

Report to:

ADULT SOCIAL CARE AND HEALTH SCRUTINY COMMITTEE

Relevant Officer:

Karen Smith, Director of Adult Services

Date of Meeting:

16 October 2019

FINANCIAL SUSTAINABILITY OF ADULT SOCIAL CARE

1.0 Purpose of the report:

1.1 To provide a detailed overview of funding to Adult Social Care, and any demand pressures, together with how these are predicted and addressed, in order to understand more about position in relation to the financial sustainability of Adult Social Care.

2.0 Recommendation(s):

2.1 Members are asked to note the contents of this report and to identify what, if any areas require further exploration by Scrutiny.

3.0 Reasons for recommendation(s):

3.1 To facilitate appropriate Scrutiny overview of the financial consequences of meeting the needs of adults with Social Care needs in Blackpool, and how well these are being resourced.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 Not applicable

5.0 Council priority:

5.1 The relevant Council priority is both:

- The economy: Maximising growth and opportunity across Blackpool.
- Communities: Creating stronger communities and increasing resilience.

6.0 Background information

6.1 The budget for Adult Social Services comprises a mix of core budget, supplemented by a range of temporary additional funding, announced at various points over the last few years, designed to shore up spend in an area of nationally-acknowledged demand growth, and taking into account knock on impacts to the NHS relating to keeping people out of hospitals, helping them get home from hospital as soon as practicable, and keeping people well-supported at home. In addition, some areas are funded from one-off savings from previous years.

6.2 In 2019/2020 the net budget for Adult Social Services is £54.5million, supplemented by £1.5m of additional funding via the improved Better Care Fund (iBCF) and the budget is largely in balance. The Better Care Fund is a joint Health and Social Care budget under a formal Section 75 agreement that funds a range of health and social care services – primarily those around keeping people out of hospital and Transforming Care. Temporary sources of funding have included the Adult Social Care precept, Winter Pressures funding, and Adult Social Care Grant. However, policy announcements indicate the intention to maintain these at current levels, although the Adult Social Care Grant has been non ringfenced from adults and is now used to support the pressures in Children’s Social Care.

6.3 Adult Social Services has, over the last several years consistently achieved a balanced outturn budget year on year, but with demand pressures building, and some sources of funding due to end, there is a future pressure if maintain services are to be maintained at the same level.

Nationally, the policy direction under the NHS Long Term Plan is to have integrated Health and Social Care Services, and using the mechanism of the Healthier Lancashire and South Cumbria Integrated Care System (ICS) and locally the Fylde Coast Integrated Care Partnership (ICP), the Council has been working with Health partners to identify which areas will require additional investment or a transfer of funds from elsewhere in the system in order to maintain service.

6.4 Demand is increasing in most, if not all areas. This is in no small part due to successes in achieving improved performance in both helping people out of hospital quickly and preventing them going in at all, including all of our joint work with health colleagues both in the Acute Hospital and in the Neighbourhoods. In nearly all areas, improved performance results in additional cost to Adult Social Services. Unfortunately, the national policy intentions to transfer funds across the system from Health to Adult Social Care to compensate for this have not become a reality, as demand pressures within the Health system are absorbing the resources freed up. For example, as Delayed Transfers of Care (DTCs) have reduced, Home Care hours have increased by 1,000 hours per week, representing an additional cost to Blackpool Council of £750k per annum. Nevertheless, this is not saving money in the Health system that can be transferred, as rising demand and average Lengths of Stay not reducing

significantly mean the resources are unable to be freed up to transfer.

- 6.5 The main areas of additional investment for have been as follows –
1. Supporting a fee level to independent care at home and residential care providers that enables them to meet the statutory Living Wage uplifts as well as increases in general running costs.
 2. Additional Social Workers in all areas of the system, including in A and E, the Hospital Discharge team and the GP Neighbourhoods to ensure that assessments and reviews are always timely, and the needs of people with Learning Disability and Autism as part of Transforming Care are well-met
 3. Additional Care at Home staff in the in house service to pick up rapid response, crisis demand and a lack of capacity in the contracted external care at home services.
 4. Additional care at home hours in the contracted external care at home services.
 5. Additional Vitaline units to get people home quickly and provide oversight via technology with help available at the press of a button.

6.6 Demand shifts and spend patterns are monitored closely by both the finance team and the operational teams using the Joint Strategic Needs Assessment to consider demographic pressures, and trends over time with regard to demand patterns and spend against budget. At the present time, demand pressures are starting to outstrip the increases in available budget and work is underway with Health partners to work through what action is needed in relation to managing this from 2020/21.

6.7 Work has also been undertaken in some areas where more efficient working can lead to better services for our residents, whilst at the same time reducing spend.

Does the information submitted include any exempt information? No

7.0 List of Appendices:

7.1 Appendix 5(a): Adult Services Revenue summary – budget, actual, and forecast

8.0 Legal considerations:

8.1 Services provided by the Council in Adult Social Services must be compliant with the requirements of CQC registration for care providers and with The Care Act 2015 and associated legislation for assessment, Social Work, and meeting people's needs.

9.0 Human resources considerations:

9.1 The majority of spend in Adult Social Services is directly or indirectly related to staffing.

10.0 Equalities considerations:

10.1 Adult Social Services provides for meeting the eligible needs of some of our most vulnerable residents, many sharing one or more protected characteristics. In addition, the care industry working population is significantly female, and in independent provision, is typically a National Living Wage-level provision.

11.0 Financial considerations:

11.1 Adults Social Services is a complex financial area for both income and spend. The department operates to a comprehensive Medium Term Financial Sustainability Strategy that supports the Council's overall Medium Term Financial Plan.

12.0 Risk management considerations:

12.1 The consequences of having insufficient resources to meet demand are a mix of longer waiting times, bottlenecks in all area of the health and care system, deteriorating conditions requiring greater levels of care down the line, and blocking of hospital beds.

13.0 Ethical considerations:

13.1 The Council is committed to supporting Adult Social Services to the extent that it is financially able, and to working in collaborative partnership with Health and other colleagues.

14.0 Internal/external consultation undertaken:

14.1 n/a

15.0 Background papers:

15.1 None.