

THURROCK BOARD MEETING
PART I
28th October 2015

Title of Report:	Thurrock Council Update	
Board Sponsor:		
Prepared by :	Roger Harris, Director of Adults, Health and Commissioning	
Committees previous consulted:		
Executive Summary:	The purpose of the paper is to provide the Board with an update on key issues affecting the local authority – in particular those items which may have a potential impact on the CCG.	
Financial / Resource Implications:	As noted within the report.	
Fit with CCG strategy/objectives:		
Risks identified / Outcome / Link to BAF:		BAF Ref:
Actions Required:		When By:
Recommendation to the Committee:	To note the report	

1. Proposed changes to the way Social Care is provided in Thurrock

As I have previously reported to the Board, as part of Government cuts to Local Government, the Council has significant year on year reductions to its budget. In addition to savings already identified, Adult Social Care has been given an additional £500k in-year savings target to achieve to contribute to additional Council savings. The Council has identified a number of options for achieving the £500k, and is consulting on four key areas of social care services. The additional savings are extremely stretching and there are no easy solutions to achieving them.

A 12 week consultation exercise is currently being carried out on proposals affecting four main areas of social care services:

- **Day Care for older people and the Carers' Service**
- **Charges for Adult Social Care services**
- **Equipment and Adaptations costing less than £50**
- **The provision of Extra Care Housing**

The consultation went live on the 14th September and closes on the 7th December. A copy of the consultation document is attached for information. A further report will be brought to the Board once the consultation closes and a decision has been made.

2. Healthy New Towns Programme

The NHS Five Year Forward View sets out three gaps the health service must close in order to be sustainable in the future:

- Radically upgrading prevention efforts;
- Redesigning how health and social care services are delivered; and
- Delivering efficiencies of 2-3% across the NHS's entire funding base.

The NHS England Healthy New Towns Programme states that 'building strong communities and healthy places to live can contribute to each of these three gaps'.

Areas were invited by NHS England to put forward bids to be part of the Programme. Successful applicants will be provided with support to accelerate their healthy developments – including reducing national barriers.

The Council and CCG have submitted a bid to be part of the Programme. We feel we have a strong proposal based on the regeneration and development taking place in Purfleet. What we do in Purfleet will reflect our broader vision for Thurrock – i.e. how we shape 'place' to engender good health and wellbeing for our residents.

Our bid sets out plans for a 'state of the art' health centre in Purfleet bringing together a range of health and community services under one roof.

Whilst focusing on Purfleet, we have reflected in our bid the strong story of how Thurrock is shaping the built environment to both prevent ill-health, and to support people as they require more support. For example, our housing developments in South Ockendon and Tilbury designed to HAPPI housing design recommendations. We hope to expand this concept as part of the Purfleet regeneration.

NHS England will have face-to-face discussions with interested sites to better understand their plans and successful bids will be announced in Autumn.

3. Living Wage

In his Budget speech (July 2015), the Chancellor announced the introduction of a new 'National Living Wage' (NLW). This will apply to all employees aged 25 and above and will be introduced on the 1st April 2016. The wage will begin at £7.20 per hour in 2016 and is projected to rise to at least £9 per hour by 2020. Currently, the National Minimum Wage (NMW) is £6.70.

The announcement will have a significant impact on the Local Authority and especially Adult Social Care – not just with regard to Council employees, but with regard to contracts the Council holds with care providers. The Council outsources all of its domiciliary care provision and the majority of its residential care provision. Implementation of the living wage will place an additional burden on care providers and will without doubt lead providers to ask for significant uplifts – or risk provider failure.

The Council has estimated that the introduction of the living wage will provide a cost pressure of at least £1m – staffing costs are estimated to equate to 60% of the cost of providing care.

The Government has said it will consider the impact of the NLW as part of its Autumn Spending Review which will be announced on the 25th November.

4. Domiciliary Care

Care providers continue to be under extreme pressure. A recent example of this has been one of Thurrock's three contracted home care providers, Sanctuary, giving 6 months' notice on its contract. Sanctuary has stated that it can no longer afford to provide care packages at the current contracted rate.

The Council has already provided some one-off sustainability payments to home care providers and there is no doubt that providers are finding it increasingly difficult to survive.

The withdrawal of Sanctuary from its contract is likely to provide additional pressure on the remaining three contracted providers and the Council's ability to provide care.

The Council has identified the precarious care provider market as a key corporate risk for some time now and there is concern about the ongoing ability of the Authority to mitigate or control the likely impact of the risk.

The situation is not specific to Thurrock and has been well publicised for some time – both by local government itself, and also by key national care organisations.

The impact on the NHS of the collapse of the care market would be significant.