Redfern, Director of Adult Social Care and Public Services Reform; Andrew Ridley, Chief Executive, (CLCH);

208. MINUTES OF THE PREVIOUS MEETING

RESOLVED

That the minutes of the previous meeting be agreed as an accurate record.

209. APOLOGIES FOR ABSENCE

There were no apologies for absence.

210. DECLARATION OF INTEREST

Councillor Amanda Lloyd-Harris declared an interest as a former Chair of Hammersmith and Fulham MIND.

Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

211. APPOINTMENT OF CO-OPTEE

The Committee considered the nomination of a new co-optee. This was proposed by the Chair, Councillor Lucy Richardson and seconded by the Vice-Chair, Councillor Bora Kwon.

RESOLVED

That Jennifer Nightingale be appointed as a co-optee to the Committee for the municipal year 2018/19.

212. HEALTHWATCH HAMMERSMITH AND FULHAM (HWCW)

Olivia Clymer presented a brief update on current priorities, the key points of which were addressed in the report. There were concerns around The Pembridge Hospice, about the handling of communications about the temporary closure and the way in which people had been informed of this, which had been reported to H&F CCG and the Royal Borough of Kensington and Chelsea (RBKC). The future for the provision of services from the Royal Brompton Hospital were highlighted as of interest to the wider community. Healthwatch had received briefings and initial observations were that there needed to be greater consultations with specialist groups. Healthwatch commended H&F CCG for the recent finance workshops they had facilitated, recognising that they were operating under increasingly difficult financial pressure.

RESOLVED

That the update from Healthwatch be noted.

213. UPDATE FROM CENTRAL LONDON COMMUNITY NHS TRUST ON THE DECISION TO STOP INPATIENT ADMISSIONS FROM THE 1.10.2018 TO THE PEMBRIDGE HOSPICE, EXMOOR STREET, W10.

The Chair welcomed Andrew Ridley, and Dr Joanne Medhurst, from CLCH, supported by Janet Cree. Mr Ridley briefly explained the circumstances that had led to a decision to suspend all admissions into the in-patient beds of The Pembridge Hospice. Staffing levels at the Hospice had been maintained and provision for day patients had continued, so it remained open in all other respects.

Co-optee Victoria Brignell asked about the wider context and whether other hospices had experienced similar difficulties. Dr Medhurst reported that she had spoken to several other hospices in the London area, all of which had reported difficulties in recruitment. It was confirmed that this was also a national experience. CLCH had tried to offer improved remuneration and had made informal enquiries through medical and professional networks. One application had been received but this had been unsuitable and a review commissioned by the CCG. Dr Medhurst commented that the model of care

outside of London was nursing led, by contrast to the model operated at Pembridge, which was consultant led, which indicated a need for more creative solutions. In response to a follow up question, Dr Medhurst confirmed that the issue had been escalated to the Department of Health and that she had been unaware of the recent private members bill to improve palliative care.

Co-optee Jim Grealy commented that a member of his family had received palliative care and that this was an issue that would not be resolved quickly or easily. It was a strain on family members to have loved ones placed in hospices located outside their boroughs. Janet Cree confirmed that the CCG had no intention to reduce the provision of palliative care from a commissioning perspective but needed to ensure that the provision remained clinically safe. Dr Medhurst added that the Pembridge was not just a hospice but also included day and community units. The community service aspect of the whole provision was very important. Many people hope to end their lives peacefully, in their own homes. The Trust had redeployed hospice staff and reconfigured services around community focused provision.

Dr Medhurst expressed her concern about the possible loss of highly valued and skilled nursing staff, who may choose to leave the service, because of the temporary closure. They would have to consider the clinical strategy and look at staff models. The impact on the wider system was that patients had been transferred to St Johns and that The Pembridge was closed to new admissions. Patients had been diverted elsewhere to minimise the number of transfers, and this was currently being managed. Ms Cree reported that she was not aware of patients experiencing delays in care, but recognised that there had been increased flow. It was acknowledged that the demand for palliative care could be variable, which had been included in the forecast of projected need.

Co-optee Bryan Naylor enquired about the anticipated length of the temporary closure. Dr Medhurst replied that the Trust will re-advertise the New year and were working with provider commissioning boards to find a solution. The CCG had appointed a chief nurse as a clinical expert to help with the modelling. It was accepted that given the difficulties, a suitable appointment might not be made until the end of February, given the lack of suitable candidates.

Lisa Redfern queried the shift in the model of care from being nurse to consultant led. It was observed that the Trust may have had early awareness of the difficulties and asked why the CCG received late notice of the situation. Ms Redfern expressed further concern regarding the mixed messages about the refurbishment of Pembridge, and the implication that the hospice was closing due to the need for redesign. Given the added pressure on acute beds, Ms Redfern was unconvinced that there would be no corresponding impact, although the lack of a suitable appointment was noted.

Dr Medhurst responded that they had spoken to all the professional, medical leads in the palliative care network, with no result. They had considered appointing a doctor in training, however, this was a position for a lone, lead consultant. It was important to recruit a person with the appropriate level of

expertise. Dr Medhurst admitted that they were in a tenuous position and had not fully appreciated the issue of the notice period being so critical. Patients had complex care needs and the opportunity to refurbish the facility and restructure the service was timely. As they went through the redesign, the Trust would consider how to mitigate and make provision for wider end of life care cohort.

Councillor Richardson commented that this was an end of life pathway and that to consider closing the unit, while simultaneously considering changes to it sounded ambitious. Councillor Richardson added that she had also received reports about the poor fabric of the building and asked whether an impact assessment had been conducted, before the closure had been determined. Dr Medhurst reiterated that the unit had been closed on safety grounds. Mr Ridley added that it was not possible to change the model and move it away from being medical. This was a complex provision and he stated categorically that there was no plan to close the unit permanently. The assumption that the closure was because of the refurbishment was incorrect.

Councillor Richardson invited members of the public to provide details of their personal experiences of using the palliative care provision provided by Pembridge.

Members of the public recounted shared, collective experiences. They presented overwhelming support for the service, recognising that The Pembridge offered a unique form of care that extended beyond clinical treatment. It was about having a safe, peaceful, and caring environment, that provided support to not just the person who was reaching the end of their life, but their family and loved ones, who wanted to support them throughout the process. The expertise and knowledge offered by units such as The Pembridge was essential for ensuring this. It was also clear that the stress of travel (including distance) was an important factor in keeping The Pembridge. Palliative care needed to be provided locally, and it was important to have a qualified consultant in post, so that the service could be re-opened as soon as possible. There was significant concern that the loss of beds would continue, leading to additional pressure on local hospitals such as Charing Cross.

The comments were based on real life experiences and were particularly evocative, advocating strong support for the service to be reinstated.

In identifying some of the points raised, Dr Medhurst clarified that it was not possible to have a visiting consultant. They had tried to appoint one candidate, who worked for two weeks before it had become apparent that they did not have sufficient experience or expertise and could not prescribe the specialised drugs. The Pembridge Hospice was a facility to be extremely proud of but safety assurances were necessary for the protection of both staff and patients.

Ms Clymer highlighted the quality of the communication undertaken by CLCH. The lack of communication had caused distress and serious concern. She explained that Healthwatch, was part of the regulatory care framework and

Healthwatch was able to help address this and form part of a working group, that would work with the CCG.

Ms Cree recognised that communication was a concern and as part of a review going forward, the CCG wanted to ensure that engagement with the right stakeholders was undertaken. A steering group would offer an opportunity to do so.

Councillor Sue Fennimore asked at which point the CLCH and the CCG had recognised that it would be difficult to recruit. Given the chain of events, she questioned whether the residents of Hammersmith & Fulham were being best served. Councillor Fennimore understood that there were service pressures, but having relatives end their lives in noisy hospitals, in an undignified fashion was unacceptable. Councillor Fennimore challenged the quality of the Trusts communications and queried if the potential impact on Charing Cross hospital had been considered. It appeared extraordinary that the Trust should find itself in such a position, with little urgency in its actions and no information provided about who would be represented on the steering group.

Councillor Lloyd-Harris observed that in addition to the lack of communication, it was fundamentally wrong to not have an appropriate forum in which the issue could be discussed, in advance of the Committee's meeting. Councillor Coleman confirmed that the Council members and officers met regularly with NHS colleagues but the key point to note was that this was a public meeting of the Committee and therefore played an important part in safeguarding the democratic process.

Councillor Caleb-Landy enquired about how the CLCH would mitigate against the risk of impact on other services. This would be particularly unacceptable as the difficult winter pressure period commenced. Dr Medhurst replied that most staff at CLCH were recruited through multiple ways but that the current situation at The Pembridge was unusual. Hospices had hugely fragile systems and Dr Medhurst gave an assurance that they would try to resolve this as quickly as possible.

Councillor Coleman enquired about the land that The Pembridge was situated on, given that the NHS was nationally trying to sell off land. He asked if anyone had considered what the Trust would do with the land, should The Pembridge unit be closed, what the possible value of the land would be and how much would the CLCH save if the unit was closed.

Mr Ridley confirmed that NHS estates owned the land on which The Pembridge was situated and he did not know of its value. CLCH had paid rent on the unit, which had now been closed for two months. In addition, the Trust had also met the cost of recruitment. The Trust was currently losing money but if the unit closed, this would be cost neutral. Mr Ridley's primary concern however, was the loss of experienced, committed staff, and the loss of the service contract commissioned by the CCG.

Ms Brignell asked about whether consultant training was an issue that the Trust could address, possibly through overseas recruitment. Dr Medhurst

explained that the Trust was considering how to address the shortfall in consultant training. In early 2019, the Trust will be trying to encourage signposting of The Pembridge overseas and registering this with recruitment agencies. Applicants will still need to meet regulatory requirements.

In summarising the key points of the discussion, Councillor Richardson welcomed the Trusts intention to not reduce or reconfigure the service during its hiatus and noted that the day patient provision would continue unimpeded, for the time being. Councillor Richardson looked forward to hearing more about how the recruitment process was progressing after Christmas, following re-advertisement; and about Healthwatch' s involvement in the work of the steering group. Councillor Richardson thanked members of the public, who had shared their personal stories, recognising that these collective experiences indicated whole-hearted support for maintaining local, palliative care provision for the residents of Hammersmith & Fulham.

ACTION: CLCH and the CCG to keep the PAC informed as to the future provision of palliative care services from The Pembridge Hospice and provide an update on the recruitment following re-advertisement

RESOLVED

That the report be noted.

214. ROYAL BROMPTON HOSPITAL TRUST

Professor Tim Orchard briefly explained the background to the report, which had considered options at a meeting in September. Proposals had been submitted by Kings Health partners, which proposed to move most of the services from the Royal Brompton Trust (RBH) to a site on the St Thomas hospital campus (part of Guys and St Thomas NHS Foundation Trust). This would be an expensive proposal, involving the transfer of congenital paediatric heart surgery services. Professor Orchard explained that the proposed joint bid (Imperial College Healthcare NHS Trust; and Chelsea and Westminster Hospital NHS Foundation Trust) would provide similar services, without moving them out of the NW London area, building on existing networks, utilising local expertise in both Imperial, and Chelsea and Westminster. High level documents had been produced which set out how these services could be provided more efficiently. The proposal had been submitted to NHS England, which would be meeting next week to discuss the joint bid. Professor Orchard indicated that when they had first approached NHS England, their preferred option had been for services not to be removed from RBH, however, they would aim to work as a collective of providers, to ensure that services remained local. Professor Orchard made the following points:

- An adult cardio-respiratory unit on the Du Cane Road site would be established. There was currently an empty block, available and this had been submitted as part of the proposal to NHS England. An in-patient care facility would also have to be built;

- New cardio service on Chelsea site;
- National heart and lung service would become part of the Hammersmith hospital; and
- Combined paediatric services, to maintain a unified approach.

Professor Orchard considered that this was the beginning of the process and further consideration as to how this would fit in with the options for public consultation, was required. He was hopeful that the first response from NHS England would indicate what proposals could be consulted upon. This would also offer an opportunity to further discuss with other providers.

Councillor Kwon asked if there was capacity at St Thomas's to accommodate services moving from RBH and the possible impact on their reputation. Professor Orchard explained that there would be a new build and confirmed that there would be capacity at St Thomas's. He speculated that there would be some reputational impact on RBH services moving to another NHS trust.

Councillor Caleb-Landy asked about the possible timeline for the transfer of services and what the plans were for consulting Hammersmith & Fulham residents about the changes. Professor Orchard confirmed that this was a significant decision and that there would be a special remit for consultation, which was complex. As most of work at RBH was commissioned by NHS England, there needed to be a mechanism for the whole the service to be consulted on. It was critical to get the right input.

In a response to a question from a member of the public, Professor Orchard confirmed that co-operation between Imperial, Chelsea and Westminster and St Thomas's was good. He clarified that this was not a "takeover bid" and did not think it would impact on the relationship. The link between the trusts was positive and extended to sharing expertise and collaborative work, for example, patient record sharing. Professor Orchard concurred that residents in Kensington and Chelsea were well served by RBH, as a specialist hospital.

A representative from Save Our Hospitals sought further information and clarity about the planned consultation and was concerned that no information had been provided about the new bid by RBH. Professor Orchard said that in terms of the consultation proposals, it was not a simple matter of residents engaging with the consultation process. The responsibility of developing consultation rested with statutory organisations, and not RBH. It was important to consider the breadth of the consultation, so that all views could be collected, and for this to be shared with NHS England and the CCGs.

