
Report to

Scrutiny Co-ordination Committee
Cabinet
Council

6th December 2006
12th December 2006
12th December 2006

Report of

Director of Community Services

Title

Consultation on Social Services Efficiencies

1 Purpose of the Report

- 1.1 On 31st October 2006 the Director of Community Services reported to Cabinet a number of proposals to deliver efficiencies in the social care and housing budgets in order to secure resources for Learning Disability Services for this and next year. This report informs Cabinet of the outcome of a number of consultations, which have taken place over the last month since the announcement of these proposals on October 23rd 2006 and addresses the concerns expressed by the Scrutiny Co-ordination Committee on 22 November 2006.

2 Recommendations

The Cabinet are recommended to:-

- 2.1 Affirm that, having considered a variety of views over the past weeks on the proposals contained within the report, these comments have not led to alternative proposals being brought forward nor have they sufficiently challenged the basis on which the original proposals were brought forward.
- 2.2 Affirm the recommendations of the report of October 31st (attached as Appendix 1) to agree to the savings contained in that report and to ask Officers to now move towards the implementation of these proposals.
- 2.3 Affirm its principled support to Social Enterprise and in particular for schemes that encourage or support the employment of people with disabilities. The Cabinet would encourage these organisations to ensure that its profits are used to pay as reasonable a wage as is viable to the people working on the schemes. The Cabinet is committed to helping to support any new organisations that want to develop in the City. The Cabinet supports the development of social enterprises from its own base in Curriers Close.
- 2.4 Refer the report to the meeting of the City Council on 12th December 2006, and request that they endorse the actions indicated in 2.1 to 2.3 above.

3 Information/Background

- 3.1 On October 23rd and October 24th Trade Unions, Staff and Service Users who were affected by the proposals were advised of the proposals to Cabinet and invited to make any comments.
- 3.2 The proposals have been discussed with the relevant Partnership Boards including twice at the Learning Disabilities Partnership Board. Whilst some concerns were expressed about specific proposals, most significantly those in relation to learning disability services, there was general recognition that overall the proposals support the strategic direction of working towards greater independence and furthermore that direct effect on front line services had been minimised.
- 3.3 Following the Cabinet Meeting on 31st October 2006 three call-ins were received which were considered by the Scrutiny Co-ordination Committee on 22nd November 2006. During a very lengthy discussion, during which the Committee also heard the views of service users, and a representative of MENCAP, members identified a number of concerns about the proposals in the report. These can be summarised as follows :-
- No assessment had been carried out of the likely impact of these proposals on service users.
 - Clearer more detailed information was needed about the financial implications for the current financial year and the possibility of including the proposals for consideration during the main PPR process.
 - The report should set out more fully the justification for taking away the current disregard payment.
 - Clarification of the current benefit rules in relation to disregard payments.

All these issues are addressed in detail in this report and specifically in sections 4.2, 4.3 and 4.4.

- 3.4 In relation to those proposals that affect people with learning disabilities, comments have come from three areas of concern for service users and carers. First there has been some concern from the adults with learning disabilities and their carers about the end of the earning disregard payments, some concerns about the end of the meals services in day centres and to a lesser extent to the move of the Centre for Independent Living Day Care to Wilfred Spencer Centre.
- 3.5 The proposal to cease the disregard for people with learning disabilities has attracted the most publicity and public comment. The Cabinet Member, the Director, the Head of Adults (twice) and the Service Head (on a number of occasions) have met with staff, service users and carers at Curriers Close. Service users are obviously concerned that the Council proposes to take away their money. Some service users and carers accept that we need to get more people into work. Many people accept that only some of the service users at Curriers undertake consistent work related activity. The rest of the users at Curriers need care related activities. Obviously those who undertake the work related tasks feel most aggrieved about losing the money. There were a further 10 e-mails from members of the public (including people who did not reside in Coventry) expressing concern about what they had read or seen in the media. A letter of explanation was sent to them.

