

Open Report on behalf of Glen Garrod, Director of Adult Social Services

Report to:	Adults Scrutiny Committee
Date:	9 December 2015
Subject:	Adult Care 2015/16 Outturn Projection

Summary:

The Adult Care budget is £145.647m, based on current information available to 31 October 2015 it is estimated that Adult Care will likely balance its budget of £145.647m and may produce a small underspend.

Actions Required:

The Adults Scrutiny Committee is asked to note the budget outturn projection for 2015/16.

1. Background

Ongoing issues with Agresso means that Adult Care and the supporting finance team are only able to produce limited information that can be used to estimate the financial outcome at the end of 2015/16.

However we continue to have a degree of oversight and are able to identify issues that have or will arise over the coming months through the use of legacy systems, spreadsheets and performance information along with discussions with budget holders, principal practitioners and managers. The experience, close working relationship and knowledge of those involved provide a level of assurance in addition to the pre-existing systems available to us.

This is the first of two budget monitoring reports that will be presented this financial year. This report provides an analysis based on financial information available up to 31 October 2015. The second will be issued in January 2016, based on financial information up to 31 December 2015.

Adult Care is now organised into four key commissioning strategies, these being:

- Adult Frailty & Long Term Conditions
- Specialist Services (Mental Health, Autism and Learning Disability)
- Safeguarding Adults
- Carers

In addition to this Adult Care also has a capital budget of £2.270m.

The report will look at each of these areas in turn.

2. Adult Frailty & Long Term Conditions

The Adult Frailty & Long Term Conditions strategy brings together Older People and Physical Disability services. This commissioning strategy aims to ensure that eligible individuals receive appropriate care and support that enables them to feel safe and live independently. Activities within this area include:

- Reablement and Intermediate Care
- Domiciliary Care
- Direct Payments
- Community Support
- Extra Care Housing
- Residential Care
- Dementia Support Services
- Assessment & Care Management and Social Work Service
- Adult Care Infrastructure

The current budget for this commissioning strategy is £93.094m.

Older Peoples Services

Home Care services are currently going through a significant period of change with the implementation of new contracts on 26 September 2015. Since July there has been a steady transition of service users to the new contracts which has seen hours in some areas decrease due to some care being transferred to Direct Payments and into temporary respite.

There is likely to be a pressure in Direct Payments from those cases transferring from Home Support but this is likely to be offset by projected underspends in areas such as day care and residential care.

Current year residential activity is stable across the county; with placement activity similar to the corresponding period in 2014/15, however prior year placements (base) have seen an overall reduction compared to last year.

Short Term Care and Carers Respite services show evidence of pressure due to the number of deficit beds currently being used as a result of the transition of the home care contract as described above. This has an impact on the Short Term Care net spend because we are unable to charge a service user contribution resulting in an additional pressure.

Income collection as at the end of October for Debtor/Non Residential and Direct Payments suggests that overall income collection for 2015/16 is likely to be on target. However it should be noted that ongoing work to maximise income may result in additional income being raised this financial year.

The income budget also assumed an additional £0.250m as a result of increased contributions brought about by successful implementation of a revised contributions policy. Delays to the implementation mean that this additional income will now not be made, however this does not change the overall picture in relation to income described above.

Taking all the elements described into consideration including an additional £2.125m investment via the Better Care Fund, it is expected that outturn for Older People will be on target in 2015/16.

Physical Disability Services

There has been some growth in home support and direct payments due to a number of transition cases from Children's Services, currently this growth should be able to be sustained by the budget and projections are on target.

Long term residential placement activity is currently below 2014/15 level. Short Term Care and Carers Respite activity is also reported to be less than at the same time last year. However these areas are expected to fully utilise their budget allocation by the end of the year.

Income collection as at the end of October for Debtor/Non Residential and Direct Payments suggests that overall income collection for 2015/16 is likely to be on target. However, as with Older People Services, ongoing work to maximise income may result in additional income being raised this financial year.

