

EAST AYRSHIRE COUNCIL

CABINET: 4 FEBRUARY 2009

SOCIAL WORK SUSTAINABILITY PHASE 1 – CARE AT HOME AND ADMINISTRATIVE SUPPORT

Report by Executive Director of Educational and Social Services

1. PURPOSE

- 1.1 To seek approval for first phase of a plan to support the sustainable delivery of social work services for the next 5 years.
- 1.2 The proposals are phased and this paper seeks to first address care at home services and to take account of initial work on administrative support in Educational and Social Services. Further reports will be submitted for consideration covering childrens' services, adult services and on management, administrative and clerical support arrangements. A timetable for progress is detailed at section 6.1.

2. BACKGROUND

- 2.1 At its meeting of 02 July 2008, the Cabinet approved a report on Social Services Budget Sustainability seeking agreement on for 4 workstreams to be reported upon. A further report providing an update on the work that had been completed in support of the strategy was approved by the Cabinet in October 2008. The initial report had established that a number of frontline service areas were reporting significant capacity and resource pressures and in other areas particularly management and support services there may be opportunities for efficiencies through redesign. In order to protect frontline service delivery specific areas were identified for consideration to address the issue of sustainability.

These were:

- Review of all homecare service provision (including adult care packages and residential service provision)
- Children's services – models of care, including foster care arrangements and residential homes
- Management structures
- Administration and support structures

- 2.2 The work was phased on the basis of:

Phase 1: establishing a firm budgetary baseline for 2008-2009 as described in this report. (by July 2008)

Phase 2: assembly of a comprehensive range of contextual and service delivery information. (by end August 2008)

- Phase 3: developing and evaluating alternative options in terms of the factors listed above (by November 2008)
- Phase 4: presentation of finalised plan for 2009-2011 to Cabinet (December 2008)
- Phase 5 stage 1 implementation of plan (by end of March 2009)
- Phase 6 full implementation (April 2009 – March 2011)
- Phase 7 review of strategy and plan (by September 2010)

There has been a delay in the presentation of the plan to Cabinet shown in Phase 4 due to the complexity, of the matters under consideration and the need to adequately consult and involve the new Chief Social Work Officer who arrived in December 2008. Many of the issues to be addressed in Social Services are shared responsibilities with partner agencies and common across Scottish Local Government. We have also taken the opportunity to consult with partners and neighbouring Councils through the new arrangements for Community Health partnerships and the pan Ayrshire Strategic Alliance.

- 2.3 The initial stages of the review of Chief Officer arrangements were reported to, and approved by, Cabinet on 02 July 2008. This led to the deletion of the post of Executive Head of Social Work and the additions of the Head of Service: Community Care and Head of Service: Children, Families and Criminal Justice posts.
- 2.4 In financial terms the paper of 02 July 2008 recorded in its appendix that there was a funding gap in social services for 2008/09 of £1.901 of which £0.926 would be met by management action and £0.975 from the utilisation of Educational and Social Services departmental balances. Updates on this aspect of budget sustainability have been included in the regular budgetary reports made to Cabinet and Governance and Scrutiny Committee by the Executive Head of Finance and Asset Management.
- 2.5 In the current year (2008/09) this gap has been minimised by in-year non-recurring savings through a comprehensive review of every budget line, and by utilisation of balances brought forward from previous years. It has always been recognised this is unsustainable in the longer term. The three year indicative budget set by the Council in February 2008 anticipated efficiency savings in Social Work in 2009/10 of £1.6m. It is clear that certain areas of the service continue to experience growth in demand and costs that will require additional resources to be diverted to them.
- 2.6 In previous years growth was estimated at £1.4m and if repeated in 2009/10 will increase the actual gap outlined at paragraph 2.4 above. Actions taken through the recommendations of this report will not eliminate the need for growth in the longer term but through modernising models of service delivery, and ensuring efficiency of current services we will continue to direct available resources to meet the needs of service users, and mitigate against the level of increase required.

- 2.7 The issue of the financial sustainability of social work services is one which is common to all Scottish Councils. Links have been established with neighbouring Councils, and further afield, to identify best practice as a way of further delivering service delivery improvements.

3. THE VISION

- 3.1 The overall vision for social work services sits within the context of the Community Plan. This vision is:

“to identify and provide vulnerable people with a genuine choice of leading a fulfilling life within their home and community and ensure a positive environment for their care, if they are no longer to be supported at home.”

This vision is taken forward through the “three ‘P’s’ ” of “Performance, Protection and Partnership”.

