

Open Report on behalf of Glen Garrod, Executive Director Adult Care and Community Wellbeing

Report to:	Adults and Community Wellbeing Scrutiny Committee
Date:	6 September 2017
Subject:	Adult Care & Community Wellbeing 2017/18 Outturn Projection

Summary:

The Adult Care & Community Wellbeing (AC&CW) net budget is £183.066m. Whilst still at an early stage in the financial year based on current information available to 31 July 2017 it is estimated that AC&CW is likely to balance its budget at the end of 2017/18.

Actions Required:

Adults and Community Wellbeing Scrutiny Committee is asked to note the budget outturn projection for 2017/18.

1. Background

The year-end close down has now been completed hence this is the first projection report for 2017/18. This report is from 1 April 2017 through to 31 July 2017.

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

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

An analysis of the AC&CW Budget for 2017/18 is illustrated below.

Budget Analysis 2017/18	£m
Adult Frailty & Long Term Conditions	£98.913
Specialist Adult Services	£53.220
Safeguarding Adults	£1.777
Carers	£1.889
Community Wellbeing	£27.267
Total	£183.066

In addition to this Adult Care also has a capital budget in 2017/18 of £3.66m.

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 £98.913m.

a) Older Peoples Services

The current budget for Older People for 2017/18 is £79.836m, at this time it is considered that Older People will be on target.

Day Care spend has increased for the last two years, mainly due to increases in the rates charged, however a small increase in the number of people attending has also been identified, largely to prevent carer breakdown. There is likely to be an over spend on this budget in 2017/18 but other areas of underspend will offset this.

Direct Payments – Older People had started to stabilise towards the end of 2016/17 and this continues, this is partly due to the improvement in brokered home care. It is considered currently that this budget will be on target at the end of the financial year.

Long Term Residential Activity had seen an increase across the county in 2016/17, however this has not been the case in 2017/18, as at the end of July there have been 53 placements less this year, as a result it is considered that this budget will be on target. The change in how Short Term Care was utilised last year is continuing to ensure service users are not in Short Term Care for long periods with spend continuing to stabilise this year, currently the number of nights delivered is 1,600 less than same time last year. It is projected that Short Term Care will be on target for 2017/18.

Improved capacity within the Home Care market continues and an additional contract to block book beds in a number of homes across the county has resulted in an increase in the number of beds available. This ensures that capacity remains

consistent and helps us to keep costs down in areas where there are high top up fees.

The year-end position with regards to Debtor Income is difficult to establish at this time as the first quarter debtor review is still in the process of being completed. There continues to be an increase in unsecured debt because of the decision by the Government to revoke the Health and Social Services and Social Security Adjudications Act 1983 (HASSASSA) where a charge could be secured on a property if there was non-cooperation or legal authority to manage finances was in progress.

As a result it is no longer possible to do this, last year the council increased its bad debt provision to compensate for the additional increase in bad debts, however the debtor review will establish if this position needs to change during the year.

Taking all the above into consideration it is expected that outturn for Older People will be on target in 2017/18.

b) Physical Disability Services

The current budget for Physical Disabilities for 2017/18 is £13.184m with current projections suggesting spend against budget will be on target.

There has been further growth in direct payments, partly due to an increase in average cost, some complex cases through transition from Children's Services, and also to ensure service users can be cared for at home. Supported Living also increased during the latter stages of 2016/17 with the pressure continuing into 2017/18.

The service has also seen an increase in direct payment expenditure due to those cases that used to be part funded via the Independent Living Fund, but utilising the funding received for this, it is expected the budget will be on target. Home Support activity has increased but current levels suggest a small underspend.

Long Term Residential Placement activity is currently below recent historic levels, use of Supported Living has helped reduce the number of Long Term Placements, however it is expected that the budget for this area will be fully utilised. Short Term Care and Carers Respite activity is less than at the same time last year and it is projected that there will be a small underspend in this area.