Councillor Robert Freeman, Chair, Health and Adult Social Care Overview and Scrutiny Committee, from the Royal Borough of Kensington and Chelsea explained that the Committee was the designated scrutiny lead with a statutory remit to report to the Secretary of State as to whether any proposal for variations in services was in the best interests of residents. If RBH services moved to the South Bank, Councillor Freeman was of the view of the that this would mark the eventual end of RBH. It was difficult to see how two trusts could be based on one site. Equally, it was likely that RBH would not survive the transfer of services to Imperial, and Chelsea and Westminster.

RBH had strong links with Chelsea and Westminster and worked closely with the Royal Marsden. Many residents and stakeholders had worked hard to support RBH and its closure would be a great blow.

George Doughty, Lead Governor, Council of Governors, RBH, gave an assurance that neither governors or staff had anticipated being in this position. RBH was unique in providing treatment that spanned an individual's lifetime. In his view, NHS England had tried to undermine RBH for many years and had unfortunately wanted to impose regulations for the operation of neonatal clinical units, which RBH was unable to comply with. Mr Doughty explained that NHS England had determined that the distance between the Chelsea and Westminster site and RBH was too far (although to date, Mr Doughty reported that he was not aware of a single fatality). Pericardial and paediatric respiratory services were delivered well, together but RBH had been forced in November to close the paediatric service.

Mr Doughty was of the view that this was very much an issue of colocation and hoped for a solution. RBH was a centre of excellence that dealt with patients from all over the UK and whose services warranted protection. It was confirmed that the all cardio-respiratory patients would have to be moved from the RBH site by April 2022. It was feasible that the Westminster site might still be under construction and that was unrealistic. Mr Doughty was adamant that the trusts would not merge. The financial drive will be heavily dependent on how RBH was able to fund raise.

Professor Orchard clarified that the Imperial, and Chelsea and Westminster joint bid was a reaction to a proposal which would see services moving out of the locality and stated that he would welcome the opportunity to form a working group to consider other proposals.

Councillor Coleman asked Mr Doughty if he felt fettered by NHS England. Mr Doughty explained that RBH as a site had been in place for 110 years and some buildings were not fit for purpose. He welcomed the possibility of the Trust remaining on the site as RBH was equipped with phenomenal equipment but the physical structure was inadequate. The conundrum was how to support patients during a refurbishment, while ensuring that they continued to receive the best possible care.

Professor Orchard said he was familiar with the issue and commented that Imperial had considerable experience of providing services out of poor-quality buildings. He explained that he had not had the opportunity to discuss proposals with providers but that this would be helpful. Councillor Coleman suggested that if this was the case, then NHS England should be invited to attend a meeting of either the scrutiny committees or the health and wellbeing boards.

Dr Richard Grocott-Mason, Medical Director, RBH, reported that there had been many conversations with Imperial; and Chelsea and Westminster, in addition to discussions with NHS England, without consensus. He reported that the Imperial / Chelsea and Westminster proposal had not been discussed with RBH, before making it public. Dr Grocott-Mason stated that he would

have welcomed the opportunity to attend the Committee's meeting and present his views on behalf of the Trust. He maintained that inaction was not an option, given the condition of the buildings and existing staff structures. Current services would be even less sustainable, if children's services were to be removed and suggestions as to how the current impasse could be addressed were welcomed. It was reiterated that the fragmentation of RBH services was unacceptable.

Professor Orchard replied that the proposal from Kings Health had not been made public. He explained that interaction with RBH, had not led him to believe that there was any appetite to discuss the proposals. He did not have a suggestion, but that there was potential to discuss relationships within the sector. Professor Orchard confirmed that he would be happy to meet and undertake discussions as a working group, with the aim of keeping services within the North-West London area. There had never been any intention for the joint proposal to be regarded as a hostile takeover bid.

Councillor Richardson commended providers for managing to retain the facility, which was clearly an indication that providers were keen to put patients first.

ACTION: Imperial and Chelsea and Westminster to provide and update of the progress of the joint bid for RBH services

RESOLVED

That the report be noted.

215. PRIMARY AND URGENT CARE PROPOSALS - HAMMERSMITH AND FULHAM CLINICAL COMMISSIONING GROUP

Councillor Richardson welcomed Janet Cree, Dr James Cavanagh, Rory Hegarty and Vanessa Andreae, who would jointly speak to the report. Ms Cree explained that that the report outlined primary care and urgent care centre (UCC) proposed changes. It also addressed the implementation of digital plans, the offer of increased choice, responding to patients to match demand. Ms Cree referred to details in the report about UCC, focusing on Hammersmith Care Centre, where just under 8% of usage occurred between midnight and 8am. Commonly, five people attended the centre overnight, most of whom were discharged without further treatment. Routine data indicated that around six patients would be discharged and one transferred to A&E. Clinically, only two patients per night were treated. There was no proposal to change the UCC at Charing Cross Hospital.

In H&F, 765 additional GP appointments were currently commissioned weekly through two schemes, extended hours and weekend plus. Demand was met across the 29 practices in total; 19 practices were locally commissioned and 5 delivered in accordance with the national criteria. The CCG had met with NHS London Clinical Senate on 20 November 2018, and had outlined proposals and presented the clinical data that they hoped to consult upon. The Clinical Senate had sought further details about the transfer of patients to

Charing Cross and about how consultation would take place. The Clinical Senate had confirmed that the proposals were clinically safe, compared to the current model, and that changes would not impact on the provision of primary care services. Chapter 5 set out an overview of the consultation and presented feedback, responding to some of the questions raised.

ACTION: CCG to provide information about patient transfers to Charing Cross, and, how the consultation would take place. CCG to forward this information to the Strategic Director of ASC and PSR.

Lisa Redfern expressed concern, and contextualised the impact of the proposed changes on residents. The commentary provided, in her view, a complex and inadequate narrative and appeared to be trying to achieve too much, in a short period. The intention to reduce services and, simultaneously introduce changes, was hugely challenging and would have a major impact. Ms Redfern recognised that there was logic in the proposals for reducing UCC services, but there was no compelling argument for the parallel reduction in GP out of hours provision. This, together with the reduction in practice hubs, held little logic. The introduction of digital based services such as GP at Hand, was also difficult to understand. Drawing a comparison with mobile banking services, Ms Redfern cautioned that the CCG were trying to phase in a significant change over a short timeframe, against a backdrop of additional, significant primary care service variations. The process also failed to recognise that while part of the population would be able to adapt, other groups would need longer to adjust. Any consultation questions would need to be set in this context. A final concern was the fact that these reductions in services had all been introduced at the same time, within the same setting.

Councillor Caleb-Landy echoed Ms Redfern's comments and expressed similar concerns. The report was complex and needed to be understood in the context of the CCG financial report (Agenda Item 8). He questioned if the changes were motivated by the financial difficulties that the CCG were experiencing. Ms Cree responded that the changes were about matching availability of demand, while at the same time meeting a duty of care to provide efficient services. Current provision was underutilised and clinical resources needed to be used effectively. Feedback from patients had indicated that it had been complicated to navigate UCC care pathways. The aim of the proposals was to try and achieve greater clarity, maintain clinical safety, and improve patient pathways. These were not financially driven; although it was accepted that this was conjoined with ensuring efficiencies.

Ms Cree continued that they had consulted with the provider, who had joined them at the Clinical Senate. One of the difficulties was that Hammersmith UCC was not situated in a co-located facility, which was frustrating. The proposed changes would help move provision towards co-located services. Councillor Caleb-Landy welcomed this approach but expressed concern that residents had not been consulted about the options that they would like to see and to decide for themselves as to what they wanted. In his view, this constituted an important part of the consultation. Ms Cree responded that feedback from the Committee was helpful, as part of the consultation. It was explained that one of the key factors driving the need for change was that the

Hammersmith UCC contract was due to end and would need to be re-contracted. The CCG had tried to be clear about the proposal, without predetermining the outcome.

Councillor Kwon observed that the CCG report appeared to be an amalgamation of three different reports. It was hard to envisage what services would be available, following the implementation of the changes. The proposals offered a reduction in services, however, Councillor Kwon commented that she would have welcomed more solutions being offered in the report. Councillor Richardson supported Councillor Kwon's comments, and added that it was difficult to see the logic in reducing out of hours appointments, at the same time as reducing UCC provision. Ms Andreae responded that the digital offer addressed some of these concerns and would ensure that provision was future proofed. Broad consultation on all the proposals was necessary to ensure transparency and openness. Ms Andreae acknowledged that some of the changes were financially driven, however, if residents indicated that this was not wanted, then some uncomfortable financial decisions would need to be made. Ms Cree reiterated her earlier point in response to Councillor Kwon's comments, that out of hours practice appointments had been underutilised and that there was an urgent need to match need to resource.

Co-optee Jen Nightingale asked about how successful the digital offer was expected to be and Ms Cree explained that this was difficult to report. There was a cohort of patients that would benefit from this type of access. The vision was that H&F residents would all have access to a GP. Ms Andreae expanded that there were different tiers within digital care and that the level of this kind of service would vary in different practices. They hoped to mirror the NHS 111 offer, in addition to offering an appointment. It was important to identify what would work well for residents, according to individual practice requirements.

Co-optee Jim Grealy commented that the changes were cuts. Referencing previous CCG communications which informed residents about A&E services moving to UCCs, Mr Grealy pointed out that people had not been properly signposted. He suggested that the CCG reviewed current provision and reconsidered their approach. The CCG needed to be honest, open and upfront up about having a cost-cutting agenda. The key point to note was that out of hours care was being reduced, with fewer GP appointments being offered. He added that it was not the responsibility of members of the Committee to endorse a cuts agenda. Ms Andreae admitted that this was partly about finance, particularly given the UCC contract renewal. H&F CCG was the only CCG that offered this level of out of hours service, which was outstanding compared to the national offer. Ms Cree added that the report set out proposals for discussion and had not predetermined the outcome.

Mr Naylor said that it was nonsense to put the document forward as a consultative document, when it was clearly about cuts. It was implied that local, older people were aware of the local offer, however, most were confused, not knowing when to contact NHS 111, or go to the UCC. The assumption that residents were informed, was an error in judgement and it

was suggested that the CCG needed to communicate the current offer, and how to access it, before they determined whether services should be reconfigured. The CCG welcomed the comments and reiterated that this was not the final consultation document.

Councillor Umeh endorsed comments made by Ms Redfern and pointed out that the Northern part of the Borough was not well served. To consider the closure of the Hammersmith UCC was a concern. Residents could access services at Charing Cross, if they could reach it, and that this lack of provision was unacceptable. It was also insulting to residents to imply that most did not understand the digital offer. In response, Ms Andreae said that most people would self-select in terms of how they accessed services, but those who sought the digital offer were largely older. Patient pathways could be confusing, if consulted on separately, which was why they had chosen to consult on all aspects.

Ms Redfern sought confirmation that an analysis of patients transferring to A&E would be included as part of the consultation process. The current data did not indicate whether the patient would be able to manage the journey. Ms Cree clarified that some patients were transferred to A&E, dependent on their condition and the treatment needed. Councillor Coleman described the report as confusing, and that it was not clear what questions were being consulted upon. The report offered little clarity about the questions being asked in the context of reconfiguring out of hours services.

RESOLVED

That the meeting be extended for a further thirty minutes.

Ms Cree referred to the front page of the covering report, and chapter 4 of the report which outlined questions for the consultation. The bullet points were clear and specific, and the aim was to ensure proper scrutiny as to the quality of the consultation. The CCG sought feedback as to how this could be improved. Councillor Coleman referred to page 33 of the report and enquired if the policies were in line with Shaping a Healthier Future (SaHF) and how this could be married with the possible, increased burden to Charing Cross Hospital. Ms Cree responded that the CCG ensured that patients were provided the right care, in the right place, complying with clinical safety standards. The proposed overnight closure was endorsed by Imperial and would not impact on performance at Charing Cross.

Councillor Coleman sought confirmation about the information in the report and references made to information that would come out of the consultation. He asked if this was sufficient for further analysis or if more information would be required. Ms Cree confirmed that they had sufficient information on which to go out to consultation and receive feedback from residents.

Councillor Lloyd-Harris referenced the report and noted that 64% of patients could access alternative provision. She asked if there was a procedure in place to ensure that individuals could access a GP appointment. Ms Cree confirmed that more accurate information was available about the type of

presentation that might be treated at UCC. If the proposals were accepted, the CCG would have to consider how to advertise them. At the same time, they would have to consider the how patients would navigate the digital offer. Finally, if Hammersmith UCC closed, they would also have to consider how patients could access Charing Cross UCC. Councillor Lloyd-Harris pointed out that groups with protected characteristics (Equalities Act 2010) might find it difficult to access services. Ms Cree replied that she was aware of this, and additionally, groups without protected characteristics, who are also less able to access services. Mr Hegarty confirmed that the CCG wanted to reach as many groups as possible, across the Borough and welcomed advice from the Borough on how to do so.

Ms Brignell commented that the out of hours offer suggested that the service was needed and used by the majority of patients. Ms Cree explained that the proposal was to change the way in which this service was commissioned, and not cease commissioning it. Some practices made additional provision under a local offer, and all practices delivered Direct Enhanced Services (DES) under a national scheme. Both were offered with different rates of pay. The proposal was that all practices moved from the local offer to the DES (national scheme). Ms Brignell understood the distinction but reiterated that patients valued the flexibility that the local offer provided.

