



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

Report to:	Adults and Community Wellbeing Scrutiny Committee
Date:	06 July 2022
Subject:	Adult Care and Community Wellbeing Financial Position 2021-22

Summary:

This report:

- describes Adult Care and Community Wellbeing's financial performance in 2021-22 and reports on the underspend of £2.382m
- identifies and explains variances from the revenue and capital budgets
- notes the carry forwards of under spends into 2022-23

Actions Required:

That Adult Care and Community Wellbeing Scrutiny Committee:

1. note the financial performance in 2021-22
2. note the carry forwards, which are made in line with the Council's Financial Regulations

1. Background

We set our spending plans for 2021-22 in the context of continuing uncertainty about longer term government funding, growing cost pressures from demand led services especially in working age adult services, and the Council's responsibility to pay the National Living Wage. In developing our financial plan for the year, we considered all areas of current spending, levels of income and council tax to set a balanced budget.

For the tenth consecutive year Adult Care and Community Wellbeing (ACCW) has delivered services within its financial envelope.

For a second year, we continued to see the Coronavirus pandemic impact across ACCW services and consequently the financial position. ACCW received significant grant funding to enable continued support to adult social care providers and to continue to prioritise and redeploy its workforce as Lincolnshire emerged from the pandemic and started to recover.

Financial Outturn

The table below shows the financial position, per service, for the period 1 April 2021-31 March 2022.

Service Budget	Budget	Actual	Variance
Adult Frailty & Long-term Conditions	119.458	120.315	0.858
Adult Specialties	87.335	87.109	-0.226
Public Health & Community Wellbeing	30.533	27.482	-3.051
Public Health Grant	-33.895	-33.895	0.000
Better Care Fund	-52.660	-52.622	0.037
Adult Care & Community Wellbeing	150.770	148.388	-2.382

Adult Frailty, Long Term Conditions, and Infrastructure

The Adult Frailty and Long-term Conditions strategy brings together older people and physical disability services as well as hosting the Directorate budgets for back-office functions in infrastructure budgets.

The financial overspend position is driven by capacity challenges within the homecare market. Without sufficient capacity to support people in their own home and the continued demand, we saw an increase in usage of higher cost interim beds. We are forecasting for this pressure to continue into 2022-23 but to a much smaller scale. Actions are in train to reduce our reliance on interim beds and early indications are forecasting delivery within the 2022-23 financial allocation.

Specialist Adult Services & Safeguarding

The financial allocation of this delivery strategy supports delivery of services for eligible adults with learning disabilities, autism and/or mental health needs.

These services saw the largest investment as part of the 2021-22 budget setting process, and they delivered within the 2021-22 budget set.

Public Health and Wellbeing

This financial allocation supports delivery of Adults Public Health services funded by the Public Health Grant and Adult Wellbeing Services. Wellbeing includes community equipment, the wellbeing service and housing related support. Children's public health expenditure is reported within the Children's Directorate.

Public Health and Wellbeing continued to tailor its financial resources to meet the needs of the population as Lincolnshire emerged from the pandemic. Public Health and Wellbeing prioritised and redeployed members of its workforce and commissioned services, maximising the usage of covid-19 grants.

In addition, the community equipment year end reconciliation also resulted in an 89% delivery against a 90% contractual KPI and therefore a lower than forecast payment.

Better Care Fund

The Lincolnshire Better Care Fund (BCF) is a pooled budget across partners including the Council, Lincolnshire CCG and District Councils. It is overseen by the Health and Wellbeing Board. The BCF for 2021-22 totalled £269.759m. The BCF pools funds from the organisations to aid the objective of integrated service provision. 2020-21 saw, in the main, a roll-over of the 2020-21 programme. Adult Social Care, in line with national guidance, received an increase in funding of £0.960m. The £0.960m funded extended working in the hospitals team to support the discharge pathway and increased capacity in mental health services.

Public Health Grant

Lincolnshire's Public Health Grant increased by £0.349m in 2021-22 totalling £33.895m. This increase included a ring-fenced allocation to fund the unit cost increase in PrEP with the balance supporting unit cost increases across other public health services.