- 3.2 This vision does require interpretation, however. Resources are finite, and the demands for social work services are increasing. While the arguments about demographic change are well known as are those of the impact of poverty and substance misuse, the fact is that society expectations of social care services remain high. The critical issue is therefore how to deliver high quality services within a finite cost envelope. Ultimately this will be achieved through:

- a) A focus on assessing, managing and delivering on the needs of service users.
- b) Recognition that genuine choice is not the same as freedom of choice. In other words, services must be needs-led and not demand led.
- c) Understanding that over-provision in one area will result in under provision in other areas.
- d) Recognition that Educational and Social Services operate as a “whole system” often across agencies and reduction in service in one area is likely to impact by increased demands in other areas.
- e) Managers at all levels recognising, understanding and applying their financial and risk management responsibilities.
- f) The existence of a sound framework within which proper and safe decisions can be taken.
- g) Making use of best practice methods of service delivery which result in the same or better outcomes for service users.
- h) Managers and staff being well-trained, fully supported and confident in their professional practice, based on effective people management.
- i) Achieving the best balance between universal and targeted services with all service providers being clear about roles and responsibilities.
- j) Working well with partner agencies, including the voluntary sector.
- k) The existence of robust, responsive and flexible information systems.

- 3.3 Reflection on developments in the environment within Social Work Services over the last 4 years sets all of us new challenges.
- a) Demographic changes increase the number of people requiring community care services.
 - b) People with Learning Disabilities and Mental Health problems needing to be supported at home rather than in hospitals.
 - c) The increasing impact of substance misuse on families and communities and consequent greater pressure on Social Work Services.

These challenges are anticipated to continue. The proposals in this report are intended to provide sustainability over a 5 year period and will be subject to regular monitoring and review. Within the finite resources available decisions will require to be taken to align financial resources to support anticipated service delivery requirements. It is in this context that we are taking forward this sustainability review to align the deployment of resources available to Social Work towards the current priorities in the service.

- 3.4 This review will be followed within the timeframes outlined in section 6.1, by more detailed plans relating to service models across the Social Work Service which aim to improve outcomes within a best value framework.

4. WORK TO DATE

4.1 Methodology and Process

Work was progressed through the Budget Sustainability Board and through meetings at Chief Officer level. Detailed work has been supported by officers from Finance and Asset Management in conjunction with Senior Social Work Services Officers to ensure that a holistic approach was taken which reflects practice, professional, resource availability and service delivery issues. National statistics and information, where available, have been used to identify trends and to benchmark levels of service particularly to our family group and neighbouring authorities.

- 4.2 In parallel, cross-departmental work has been conducted relating to clerical, administration and management structures. The main focus for this has been the ongoing Best Value Review of Resource Support, conducted by the Head of Resources supplemented by the analyses associated with the Diagnostic Pathway exercise which has been co-ordinated on a Council-wide basis, and a specific analysis of administrative processes by external consultants supported by a team from Educational and Social Services.

4.3 Strategic Findings from this Work

East Ayrshire's population has been declining and ageing in recent years and this trend is anticipated to continue. The present population is slightly below 120,000 having fallen by around 2,430 since 1996. Based on the most recent General Register Office for Scotland publication, the East Ayrshire population

is expected to decline by a further 5% (approximately 6000 people) by 2031, this is compared with a predicted 5% increase nationally.

All of the older age bands are expected to experience significant increases in their numbers. In total, the 50+ age group is expected to increase by 9,600 (+22%) but the increase is even greater in the 75+ age group. This group contains some of our most vulnerable older people, many of whom rely heavily on Social Work Services and is expected to increase by almost 83% from 8,700 in 2006 to 15,900 in 2031.

These figures show that, progressively, we will be serving a changing, ageing and increasingly vulnerable population. Whilst this is a trend that is expected to be replicated across most of Scotland, the shift in East Ayrshire is anticipated to be greater than the Scottish average. There are a number of consequences for Social Work Services in the changing demographic profile, including:

- a) Care needs are becoming increasingly more complex, as a consequence they are also becoming more resource intensive. This is due to a range of factors, including increased survival rates of, for example, children with very complex needs; the growing number of people with particular learning disabilities and physical disabilities who are living longer; and the demographic shift in the balance of our older population.
- b) There will be an impact on the capacity of the workforce to meet assessed need as well as the capacity of family carers to provide care in the future. Family carers play an important role in providing care, where otherwise significant packages of support would be necessary. Improvements in life expectancy therefore mean that people with disabilities with more complex needs will require to be supported for longer in the community.
- c) Whilst there has been a decline in the younger population which is projected to continue in the future, demand for Children and Families Services has risen sharply, particularly over recent years. There are a rising number of children who need the intervention of Social Work Services to keep them safe. In East Ayrshire the number of Child protection enquiries more than doubled between 2005 and 2007, from 230 to 524 – that figure was only 80 in 2003. The number of children on the East Ayrshire Child Protection Register also shows a significant increase, rising from an average of 15 in 2000 to 45 in 2006 and 55 in 2007, reaching a peak of 99 during 2006. At the end of 2008 there were 92 children on the East Ayrshire Child Protection Register. A significant factor in this is the growth in the numbers of children and young people affected by parental substance misuse. There are a number of indicators that point to this, including:
 - d)
 - The regular usage of pre-birth case discussions reflects an increasing awareness and scrutiny of pregnant drug misusing mothers.
 - A significant number of the Link Carer (being cared for by relatives) households have substance misuse by parents as the underlying cause for their involvement.

- The relatively high number of babies and young children who are accommodated and subsequently placed for adoption and permanence is also an increasing trend which reflects continuing substance misuse by families.
- e) In the face of declining numbers of children, the number of children being looked after by Local Authorities is also increasing annually and this trend is also evident in East Ayrshire. The increase in the number of looked after children has a continuing impact on demand for foster care, residential care and Link Care. Between 2000 and 2007, East Ayrshire experienced an increase of 77% in the number of looked after children against a national increase of 33%.

4.4 The combination of the key variables of population size, population density and distribution, socio-economic characteristic and age distribution when set against the complex mix of provision in each Authority is such that no precise comparison of social work services across Scotland is possible. Nevertheless, the cumulative picture, both nationally and locally, is of increasing service and budgetary pressures in the social work sphere of activity.

5. RESULTS

5.1 Care at Home Services

(i) Service Description and Activities

In line with legislative requirements, and through local and national policy direction, East Ayrshire Council provides Community Care Services to support vulnerable people in their own home when it is safe and practical to do so. The overall breakdown of budgeted service costs for 2008/09 is:

• Locality Services	£23.0m
• Services to Adults	£ 8.8m
• Services to Older People	£ 2.9m
• Independent Living and Review	£ 0.7m

The service provided has been developed substantially over the last decade from the traditional home help service to now providing personalised support across a range of client groups. Service users' needs are increasingly more complex and required support is correspondingly more intensive. Specialist services now exist for adults, home from hospital and children and families these compliment the services to older people to meet identified need.

The needs of service users change and require regular review to match levels of support with identified need. Often at the point of referral to the service individuals are in crisis due to health or social circumstances. Development of the Home from Hospital Service has introduced models of rehabilitative support that actively promote independence providing benefits for both the individual and best use of our resources. Out of hours supports utilise telecare

to be responsive to individual need. These are initiatives that will be important elements of future service delivery and sustainability.

The distribution of care services between older people and people under 65 is outlined below.

Table 1 H1 Statistics 2008

	PEOPLE RECEIVING SERVICE	A	HOURS PER WEEK	AVERAGE HOURS PER WEEK
TOTAL		2111	26,381	12.5
UNDER 65 YEARS		528	12,134	23.0
65+		1,583	14,247	9.0

In the widest terms there are 2 models utilised for delivery of the East Ayrshire Care at Home Service.

The first which provides approximately 16,000 hours of care per week will be referred to as Homecare. This is provided through the in-house service in conjunction with 3 contracted partner providers. The service is provided mainly to older people but approximately 2000 hours is provided to other adults and children and families.

The second model providing approximately 10,000 hours care per week is referred to as Adult Supported Living Packages. These are delivered through specialist contracted providers, are smaller in number than Homecare services but typically significantly more resource intensive.

Analysis to date has focused on Homecare aspects of the service with work continuing in respect of Adult Supported Living that will be reported to Cabinet in the second phase of the sustainability review. (see Section 6.)

(ii) Performance Comparisons

A detailed analysis has been carried out of activity within the East Ayrshire Home Care Service, compared against both the national picture and comparator authorities. This analysis provides good benchmark information into aspects of the current provision to be considered when developing our options as we seek to take the service forward.

The table below demonstrates that Care packages within East Ayrshire are on average higher and therefore relatively more expensive than the national average. As a result costs are also higher than other Councils. In contrast however, the proportion of older people living in care homes in East Ayrshire is lower than the national average, resulting in lower costs in this area.

In older people services the average cost to the Council of a home care package is around £6,400 per annum, the average cost for a care home placement is £17,000. In designing and delivering services consideration and

balance is required between the needs and aspirations of service users and their families within the resources available.