Taking all the elements described into consideration it is expected that outturn for Physical Disability Services will be on target in 2015/16.

Infrastructure

The infrastructure budget currently includes expenditure in relation to the Director, two Assistant Directors (one of which is jointly funded by NHS partners) along with individual Heads of Service covering Operational Services for Older People/Physical Disability, Learning Disability, Policy and Service Development, Performance, Workforce Development and Quality, Carers and Safeguarding.

Current estimates suggest that the infrastructure budget may produce an underspend in 2015/16 due to a number of vacancies across several teams within the infrastructure area.

3. Specialist Services

This commissioning strategy aims to ensure that eligible Adults with Learning Disability, Autism and/or Mental Health needs receive appropriate care and support that enables them to feel safe and live independently. Activities within this area include:

- Residential and Nursing Care
- Community Supported Living

- Homecare
- Direct Payments
- Day Services
- Respite Services
- Adult Supporting Adults
- Transport
- Assessment and Care Management and Social Work Service
- Section 75 agreement with Lincolnshire Partnership Foundation Trust for Mental Health Services

The current budget for this commissioning strategy is £47.243m.

Learning Disability Service

The Adult Learning Disabilities service is administered via a Section 75 agreement between the Council and NHS commissioners in Lincolnshire.

The service has seen some growth in Supported Living and Direct Payments over recent months; this has mainly been down to school/college leavers requiring packages of support to replace their education due to parents working. There has also been an increase in cases coming through Practice Enablement Group (PEG). The majority of these packages are now in place and growth should slow down. However the service is able to sustain this growth through the budget, and therefore would expect these budgets in this area to be on target.

There has been an increase in new residential packages agreed so far this year with some of the cost mitigated by the closure of existing packages and a service package being transferred to another authority as a result of Ordinary Residency rules.

The service is aware of a number of high cost placements which are expected to come through the system in the later part of the year for service users being released from in-patient treatment.

Income from Health for the S75 remains unchanged from the £10.4m. In addition to this we continue to receive income from other local authorities for health funded cases which totals £300k per annum.

Taking all the elements described into consideration including an additional £2.125m investment via the Better Care Fund it is expected that outturn for Learning Disability Services will be on target in 2015/16.

Mental Health

The Mental Health service is run on behalf of the Council by the Lincolnshire Partnership Foundation Trust by way of a Section 75 agreement. Current reports from LPFT suggest an increase in services activity, however there is an expectation that LPFT budgets will remain on target in 2015/16.

4. Safeguarding Adults

The Safeguarding Adults strategy aims to protect an adult's right to live in safety, free from abuse and neglect. The service works both with people and organisations to prevent and stop both the risks and experience of abuse and neglect ensuring that adults' wellbeing is being promoted.

The Lincolnshire Safeguarding Adults Board discharges its function to safeguard adults on a multi-agency basis. This is led by an Independent chair.

The current budget for this commissioning strategy is £3.2596m and is projected to be balanced by the end of the financial year.

5. Carers

The Carers strategy aims to prevent or delay ongoing care needs by supporting adult carers so they are able to sustain their caring role, reducing the need for costly services in primary and acute care, and long term social care.

The strategy is also responsible for services provided to young carers helping to prevent inappropriate caring, helping to reduce the negative impact on the child's wellbeing and development by ensuring adequate support for the adult and to support the child to fulfil their potential.

The current budget for this commissioning strategy is £2.044m and is projected to be balanced by the end of the financial year.

6. Care Act

Lincolnshire County Council received £6.4m additional funding in relation to additional duties and costs due as a direct result of implementing the first phase of the Care Act in 2015/16, including additional duties in respect of prisoners, carers, national eligibility and deferred payment arrangements.

£2m of the £6.4m is already included within the £20m sum allocated to the authority via the Better Care Fund.

It is anticipated that the authority will utilise all of this funding in 2015/16.