- 3.6 The most common area of concern from both carers of and service users with learning disabilities was not the amount of money but the fact that being paid demonstrated a value to the person receiving the money even though in some cases the person receiving the money did not appreciate its value. Carers told a variety of stories about how they consistently top-up the money in a secret way so that the person with the learning disability always think that they have the money that they have earned. A number of service users, particularly those who undertake the work on the packaging, when it is available, talked about the money being paid for the work that they undertake. There was no evidence of financial hardship given as a consequence of the loss of money. The more able people often earn less money than those who have care needs, as they are more likely to attend college or join in other activities away from the Centre during the week.
- 3.7 The outcome of the discussions at Curriers has led the Director to confirm the position with regard to Curriers Close. First that there are a small number of people attending Curriers Close who ought to be put forward for a work related programme to enable them to find a permanent job outside of Curriers. Second, those who can undertake consistent work should be supported to do this through the creation of social enterprises. Where these enterprises are established service users should be able to take money from this work and the work should be priced in such a way that this can happen, without a subsidy from the Council. Thirdly, Curriers should be redesigned to provide a dedicated area where those who have care needs can take part in appropriate activities away from the workshop environment. Each service user should have an assessment, which identifies which of these routes will be pursued for each person. The Director will have discussions with the Centre Manager on the way in which those people who contribute to the packaging work can take an appropriate proportion of any profit made until the new social enterprises are established. No payment will be made to those who have care needs and are unable to contribute to the work undertaken in a meaningful way. Instead the centre will focus on developing new programmes to meet their care needs.
- 3.8 The position of the trainees at CROW remains unchanged, as the Director has identified that the organisation has sufficient resources from the profits on its work to make a payment at the current level to its 5 trainees. This means that the Council will withdraw its part subsidy on the payments that are made.
- 3.9 The Director continues to be concerned that the Council is not meeting its obligations to ensure that the care needs of a significant number of the people attending Curriers Close are being met. He believes that the payment of an earning disregard is a poor substitute for meeting people's needs properly. If the Director wished to implement the Council's Fair Access to Care Policy then those who do not have care needs should be excluded from Curriers and the centre should be closed. That is not what is being proposed. Instead the Director is recommending, and has support for this from users and carers, that Curriers Day Centre is changed from within. First separating those who have care needs from those who can work and secondly developing proper care related activities on the site.
- 3.10 Some concerns were expressed regarding proposals to cease the provision of subsidised meals at the mental health resource centre at Lamb Street. Staff specifically expressed concerns although some service users were able to think proactively of alternatives. It should also be noted that about 130 people attend Lamb Street in a week for a whole range of reason and activities and on average only 20 meals a day are provided. Two carers rang senior managers to express concerns and were given an explanation and reassurance that people's individual needs would be supported. The Mental Health Fieldwork Manager has met with service users and the Head of Adults has met with staff at Lamb Street.

3.11 There are also a small number of service users (20) who receive disregard payments as part of work based training. This is largely an historical arrangement and numbers have significantly reduced over time as Lamb Street has an increasing focus on rehabilitation by developing real employment and other opportunities to support people experiencing mental ill health to recover and maintain their independence. Should the decision be made to cease disregards payments for people with learning disabilities and the model of social enterprise endorsed then these arrangements will need to be reviewed. It is proposed that a report is brought to the Cabinet Member (Community Services) in the Spring.

3.12 The Trade Unions have had a number of meetings both to look at the overall proposals in detail and to discuss the details of each proposal. The Trade Unions have also complained about the time frame for consultation on such a detailed packages. The Director has pointed out that he has allowed a longer period and more detailed discussion for consultation than on any previous occasion. The initial comment from the Unions was why have social services got to make cuts to fund their budgets? They questioned why the Director had not asked for more resources from the Council? The Director explained to them the Council's overall medium term financial plan and the current challenges within the setting of next year's budget. The Trade Unions were also concerned whether any of the proposed changes in Learning Disability Services would impact later through increased costs. The Trade Unions were also concerned at the transfer of significant sums of money from older people's services to learning disability services when they believed there needed to be further investment in older people's services e.g in extra care housing to ensure that we are meeting people's care needs.