Local Authority	Care Home Places per 1,000 popl aged 65+	Home Care Average Hours per person per week
South Ayrshire	39.7	10.3
East Ayrshire	34.8	9.0
North Lanarkshire	42	8.9
Falkirk	39.4	7.9
North Ayrshire	45.6	7.7
Clackmannanshire	31.5	7.6
West Lothian	41.7	5.8
Scotland	44.5	7.6

It is appropriate to recognise that the degree to which Councils support older people to live in their own homes is a national priority and East Ayrshire Council has consistently performed among the best in Scotland in relation to delayed discharge from hospital. The level of investment in home care is undoubtedly a significant factor in achieving this level of performance.

To meet identified need and in so doing achieve the above outcomes the Council has year on year supported increased capacity in the service.

The following provides a summary of the growth in homecare provision for older people between 2005-2008.

Table 3: Care at Home Services: Statutory Performance Information

Statutory Performance Information	Full Year 2005/06	Full Year 2006/07	Full Year 2007/08
a) the number of people aged 65 and over receiving home care	1413	1481	1583
b) the number of homecare hours per thousand of the population	609.4	684.2	709.4
Proportion of service users receiving			
Personal care	81.4%	88.8%	92.4%
Evening/ overnights	33.2%	35.8%	40.9%
Weekend service	63.9%	68.2%	77.4%

- (iii) The continued shift in the balance of care from institution to the community has meant substantial growth in the provision of the service and now is an appropriate time to take stock on how the service has evolved and how best to

deliver sustainable services care at home in the future. Financial sustainability in the short to medium term requires the care at home service to be delivered efficiently and effectively and demonstrate value for money and at the same time positive outcomes for older people. Important factors in relation to this are the application of eligibility criteria, the balance of internal and external service provision, and the configuration of management arrangements.

The provision of service across East Ayrshire is based on established eligibility criteria as approved at Social Work Committee 19 May 2005. This report does not seek authority for a review of eligibility criteria; any proposal to do so would be subject to a further report to Cabinet. The level of service to meet identified need is established through professional judgement in the assessment and care planning process. Analysis of service delivery across East Ayrshire demonstrates significant variation in level of service provided, suggesting inconsistency in application of the eligibility criteria.

- (iv) East Ayrshire has a pronounced increase and continuing growth of free personal care. In comparing the number of clients receiving free personal care at home per 1000 population the respective figures for July 2008 were: Scotland, 51 (30% lower than East Ayrshire), North Ayrshire, 60 (17% lower than East Ayrshire) and East Ayrshire, 72.4. This is partly resulting from a policy decision of the Council in September 2006 to clarify and define preparation of meals as personal care, this however does not fully explain this inconsistency in application of a statutory policy and proposed actions, within the recommendations of this report will seek to address this issue.

The sustainability of this policy is a national issue. East Ayrshire Council has fully embraced the policy and pro-actively implemented all aspects in so doing subsidising the policy from other areas of social work.

5.2 Care at Home Analysis of Issues and Proposed Actions

- (i) All of the feedback that is available to date from external and internal sources is that East Ayrshire's care at home services are performing well against national outcome indicators.

This feedback includes statements below from the Scottish Government Joint Improvement Team in October 2008 which was extremely positive.

"We appreciated the opportunity to present our view of the national picture and hear about developments in East Ayrshire designed to put outcomes for people at the heart of the community care system." and

"The partnership is well above the average in both personal care provided at home and in people with intensive needs having those needs met at Home."

It is also the case that the due to the comprehensive nature of care packages costs are high, and trends from the latest statistics release in September 2008 indicate that they are higher than in comparator authorities and the national average. Current challenges should be seen in the context of a service which has made positive improvements and delivered improved work practices. This is evident in relation to recent work in long term absence management and establishing shift patterns to ensure a flexible responsive service in the evening and at weekends.

- (ii) There are still significant challenges which need to be addressed. These include:

Application of Eligibility Criteria

- a) We need to ensure more consistency in the level of service provision delivered to meet similar needs. Comparisons of Home Care Manager activity across the Council Area demonstrate this ranges from around the Scottish average to significantly above this level of home care per service user per week.
- b) We need to provide increased equity of provision in meeting similar need. Comparisons further show that the average length of visit varies significantly by Home Care Manager.

Proposed Action

It is proposed a detailed programme of review is undertaken which continues to recognise:-

- a) A focus of service provision towards people with the highest level of need. At all times consideration will be given to individual need but with priority and focus of service towards statutory duties of personal care.
- b) Equity and consistency of provision to meet similar levels of need across the Council area. Through, initial assessment, and expansion of models akin to the home from hospital service and, a programme of care management review, undertaken by a dedicated review team of experienced officers.