7. Better Care Fund

£20m has been allocated to the Council in 2015/16 predominantly in Adult Care and will help fund the costs of the Care Act and protect adult care services. Most of the fund will be allocated to areas where it is already being spent, on such services as the Local Authority Reablement Service (LARS), Hospital Discharge Teams and Learning Disability service. The fund will also provide an additional £4.250m investment in both Adult Frailty and Adult Specialty commissioning strategies (£2.125m each) to cover additional demographic pressures that both services are expected to incur in this financial year.

Adult Care continues to change the way it works with partners from additional areas of the care spectrum including colleagues from other areas such as Children's Services and Public Health, alongside health partners from the Clinical Commissioning Groups. This has resulted in the recent agreement to pool health and social care budgets totalling £197m through a number of Section 75 agreements and aligned budgets.

This represents the single biggest pooling arrangement ever achieved in Lincolnshire and places Lincolnshire amongst the five largest pooled budget areas in the country.

8. Adult Care Savings Programme

The 2015/16 Budget also includes a commitment from the service to deliver £3.388m worth of savings during the current financial year from a number of initiatives including a Senior Management and Workforce Development Review, a continuation of the work to maximise service user contributions, the review of the contributions policy, the renegotiation of several contracts and additional efficiencies brought about as a result the implementation of the Care Act.

At the end of October 2015 Adult Care has achieved £2.085 in savings with an expectation that an additional £1.003m be delivered by the end of the financial year.

Of the outstanding savings due £0.250m derived from implementation of a new charging policy will not be made due to delays to the implementation of Mosaic, as implementation of Mosaic is unlikely prior to April 2016, this saving will now be made in the first half of 2016/17.

9. Capital

Adult Care revised its Capital Strategy and Investment Plan in 2014/15 as part of a renewal of its commitments to infrastructure developments. The plan (shown below) is designed to meet the changing needs of Adult Care over time, but must also recognise that the plan has specific benefits for other directorates (e.g. Public Health) and partners outside of the authority.

Investment Plan	2015/16	2016/17	2017/18	2018/19	Total
Extra Care Housing	£500,000	£7,550,000			£8,050,000
Telecare/Telehealth	£250,000	£250,000	£250,000	£250,000	£1,000,000
Health and Safety	£10,000	£0	£0	£0	£10,000
Minor Improvements	£10,000	£0	£0	£0	£10,000
Disabled Facilities Grant	£500,000	£500,000	£500,000	£500,000	£2,000,000
Sustainability Review	£900,000	£0	£0	£0	£900,000
Care Act Infrastructure	£100,000	£0	£0	£0	£100,000
TOTAL	£2,270,000	£8,300,000	£750,000	£750,000	£12,070,000

Due to ongoing issues with Agresso the Adult Care and the supporting finance team are only able to produce limited information that can be used to estimate the financial outcome at the end of 2015/16.

Information received to date suggests that the full allocation of funding for telecare will be utilised this year. Capital allocations in respect of Disabled Facilities Grants (DFGs) based will also to be utilised.

Colleagues from the Corporate Property Team are continuing to scope options for the development of the Extra Care Housing Strategy prior to work to identify a preferred provider to take the project forward, it assumed therefore that the allocation for 2015/16 will also be used.

10. Conclusion

The Adult Care outturn is projected to be £145.647m, producing a balanced budget. This being the case it would be the fourth year in succession that Adult Care has achieved an underspend position which reinforces the view that Adult Care in Lincolnshire continues to be one of the lowest funded Adult Care departments, spending less on 'overheads', staffing and pay grades than other local authorities both nationally and regionally. Adult Care spends less on nearly all types of social care service commissioned when compared with most regional authorities whilst delivering good to very good performance and an overall better than average standard of care services commissioned.

11. Consultation

a) Policy Proofing Actions Required

N/A

12. Appendices

These are listed below and attached at the back of the report	
Appendix A	None

13. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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