Merrill Hammer, Save Our Hospitals, challenged the idea that the aim was to match the availability of services according to demand. Hammersmith UCC was in one of the most deprived parts of the Borough, with a high percentage of BAME (Black and Asian minority ethnicity) groups. Yet there was no data to indicate the attendance of groups within the protected characteristics cohort. The data was based on only one year's attendance at A&E and there was little to indicate that information about UCC services had been given to residents. Ms Hammer questioned how well the CCG had communicated information. She suggested that the CCG needed information about how well residents knew what was on offer. Less deprived residents in the South of the Borough understood the local offer better and the CCG needed to address the imbalance. Ms Hammer also pointed out that formulated plans about the digital offer were not provided.

Councillor Caleb-Landy commented that it was difficult to perceive any consideration or thought behind the planned consultation and that a wider, strategic narrative would have been helpful. There was no indication as to the cost of the UCC, or, the possible back office savings. He was concerned that withdrawing the service could have an adverse impact on other services.

In summarising the key points of the discussion, Councillor Richardson highlighted the lack of information to patients and asked if it was possible to have data that extended further than a year, and in addition, what publicity had been provided by the CCG communicating details of the UCC local offer. The Committee requested further details about the viability of the proposals and the nature of the consultation and Councillor Richardson confirmed that she would be writing to the CCG to request further clarification.

ACTION: The Chair to write to the CCG, requesting information about the viability of the service change proposals and the nature of the consultation about the proposed changes

RESOLVED

That the report be noted.

216. FINANCIAL RECOVERY PLAN - HAMMERSMITH AND FULHAM CLINICAL COMMISSIONING GROUP

The Committee had requested a report from the CCG setting out the current financial position. It provided detailed information about months 6 and 7, 2018/19. The paper had also been presented to the governing body of the CCG. This set out how the CCG would manage its financial recovery, and targets for expenditure reduction. Ms Cree confirmed that they had not had notice of funding for 2019/20, and, any impact from the implementation of NHS long term plans would not be known until after Brexit.

The aim for the 2018/19 plan was to deliver reduction, and targets were factored to allow for any slippage. The H&F CCG allocation had remained either the same or had been cut and historically, had been overallocated. The month 6 position indicated a release of all the reserves available to the CCG and it was likely that by the end of the financial year, there would be a £5 million overspend. Ms Cree confirmed that she had received an assurance that NHS England would help mitigate.

Ms Redfern referred to section 6.3 of the report, page 86. The cuts being proposed were brutal and not clearly discernible from the report. The report did not offer a clear narrative about the local priorities. It was critical that a local commentary should clearly explain the proposals, and that this should be set out strategically. Ms Redfern stated that it was incumbent upon the CCG to clearly set out the detail, which was absent from the scenario outlined in page 86.

Ms Redfern pointed out that that there was a critical piece of information that was missing, and referred to a letter that had been sent to the Council by the CCG, which had advised that £1.25 million was being withheld from the Council. This would impact on services delivered through Adult Social Care. Ms Redfern challenged the legality of this, given that there was no formal notice given of the decision to withhold funds, and that the issue had not been discussed by the Health and Wellbeing Board.

RESOLVED

That the meeting be extended by a further thirty minutes.

Councillor Kwon asked what the risk was of driving up demand for services across the Borough; what was the cost of making cuts and whether these were sustainable. Ms Cree referred to section 6.3 of the report, and explained that the proposals will be used as a basis for the review, which would then be

followed by an impact equalities assessment. The detail was absent from the report as this had not yet been determined. Ms Cree said that there was a framework that would be followed and it was confirmed that some services might be downgraded and rationalised, and that non-statutory duties would cease.

Mr Grealy expressed disappointment that the CCG was unable to provide a list of services to be discussed and the impact of reducing these. Section 6.3 referred to only statutory provision. It was clear that all planned investment would stop and funding reduced in line with national levels and statutory duty. Mr Grealy was of the view that the local provision would be decimated and that it was critical to understand which services would be cut. Mr Grealy also challenged the CCG to provide details about the cost of maintaining the bureaucracy required to support the North-West London Collaboration of CCGs.

Martin Calleja clarified that the report provided the level of detail requested by the QIPP (quality, innovation, productivity and prevention) plan. The indication was that the plans proposed in section 6.3 had to be immediately implemented. The possible financial and reputational repercussions were a serious concern. Ms Cree responded that the CCG had been asked to set out a financial position, which combined figures for 2018/19 and 2019/20 and a reduction in the operating cost was included. The CCG would also be required to meet national requirements to further reduce costs in the budget by 10%, sought across the whole of the organisation. Ms Cree felt that the CCG had been clear about the process in which they had been engaged, and had considered what information was needed to make those decisions. The CCG intended to fully involve residents and key stakeholders, to ensure transparency.

Councillor Coleman said that the CCG met regularly with Council members and officers, and yet had failed to raise the issue. Without warning or notice, the CCG had determined that it would withhold Better Care Funding of £1.25 million. Ms Cree responded that the issue had been discussed in many conversations, particularly about QIPP plans. Councillor Coleman pointed out that the letter failed to offer reasons, or provide sufficiently transparent explanations as to why the funds would be withheld. Councillor Coleman recognised that there existed severe financial pressures arising from austerity measures. However, the letter from the CCG had been unhelpful, and he challenged the CCG to be more co-operative and transparent in their future communications and interactions with the Council.

Councillor Coleman asked if the CCG planned to consult on cuts to services. Ms Cree responded that there might be a need to consult on some of the service changes, but clarified that this would only be undertaken if there was a statutory requirement to consult.

Councillor Fennimore commented that there was no reference to the potential impact on residents. While Councillor Fennimore concurred with Ms Andreae's comment that £1 could only be spent once, there was a need to work with others to achieve the best expenditure for the benefit of residents.

Councillor Richardson said that the report raised serious concerns, and lacked detail about the possible implications for residents. There was no sense of Borough-wide priorities, and no clear explanation about the reason for the hole in the budget. A more detailed report that offered a response to the concerns raised by the Committee, was requested.

ACTION: CCG to keep the PAC informed of their plans for financial recovery and how they plan to consult with stakeholders, and provide a further update.

RESOLVED

That the report be noted.

217. WORK PROGRAMME

The Committee considered the Work Programme and noted that an additional meeting had been included in mid-January.

RESOLVED

That the Work Programme be noted.

218. DATES OF FUTURE MEETINGS

The next meeting of the Committee was noted as Tuesday, 15 January 2019.

Meeting started: 6pm
Meeting ended: 9.48pm

Chair

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Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

Health, Inclusion and Social Care Policy and Accountability Committee Minutes

Tuesday 15 January 2019

PRESENT

Committee members: Councillors Lucy Richardson (Chair), Jonathan Caleb-Landy, Bora Kwon, Amanda Lloyd-Harris and Mercy Umeh

Co-opted members: Victoria Brignell (Action On Disability) and Jim Grealy (Save Our Hospitals)

Other Councillors: Ben Coleman

Officers: Lisa Redfern, Strategic Director of Social Care and Public Services Reform

Guests: Ian Cassidy, Commissioner, Older Peoples Commission; Rosalind Duhs, Commissioner, Older Peoples Commission; Mike Howard, former Independent Chair of the Triborough SAEB; and Marilyn Mackie, Commissioner, Older Peoples Commission

219. MINUTES OF THE PREVIOUS MEETING

RESOLVED

That the minutes of Tuesday, 3 December 2019, be agreed.

220. APOLOGIES FOR ABSENCE

Apologies for absence were received from co-optee Bryan Naylor.

221. DECLARATION OF INTEREST

None.

222. SAFEGUARDING ADULTS EXECUTIVE BOARD ANNUAL REPORT 2017/18

Councillor Richardson welcomed Mike Howard, the former triborough, Independent Chair, of the Safeguarding Adults Executive Board (SAEB). This was the final, annual report of the triborough SAEB, following disaggregation. Mr Howard confirmed that he had been appointed as chair of the new SAEB, for Hammersmith & Fulham, as of 1 July 2018. Mr Howard commented that he was very proud of the report (which covered the period 2017/18), and which was presented in a similar format to that of previous years. The format was in the style of a magazine to make it easier, and more interesting to read. Many organisations worked collaboratively and in partnership, to support the work the SAEB, and the report showed how safeguarding was not just the responsibility of the Council.

The SAEB helped keep the people of the Borough safe, protecting those at risk of either physical, emotional, or financial harm, making a positive difference to the quality of lives. The SAEB advocated a person centric focus, supporting an individual's personal choices, rather than what a practitioner might recommend was in that person's best interests. Using the example of people with dementia, it was important to understand that there were differing levels of need and that service commissioners needed to be aware that there were a wide range of symptoms to be accommodated appropriately. The back of the report (page 26) listed statistics, from which the safeguarding journey could be inferred. Some examples included: the percentage of adults in the population without support; the number of safeguarding enquiries received; the percentage of those at risk; and the impact of the enquiry on the person identified as at risk.

The review period ended at 31 March 2018, and a detailed breakdown of the number of enquiries received was provided and categorised, according to type and outcome. An ongoing concern had been the lack case closure. Two out of three cases resulted in successful outcomes but more closure of cases was required. Although more recently, it was confirmed that there was a higher rate of closure, with greatly improved outcomes. It was also important to understand that in some cases, the risk remained. Frequently, where the abuser was a son or daughter, people were reluctant for the matter to formally progress and did not want the police involved.

Councillor Richardson commended the report, and noted that the key issues were well documented. The report was easy to read and brought safeguarding issues to life. Councillor Richardson congratulated Mr Howard on his appointment and his continuing role. It was confirmed that the SAEB was newly established and held its first meeting in September, maintaining an ethos of engaging directly with communities. All the sub-groups of the Board were chaired by professional leads from other agencies, and not the Council:

1. Safeguarding Adults Review - Chaired by the Head of Safeguarding for the West London Mental Health Trust. This sub-committee undertook

- middle-management reviews of cases to understand what was going wrong;
2. Co-production - To look at established policies and procedures, to evaluate if they were achieving the required outcomes; and
 3. Prevention and awareness – To establish what local communities want to prioritise; to analyse whether safeguarding messages are being effectively communicated and how these could be better targeted.

Mr Howard explained that there were four co-chairs, with diverse backgrounds, for example, the Board had recently recruited the chair of governors from HM Wormwood Scrubs Prison. Further recruitment continued to appoint members of the sub-group, which was to be confirmed at a meeting on 29 January 2019. It was noted that Councillor Patricia Quigley had recently been appointed to the SAEB.

Councillor Lloyd-Harris endorsed the Chair's comments, observing that the report was very comprehensive and easy to read. She asked how the SAEB had advertised for appoints to the Board and its sub-groups. Mr Howard explained that they had relied upon contacts within the Council and thanked Susan Hughes for her assistance and support. An event had been hosted by QPR Football Club and they had relied upon word of mouth, rather than physical adverts. There had been a reasonable response and take up.

Councillor Lloyd-Harris commented on the issue of older people experiencing domestic abuse by a young person (son or daughter), or by a person living in the same household, and the increase in such cases. It was understood that the Violence Against Women and Girls group, had done considerable work in highlighting the issue, to ensure that those experiencing domestic violence were as much a concern as the perpetrators. The Board benefitted greatly from the appointment of Sally Jackson, from FiLiA but it was important to avoid any duplication of work, and synchronise with the work of other safeguarding teams.

Councillor Umeh endorsed the report, which was commended. She enquired about how the Board worked with those whose first language was not English and how language barriers were addressed. Mr Howard outlined how the Board benefitted from members coming from a range of diverse backgrounds. One of the chairs originated from Malaysia, for example. Their perspective and advice was both helpful and unique, and ensured that there was clear communication.

Councillor Caleb-Landy echoed earlier comments from his colleagues, and congratulated Mr Howard on an excellent report, which had brought to life a range of issues. He enquired about how the SAEB's local statistics compared to national figures. Although the figures were only recently released, it was still not possible to draw comparisons due in part to the way which cases were classified and outcomes recorded. For example, some SAEBs include an enquiry in their count, other count the enquiry being taken forward. Ms Redfern informed the Committee that an interim Head of Safeguarding had recently been appointed and that it was possible to circulate statistics for

members of the Committee. It was noted that as a result, the number of referrals had increased and that the quality of performance had improved. Mr Howard added that they had deliberately avoided the inclusion of too many statistics.

ACTION: LR to circulate safeguarding statistics to the Committee

Councillor Caleb-Landy asked about the number of safeguarding incidents resolved in LBHF, how many went on to appeal, and how many made an application for review to the local government ombudsman. Ms Redfern confirmed that to her knowledge, there were no such cases. Mr Howard corroborated this view, and added that he had never reviewed any data about complaints, during his 9-year tenure as Chair.

Councillor Kwon also commended the report and hoped that it would be widely distributed. On the issue of scams and fraud, she enquired about the level of interaction undertaken with banks and other financial institutions. Victims often became victims twice over, as they tried to claim back any losses, having to deal with hostile banking staff. It was explained that the Board did not undertake this work directly itself but instead, relied upon the expertise of support staff, and referred to pages 20 and 21 of the report. There was a national requirement for banks to be more victim focussed and co-operative. They were also working with Royal Mail to raise awareness of the issue, given the concerns around identify theft. This was often an overlooked area of safeguarding and some of these individuals were often very lonely, and isolated, and unfortunately regarded scammers as friends. Work was undertaken with Barclays, for example. This was also an opportunity to involve local community groups.