Income collection based on current levels of collection for Physical Disabilities for 2017/18 is likely to be on target; however there will need to be a review of potential bad debts as the financial year progresses.

Taking all the above into consideration it is expected that outturn for Physical Disabilities will be on target in 2017/18.

c) Infrastructure

The current budget for 2017/18 for Infrastructure is £5.893m.

The infrastructure budget currently includes expenditure in relation to the Director, along with individual Heads of Service covering Operational Services for Older

People/Physical Disabilities, Learning Disability, Policy and Service Development, Performance, Workforce Development and Quality, Carers and Safeguarding.

Current estimates suggest that the infrastructure budget may produce a small underspend in 2017/18 due to a number of vacancies across several teams within the infrastructure area.

3. Specialist Adult 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 £53.220m.

a) Learning Disability Services

The Adult Learning Disabilities service is administered via a Section 75 agreement between the Council and NHS commissioners in Lincolnshire. This is funded via a combination of Council funding, CCG contributions and BCF income.

The total budget which also includes costs for the Council's in-house day care service for 2017/18 is £47.352m. Current estimates suggest that the budget will overspend by £0.781m.

We have a large number of new Direct Payment packages which will commence over the next couple of months due to the school leavers, plus some increases to packages to be applied in respect of having to pay National Minimum Wage to Personal Assistants. Work is currently ongoing to calculate the financial effect of these two issues.

Supported Living budgets are currently showing very small underspends. There hasn't been large growth in this area yet this year, due to limited Community Supported Living placements being available. We have also had two de-commitments who were transferred into high cost packages within residential care. There are two new schemes set to start later this year, once the financial impact of this is known it will be added into the projections. However, as we have already witnessed activity increase substantially more than anticipated in both 2015/16 and

2016/17, further work is ongoing to try to understand any potential budget pressure in this area for 2017/18.

Residential activity has seen an increase in new placements compared to the same time last year but with no service de-commitments. An analysis of the trend for both new placements and cessations from 2016/17 suggests there are two points to take into consideration. Firstly people leaving the service were more towards the second half of the financial year, whilst new placements coming in were all more complex and expensive cases. Hence whilst we had 17 placements and 17 de-commitments in 2016/17, the new placements were on average around £297 per week more expensive than those leaving the service. This coupled alongside the fact that we have also spent £0.150m on paying providers above the £28 weekly fee increase budgeted for, has resulted in a current projection of a £0.920m overspend for Residential Care for this financial year. This will be closely monitored as the year progresses.

Short Term Care is currently showing on target but this may increase for the cases that require services where Community Supported Living is not available.

Income is currently showing on target in all areas except long term care. Due to the new cases, this income is projected to be £0.035m above target. Whilst Supported Living is showing projected additional income of £0.203m, this is due to a change in process whereby service users now pay their income direct to LCC, and then we pay the providers the gross amounts. Hence this additional income will be offset by additional payments to providers.

b) Mental Health Services

The current budget for 2017/18 for Mental Health is £5.868m.

The Mental Health service is run on behalf of the Council by the Lincolnshire Partnership Foundation Trust (LPFT) 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 2017/18.

4. Community Wellbeing

The current budget for Community Wellbeing is £27.267m.

This marks the first time that Community Wellbeing will be included in this report since responsibility for the service transferred to the Executive Director Adult Care and Community Wellbeing during the last financial year.

Services are delivered as part of the Council's statutory obligation to improve the public health of local populations as per the conditions of the Public Health Grant, in addition there also a number of non-statutory services which the Council deliver.

Community Wellbeing services include:

- Health Improvement Prevention & Self-Management
- Public Health Statutory Services
- Wellbeing Service
- Sexual Health

- Housing Related Service
- Prevention & Treatment of Substance Misuse

Based on information received up to 31 July 2017 it is projected that spend against this budget will be on target.

There are a small number of underspends in specific areas as a result of unfilled staffing vacancies, contracting efficiencies and some reductions in demand led services. However there are some areas of overspend within Long Acting Reversible Contraception (LARC) services and out of county Genito Urinary Medicine (GUM) services.