From a high level management review we have undertaken, it is anticipated that these actions will realise £1.6m in recurring efficiencies through reduction in hours delivered over a 2 year period.

Reduction in Unit cost

- a) Payment of additional hours at enhanced rates is currently required in order to meet service demands. Around 25% of hours worked are above contracted hours and 1/3 of these are at enhanced rates. This has the impact of an overall increase in cost of approximately £1million in the past year.

- b) Currently there are approximately 10% of the staff group (55 Personal Carers and a small number of Home Helps) whose preserved conditions of service mean they only work Monday to Friday. It is becoming increasingly difficult to accommodate these work patterns and therefore attracting additional costs to the service due to down time.
- c) Currently all Personal Carers' annual leave and sick pay is based on a calculation of average hours worked above contracted hours, rather than contracted hours.
- d) 1 hour of care delivered by the in-house service including overheads covering sickness, holiday, travel, training, downtime and enhanced rates of pay costs £15.28. This excludes management overheads.
- e) One hour of care delivered by external homecare providers in East Ayrshire costs an average of £10.53 which includes management overheads.
- f) For every 1000 hours per week provided by EAC in 2007/2008 we under present arrangements could have purchased 1451 hours from the independent sector.

Clearly from a best value perspective this approach is unsustainable. Unless conditions of service can be renegotiated significant cost savings can only be made by outsourcing the service.

There are however a number of factors that may mitigate against any immediate transfer and it is essential that early discussions with trade unions are initiated in this regard.

Proposed Actions

It is proposed that management actions are taken to:

- a) Reduce to a minimum the practice of significant use of staff outwith contracted hours with a subsequent reduction in costs associated with enhanced rates of pay.
- b) Utilise appropriate contractual frameworks to meet any increased demands for homecare services.

It is further proposed that immediate negotiations with trade unions are initiated to ensure that the flexibility requirement to protect the in-house workforce can be introduced as quickly as possible.

- c) Stop average hours payments, and ensure Personal Carers are paid annual leave and sickness based on contracted hours, thus bringing them in line with all other Council employees.
- d) Remove preserved conditions from the previous Home Care Review are removed and all posts are Flexible Personal Carers.

Management of the Home Care Service

- a) The current model of service delivery of home care in East Ayrshire requires Homecare Managers to carry out the function of assessment, review and care management of individual service users and manage the service delivery of home care, including financial monitoring and control. This raises issues in relation to balancing the responsiveness required to assess and care manage individual cases and the demands of managing a significant workforce of personal carers. The issues related to the span of control exercised by individual managers will be reviewed as a specific action following Cabinet consideration of this report.
- b) Service demands mean that there are increasing numbers of staff working out of hours. Flexible management arrangements have not shifted at the same pace as a workforce operating after 5.00pm and at weekends. This needs to be addressed.

Proposed Actions

- a) The model of homecare management is reviewed and modernised to ensure appropriate focus on care management, service management and personnel management tasks.

5.3 Risk Implications

- (i) From a Council perspective in risk management terms there needs to be a clear recognition that serious and significant service failure in Social Work Services could potentially have an impact on both service users and the Council.

The proposals in this report are intended to support the delivery of sustainable Social Services in East Ayrshire. Failure to do so presents risks in relation to:

- a) The Care and Protection of Individuals and Communities
- b) Legal risks in terms of judicial challenge or contractual liability claims
- c) Impact on current arrangements for partnership working
- d) Impact on the Council's reputation

As a clear point of principle, the safety, protection and vulnerability of the individual service user must take priority over financial constraint. How needs can best be met will remain a matter for professional judgement and individual managers bearing in mind that financial resources are finite.

- (ii) Specifically there are two areas of risk associated with the proposals contained in this report and its associated papers. These relate to 1) The volatility of service environment and 2) The deliverability of the proposals.

1. Volatility of Service Environment

The pressures on social work services have been thoroughly described both at national level and at local level. There exists a significant national consensus on this matter. There is a similar consensus that these pressures are likely to increase rather than diminish - they originate from the vulnerability of children, adults and older people and the need to protect these groups. In terms of the application of eligibility criteria, the issue is about ensuring that there is a thorough and rigorous assessment process that results a properly informed decision in each case which demonstrably strikes an appropriate balance between the needs of the individual and the wider interests of service sustainability interpreted here as having due regard to the wider needs of all service users.