Co-optee Jen Nightingale asked about the process for referral and how this operated in practice. Ms Redfern explained that referrals did not just originate from agencies, which were wide ranging and included health and social care. Informally, referrals also came from carers. As awareness of safeguarding continued to increase, the net will broaden. There was also an increased focus on prevention, working with different community and residential groups. Mr Howard added that in health, for example, pressure sores were a safeguarding concern and Ms Redfern confirmed that she would be happy to provide the Committee with further information about this issue.

ACTION: LR to provide the Committee with information about safeguarding work undertaken with NHS colleagues on pressure sores

Councillor Richardson thanked Mr Howard and those involved with the production of the 2017/18 report, and looked forward to reviewing the first report of the newly appointed sovereign board for the Borough, covering 2018/19. Raising awareness of safeguarding concerns with professional organisations was recognised as a critical area of work, particularly in terms of identifying what constituted a safeguarding risk.

RESOLVED

That the report be noted.

223. THE REPORT OF THE OLDER PEOPLES COMMISSION

Mr Ian Cassidy provided apologies on behalf of the Chair of the Older Peoples Commission (OPC), Bryan Naylor. Mr Cassidy provided background to the report, which had managed to achieve significant levels of engagement, working with local organisations, the third sector and residents. Approximately 500 responses had been received, both through online access, in-depth interviews and qualitative focus groups.

The report benefitted greatly from the quality of the engagement and reflected an authentic voice. Satisfaction varied, with those in the 55+ group, expressing relatively greater satisfaction, compared to the over 75+. This could be attributed to differences in generational outlook, or, the perception that those in the lower age bracket did not consider themselves to be 'old'.

One of the recommendations was to consider increasing Council Tax by adding a social care precept to help alleviate financial pressure. Also highlighted were shared concerns with the Disabled Peoples Commission. In line with the current drive to embed coproduction, the OPC felt that an older people's council champion should be appointed, together with an older people's board.

Rosalind Duhs, OPC commissioner explained that while there was provision within LBHF that could address social isolation and loneliness (SIL), information about this was not well communicated or co-ordinated. Marilyn Mackie, OPC Commissioner referred the Committee to the Chair's comments in the forward to the report. Older people were not "passive recipients of services"; their breadth of knowledge and expertise made them a valued and much underutilised resource.

Councillor Coleman commended the report as well written, with challenging recommendations. The report would be considered by Cabinet and work would commence on how the recommendations could be implemented, in conjunction with other areas of work such as SIL, health and wellbeing. Councillor Coleman thanked members of the Commission for their commitment and excellent work in producing the report, and looked forward to working with them, in taking forward recommendations.

The report was widely regarded as exceptional, offering a diverse and unique perspective, without patronising. Co-optee Victoria Brignell welcomed the report, and commended its view that older people were an asset, and not passive victims having things imposed on them, and that older people had a lot to offer, in common with people with disabilities. She suggested that if the recommendation for a social care precept was implemented, it should be ring-fenced.

In considering the 40% rate of overall satisfaction, Mr Cassidy confirmed that he could provide the Committee with the raw data, which could offer clarity on the possible underlying factors of 60% indicating dissatisfaction. Ms Mackie elaborated that the recommendations were formulated in response to expressions of dissatisfaction.

Councillor Caleb-Landy welcomed the report, observing that the recommendations were sensible, well-considered, and aligned closely with those of the DPC. He asked if it was possible for these to be more readily achievable, if they were to be combined. Councillor Richardson commended the report for its approach to recording such diverse perspectives and asked about the possible timeframe for implementation. Councillor Coleman responded that the DPC report had focused on specific recommendations but largely were largely about how the Council operated. The focus on co-production was an approach that underpinned broader, high level policy reports. The OPC report focused on more practical aspects, with specific recommendations. In terms of implementation, co-production was the first step, which if successful, would lay the foundation for meeting the needs of everyone.

Councillor Richardson commented that some recommendations were relatively straight forward to implement, for example, providing better and accessible forms of communication on noticeboards. Interestingly, it was reported that there were higher levels of satisfaction expressed by those living in sheltered accommodation, compared to those in Council housing. Councillor Coleman expanded further, commenting that the specific needs of older people should be considered in the context of the redevelopment of service provision. To illustrate, the Council was currently considering the provision of housing repair services. There were plans to meet with different resident groups, including those in sheltered housing.

Councillor Bora Kwon, expressed regret that Mr Naylor had been unable to attend, anticipating the presentation of what would have powerful voice advocating the views of older people. She asked if it was feasible to approach organisations and charities in the Borough about funding. Councillor Coleman concurred, highlighting that the report also reflected on the way in which the Council funded the third sector. It was important to support organisations in the third sector; particularly where they could provide engaging activities and continuity of provision.

Mr Cassidy acknowledged that meaningful activity was primarily sought after, the challenging being to qualitatively improve on what was currently on offer to older people. By contrast, research had indicated that befriending services were not regarded in the same way.

Councillor Umeh welcomed the report and asked how the approach to SIL would address language and cultural barriers for BAME and LGBTQ which might prevent older people from accessing provision. Ms Mackie explained that the Commission had gone to great lengths to speak to communities whose first language was not English, covering many diverse groups. The

Chair of the Commission would have been able to elaborate further, but this had been a big and rewarding experience for members of the Commission.

Jim Grealy referenced an earlier point regarding social prescribing and ways by which the CCG could be encouraged to develop a broader and deeper understanding of the LBHF population demographic. The Borough was relatively young but the CCG did not include qualitative associations in their perspective. Focusing on the introduction to the report, he observed that older people found it increasingly difficult to access primary care, more so than before. He suggested that a meeting with the CCG be convened to discuss the report. It was recognised that it was more efficient to extend GP appointment slots to accommodate discussion of multiple ailments than to return for multiple appointments, when considered in the context of the report. The qualitative data contained in the report created greater resonance than the generalised empirical data relied upon by the CCG.

Merrill Hammer suggested that further consideration should be given to “becoming older people” as there was no single group of older people. The issues of ‘becoming older people’ and health needs, was a concern which needed wider publicity and engagement.

Mr Cassidy offered to facilitate the report through the older people’s wellbeing workstream with the CCG and take it to their next meeting on transport. Mr Grealy suggested that the most helpful forum for this might be a round table discussion. The following actions were agreed:

1. Ian Cassidy to facilitate the OPC report to the CCG;
2. The report to be widely circulated, and provided to organisations such as Save Our Hospitals, and, CCG patient reference groups, as determined by the Commission;
3. To ensure that the report feeds into the NHS consultation on digital working;
4. To highlight concerns around how older people accessed primary care appointments, given the number of potential GP closures, practice consolidation or hub closures, with travel to these appointments being a primary concern; and
5. Officers to explore the feasibility of setting up a sub-group of the Committee to meet with the CCG and members of the Commission;
6. To identify and consider wider engagement opportunities to promote and publicise the findings of the report.

RESOLVED

That the report be noted.

224. WORK PROGRAMME

RESOLVED

That the report be noted.

225. DATES OF FUTURE MEETINGS

The Committee noted that the date of the next meeting was Monday, 11 February 2019.

Meeting started: 7pm


Meeting ended: 9:42pm

Chair

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Agenda Item 4

<p>London Borough of Hammersmith & Fulham</p> <p>Health, Adult Social Care & Social Inclusion Policy Accountability Committee</p> <p>11 February 2019</p>	
2019 Medium Term Financial Strategy (MTFS)	
Report of the Cabinet Member for Finance and Commercial Services	
Report Status: Open	
Classification: For review and comment.	
Key Decision: No	
Wards Affected: All	
Accountable Director: Lisa Redfern – Strategic Director of Social Care & Public Sector Reform	
Report Authors: <u>Corporate Overview</u> Hitesh Jolapara – Strategic Director, Finance and Governance Emily Hill – Assistant Director, Corporate Finance <u>Adult Social Care Department</u> Lisa Redfern – Strategic Director of Social Care & Public Sector Reform	Contact Details: Tel: 020 8753 3145 E-mail: emily.hill@lbhf.gov.uk Tel: 020 8753 2523 E-mail: prakash.daryanani@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. Cabinet will present their revenue budget and council tax proposals to Budget Council on 27th February 2019. A balanced budget will be set in accordance with the Local Government Finance Act 1992.
- 1.2. This report sets out the budget proposals for the services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges.
- 1.3. The council is entering into the 10th year of government-imposed austerity. This year's reduction in government investment is £3.5m, meaning a total reduction of £73m (a real terms reduction of 59% from government).
- 1.4. Government resource assumptions, that are used to calculate Government grant for the London Borough of Hammersmith & Fulham

(LBHF), model the Council increasing council tax by 3% in 2019/20. Council Tax has not increased in LBHF in recent years and was last reduced in 2015/16, bringing it to its lowest level since 2002/03. Over the last four years the Band D charge of £727.81 has reduced by 8.4% in real terms and is 34% lower than the London average of £1,112.

- 1.5. The government has modelled an adult social care precept since 2016/17. Government funding modelling assumes that this has been applied despite LBHF choosing not to apply it over recent budgets. Due to the continued high levels of inflation in the social care market and the Government's continued failure to propose a long-term funding solution to social care funding, for the first time the Council proposes to allow 2% of the government's adult social care levy for 2019/20. This compares to the 8% precept assumed, by the government, over the four years to 2019/20.
- 1.6. In accordance with the administration's policy of keeping the council tax low while protecting and improving services, the Council's budgeted council tax increase is restricted to an inflationary increase of 2.7%. This is pegged to the August 2018 increase in the Consumer Price Index and below the August Retail Price Index increase of 3.5%.

2. RECOMMENDATIONS

- 2.1. That the Policy and Accountability Committee (PAC) considers the budget proposals and makes recommendations to Cabinet as appropriate.
- 2.2. That the PAC considers the proposed changes to fees and charges and makes recommendations as appropriate.

3. THE BUDGET GAP

- 3.1. The 2018/19 gross General Fund budget¹ is £560m of which the **net budget requirement of £151.8m** is funded from council resources (such as council tax and business rates) and general government grant.

¹ Figures exclude capital charges and internal service level agreements. These have a net nil impact on the budget.

Table 1 - 2018/19 Budget requirement

Budgeted Expenditure	£'m
Housing Benefit Payments	145
Departmental Budgets	415
Gross Budgeted Expenditure	560
Less:	
Specific Government Grant (including housing benefits and dedicated schools grant)	(272)
Fees and charges	(65)
Contributions (e.g. health, other boroughs)	(49)
Other Income (e.g. investment interest, recharges to the Housing Revenue Account)	(22.2)
Net Budget Requirement	151.8

- 3.2. For 2019/20 the forecast budget gap, before savings, is £10.3m, rising to £48.6m by 2022/23. The budget is based on several key assumptions regarding resources and expenditure.

Table 2 - Budget Gap Before Savings

	2019/20	2020/21	2021/22	2022/23
	£'m	£'m	£'m	£'m
Base Budget	151.8	151.8	151.8	151.8
Add:				
- Cumulative Inflation (includes pay)	3.0	8.2	13.4	18.6
- Cumulative headroom	0.0	6.0	12.0	18.0
- Growth	10.8	10.7	10.4	10.4
Budgeted Expenditure	165.6	176.7	187.6	198.8
Less:				
- Government Resources	(15.2)	(10.4)	(9.9)	(9.4)
- Business Rates	(74.2)	(75.6)	(77.1)	(78.6)
- Forecast 2018/19 100% Business Rates Growth Pilot Surplus	(2.0)			
Council Tax & Collection Fund Surplus	(59.4)	(59.8)	(60.4)	(61.0)
Adult Social Care Precept	(1.2)	(1.2)	(1.2)	(1.2)
- Use of Developer Contributions	(3.3) *	(3.3) *	0.0	0.0
Budgeted Resources	(155.3)	(150.3)	(148.6)	(150.2)
Cumulative Budget Gap Before Savings	10.3	26.4	39.0	48.6

* The Base Budget also includes funding of £1.7m from developer contributions for enhanced policing.

Budget Assumptions

- 3.3. Grant funding has been cut in each year since 2010/11. The total reduction since April 2010 to April 2019 has been £73m. This is a cash terms reduction of 47% and real terms reduction of 59%. Funding is forecast to reduce by a further 5% per annum from 2020/21 onwards with no continuation of new one-off funding of £4m received in 2019/20.
- 3.4. **An adult social care precept** of 2% is modelled for 2019/20. This will generate additional income of £4.6m over 4 years and £1.15m in the first year. The Council is committed to use such funding to support adult social care. The 2019/20 budget proposals include provision of £4.1m for adult social care spend pressures and inflation. Part of these pressures will be met from increased better care funding grant of £1.8m and winter pressures grant of £0.9m.
- 3.5. **An inflationary Council Tax** increase of 2.7% is modelled for 2019/20. A 2.7% increase will generate additional income of £6.3m over 4 years and £1.56m in the first year. This will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. Council tax will remain the third lowest in the country.
- 3.6. **The business rates system will change** for a third successive year. A rates revaluation in 2017/18 was followed by a pilot 100% rates retention scheme (for any growth in business) for London in 2018/19. Government has decided to reduce this to a 75% retention pilot in 2019/20.