3.13 In the meetings to examine the details with the Trade Unions the following issues and comments emerged :

- In relation to learning disabilities the Trade Unions wanted assurance that the commissioning of new services, the development of employment opportunities and underlying financial planning was robust. They have received extensive information regarding this and had a meeting was arranged with key staff on 29th November 2006 to go through this in detail.
- Similarly assurance was required that an impact assessment on the transfer of the day service for people with learning disabilities with particular reference to health and safety issues at the Centre for Integrated Living to the Wilfred Spencer Centre had been completed. Details of this are described in section 4.4.
- Some concerns were expressed about the cessation of meals and the loss of the cooks' posts and the potential for that task to fall onto support assistants. Officers confirmed that support staff in day services have the responsibility to support people at mealtimes and already undertake this task in those day services where subsidised meals are not provided.
- Clarification was required regarding the changes proposed in older people's day care and Intermediate Care; specifically on what basis was the decision to reduce Intermediate care day care made and why had the savings in the "Efficiencies Report" been identified to pre-empt the consultation on the day care? The question why had the dementia day care report been produced ahead of the full day care review was also questioned. The Director's response is that the savings target had been set for the review because managers could see that the target would be met through a combination of the savings from the closure of the Magpie Centre and the combining of day care on a single site but the details of this were still subject to

consultation to which the Unions are still able to contribute. Trade Unions were offered opportunities for further discussion.

- There were no other detailed comments made about any other of the specific proposals and an undertaking to provide any further details if required.
- There were also concerns expressed about a reduction of an Intermediate Care social work post though this had to be seen in the context of the overall relationships between Intermediate Care and the Assessment and Care Management Teams. It has now been agreed with the relevant Trade Union that any proposed reduction will now be considered in relation to the overall social work establishment within Older People's Services.
- There is general opposition from the Trade Unions to the 5% vacancy margin. They see that putting pressure on their members and would rather see this expressed in terms of post deletions. The managers reiterated that regulated services are excluded from this target and that managers would have responsibility to manage efficiencies in light of their own services etc. It was agreed to monitor the situation and for the Trade Unions to report any areas where they considered the impact of this was adversely affecting a service.

Finally it was affirmed that the Security of Employment arrangements would be in place for anybody affected by the job losses; including ring fencing arrangements and that alternative work opportunities would be sought for everyone.

4 Proposal and Other Option(s) to be considered

- 4.1 The Director of Community Services and the Cabinet Member have considered the comments made by representations. The first issue that we would want to be clear is that we support the development of social enterprises in the city, which enable people with disabilities who may find mainstream employment difficult to get paid work. We believe that the profits from their enterprise should be shared with the people who undertake the work. This should not require a subsidy from the council taxpayer. The media coverage from one such enterprise gave the false impression that the Council was refusing to make a payment. We have seen the accounts of this organisation and it is clear that they are making sufficient profit to make their current payments to their workforce without having to resort to public funds. We will develop the Council's policy and activities accordingly.
- 4.2 An equality impact assessment of the policy on disregard payments has been undertaken. It is considered that the current policy of making payments to everyone who attends Curriers Enterprise is inequitable. There is no logical reason for making disregard payments to service users who have care needs and who have limited ability to contribute to the training and work programmes, otherwise payments should be made to everyone who attends day care in the City (a policy that was ended in the late 1990s).

For service users who contribute to the work activities there may be a stronger argument to make a payment if this was a temporary measure on a pathway to work. However, this has not been the case and people have remained in a workshop environment and not moved on into work. At Curriers the income received from contracts for putting parts in boxes doesn't even cover the disregard payments made to service users. Curriers could never be a sustainable business because although market rates for the work undertaken at Curriers are charged, the length of time required by people with limited skills, together with the running costs of Curriers do not make it viable. However, it has provided a training platform to develop individual's skills.

Curriers first opened in 1984 and payments of £1 per day were made and a monthly bus pass provided to people with learning disabilities that attended. At this time the criteria for attending Curriers was that people had to travel independently, hence the provision of a bus pass.