£1.143m of the grant has been carried forward in the ring-fenced Public Health Grant reserve enabling public health services to continue to forecast delivery within the financial allocation across the life of the current medium term financial plan.

Covid-19 Grant Funding

In addition to covid-19 grant funding received into the wider council, ACCW received more than 11 grants specific to adult social care delivery totalling £90.6m over the two financial years. ACCW spent £47.607m in 2020-21 and £37.423m in 2021-22. Each grant had specific conditions attached and mandated national reporting submissions confirming delivery against the conditions. For 2021-22

- ACCW passported the majority of £15.997m Infection Control Prevention, Testing and Vaccine grants and the £6.727m Workforce Recruitment and Retention and Omicron grants to those adult social care providers experiencing the greatest pressure and highest risk within the county.
- £14.698 was spend across Adults, Children's and District Council services delivering practical support and additional packages of cares to individuals and their families, the community wide testing programme, targeted groups impacted by the pandemic and other costs incurred in the recovery from the pandemic.

ACCW carried forward £4.558m of grant funding into 2022-23 relating specifically to the contain outbreak management funding and the clinically extremely vulnerable funding. Whilst the government published its plan to live with Covid-19 in April 2022, we continue to see, albeit to a lesser severity and scale, the financial consequences of the pandemic. It is these consequences that the funding we have carried forward into 2022-23 will continue to support.

Carry Forwards into 2022-23

Ring-fenced carry forwards are included in the relevant section above. In accordance with the Council's Financial Regulations, Directorates can carry forward 1% of their underspend.

ACCW is proposing to use £0.5m investment in day service buildings to increase access and use of the buildings by the wider local community. This will ensure that the day service buildings are seen as community assets and more people can benefit from their use avoiding the need for more intensive levels of Health and Social Care.

With the successful completion of the DeWint Extra Care Housing Scheme in April 2022 and the evidence of demand for additional housing, ACCW propose a revenue to capital transfer of £0.5m to further progress its agenda working with partners to increase the types of housing available across Lincolnshire.

ACCW is proposing to utilise £0.2m to continue working with health colleagues to further integrate across the discharge to assess pathway.

Capital Investment

As at 1 April 2021, ACCW had £12.141m capital grants unapplied. Aligned to Adult Care's vision £11.151m is planned for investment in expanding housing options available with the aim of reducing higher cost residential care. In addition, £0.960m is allocated to improving day care facilities.

During 2021-22 ACCW spent £1.493m on the completion of DeWint and the commencement of refurbishing the Grantham Day Care Centre. ACCW has £10.648m capital balance as we start 2022-23. The completion of DeWint is forecast to deliver the cost shift included in the MTFP which will reduce demand for the more expensive residential care towards the more appropriate, less costly, extra care service for the individual.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.

Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

These matters have been considered and there is not considered to be any direct impact of the decisions called for by this report on the Equality Act duty. The Council set its budget for 2021/22 in February 2021 having had regard to these matters. The treatment of underspends and overspends in this report do not impact on that budget or any individual decisions in relation to services.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision.

The JSNA and JHWS have been considered and there is not considered to be any direct impact of the decisions called for by this report on either the JSNA or JHWS. The Council

set its budget for 2021/22 in February 2021 having had regard to these matters. The treatment of underspends and overspends in this report do not impact on that budget or any individual decisions in relation to services.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Section 17 of the Crime and Disorder Act 1998 has been considered and there is not considered to be any direct impact of the decisions called for by this report on the obligations arising from this Act. The Council set its budget for 2021/22 in February 2021 having had regard to these matters. The treatment of underspends and overspends in this report do not impact on that budget or any individual decisions in relation to services.

2. Conclusion

For the tenth consecutive year, Adult Care and Community Wellbeing has delivered within the financial allocation. ACCW medium term financial plan (MTFP) continues to be a critical financial forecasting tool, which underpins the wider council MTFP, providing the earliest indication of potential financial pressures enabling actions to be taken where possible to minimise / mitigate the pressure. The 2021-22 outturn position feeds into the MTFP which is indicating the potential to deliver within the financial allocation for 2022-23. The MTFP beyond 1 April 2023 will need to be revised during the summer as the social care reforms consultation is published.

3. Consultation

a) Risks and Impact Analysis

Non identified

4. 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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