Table 3 – Business Rates Retention Scheme

Business Rates Retained:	Proportion of Rates Income		
	2017/18	2018/19	2019/20
Hammersmith & Fulham	30%	67%	48%
Greater London Authority (GLA)	37%	33%	27%
Government	33%	0%	25%
	100%	100%	100%

- 3.7. London Local Government worked to take forward a 100% business rates retention pilot for London from April 2018. This pools business rates across the 33 London Boroughs and GLA. Under this arrangement London keeps 100% of any growth in business rates, though business rates valuations and levels are still set by Government. Updated mid-year modelling identifies a one-off benefit to LBHF of £2.0m from the pool and this is included in 2019/20 forecast resources. Final figures will be confirmed in September 2019.
- 3.8. For 2019/20 the government has ended the 100% pilot. London Local Government has negotiated a new pilot; however, the imposition by

Central government of a 75% pilot will reduce the benefits to the London Boroughs and GLA. Indicative modelling suggests a one-off benefit for LBHF of £1.2m. This modelling is based on an aggregation of high level estimates and before Boroughs have submitted detailed 2019/20 figures. The actual benefit will not be confirmed until September 2020. This sum is not taken account of within the 2019/20 budgeted resources.

- 3.9 Under the 75% pilot LBHF potentially receives a share of London’s future business growth. The pilot arrangements also require compensating adjustments in other funding streams.

Table 4: Changes to 2019/20 Funding Streams from the 75% Business Rates Pilot

	No-Pilot	With Pilot
Business Rates Baseline	76.9	123.0
Tariff payable to the Government	16.1	45.0
Funding Baseline	60.9	78.0
Revenue Support Grant	17.1	0
Total LBHF Funding	78.0	78.0
Safety net threshold	73.4	74.1

- 3.10 Table 4 sets out the sum assumed (£78.0m) by the Government in the 2019 Local Government Finance Settlement. In recent years the Council has received less than the assumed sum of business rates due to the impact of rating appeals. A safety net threshold is set which guarantees a minimum income to the Council. A further advantage of the pilot is that this threshold is set at a higher level (by £0.7m).
- 3.11 An updated forecast for business rates will be carried out by all boroughs in January 2019. This will provide greater clarity on the LBHF estimate and the potential benefits from the pilot pool arrangements.
- 3.12 The Government are undertaking a ‘fair funding’ review which will inform the 2020/21 Local Government Finance Settlement. This will impact on how grant and business rates are distributed between authorities. A Green paper is also due on the longer-term funding for adult social care. These changes, combined with current economic uncertainty, add significant risk to the funding forecast beyond 2019/20.
- 3.13 Planning obligations under s.106 of the Town and Country Planning Act 1990 (as amended), known as s.106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not

otherwise be acceptable. They are focused on site specific mitigation of the impact of development. Property developments have placed increased pressure on council services in recent years.

- 3.14 Legal tests governing the use of s.106 agreements are set out in regulation 122 and 123 of the CIL Regulations 2010 as amended. The tests are:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
- 3.15 Local planning authorities are required to use the funding in accordance with the terms of the individual planning obligation legal agreement. This will ensure new developments are acceptable; benefit local communities and support the provision of local infrastructure. In LBHF there are three broad categories of s.106 contributions received:
- for a specific purpose defined and described in the s.106 agreement (such as specific highway works)
 - for a general functional purpose defined and described in the s.106 agreement but with geographical constraints (such as provision of community infrastructure in the White City area)
 - for a general purpose defined and described in the s.106 agreement but with no borough geographical constraints (such as economic development, education purposes, community safety initiatives etc).
- 3.16 Provided the Council respects the obligation to maintain a reasonable relationship with the developments and complies with the specific terms of each of the s.106 agreements giving rise to the funds, the Council has a degree of discretion as to how it allocates and spends some of the general purpose funds. The council has analysed all its s.106 agreements to determine funds with general purposes that can be considered for budgeting purposes. As is usual in these circumstances, many areas of Council activity that have faced increased demand following new developments offer a good fit with the purposes of some of the uncommitted s.106 funds which can therefore be lawfully used to finance such activities.
- 3.17 The 2019/20 budget assumes that £3.3m of expenditure will be funded from s.106 resources. In addition, contributions of £1.7m per annum are assumed towards the provision of enhanced policing. The Council has considered the level of general purposes funds available and has forecast s.106 receipts in hand at the end of 2018/19 of £11m. After estimating future receipts and commitments, including 2019/20 budget commitments, £9.6m is forecast to be in hand at the end of 2019/20. The forecasts are based on assumptions around implementation and completion of planning applications, as approved, the expected time of developments commencing and reaching trigger points. Looking further ahead, the level of uncertainty around trigger points increases and forecasts are less certain.

- 3.18 **Inflation.** A pay award of 2% per annum has been modelled. Inflation has also been provided, on a case by case basis, to meet contractual requirements.

GROWTH, SAVINGS AND RISKS

- 4.1 The growth and savings proposals for the services covered by this PAC are set out in Appendix 1 with budget risks set out in Appendix 2.

Growth

- 4.2 Budget growth is summarised by Service Area in Table 5.

Table 5: 2019/20 Growth Proposals

Service Area	£'m
Children's Services	3.3
Growth & Place	0.1
Public Services Reform	2.6
Social Care	3.6
Council Wide	0.7
Zero Based Budgeting and Service Redesign	0.5
Total	10.8

Savings

- 4.3 The Council faces a continuing financial challenge due to overall Central Government funding cuts, unfunded burdens, inflation, and demand and growth pressures. The budget gap will increase in each of the next three years if no action is taken to reduce expenditure, generate more income through commercial revenue or continue to grow the number of dwellings and businesses in the borough.
- 4.4 To close the budget gap for 2019/20, savings (including additional income) of £10.3m are proposed.

Table 6: 2019/20 Savings and Additional Income

Service Area	£'m
Children's Services	(1.3)
Corporate Services	(0.3)
Finance & Governance	(1.6)
Growth & Place	(0.8)
Public Services Reform	(0.8)
Residents' Services	(2.4)
Social Care	(3.1)
Savings	(10.3)

4.5 The saving proposals are categorised by savings area in Table 7.

Table 7: Categorisation of Savings and Additional Income

	2018/19 £'m	2019/20 £'m
Business Intelligence	(0.4)	0.0
Budgets realigned with spend and income	(0.2)	(1.8)
Commercialisation	(3.4)	(0.5)
Estate Rationalisation	(0.1)	0.0
Income	(0.5)	(0.1)
Outside investment secured	(0.1)	0.0
Prevention	(1.6)	0.0
Procurement / Commissioning	(5.1)	(1.6)
Service reconfiguration	(3.1)	(4.1)
Staffing / Productivity	(0.9)	(2.2)
Total All Savings	(15.4)	(10.3)

Budget Risk and Reserves

- 4.6 The Council's General Fund gross budget is £560m. Within a budget of this magnitude there are inevitably areas of risk and uncertainty particularly within the current challenging financial environment. The key financial risks that face the Council have been identified and quantified. They total £25m. Financial risks of £19.5m were identified when the 2018/19 Budget was set.
- 4.7 The level of balances and reserves are examined each year in light of the medium-term opportunities and risks facing the authority. The latest reserves forecast to 2021/22 assuming no overspends is set out in Table 8.

Table 8: Reserves Forecast to 2021/22

	Opening balance	Budgeted contributions to 2021/22	Commitments to 2021/22	Total
	£m	£m	£m	£m
Earmarked reserves	(79.146)	(7.691)	50.267	(36.570)
King Street Decant Costs				27.300
Estimated profit from JV				(11.100)
Forecast earmarked reserves				(20.370)
General balances				(19.004)
Earmarked restricted reserves				(15.583)
Total reserves				(54.957)

4.8 The existing commitments include:

- The planned investment of earmarked reserves on council priorities (for example implementing the IT strategy, incentive payments to landlords or managed services implementation).
- Prudently setting aside amounts to protect against budgetary risks such as the £14m regarding the forecast shortfall in Dedicated Schools Grant for the **High Needs Block**.
- The existing commitments include £5.4m of planned invest to save investment. The Council is considering capitalising such expenditure in accordance with a Government Regulation on the flexible use of capital receipts. Should such expenditure be capitalised the forecast balance of reserves will increase.

4.9 Funding for pupils with **high needs** is provided through Dedicated Schools Grant from government. A recent children's services finance survey showed that London boroughs were spending £78m more than their high needs grant allocation, with 32 out of 33 boroughs reporting a shortfall. For LBHF the cumulative shortfall in funding is forecast to be £14.2m by the close of 2018/19. The Council is developing options for a deficit recovery plan and has contacted the government to discuss funding levels. It is also discussing how this should be treated on the Council's Balance sheet following a consultation by the Education Funding Agency. Pending further clarification, the Council has set aside a reserve to cover the potential deficit.

4.10 Looking to the future an anticipated use of reserves is a planned investment of £27.3m in the King Street West Regeneration project with a forecast profit of £11.1m coming back to the Council from the proposed Joint Venture profits. This scheme will be considered at Full Council on 23 January 2019. The Council will benefit from efficiencies

in delivering modern, inclusively designed and fit-for-purpose office and civic accommodation for its staff and visitors, as well as for small and start-up businesses. It also avoids the need for significant capital investment in the existing Town Hall and Town Hall Extension, which in 2017 was estimated at between £29.2 million and £53.5 million for both buildings, depending on the extent of refurbishment works undertaken. These figures exclude professional fees (estimated to be at least £2million to tender stage) and the cost of decanting staff to allow works to take place.

- 4.11 Maintaining reserves and balances at an adequate level is essential to the future financial resilience of the Council. For example, an overspend of £4.9m is forecast in the month 6 Corporate Revenue Monitor. This will be a further call on reserves unless the overspend is tackled by year-end.
- 4.12 Reserves can only be spent once. The forecast to 2021/22 identifies a tightening in the Council's finances that will need careful management and review. Continued focus will be required on keeping spend within budget and avoiding the use reserves to balance future budgets and rebuilding reserves for future investments.

5 FEES AND CHARGES

- 5.1 The budget strategy assumes:
- Social Care charges frozen
 - A standard uplift of 3.5% based on the August 2018 Retail Price Index for other charges
 - Case by case review for commercial services that are charged on a for-profit basis. These will be varied up and down in response to market conditions, with relevant Member approval.
- 5.2 A list of the currently proposed exceptions to the standard 3.9% increase for this Department, is set out in Appendix 3.

6 2019/20 COUNCIL TAX LEVELS

- 6.1 The administration proposes to increase the Hammersmith and Fulham element of 2019/20 Council Tax in line with inflation, by 2.7%. A 2.7% increase will generate additional income of £6.3m over 4 years and annual income of £1.56m and will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. As set out below, 52% of dwellings are liable for 100% council tax with exemptions/discounts for Council Tax Support claimants, students, care leavers and single person households.

Table 9: Liability for Council Tax

Total dwellings in the borough	88,700
Reductions:	
Exemptions (mainly students, includes care leavers)	(3,600)
Council tax support claimants (elderly & working age on low income)	(11,200)
Single person discount (25% discount)	(28,200)
Dwellings liable for 100% of Council tax	45,700 52%

- 6.2 **An adult social care precept** levy of 2% is budgeted for 2019/20 with a freeze in future years. This will generate additional income of £4.6m over 4 years and £1.15m in 2019/20. This will increase the Band D Council Tax charge by £14.55 (4p per day).
- 6.3 The Mayor of London's draft budget is currently out for consultation and is due to be presented to the London Assembly on 24 January 2019, with final confirmation of precepts on 25 February. The current Band D precept is £294.23.
- 6.4 The change to the LBHF Band D charge is set out in Table 10. The current LBHF Band D charge of £727.81 is 34% lower than the London average of £1,112. The overall Band D charge, including the GLA precept, is the third lowest in the country.

Table 10: LBHF Band D Council Tax Charge

2018/19 LBHF Band D charge	£727.81
Proposed 2019/20 Increase of 2.7%	£19.65
Proposed 2% Adult Social Care precept	£14.55
2019/20 Total LBHF Band D charge	£762.01

7. Comments of the Strategic Director of Social Care & Public Services on the Budget Proposals

7.1. Budget Context – Achievements, Challenges and Risks

There is much to be proud of about the Council's achievements in improving adult social care despite significant funding challenges exacerbated by major reductions in central government funding.

Since 2015, Hammersmith & Fulham (H&F) is the only Council in the country to have abolished home care charges for Older and Disabled residents. We have

also reduced the cost to residents on meals on wheels to only £2 and frozen the cost to residents of Careline.

The Council is passionate and ambitious about its social care agenda. It is committed to supporting the independence of residents by offering genuinely personalised and independent options to those who need services. The Council remains committed to high quality social care delivery and to mitigating where possible the financial pressures facing the borough's Disabled and Older People, most of whom are living on a limited fixed income.

We are seeing increasing demand for our services as residents are living longer and have more acute social and health care needs. This pressure is being magnified by hospitals increasingly discharging patients early, which can require us to provide more intensive social care support earlier in a person's care and for a longer period.

A strengthened focus on co-production with residents is at the heart of how the Council develops and delivers all its adult social care services. Co-production is a core recommendation of the resident-led Disabled People's Commission, whose report has been accepted in full by the Cabinet. To take just one example, this approach will underpin implementation of the recommendations of the Council's Working Group on improving transitions for Young Disabled People.

Working closely with residents and community partners, the Council is committed to reducing social isolation and loneliness. This is also a priority for the borough's Health & Wellbeing Board and for H&F's resident-led Older People's Commission. It will entail closer working with carers, among others and co-producing new ways of delivering support.

7.2. Care Market

The care market across inner London is particularly fragile and work by the Association of Directors of Adult Social Services (ADASS) highlights inner London as having significant pressures across all care groups. The acuity and level of complexity of people's needs are increasing alongside demographic changes.