2. Deliverability of Proposals

This plan has been developed against a background of upward service pressures and much greater levels of accountability for the delivery of effective services than existed even a few years ago. Quite clearly there are areas of expenditure – such as staffing and management structures – that can be absolutely controlled. Improved management arrangements will also yield improvements in terms of cost control. However, the external pressure on services in terms of the number of service users or the complexity of their needs cannot be controlled. In summary therefore, the implementation of these proposals will require careful and regular monitoring and the establishment of a specific management group meeting regularly for this precise purpose.

- (iii) Currently East Ayrshire has strong performance in the area of homecare and older people's services. The actions we are proposing are anticipated to enhance indicators in relation to personal care but may also impact on other output indicators. The focus of the Council will remain to deliver better outcomes for older people.

5.4 Support and Administrative Structures

(i) Introduction

It is the purpose of this section to outline the early high level findings of the first phase of a review of administration and support structures. A separate, full report on this exercise will be considered as part of the Council wide review which forms part of the budget and financial strategy for 2009-10. The aim here is to provide a high level summary of this first part of the exercise for completeness in considering the matter of the social work sustainability strategy.

A review of administration and support structures is included in the corporate best value review programme. Other review processes have supplemented and complemented this overall process. These processes include the Shared

Services Diagnostic Pathway launched by the national Improvement Service and secondly, the availability of the Vanguard consultancy.

Although summarised here in the particular context of Social Work Services, these reviews cover the whole of the Department of Educational and Social Services.

(ii) The Present Position

In summary, the present distribution of administrative and support resources within the Department of Educational and Social services is:

Table 4: Summary of Departmental Support and Administrative Functions

Service Area	Full time equivalent staff	2008/09 Budgeted cost
Central Social Work (Finance, Human Resources, Property, ICT, Admin)	57.20	£1,376,202
Central Education (Finance, Human Resources, Property/PPP, ICT, Admin)	40.43	£1,266,423
Social Work Administration (Children and Families, Community Care)	80.87	£1,458,673
Schools Administration (school and nursery office staff)	147.20	£2,353,562
School Support (Technicians and Librarians)	45.00	£1,206,830
Learning Partnerships	13.29	£418,196
Community Learning and Development	26.93	£535,799
Early Education and Childcare (central)	9.00	£303,531
Curriculum and Pupil support	11.63	£269,511
Onsite Services central	18.33	£498,200
TOTAL	449.88	£9,686,927

The table above shows that although categorised as administration and support, many of the staff listed are in fact employed in direct service delivery and have immediate contact with users of the service. For example school administrative staff routinely deal with parental enquiries and children, while central education staff administer educational maintenance allowance or transport enquiries. East Ayrshire has, since its outset, adopted the principle of minimal bureaucracy and in the Education Service this has meant that consistently the management of over 90% of resources have been delegated to schools and nurseries.

In Social Work administration and support staff provide a wide range of services from minute taking at complex protection case conferences, to processing debtor accounts and reception and telephony functions.

(iii) Proposals

The table below provides a high level summary of the early findings of the ongoing review of administration and support structures within Educational and Social Services and also links to the Shared Services Diagnostics

Exercise. The full background to these proposals will be included in the final report.

Table 5: Proposed Changes to Administrative and Support Structures

Service Area	Staff Additions (Full Time Equivalent)	Staff Deletions (Full Time Equivalent)	Revenue implications
Central			
Human Resources	1.00	2.63	(£54,962)
Finance	1.00	2.00	(£32,184)
Social Services Administration	8.00	13.20	(£98,590)
Secondary Schools			
Admin	1.31	12.79	(£202,487)
TOTALS (NET)	11.31	30.99	(£388,223)

A summary of the rationale behind these proposals is provided below:

- a) Across the Educational and Social Services Human Resources Teams, a more co-ordinated and linked approach to common administrative tasks is now required and will be developed. Similar arrangements within the Finance Teams will also secure a reduction in the required number of administrative staff.
- b) The proposed decentralisation of support functions within Social Work locality teams will strengthen and support front-line service delivery. This, together with a reduction in centralised support, will secure a net reduction in the number of administrative and clerical staff.
- c) A review of secondary schools administrative and clerical support revealed that secondary schools in East Ayrshire have higher numbers of administrative staff than comparator authorities. As a result, proposals to reduce the number of senior clerical assistants within secondary schools have been identified.

It should be noted that these proposed changes are additional to those identified elsewhere in this Social Work Services Sustainability report. For example, no account in this part of the review has been taken of any changes in homecare service delivery, which will clearly have implications for the nature of administration and support. Equally, there are issues within social work administration that are of key importance and which will require continuing review, for instance supporting staff with the increasing demands of protection work.