Other industrial workshops for people with learning disabilities at Stonebridge and Kingfield Road had been operating since the 1970's. A review was held in 1990 regarding closing all of the workshops. Family carers were opposed to the closures and although Stonebridge and Kingfield were closed in 1993/4, the workshop at Curriers Close was retained and re-launched in 1994 as Curriers Enterprises. People's needs were re-assessed following the implementation of the 1990 NHS and Community Care Act, and the criteria for provision of a service at Curriers changed and social care transport began to be provided. Subsequently, less people have moved into work and the work-based training function has become increasingly blurred with addressing people's care and support needs.

The payment was stopped at Brandon Wood on 30 September 2005, when the activities at the farm were deemed to be training related. Curriers Enterprise is supposed to provide training for work in a work-based environment. Though a small number of people have moved from Curriers to ordinary employment, the centre has more developed into a sheltered workshop where some people do some packaging work (when it is available) and others spend the day there with limited opportunities for meaningful activity.

A number of people with learning disabilities have told us that their aspiration is to work. Some people tell us that their carers will not let them work and then add that they are working at Curriers. Work-based training that never ends is not real work. All of this contributes to the institutional dependency that has been created. Our emphasis has to be on integrating people into their local communities and enabling people to find employment. Some people with learning disabilities can, and want, to do real jobs, and we need to ensure that we support people to find and remain in work. We must ensure that our supported employment service is linked into the real jobs sector, and to this end we are transferring this service to become part of the City Council's employment services within City Development.

As part of the development of our policy to modernise the service at Curriers Enterprise we will ensure that there is clarity between people who are able to be prepared for work; people who may need to be supported in social enterprises and people who need services to meet their assessed care needs.

- 4.3 The proposals for closing the gap in learning disabilities services of £2,248,000 for 2007/2008 resulted from efficiencies from within the total net budget of housing and social care services. Future budgetary pressures within learning disabilities have been reported as part of the PPR process for 2008/2009 and beyond. The proposals were aimed at achieving efficiencies in 2007/2008 but where there are vacancies or unused funds, these have already been included in budgetary forecasts for 2006/2007. The table below summarises the efficiency proposals and how the savings effect 2006/2007 and 2007/2008 respectively:

	Net Budget £'000	2006/2007 Saving £'000	2007/2008 Saving £'000
Budget Pressure			2,248.0
PROPOSALS FOR CHANGES IN SERVICE PROVISION IN LINE WITH STRATEGIC DIRECTION			
Re-focusing day services/Day care Review	1,095.9	(0.0)	(292.0)
Promoting Independence	1,554.0	(0.0)	(157.0)
SAVINGS	2,649.9	(0.0)	(449.0)
STREAMLINING PROCESSES, INFRASTRUCTURE IMPROVEMENTS AND REDUCTIONS IN ADMINISTRATION			
Deletion of posts	4,095.0	(122.0)	(365.7)
Streamlining processes	1,244.4	(27.0)	(77.0)
Reductions in administration	1,107.0	(10.0)	(88.0)
SAVINGS	6,446.4	(159.0)	(530.7)
IMPROVED COMMISSIONING AND CONTRACTING			
Contracting efficiencies	23,932.1	(20.0)	(591.3)
Commissioning efficiencies	646.0	(46.0)	(46.0)
Realignment of income budgets	346.0	(84.0)	(84.0)
SAVINGS	24,924.1	(150.0)	(721.3)
DRIVING EFFICIENCIES			
Withholding inflation		(0.0)	(105.0)
Increased management of vacancies (non-regulation)		(0.0)	(442.0)
SAVINGS		(0.0)	(547.0)
TOTAL	34,020.4	(309.0)	(2,248.0)