Workforce pressures from increases in wages, sleep-in allowances and housing costs will affect the retention and quality of staff. The London Living Wage will increase by 3.43% and the National Minimum Wage by 4.85% in 2019/20 as announced in the last Chancellor's Budget.

As prices have been driven down over the last few years, a lack of investment has compounded the market's ability to rise to these challenges. Locally, this has led to pressures in the care market and more recently higher prices paid out to maintain market stability.

7.3. Health Funding position

The Hammersmith & Fulham Clinical Commissioning Group (CCG) has a deteriorating financial position and is developing a long list of expenditure reduction options in 2019/20 in order to meet its anticipated £27m of savings.

One of the main financial challenges for the CCG is the GP At Hand programme, which is showing a significant overspend. The CCG provide funding of £6.2m to protect social care and endeavouring to secure ongoing funding with the CCG is a challenging exercise.

Like all councils, we are in the difficult situation of not having been told by the government whether any additional funding will be available after 2019/20. The Better Care Fund (BCF) includes an allocation for “Social Care to Benefit Health” funding which local authorities have received for the past six years and which is being used to sustain local social services.

7.4. Growth

The 2019/20 budget for Adult Social Care (ASC) is proposing total growth of £3.6m. This is from various funding sources.

Source of funding	Amount (£m)	Comments
Improved Better Care Fund (iBCF)	1.563	This is an increase from 2018/19 and represents the last year of the iBCF.
Winter Pressures Grant	0.918	As announced in the 2018 Budget Settlement.
Adult Social Care Precept	1.150	The precept is modelled at 2% for 2019/20 which would generate additional income of £1.15 million per annum.
Total	3.631	

Adult Social Care is proposing to spend this additional funding on the following budgetary pressures:

1. Contract inflation and Living Wage price rises.
2. Care Market pressures from increased demand and acuity of need for home care and direct payment residents.
3. Demographics - residents living longer with more complex health needs.
4. Learning Disability Transitions - residents transitioning from Children’s to Adult Social Care services.

7.5. **Adult Social Care Savings Strategy**

Our future savings plan aims to deliver change at a time of increasing demand, uncertainty and risk. Many of the proposed savings require partnership working with local people, their families and friends, Health, housing and other community stakeholders.

Delivery will be supported by various programmes of work that focus on the following:

- Service efficiencies – savings of £1.617m
- Improving productivity and systems and control – savings of £1.305m
- Collaborative approaches – savings of £0.128m
- Commercial income – savings of £0.036m

Total savings of £3.086m

Priorities will be on co-production with local people and extending choice and control to more residents through Direct Payments.

We will work to re-design services so that they more effectively support independence, prevent demand for high cost health and social care services.

Please refer to Appendix 1 for further detail of each savings proposal.

7.6. **Risks**

The main risks can be summarised as a potential for contract inflation and wage pressures to be greater than budgeted for and various grant programmes which will end in March 2020. Currently, it is unknown what additional funding will be available for these programmes.

Appendix 2 provides further details and mitigating actions.

7.7. **Fees and Charges**

Despite fierce central government funding cuts, the administration proposes to continue its commitment to making life more affordable for Older and Disabled residents by providing home care free of charge, low cost meals on wheels and not increasing Careline charges.

The cost of meals on wheels to residents is currently only £2, reduced from £4.50 in 2014/15. This would maintain the £2 charge for a fourth consecutive year and freezing Careline charges for a third consecutive year.

See Appendix 3 for further details.

8. Equality Implications

A draft Equality Impact Analysis (EIA), which assesses the impacts on equality of the main items in the budget proposals relevant to this PAC, is attached as Appendix 4. A final EIA will be reported to Budget Council.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext. of holder of file/copy	Department/ Location
1.	None	Prakash Daryanani / Ext 2523	ASC / 145,King Street

Appendix 1 – Savings and Growth Proposals

Appendix 2 – Risks

Appendix 3 – Fees & Charges not Increasing at the Standard Rate

Appendix 4 – Draft Equality Impact Assessment

Appendix 1: Adult Social Care 2019/20 Growth and Savings

Financial Strategy Growth				Budget Change			
Service	Description			2019-20 Budget Change Cumulative (£000's)	2020-21 Budget Change Cumulative (£000's)	2021-22 Budget Change Cumulative (£000's)	2022-23 Budget Change Cumulative (£000's)
	Investment in Adult Social Care offering for Disabled persons and Older People.			3,631	3,631	3,631	3,631
Total Growth				3,631	3,631	3,631	3,631

Financial Strategy Savings				Budget Change				
Service	Description	Lead Officer	Impact on Residents (H-M-L)	Delivery Risk (H-M-L)	2019-20 Budget Change Cumulative (£000's)	2020-21 Budget Change Cumulative (£000's)	2021-22 Budget Change Cumulative (£000's)	2022-23 Budget Change Cumulative (£000's)
Savings								
Care and Assessment	To promote independence and improved assessment of payments.	Phillip Sharpe	Low	Medium	(950)	(950)	(950)	(950)
Learning Disabilities	Jointly with Children's services, Education and the NHS, improve the earlier planning of Young Disabled People transitioning into adulthood and move to an Integrated Preparation to Adulthood Service with Children's social care, Education and NHS services.	Phil Williams	Medium	Medium	(555)	(555)	(555)	(555)
Care and Assessment	To co-produce and improve the Direct Payment system.	Phillip Sharpe	Low	Low	(350)	(350)	(350)	(350)
In-House Services	Redesign of the in-house community access service.	Nia Evans	Low	Medium	(175)	(175)	(175)	(175)
All	Agency Savings of 50% achieved and further agency reductions.	Lisa Redfern	Low	Medium	(400)	(400)	(400)	(400)
Care and Assessment	Continued improvements in productivity and smarter working practices.	Phillip Sharpe	Medium	High	(300)	(300)	(300)	(300)
Preventative	Public Health funding for meals on wheels service.	Prakash Daryanani	Low	Low	(128)	(128)	(128)	(128)
Care and Assessment	Improved productivity of the brokerage function through the use of targets and tighter controls.	Claire Collins	Low	Medium	(100)	(100)	(100)	(100)
Mental Health	Increased contribution for West London Mental Health Trust.	Phillip Sharpe	Low	Low	(60)	(60)	(60)	(60)
Directorate	Withdrawal from the West London Alliance Social Care contributions (Social Care and PSR).	Lisa Redfern	Low	Low	(21)	(21)	(21)	(21)
In-House Services	Further promote independence through planning transport options	Nia Evans	Low	Medium	(11)	(11)	(11)	(11)
Commissioning - PSR	Review of benchmarking performance indicators for nursing and extra care sheltered homes.	Kirstie Haines	Low	High	(36)	(36)	(36)	(36)
Total Savings					(3,086)	(3,086)	(3,086)	(3,086)

Appendix 2: Adult Social Care Budget Risks 2019/20

Department & Division	Short Description of Risk	Risk				Mitigation
		2019/20 Value (£000's)	2020/21 Value (£000's)	2021/22 Value (£000's)	2022/23 Value (£000's)	
Adult Social Care						
All divisions	There is the potential for contract inflation and wage pressures to be greater than budgeted for as the National Minimum Wage and London Living Wage are to increase from 2019/20.	1,534	1,534	1,534	1,534	The Commercial division in Public Sector Reform (PSR) will negotiate with providers on the inflationary increases to be awarded and this will need to be monitored through this process.
All divisions	Year on year savings programmes are increasingly difficult to deliver.	748	748	748	748	The Director has a monthly budget monitoring board meeting which will monitor each savings programme and identify compensating actions for potential non-delivery.
All divisions	Non-recurrent grant funding of Winter pressures ending after 2019/2020.	0	918	918	918	The Council is waiting for the announcement of the Government's 'fair funding' review to see how the impact of non-recurrent grant funding may be distributed.
All divisions	Ending of Improved Better Care Fund in March 2020.	0	8,814	8,814	8,814	
Adult Social Care Total		2,282	12,014	12,014	12,014	

Appendix 3: Adult Social Care Fees & Charges for Meals on wheels service and Careline 2019/20

Fee Description	2018/19 Charge (£)	2019/20 Charge (£)	Proposed Variation (%)	Total Estimated Income Stream for 2018/19 (£)	Total Estimated Income Stream for 2019/20 (£)	Reason For Variation Not At Standard Rate	
1. Meals on wheels service charges	£2.00	£2.00	→ 0.0%	£67,000	£72,000	The Council's Budget strategy assumes Social Care charges are frozen. As a result, there is no change proposed to the flat rate contribution residents will pay towards the meal on wheels service for 2019/20. This will be the fourth consecutive year the meals charge will remain unchanged. However, the meals numbers are continuing to increase year on year reflecting the greater estimated income stream figure for 2019/20.	
2a. Careline Alarm Gold Service (Pendant)							
Private Clients (Home owners & Private Sector Tenants)	£23.14	£23.14	→ 0.0%	£45,900	£45,900	The Council's Budget strategy assumes Social Care charges are frozen. As a result, there is no change proposed to the Careline charge in 2019/20 which will be for the third consecutive year.	
Council Non-Sheltered or Housing Association (RSL) Tenants	£17.21	£17.21	→ 0.0%	£15,600	£15,600		
2b. Careline Alarm Silver Service (Pendant) - Monitoring Service only							
Private Clients (Home owners & Private Sector Tenants)	£16.12	£16.12	→ 0.0%	£22,800	£22,800		
Council Non-Sheltered or Housing Association (RSL) Tenants	£10.30	£10.30	→ 0.0%	£5,700	£5,700		
2c. Careline Alarm Gold Service (Pull cord) - Emergency Response & Monitoring Service							
(A) Provided to Registered Social Landlord Sheltered Accommodations (RSL Financed)	£6.76	£6.76	→ 0.0%	£23,300	£23,300		

Appendix 4: Adult Social Care Equality Impact Assessment

Adult Social Care

There are on-going pressures on Adult Social Care budgets due to market cost pressures and forecast demand growth for care services as a result of increasing numbers of Older People, people with Disabilities and people with long term health conditions needing care. These demographic pressures are exacerbated by increasing pressure from hospitals to discharge patients in a timely fashion, particularly during the winter months. There is also added pressure from reduced capacity to make efficiencies from external care providers without affecting the quality of care they provide, along with an increase in homecare costs.

The state of the market and unavoidable cost pressures will continue to be a major challenge. Activity and level of complexity are increasing alongside demographic changes, workforce pressures from the London Living Wage and the driving down of price are all major dynamics that are impacting on the availability and quality of services.

Savings

The 2019/20 savings proposals are detailed in this report. The proposals, which total £3.086m are largely continuations of 2018/19 plans with a focus on promoting independence and early intervention, without any anticipated adverse impact on people who use the services. All the proposals therefore have a neutral equalities impact.

To promote independence and improved assessment of payments - £0.950m

Working to improve the consistency, quality and creativity of social work practice will ensure the potential for independent living and prevention is at the forefront of all assessments and reviews. This work is being delivered through a number of strands.

There are no equalities impacts of this work – eligible care needs will continue to be fully met. Proposals will give residents more options for how their support is delivered.

Transition into adulthood for Young People with Special Educational Needs/Disabilities (SEND) - £0.555m

At the age of 18, Young Disabled People move from Children's into Adult Social Care Services. Improving the transitional period from the age of 14 has been a major focus of the department in 2018/19 through the Preparation for Adulthood Programme which has established an integrated Adults/Children's team. Social Care will work with each SEND Young Person to ensure they are ready for as independent a life as possible. This focus from

an earlier age will improve Young People's experiences of the transition process and in so doing it is expected that many will avoid the more traditional types of long-term and expensive services.

There are no equality implications to this proposal which is Care Act compliant, eligible care needs will be continued to be met.

To co-produce and improve the Direct Payment system – £0.350m

Direct Payments are a way of residents having more choice and control over the care and support they receive, ie by giving them money directly to choose to spend in order to meet their needs.

For a variety of reasons including going into hospital, holidays, staying with relatives may result in a person having a surplus in their account. These surplus funds need to be collected by the Council in a sensitive, timely and efficient manner.

This efficiency will have a neutral equalities impact.

Redesign of the in-house community access service - £0.175m

The proposal is to re-design this in-house service and transfer the responsibility into the H&F Adult Social Care Advice Team.

Eligibility criteria will remain the same and the quality of the service is not reduced and therefore a neutral equalities impact.

Agency Savings of 50% achieved and further agency reductions - £0.400m

The department has reduced its agency staff by 50% and the continuation of this proposal will result in improved quality and consistency of permanent staff supporting residents. Being a sovereign Borough service has and will be enabling a greater focus on delivering the saving. The equalities impact is therefore considered to be positive for both residents and staff.

Continued improvements in productivity and smarter working practices - £0.300m

The Interim Assistant Director conducted a review of operational efficiency which determined that there needs to be a greater focus on target setting and productivity in the assessment and reviews processes.

The equalities impact is considered neutral for both residents and staff.

Public Health funding for meals on wheels service - £0.128m

The Meals on Wheels service is an effective preventative function currently funded as part of the Council's net budget requirement, the social care general fund. This proposal is for alternative investment from the Public Health Grant.

By providing a fully prepared nutritious meal and a daily visit, the residents' needs, monitoring and well-being are being catered for as a good preventative service.

Moving the funding of the Meals on Wheels service from Adults Social Care to Public Health will have no equality implications – there is no intention to reduce the level of service.

