

Committee: **People Scrutiny Committee**
Date of meeting: **18th October 2022**
Report Subject: **Financial Liabilities of the Regional Integration Fund**
Portfolio Holder: **Cllr. Hayden Trollope – Executive Member Place & Social Services**
Report Submitted by: **Tanya Evans, Interim Corporate Director Social Services**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	6.10.22	10.10.22			18.10.22		26.10.22	

1. **Purpose of the Report**
 - 1.1 The purpose of this report is for members to consider the financial liabilities and implications of the Regional Integration Fund and its tapered funding model.
 - 1.2 Members will need to consider and provide a response to the Gwent Regional Partnership Board via the Assistant Director of Partnership & Integration in Health, on the outcome of the consideration as to whether the council accepts or rejects the liabilities.
2. **Scope and Background**
 - 2.1 Welsh Government has made a 5 year commitment of revenue funding for Regional Partnership Boards (RPBs). This revenue funding, now known as the Regional Integration Fund (RIF), brings together previous funding streams provided to RPBs into one source of strategic revenue funding, providing £26.8m for Gwent annually, from April 2022 to March 2027.
 - 2.2 The funding model comprises four key elements which involves a tapering approach during the course of the 5 year programme. The tapering approach is intended to promote sustainability, with the expectation that local authorities and partners in receipt of funding fund the services from their core budget by the end of the 5 yr programme The 4 tapering models outlined below have been applied to all the projects and programmes in receipt of the RIF across Gwent.
 1. Fully Funded National Priorities Fund (100% WG funded)
Ring fenced funding provided to Regional Partnership Boards at 100%, no tapering or resource match required for initiatives within this category. This includes Dementia ringfenced funding, and the Integrated Autism Service.
 2. Acceleration Change Fund (90% funded via RIF, 10% tapering).
Funding to test and develop new models of care, for a maximum period of 2 years. Following robust evaluation these models can be considered to move into the embedding fund

3. National Delivery Model Embedding Fund (70% funded via RIF, 30% tapering)

Projects successfully tested can move into the embedding fund with a clear business case for sustainability. Embedding funding can be received for a maximum of 3 years. If appropriate, projects can move into the mainstreaming fund at the end of this period.

4. 50/50 Integrated Mainstreaming Fund (50% funded via RIF, 50% tapering)

After a project has concluded its three years funding under the Embedding Fund it should now be ready to be mainstreamed. Partners must agree and commit resources to ensure that the project or model of care will be sustained long term. This fund will take the shape of a recurrent pooled fund with partners contributing 50% and Welsh Government contributing the remaining 50%.

- 2.3 In Blaenau Gwent The RIF has been used to develop a range of preventative services/ projects in children's and adult services. These have supported our statutory work in the implementation of the safe reduction of children looked after strategy and supported our adult population in Blaenau Gwent to maintain their independence and remain closer to home, avoiding admissions to hospital or indeed speeding up discharge from hospital.

Appendix 1 outlines the detail of all the RIF projects and funded posts in Blaenau Gwent and the positive impact they have had on its population.

3. **Options for Recommendation**

3.1 **Option 1**

To recommend that the Council *accepts* the financial liabilities and implications of the new Regional Integration Fund and its tapered funding model.

Option 2

To recommend the Council *does not accept* the financial liabilities and implications of the new Regional Integration Fund and its tapered funding model.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 4.1 If option 1 is agreed, it will contribute to the following corporate priorities

- To intervene early to prevent problems from becoming greater;
- To promote and facilitate new ways of delivering health and social care involving key partners and our communities;

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

- 5.1.1 Children's services have 4 project areas funded from the RIF. These include increased capacity in our Supporting Change Team which supports

families to stay together and prevent the need for children coming into care. It also supports those children placed with families under a special guardianship order again preventing these children returning to the care system.