5. Safeguarding Adults

The current budget for Safeguarding for 2017/18 is £1.777m, at this time it is considered that the Safeguarding budget will be on target.

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 an adult's 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.

Work is currently ongoing to reduce the backlog of Deprivation of Liberty Safeguarding (DoLS) assessments and reviews that have built up over the last two years due to lack of capacity following the Cheshire West Judgement.

Capacity is now in place with assessments and reviews targets being monitored on a monthly basis to ensure these targets are met alongside all new cases being assessed as they come into the service.

As a result it is anticipated that the backlog will reduce significantly by the end of the financial year.

6. Carers

The current budget for Carers for 2017/18 is £1.889m.

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.

There was a 11% increase in the number of carers receiving services from the Lincolnshire Carers Service during 2016/17. During the first year Carers FIRST has promoted a focus on early identification and support of carers providing a wide

range of services including carers universal support services, community networks, information and advice as well as statutory assessments. This has been delivered within the allocated budget.

7. Better Care Fund

The overall Better Care Fund (BCF) in Lincolnshire for 2017/18 will be an estimated £226m. In addition to the continuation of existing pooled funds additional funding streams have been allocated, these increases result from:

- Inflationary increases in CCG [Clinical Commissioning Group] funding, and as a result in the CCG funding for the Protection of Adult Care Services
- The addition of the iBCF [Improved Better Care Fund] funding that was announced in the Chancellor's November 2015 budget totalling £2.105m in 2017/18.
- The announcement of iBCF Supplementary funding in the Chancellor's March 2017 budget. This provides an additional £15.265m in 2017/18.

Work is ongoing to determine the detail of how the monies will be pooled with Clinical Commissioning Groups (CCGs), however it has already been agreed between the CCGs and the Health & Wellbeing Board that detailed decision-making should be delegated to the Executive Director for Adult Care and Community Wellbeing in consultation with the Executive Councillor for Adult Care, Health and Children's Services.

Those decisions will result in a number of changes to the AC&CW budget reflecting the availability of the additional and supplementary funding detailed above.

8. Capital

AC&CW revised its Capital Strategy and Investment Plan in 2016/17 as part of a renewal of its commitments to infrastructure developments. The plan (shown below) is designed to meet the changing needs of AC&CW over time, but must also recognise that the plan has specific benefits for other commissioning strategies and partners outside of the authority.

Current Capital Projects	2017/18	2018/19	Total
Extra Care Housing	£ 2,500,000	£ -	£ 2,500,000
Telecare	£ 250,000	£ 250,000	£ 500,000
DFG's	£ 500,000	£ 500,000	£ 1,000,000
Day Care Modernisation	£ 200,000	£ -	£ 200,000
EMAS Vehicle	£ 16,000	£ -	£ 16,000
Total	£ 3,466,000	£ 750,000	£ 4,216,000

Information received to date suggests that the full allocation of funding for Telecare will be utilised this year. Capital allocations in respect of Day Care Modernisation will also be utilised.

Colleagues from the Corporate Property Team are continuing to scope options for the development of the Extra Care Housing Strategy with funding being used as a means to encourage development of new schemes in the county.

Funding for Disabled Facilities Grant (DFG) is an annual allocation that is provided for business cases asking to fund large scale adaptations to homes in order to ensure individuals are able to maintain their independence in the long term delaying the need for additional placements into Residential and Nursing homes. As such business cases are assessed on a case by case basis and to date none have been received this year.

In addition to this £0.016m has also been allocated in 2017/18 towards purchasing an additional East Midlands Ambulance Service vehicle in partnership with the CCGs and LPFT.

9. Conclusion

The Adult Care and Community Wellbeing outturn is projected to be £183.066m, producing a balanced budget. This being the case it would be the sixth year in succession that Adult Care & Community Wellbeing has been able to live within its budget allocation.

10. Consultation

a) Policy Proofing Actions Required

n/a

11. 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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