Improved productivity of the brokerage function through the use of targets and tighter controls – £0.100m

The brokerage team is responsible for co-ordinating care home placements. This has been operating as a sovereign service since 1 October 2018 with tighter management controls.

There are no equalities implications arising from this change.

Increased contribution for West London Mental Health Trust - £0.060m

The Trust will now fund a Psychologist service which was previously funded from Adult Social Care. This will have a neutral equalities impact.

Withdrawal from the West London Alliance Social Care contributions - £0.021m

This is the WLA meeting for Directors of Social Services. It is not a front-line service and therefore has no equalities implications.


Further promote independence through planning transport options – £0.011m

This efficiency saving will promote independence by focussing on reviewing the transport options for residents who use day centres. The process will be more person-focused, i.e. planning transport with residents not for them and using alternative and flexible options where possible.

This proposal will have a positive equalities impact.

Review of benchmarking performance indicators for nursing and extra care sheltered homes - £0.036m

This saving comes from reclaiming voids across the Council's two nursing homes and one extra care sheltered home. Residents will not be affected by this measure and there will be no equalities implications.

<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">Health, Inclusion and Social Care Policy and Accountability Committee</p> <p align="center">11 February 2019</p>	
<p>2019 Medium Term Financial Strategy (MTFS)</p>	
<p>Report of the Cabinet Member for Finance and Commercial Services</p>	
<p>Report Status: Open</p>	
<p>Classification: For review and comment.</p>	
<p>Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Lisa Redfern – Strategic Director of Social Care & Public Sector Reform</p>	
<p>Report Authors: <u>Corporate Overview</u> Hitesh Jolapara – Strategic Director, Finance and Governance Emily Hill – Assistant Director, Corporate Finance <u>Public Health</u> Anita Parkin – Director of Public Health</p>	<p>Contact Details: Tel: 020 8753 3145 E-mail: emily.hill@lbhf.gov.uk E-mail: anita.parkin@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Cabinet will present their revenue budget and council tax proposals to Budget Council on 27th February 2019. A balanced budget will be set in accordance with the Local Government Finance Act 1992.
- 1.2. This report sets out the budget proposals for the services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges.
- 1.3. The council is entering into the 10th year of government-imposed austerity. This year's reduction in government investment is £3.5m, meaning a total reduction of £73m (a real terms reduction of 59% from government).
- 1.4. Government resource assumptions, that are used to calculate Government grant for the London Borough of Hammersmith & Fulham (LBHF), model the Council increasing council tax by 3% in 2019/20.

Council Tax has not increased in LBHF in recent years and was last reduced in 2015/16, bringing it to its lowest level since 2002/03. Over the last four years the Band D charge of £727.81 has reduced by 8.4% in real terms and is 34% lower than the London average of £1,112.

- 1.5. The government has modelled an adult social care precept since 2016/17. Government funding modelling assumes that this has been applied despite LBHF choosing not to apply it over recent budgets. Due to the continued high levels of inflation in the social care market and the Government's continued failure to propose a long-term funding solution to social care funding, for the first time the Council proposes to allow 2% of the government's adult social care levy for 2019/20. This compares to the 8% precept assumed, by the government, over the four years to 2019/20.
- 1.6. In accordance with the administration's policy of keeping the council tax low while protecting and improving services, the Council's budgeted council tax increase is restricted to an inflationary increase of 2.7%. This is pegged to the August 2018 increase in the Consumer Price Index and below the August Retail Price Index increase of 3.5%.

2. RECOMMENDATIONS

- 2.1. That the Policy and Accountability Committee (PAC) considers the budget proposals and makes recommendations to Cabinet as appropriate.
- 2.2. That the PAC considers the proposed changes to fees and charges and makes recommendations as appropriate.

3. THE BUDGET GAP

- 3.1. The 2018/19 gross General Fund budget¹ is £560m of which the **net budget requirement of £151.8m** is funded from council resources (such as council tax and business rates) and general government grant.

¹ Figures exclude capital charges and internal service level agreements. These have a net nil impact on the budget.

Table 1 - 2018/19 Budget requirement

Budgeted Expenditure	£'m
Housing Benefit Payments	145
Departmental Budgets	415
Gross Budgeted Expenditure	560
Less:	
Specific Government Grant (including housing benefits and dedicated schools grant)	(272)
Fees and charges	(65)
Contributions (e.g. health, other boroughs)	(49)
Other Income (e.g. investment interest, recharges to the Housing Revenue Account)	(22.2)
Net Budget Requirement	151.8

- 3.2. For 2019/20 the forecast budget gap, before savings, is £10.3m, rising to £48.6m by 2022/23. The budget is based on several key assumptions regarding resources and expenditure.

Table 2 - Budget Gap Before Savings

	2019/20	2020/21	2021/22	2022/23
	£'m	£'m	£'m	£'m
Base Budget	151.8	151.8	151.8	151.8
Add:				
- Cumulative Inflation (includes pay)	3.0	8.2	13.4	18.6
- Cumulative headroom	0.0	6.0	12.0	18.0
- Growth	10.8	10.7	10.4	10.4
Budgeted Expenditure	165.6	176.7	187.6	198.8
Less:				
- Government Resources	(15.2)	(10.4)	(9.9)	(9.4)
- Business Rates	(74.2)	(75.6)	(77.1)	(78.6)
- Forecast 2018/19 100% Business Rates Growth Pilot Surplus	(2.0)			
Council Tax & Collection Fund Surplus	(59.4)	(59.8)	(60.4)	(61.0)
Adult Social Care Precept	(1.2)	(1.2)	(1.2)	(1.2)
- Use of Developer Contributions	(3.3) *	(3.3) *	0.0	0.0
Budgeted Resources	(155.3)	(150.3)	(148.6)	(150.2)
Cumulative Budget Gap Before Savings	10.3	26.4	39.0	48.6

* The Base Budget also includes funding of £1.7m from developer contributions for enhanced policing.

Budget Assumptions

- 3.3. Grant funding has been cut in each year since 2010/11. The total reduction since April 2010 to April 2019 has been £73m. This is a cash terms reduction of 47% and real terms reduction of 59%. Funding is forecast to reduce by a further 5% per annum from 2020/21 onwards with no continuation of new one-off funding of £4m received in 2019/20.
- 3.4. **An adult social care precept** of 2% is modelled for 2019/20. This will generate additional income of £4.6m over 4 years and £1.15m in the first year. The Council is committed to use such funding to support adult social care. The 2019/20 budget proposals include provision of £4.1m for adult social care spend pressures and inflation. Part of these pressures will be met from increased better care funding grant of £1.8m and winter pressures grant of £0.9m.
- 3.5. **An inflationary Council Tax** increase of 2.7% is modelled for 2019/20. A 2.7% increase will generate additional income of £6.3m over 4 years and £1.56m in the first year. This will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. Council tax will remain the third lowest in the country.
- 3.6. **The business rates system will change** for a third successive year. A rates revaluation in 2017/18 was followed by a pilot 100% rates retention scheme (for any growth in business) for London in 2018/19. Government has decided to reduce this to a 75% retention pilot in 2019/20.

Table 3 – Business Rates Retention Scheme

Business Rates Retained:	Proportion of Rates Income		
	2017/18	2018/19	2019/20
Hammersmith & Fulham	30%	67%	48%
Greater London Authority (GLA)	37%	33%	27%
Government	33%	0	25%
	100%	100%	100%

- 3.7. London Local Government worked to take forward a 100% business rates retention pilot for London from April 2018. This pools business rates across the 33 London Boroughs and GLA. Under this arrangement London keeps 100% of any growth in business rates, though business rates valuations and levels are still set by Government. Updated mid-year modelling identifies a one-off benefit to LBHF of £2.0m from the pool and this is included in 2019/20 forecast resources. Final figures will be confirmed in September 2019.
- 3.8. For 2019/20 the government has ended the 100% pilot. London Local Government has negotiated a new pilot however the imposition by

Central government of a 75% pilot will reduce the benefits to the London Boroughs and GLA. Indicative modelling suggests a one-off benefit for LBHF of £1.2m. This modelling is based on an aggregation of high level estimates and before Boroughs have submitted detailed 2019/20 figures. The actual benefit will not be confirmed until September 2020. This sum is not taken account of within the 2019/20 budgeted resources.

- 3.9 Under the 75% pilot LBHF potentially receives a share of London’s future business growth. The pilot arrangements also require compensating adjustments in other funding streams.

Table 4: Changes to 2019/20 Funding Streams from the 75% Business Rates Pilot

	No-Pilot	With Pilot
Business Rates Baseline	76.9	123.0
Tariff payable to the Government	16.1	45.0
Funding Baseline	60.9	78.0
Revenue Support Grant	17.1	0
Total LBHF Funding	78.0	78.0
Safety net threshold	73.4	74.1

- 3.10 Table 4 sets out the sum assumed (£78.0m) by the Government in the 2019 Local Government Finance Settlement. In recent years the Council has received less than the assumed sum of business rates due to the impact of rating appeals. A safety net threshold is set which guarantees a minimum income to the Council. A further advantage of the pilot is that this threshold is set at a higher level (by £0.7m).
- 3.11 An updated forecast for business rates will be carried out by all boroughs in January 2019. This will provide greater clarity on the LBHF estimate and the potential benefits from the pilot pool arrangements.
- 3.12 The Government are undertaking a ‘**fair funding**’ review which will inform the 2020/21 Local Government Finance Settlement. This will impact on how grant and business rates are distributed between authorities. A Green paper is also due on the longer-term funding for adult social care. These changes, combined with current economic uncertainty, add significant risk to the funding forecast beyond 2019/20.
- 3.13 Planning obligations under s.106 of the Town and Country Planning Act 1990 (as amended), known as s.106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not

otherwise be acceptable. They are focused on site specific mitigation of the impact of development. Property developments have placed increased pressure on council services in recent years.

- 3.14 Legal tests governing the use of s.106 agreements are set out in regulation 122 and 123 of the CIL Regulations 2010 as amended. The tests are:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
- 3.15 Local planning authorities are required to use the funding in accordance with the terms of the individual planning obligation legal agreement. This will ensure new developments are acceptable; benefit local communities and support the provision of local infrastructure. In LBHF there are three broad categories of s.106 contributions received:
- for a specific purpose defined and described in the s.106 agreement (such as specific highway works)
 - for a general functional purpose defined and described in the s.106 agreement but with geographical constraints (such as provision of community infrastructure in the White City area)
 - for a general purpose defined and described in the s.106 agreement but with no borough geographical constraints (such as economic development, education purposes, community safety initiatives etc).
- 3.16 Provided the Council respects the obligation to maintain a reasonable relationship with the developments and complies with the specific terms of each of the s.106 agreements giving rise to the funds, the Council has a degree of discretion as to how it allocates and spends some of the general purpose funds. The council has analysed all its s.106 agreements to determine funds with general purposes that can be considered for budgeting purposes. As is usual in these circumstances, many areas of Council activity that have faced increased demand following new developments offer a good fit with the purposes of some of the uncommitted s.106 funds which can therefore be lawfully used to finance such activities.
- 3.17 The 2019/20 budget assumes that £3.3m of expenditure will be funded from s.106 resources. In addition, contributions of £1.7m per annum are assumed towards the provision of enhanced policing. The Council has considered the level of general purposes funds available and has forecast s.106 receipts in hand at the end of 2018/19 of £11m. After estimating future receipts and commitments, including 2019/20 budget commitments, £9.6m is forecast to be in hand at the end of 2019/20. The forecasts are based on assumptions around implementation and completion of planning applications, as approved, the expected time of developments commencing and reaching trigger points. Looking further ahead, the level of uncertainty around trigger points increases and forecasts are less certain.

- 3.18 **Inflation.** A pay award of 2% per annum has been modelled. Inflation has also been provided, on a case by case basis, to meet contractual requirements.

GROWTH, SAVINGS AND RISKS

- 4.1 Budget growth is summarised by Service Area in Table 5.

Table 5: 2019/20 Growth Proposals

Service Area	£'m
Children's Services	3.3
Growth & Place	0.1
Public Services Reform	2.6
Social Care	3.6
Council Wide	0.7
Zero Based Budgeting and Service Redesign	0.5
Total	10.8

Savings

- 4.2 The Council faces a continuing financial challenge due to overall Central Government funding cuts, unfunded burdens, inflation, and demand and growth pressures. The budget gap will increase in each of the next three years if no action is taken to reduce expenditure, generate more income through commercial revenue or continue to grow the number of dwellings and businesses in the borough.
- 4.3 To close the budget gap for 2019/20, savings (including additional income) of £10.3m are proposed.

Table 6: 2019/20 Savings and Additional Income

Service Area	£'m
Children's Services	(1.3)
Corporate Services	(0.3)
Finance & Governance	(1.6)
Growth & Place	(0.8)
Public Services Reform	(0.8)
Residents' Services	(2.4)
Social Care	(3.1)
Savings	(10.3)

4.5 The saving proposals are categorised by savings area in Table 7.

Table 7: Categorisation of Savings and Additional Income

	2018/19 £'m	2019/20 £'m
Business Intelligence	(0.4)	0.0
Budgets realigned with spend and income	(0.2)	(1.8)
Commercialisation	(3.4)	(0.5)
Estate Rationalisation	(0.1)	0.0
Income	(0.5)	(0.1)
Outside investment secured	(0.1)	0.0
Prevention	(1.6)	0.0
Procurement / Commissioning	(5.1)	(1.6)
Service reconfiguration	(3.1)	(4.1)
Staffing / Productivity	(0.9)	(2.2)
Total All Savings	(15.4)	(10.3)

Budget Risk and Reserves

- 4.6 The Council's General Fund gross budget is £560m. Within a budget of this magnitude there are inevitably areas of risk and uncertainty particularly within the current challenging financial environment. The key financial risks that face the Council have been identified and quantified. They total £25m. Financial risks of £19.5m were identified when the 2018/19 Budget was set.
- 4.7 The level of balances and reserves are examined each year in light of the medium-term opportunities and risks facing the authority. The latest reserves forecast to 2021/22 assuming no overspends is set out in Table 8.