- 4.4 An earnings disregard payment enables a person to earn a certain amount each week, without it having an effect on their benefit. The current maximum disregard payment for disabled people is £20 per week and has been so for at least the past 7 years. For someone to receive a payment of this type there are conditions that apply, namely that it falls under the requirements of the national minimum wage and the person can only work below 16 hours per week. People at Curriers are not being paid an earning disregard payment, but effectively an allowance for attendance of £3 per day that comes under miscellaneous income in terms of the benefits agency and is ignored in respect of claiming benefits. People with learning disabilities would typically be entitled to severe disablement allowance/incapacity benefit, income support and disability premium, disability living allowance – mobility and care. For example a person 45 years of age living with their parents would receive benefits totalling £152.05 per week.
- 4.5 In respect of bringing together the day services from CIL and Wilfred Spencer Centre on the Wilfred Spencer Centre site, an initial assessment was made to establish that this was

feasible. Since that time we have undertaken further work and are satisfied, that with some minor alterations (to include toileting, hoist, shower, changing facilities and improving access to cooking facilities), the total number of people from both sites can be accommodated. Managers of both services are aware of the range of needs of people with learning disabilities who currently attend these services and both staff groups are working together to ensure a smooth transition. This will be done in a planned and careful way because people with learning disabilities need time to adapt to a new setting. Individual reviews will be undertaken to ensure people's needs are met appropriately.

5 Other specific implications

	Implications (See below)	No Implications
Best Value		✓
Children and Young People		✓
Comparable Benchmark Data		✓
Corporate Parenting		✓
Coventry Community Plan		✓
Crime and Disorder		✓
Equal Opportunities	✓	
Finance	✓	
Health and Safety	✓	
Human Resources	✓	
Human Rights Act		✓
Impact on Partner Organisations	✓	
Information and Communications Technology		✓
Legal Implications	✓	
Neighbourhood Management		✓
Property Implications	✓	
Race Equality Scheme	✓	
Risk Management		✓
Sustainable Development		✓
Trade Union Consultation	✓	
Voluntary Sector – The Coventry Compact	✓	

5.1 Equal Opportunities

'Valuing People' identifies people with learning disabilities as 'amongst the most vulnerable and socially excluded (groups) in our society'.

5.2 Finance

Where there are vacancies or unused funds, these have already been included in budgetary forecasts for 2006/7. Should the disregard payments for learning disabilities stop on 31 December 2006 then an additional saving of £16,000 will be made in 2006/7.

Making a decision at this time will enable us to ensure that the savings are in place as from 1 April 2007.

5.3 Human Resources

Discussion with staff who are affected and the Trade Unions will take place as and when these proposals are agreed.

5.4 Impact on Partner Organisations

Consultation with partner organisations has taken place through Partnership Boards.

5.5 Legal Implications

There are no specific legal implications for the provision of community care services arising from this report. In making any future changes to services the local authority will of course ensure that it continues to meet its statutory responsibilities under community care legislation, by consulting with service users and carers in those areas where service changes are planned, to ensure that appropriate arrangements are in place to meet assessed needs.

5.6 Property Implications

The proposals within this report will bring together various services and are likely to result in the rationalising of premises. Officers have already as part of these proposals undertaken more detailed work.

5.7 Trade Union Consultation

There have been a series of consultation meetings with Trades Unions that are detailed earlier in this report.

6 Monitoring

6.1 Implementation of these proposals and other required actions will be monitored through the relevant Partnership boards and to the Cabinet Member (Community Services).

7 Timescale and expected outcomes

7.1 Actions will need to be taken with immediate effect to ensure that efficiencies are made as from 1 April 2007.

	Yes	No
Key Decision		✓
Scrutiny Consideration (if yes, which Scrutiny meeting and date)	✓ 6 th December 2006	
Council Consideration (if yes, date of Council meeting)	✓ 12 th December 2006	

List of background papers

Proper officer: John Bolton

Author:

Telephone 76 833405

John Bolton, Director of Community Services,
(Any enquiries should be directed to the above)

Other contributors:

Janice White – Legal and Democratic Services

Neil Chamberlain – Head of Finance (Community Services)

Carol Williams – Head of Human Resources (Community Services)

Mark Godfrey – Head of Learning Disability Services

Lynda Bull – Head of Adult Services

Bridget Macey – Senior Manager (Mental Health Services)

Lara Knight – Legal and Democratic Services

Papers open to Public Inspection

Description of paper

Location Room 138 Civic Centre One

Cabinet Report - 31st October 2006 - Delivering Modernisation and Efficiencies in Social Care

Equality Impact Assessment on changes to Learning Disability Services