It is proposed that the changes indicated above will be effected immediately. The outcomes from the first phase of wider reviews of administration and support functions that include Educational and Social Services will be completed by the end of May 2009.

(iv) Service Impact Implications

Administrative staff play a key role in service delivery – particularly through the direct support given to professional staff relieving them of routine tasks, freeing their time to fully exercise the role for which they are employed. There also requires to be sufficient administrative capacity to ensure that all the requirements of sound governance, scrutiny, audit, inspection and application of audit, finance and health and safety guidelines, for example, can be properly applied.

To support robust management and implementation of budget sustainability, the present system of commitment accounting that is used in social work services require to be further developed. Further training and staff development will be given in the use of the SWIFT system and its integration with financial management.

In all of this we intend to provide a better balance and this will be reported on in the forthcoming round of business reviews

6. NEXT STEPS

6.1 The proposals in this paper divide into three categories:

- a) Matters that can result in immediate actions and savings.
- b) Those for which a detailed implementation plan will require to be developed and subsequently delivered.
- c) Those which will require continued work and attention.

The schematic outline for the necessary actions to deliver the proposals in this report are given in table 6 below:

Table 6: Schematic Timeline for key actions

Action	Outcome	End date
Consultation with staff	Consensus on proposal	Feb 2009
Consultation with Key Stakeholders, Elderly Forum, NHS	Consensus on proposals	March 2009
Establishment and training of Home Care Review Team	Establish delivery vehicle for review	April 2009
Commence negotiations with Trade Unions in respect of Home Care Service	Improved efficiency of service, demonstration of best value	April 2009
Further develop financial management procedures, including extension of commitment budgeting	Improve accuracy of financial forecasts	March 2009
Develop and deliver training programme for managers in new financial control arrangements and utilisation of the SWIFT system.	Better understanding and monitoring of resources	March 2009
First Quarterly Report to cabinet of progress, including outline proposals for adult support packages and children's services.	Programme monitoring	May 2009
Phase 1 Council wide review of administration and support	Phase 1 of review completed	May 2009
Implement Phase 1 Review of Resource Support	Reduce administrative costs	June 2009
Second Quarterly Report to cabinet of progress, including detail programme for adult support packages and children's services.	Programme monitoring	August 2009
Complete the review of the application of eligibility criteria	Equity of service and reduction in costs	March 2010

- 6.2 A Management Board will be established chaired by the Executive Director of Educational and Social Services and involving Departmental Chief Officers together with key staff from other Council Services will be convened, to take forward all of the above actions. Supervision of implementation will be undertaken by the Departmental Directorate Team acting through the Head of Service Community Care and the Head of Service: Children and Families and Criminal Justice. Quarterly reports on implementation will be made to the Corporate Management Team and Cabinet during the year, and monthly management reports to the Chief Executive, and Executive Head of Finance and Asset Management.
- 6.3 Recommendations on children's services and adult services will form the basis of the Phase 2 report on budget sustainability and could reduce costs further. This is scheduled to be available for Cabinet consideration in May 2009.

7. FINANCIAL IMPLICATIONS

- 7.1 The impact of the application of eligibility criteria in the way proposed in this report is anticipated to be a saving of £1.6m. The changes associated with Phase 1 of the changes in administration and support structures will be £0.388m. The package of savings described above will therefore yield £1.938m.
- 7.2 The cost of enhanced rates of pay in homecare services to East Ayrshire Council over the past year has been substantial (Approx £1m). Modernisation of terms and conditions and working practices could deliver further savings. If these cannot be realised increased externalisation of the service may be necessary to reduce unit costs.
- 7.3 It is to be noted that given the complexity of some of the issues, it is unlikely that full savings will be secured in the first year of implementation. The original report always envisaged that a period of bridging would be required to allow for implementation. A schematic outline of phasing of expenditure is presented below in Table 7.

Table 7: Indicative Phasing of Savings

Service area	Potential Saving 2009/10 2009-2010 (£M)	Potential Saving 2010/11 2010-2011 (£M)	Potential Saving (£M)
Homecare			
Eligibility criteria	(0.635)	(0.965)	(1.600)
Administration and support structures Phase 1	(0.300)	(0.088)	(0.388)
TOTAL	(0.935)	(1.053)	(1.988)

- 7.4 The phasing has been calculated in terms of deliverability over the time span of the plan. The effects of actions on eligibility criteria will be delivered by April 2010.
- 7.5 Impact on Overall Social Work Sustainability

The resource pressures experienced by Social Work Services have been detailed in paragraph 2.4 and previously in the July 2008 report to Cabinet on Social Work Sustainability and regular budgetary reports to Cabinet and Governance and Scrutiny Committee. A summary of the impact of these proposals to date for 2009/2010 is detailed in Table 8 below.