Table 8: Reserves Forecast to 2021/22

	Opening balance	Budgeted contributions to 2021/22	Commitments to 2021/22	Total
	£m	£m	£m	£m
Earmarked reserves	(79.146)	(7.691)	50.267	(36.570)
King Street Decant Costs				27.300
Estimated profit from JV				(11.100)
Forecast earmarked reserves				(20.370)
General balances				(19.004)
Earmarked restricted reserves				(15.583)
Total reserves				(54.957)

4.8 The existing commitments include:

- The planned investment of earmarked reserves on council priorities (for example implementing the IT strategy, incentive payments to landlords or managed services implementation).
- Prudently setting aside amounts to protect against budgetary risks such as the £14m regarding the forecast shortfall in Dedicated Schools Grant for the **High Needs Block**.
- The existing commitments include £5.4m of planned invest to save investment. The Council is considering capitalising such expenditure in accordance with a Government Regulation on the flexible use of capital receipts. Should such expenditure be capitalised the forecast balance of reserves will increase.

4.9 Funding for pupils with **high needs** is provided through Dedicated Schools Grant from government. A recent children's services finance survey showed that London boroughs were spending £78m more than their high needs grant allocation, with 32 out of 33 boroughs reporting a shortfall. For LBHF the cumulative shortfall in funding is forecast to be £14.2m by the close of 2018/19. The Council is developing options for a deficit recovery plan and has contacted the government to discuss funding levels. It is also discussing how this should be treated on the Council's Balance sheet following a consultation by the Education Funding Agency. Pending further clarification, the Council has set aside a reserve to cover the potential deficit.

4.10 Looking to the future an anticipated use of reserves is a planned investment of £27.3m in the King Street West Regeneration project with a forecast profit of £11.1m coming back to the Council from the proposed Joint Venture profits. This scheme will be considered at Full Council on 23 January 2019. The Council will benefit from efficiencies

in delivering modern, inclusively designed and fit-for-purpose office and civic accommodation for its staff and visitors, as well as for small and start-up businesses. It also avoids the need for significant capital investment in the existing Town Hall and Town Hall Extension, which in 2017 was estimated at between £29.2 million and £53.5 million for both buildings, depending on the extent of refurbishment works undertaken. These figures exclude professional fees (estimated to be at least £2million to tender stage) and the cost of decanting staff to allow works to take place.

- 4.11 Maintaining reserves and balances at an adequate level is essential to the future financial resilience of the Council. For example, an overspend of £4.9m is forecast in the month 6 Corporate Revenue Monitor. This will be a further call on reserves unless the overspend is tackled by year-end.
- 4.12 Reserves can only be spent once. The forecast to 2021/22 identifies a tightening in the Council's finances that will need careful management and review. Continued focus will be required on keeping spend within budget and avoiding the use reserves to balance future budgets and rebuilding reserves for future investments.

5 FEES AND CHARGES

- 5.1 The budget strategy assumes:
- Social Care charges frozen
 - A standard uplift of 3.5% based on the August 2018 Retail Price Index for other charges
 - Case by case review for commercial services that are charged on a for-profit basis. These will be varied up and down in response to market conditions, with relevant Member approval.

6 2019/20 COUNCIL TAX LEVELS

- 6.1 The administration proposes to increase the Hammersmith and Fulham element of 2019/20 Council Tax in line with inflation, by 2.7%. A 2.7% increase will generate additional income of £6.3m over 4 years and annual income of £1.56m and will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. As set out below, 52% of dwellings are liable for 100% council tax with exemptions/discounts for Council Tax Support claimants, students, care leavers and single person households.

Table 9: Liability for Council Tax

Total dwellings in the borough	88,700
Reductions:	
Exemptions (mainly students, includes care leavers)	(3,600)
Council tax support claimants (elderly & working age on low income)	(11,200)
Single person discount (25% discount)	(28,200)
Dwellings liable for 100% of Council tax	45,700 52%

- 6.2 **An adult social care precept** levy of 2% is budgeted for 2019/20 with a freeze in future years. This will generate additional income of £4.6m over 4 years and £1.15m in 2019/20. This will increase the Band D Council Tax charge by £14.55 (4p per day).
- 6.3 The Mayor of London's draft budget is currently out for consultation and is due to be presented to the London Assembly on 24 January 2019, with final confirmation of precepts on 25 February. The current Band D precept is £294.23.
- 6.4 The change to the LBHF Band D charge is set out in Table 10. The current LBHF Band D charge of £727.81 is 34% lower than the London average of £1,112. The overall Band D charge, including the GLA precept, is the third lowest in the country.

Table 10: LBHF Band D Council Tax Charge

2018/19 LBHF Band D charge	£727.81
Proposed 2019/20 Increase of 2.7%	£19.65
Proposed 2% Adult Social Care precept	£14.55
2019/20 Total LBHF Band D charge	£762.01

7 Comments of the Director of Public Health on the Budget Proposals

- 7.1. With the move to a sovereign service priority for the London Borough of Hammersmith and Fulham have been reset to align with the Administration's Manifesto. We will continue to deliver Public Health outcomes working closely with residents, health and other partners.
- 7.2. For 2019/20 the Public Health service will continue to be fully funded by the Department of Health's Grant and will remain a nil cost budget to the Council. It is only guaranteed until 2020.

7.3. The level of grant for 2019/20 shows a reduction of 2.6%. This is in line with the national trend.

7.4. The following changes have been identified:

SERVICE	BUDGET 18/19 £'000	Change £'000	BUDGET 19/20 £'000	% Change
Substance Misuse	3,454	129	3,583	3.8%
Mental Health	28	164	192	855.9%
Sexual Health	4,804	(458)	4,346	-9.9%
Behaviour Change	852	(398)	454	-47.5%
Families & Children	5,919	(390)	5,530	-6.1%
Community Champions	371	30	400	8.9%
Salaries & Overheads	1,353	(314)	1,038	-23.2%
Public Health Investment	6,606	(133)	6,473	-2.1%
Contribution from Reserve	(1,630)	802	(828)	-47.7%
TOTAL	21,757	(568)	21,189	-2.6%

7.5. Substance Misuse contracts and provision will be reviewed to ensure that services reflect the needs in Hammersmith and Fulham.

7.6. The plan shows a significant investment in the Mental Health service as a priority and central part of the strategy to be developed with the CCG.

7.7. The Sexual Health service has undergone a re-design and reconfiguration offering lower costs than the traditional in-clinic appointments service.

7.8. Behaviour Change will be re-procured in 2019/20 to integrate the stop smoking and cardiovascular disease prevention services as the contract ends in December 2019. Proposals for an integrated healthy lifestyle service will be developed working closely with CCG partners to deliver against the new sovereign priorities.

7.9. For Families and Children, Public Health will continue to manage and significantly enhance the School Nursing, Health Visitor and weight management contracts until 2021.

7.10. The Community Champions service continues to show positive outcomes and the budget has been increased to support the expansion of the service to include social isolation and loneliness.

- 7.11. Salaries and Overheads show a significant improvement with the move to the sovereign services. The new budget includes increased spend on Business Intelligence officers to ensure an evidence-based delivery of Public Health Outcomes.
- 7.12. In line with our belief that Public Health is everyone's business the service is investing significantly to ensure that Public Health Outcomes are delivered across the Council. With the move to the sovereign service robust monitoring and control has been introduced.
- 7.13. In 2019/20, Public Health will balance its funding requirement with a contribution of £0.802 million from the Public Health Reserve. This will leave a balance in the Reserve of £0.675 million at the end of March 2020.

8 Equality Implications

A draft Equality Impact Analysis (EIA), which assesses the impacts on equality of the main items in the budget proposals relevant to this PAC, is attached as Appendix 1. A final EIA will be reported to Budget Council.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext. of holder of file/copy	Department/ Location
1.	None		

Appendix 1 – Draft Equality Impact Assessment

DRAFT Equality Impact Analysis (EIA) of main budget proposals for

2019/20 Public Health

The impact of 2019-20 efficiencies proposals is detailed in this report. They are grouped into enhancement projects, procurement and contract efficiencies, reconfiguration of services and other efficiencies. With reconfiguration and procurement activity, detailed EIAs will be carried out at the time the proposals are in development when the potential impact can be fully assessed. The savings will be re-invested into other council departments where Public Health outcomes are achieved. All expenditure and savings will be contained within the ring-fenced Public Health Grant Budget and earmarked reserves.

Sexual Health Services – £0.458m

The re-designed service will ensure that access remains open to all the residents.

Behaviour Change - £0.398k

Access remains open to all the residents. A full impact assessment will be completed.

Families and Children - £0.390m


We are recommissioning an enhanced School Nursing, Health Visit and weight management services. This will have a positive impact on access to Family and Children support.

Salaries & Overheads - £0.314m

Following the move to a sovereign service Public Health undertook a review of its staff and corporate support.

The new structure enhances oversight and management and provides a positive impact on delivery of service.

Agenda Item 8

London Borough of Hammersmith & Fulham HEALTH, ADULT SOCIAL CARE AND SOCIAL INCLUSION POLICY & ACCOUNTABILITY COMMITTEE 11 FEBRUARY 2019	 hammersmith & fulham
WORK PROGRAMME 2018-19	
Report of the Chair – Councillor Lucy Richardson	
Open Report	
Classification: For review and comment Key Decision: No	
Wards Affected: None	
Accountable Director: Rhian Davis, Assistant Director of Legal and Democratic Services	
Report Author: Bathsheba Mall, Committee Coordinator	Contact Details: Tel: 020 87535758 E-mail: bathsheba.mall@lbhf.gov.uk

1. EXECUTIVE SUMMARY

The Committee is asked to consider its work programme for the municipal year 2018/19.

2. RECOMMENDATION

- 2.1 The Committee is asked to consider the proposed work programme and suggest further items for consideration.

LOCAL GOVERNMENT ACT 2000 LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

LIST OF APPENDICES:

Appendix 1 – Work Programme 2018/19

**Health, Inclusion and Social Care Policy and Accountability Committee
Work Programme Development Plan 2018/19**

Item / working title	Overview / Development	Report Author / service
02 July 2018		
Housing Independent Living Strategy	This will be a draft report that members will have an opportunity to shape at PAC	Labab Lubab
Disabled People's Draft Housing Strategy	Building on the recommendations and actions arising from the DPC report	Labab Lubab
17 September 2018		
Safeguarding / MH	Interpreting the appropriate safeguarding thresholds and the subsequent management of safeguarding within the treatment and therapeutic setting.	Officer Lead Helen Mangan, WLMHT
NHS Workforce Recruitment and Retention	<p>What provisions and strategies are being implemented to address the difficulties in recruiting and retaining staff; what protocols are in place to facilitate the reporting of patient concerns by staff.</p> <ul style="list-style-type: none"> • Working conditions – including terms, engagement, support; • Staff consultation, involvement and engagement • Training, development and retention 	NHS service providers

04 December 2018		
The Pembridge Hospice	To understand the background to the decision to temporarily close the hospice.	H&F CCG and CLCH
The Royal Brompton Hospital - Bid	Information about a joint bid between Imperial College Healthcare NHS Trust, and, Chelsea and Westminster Hospital NHS Trust	Joint report from Imperial and Chelsea and Westminster
H&F CCG Primary and Urgent Care Proposals for Consultation	Report of H&F CCG on plans to locally consult on primary and urgent care proposals.	H&F CCG
H&F CCG – Financial Recovery Plan	Report of H&F CCG regarding the CCG's financial recovery plan.	H&F CCG
15 January 2019 (additional meeting date)		
Older Peoples Commission	Report of the findings of the Older People's Commission.	LBHF
SAEB	Presentation of the final Tri-Borough Safeguarding Adults Executive Board by the Chair, Mike Howard.	SAEB
11 February 2019		
Budget	MTFS ASC and Public Health	LBHF
WLMHT	Update following September PAC meeting presentations, and, post CQC Inspections.	WLMHT
H&F CCG Update	CCG update on a range of issues including consultations and financial recovery plans.	H&F CCG

26 March 2019		
CQC Draft Quality Accounts for Imperial College Healthcare NHS Trust	A Quality Account is a report about the quality of services offered by an NHS healthcare provider. The PAC's scrutiny of the accounts will need to align with the Trusts consultation timetable.	Imperial
Listening to and Supporting Carers	To review current support for LBHF carers; to consider ways in which this could be developed; to understand the impact of caring on the health and wellbeing of carers themselves.	Older Peoples Commission
Access to Leisure Services for the learning disabled and vulnerable groups	To consider the access to and the provision of local leisure services for the learning disabled and any groups that may experience social isolation and loneliness.	

Suggested items – included for information

- Immunisation: Report from the HWB Task and Finish Group
- CAMHS update
- Community Champions - to consider current provision and support, following disaggregation of the service and what this means for LBHF residents; to consider the further development and support of the service.
- Housing impact on health and inclusion
- Aids and adaptations