- 5.1.2 Adult services have 7 projects funded from the RIF. These include dementia services, transition workers for people with disabilities, support for carers, assisted technology and advocacy.
- 5.1.3 **Appendix 2** shows which tapering funding model has been applied to each project and the resulting cost pressures we can expect over the next 5 yrs. Table 1 below brings the information outlined in Appendix 2 together to show the total cost pressures over the next 5 yrs for all Blaenau Gwent projects plus the regional contributions to support some of these projects.

Table 1

	Children's	Adults	Regional *	Total
23/24	111,873	163,536	54,184	329,593
24/25	111,873	247,143	116,865	475,881
25/26	186,455	328,298	132,094	646,847
26/27	186,445	328,298	132,094	646,847
27/28	186,445	411,905	194,776	793,136

*for illustration purposes regional allocation assumed to be 1/6th of budget requirement – further work will need to be undertaken to determine liability share

- 5.1.4 Since the introduction of the RIF tapering model by Welsh Government, Directors and Heads of service have lobbied Welsh Government hard to enable them to understand risks associated with this model.
- 5.1.5 Many authorities in Wales are forecasting significant overspends, plus we are in the throws of a cost of living crisis which will have an impact on every local authority maintaining sustainable services without the added pressure of this RIF funding being reduced at a time when the needs of our population will be escalating.
- 5.1.6 In an effort to mitigate against this risk a one off reserve of £600k has been earmarked for this cost pressure. However, in light of the information highlighted in table 1 this reserve will only allow the current RIF projects to run in full for the next 18 months before some of these services will have to be stopped. This could be further complicated by other pressures and the priority afforded to these areas by the Council.

5.2 ***Risk including Mitigating Actions***

- 5.2.1 Option 1 – there is a risk that the Council will be unable to identify the financial resources available to contribute to the overall costs of these schemes in the medium / long term.

If these schemes are prioritised for funding other services may be disadvantaged and delivery of these may need to be reconsidered or stopped.

- 5.2.2 Option 2 – There is a risk that these schemes will be stopped due to lack of funding. Additionally, the RIF funding freed up by the tapering approach would not be available to test other models of care.

If the current Blaenau Gwent programmes are reduced or stopped the impact on the public will be:

- less support for families to prevent children coming into care, there will be less support for children subject to special guardianship orders and less support for our teenagers with complex needs to avoid the need for residential care
- less support available for people stepping down from a hospital bed or at risk of going into a hospital bed as the carried beds will be decommissioned, less support for unpaid carers and less support to advance assisted technology solutions to keep people out of hospital and in their own homes.

5.3 **Legal**

There are no legal risks attached this report

5.4 **Human Resources**

There are a number of risks attached to staffing, as a number of the post holders currently funded by the RIF have been in place for over 2 yrs and will therefore be entitled to redundancy costs which the council will be liable for should their posts have to be deleted due to decreased funding
Clearly all efforts would be made to redeploy staff across the social services directorate and wider council should this risk materialise

6. **Supporting Evidence**

6.1 **Performance Information**

Appendix 1 provides detailed performance information which evidences the positive impact each of the projects is having on the people of Blaenau Gwent.

6.2 **Expected outcome for the public**

The impact on the public is outlined above in section 5.2.2

6.3 **Involvement (consultation, engagement, participation)**

Those delivering the projects undertake significant engagement with those using the services not only in relation to the quality of service being offered but how services can be improved

6.4 **Thinking for the Long term (forward planning)**

The RIF projects were set up in thinking for the longer term in relation to presenting needs from escalating leading to the need for high cost service delivery which may not be within the local authority

6.5 ***Preventative focus***

The RIF projects have prevention at the heart of its delivery which is outlined in detail in appendix 1

6.6 ***Collaboration / partnership working***

The delivery of the RIF projects is underpinned by working in partnership with health and the third sector.

7. **Monitoring Arrangements**

7.1 The RIF programme is monitored by the regional partnership board and the subgroup that sit underneath this board. Each project has to report progress on delivery on a quarterly basis and it this information that is captured in appendix 1

Background Documents / Electronic Links

- Appendix 1 – Blaenau Gwent Projects Funded by Gwent RPB RIF
- Appendix 2 – Blaenau Gwent Children Social Care Regional Integration Fund