Description of table 8

Table 8: 2009/2010 Social Work Budget Pressures

	£m	£m
2008/09 Recurring Pressures		
Foster Care	1.245	
Home Care	0.426	
Residential Care	0.348	
Adult Care	0.418	
		2.437
2009/10 Forecast/Additional Recurring Pressures		
Foster Care	0.507	
Adult Care	0.666	
		1.173
Pressures to be Funded		3.610
Less		
Residual effect of 2008/09 Management Action (including turnover savings)		-1.015
Savings from Sustainability Plan Proposals 2009/10		-0.935
Net Unfunded Service Pressures		1.660

The net unfunded service pressures require consideration through the annual budget setting process for 2009/2010 and subsequent phases of the sustainability review.

8. POLICY IMPLICATIONS

- 8.1 There are no policy implications arising directly from this report. Clearly certain issues, such as modernising working practices will be brought to Cabinet for approval as appropriate, for the end user this will ensure available resources are utilised to best effect at this stage.
- 8.2 Following consideration of the report by Cabinet there will require to be further detailed consideration of the agreed options to allow formal consultations to commence with the Trade Unions. Existing Council Policy and Procedures will of course be observed at all times.

9. LEGAL IMPLICATIONS

- 9.1 The proposals in this report have been framed to ensure that the Council can continue to fulfil its legal obligations.

10. RISK MANAGEMENT IMPLICATIONS

10.1 The risk management implications are covered in paragraph 5.3 of this report.

11. COMMUNITY PLANNING IMPLICATIONS

11.1 These proposals seek to ensure effective care arrangements for the most vulnerable and will require the support of community planning partners – notably NHS Ayrshire and Arran. There are therefore implications from this report that will require to be considered through the delivery arrangements of the Community Health Partnership and where appropriate the Strategic Alliance.

12. RECOMMENDATIONS

12.1 It is recommended that members:

- (i) approve the arrangements described in this report at para 5.2 for the cost effective delivery of care at home services specifically;
 - a) Immediate negotiations are commenced with the Trade Unions to ensure that the flexibility required to protect the in-house workforce can be introduced;
 - b) that a team is established to review individual care arrangements across the home care services ensuring continued focus on the most vulnerable and equity of provision across the Council area;
- (ii) agree to accept at this stage, the initial findings from the Review of Support and Administrative structures, and agree a further report is scheduled for consideration by Cabinet in May 2009;
- (iii) note that a further report on childrens' services and adult services is scheduled for consideration by Cabinet in May 2009;
- (iv) approve the schematic action plan attached as Table 6;
- (v) agree that employee briefings will be undertaken on the merit of the proposals commencing with immediate effect;
- (vi) agree to consultation on relevant elements with appropriate stakeholders including Health Partners, Elderly Forum and Trade Unions;
- (vii) note the unfunded service pressures of £1.6M for 2009/2010 as detailed in section 7 and take into account in considering the Revenue Budget for 2009/2010;
- (viii) ask the Executive Director of Educational and Social Services to provide reports to Cabinet at 3-monthly intervals on progress against the implementation of this sustainability strategy; and
- (ix) otherwise note the contents of this report.

Graham Short
Executive Director of Educational and Social Services
02 February 2009
GRS/GRS

LIST OF BACKGROUND PAPERS

1. The Strategic Direction of Older People's Services in East Ayrshire, Social Work Committee, 20 April 2006)
2. The Development of Community Care Infrastructure, Social Work Committee, 18 May 2006
3. Children and Families Service, Social Work Committee, 25 January 2007
4. Social Services Budget Sustainability, Cabinet, 02 July 2008
5. Social Work Services Budget Sustainability Strategy – Progress Report, Cabinet, 22 October 2008
6. East Ayrshire Council's Management Structure Proposed Arrangements, Policy and Resources Committee, 23 November 2006
7. Strategic Review of Social Work Services, Social Work Committee, February 2007
8. Revised Senior Management Arrangements in the Department of Educational and Social Services, Cabinet 02 July 2008
9. Underlying Supporting Paper Demographics, Benchmarking, National Statistics
10. Diagnostics Pathway Report
11. Initial findings Best Value Service Report Administration and Support Services

Members requiring further information should contact Eddie Fraser, Head of Service: Community Care (01563) 576546.

IMPLEMENTATION OFFICERS:

Eddie Fraser, Head of Service : Community Care
Euan Couperwhite, Head of Resources