



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

Report to:	Adults and Community Wellbeing Scrutiny Committee
Date:	18 October 2023
Subject:	Adult Care and Community Wellbeing Budget Monitoring 2023-2024

Summary:

The Adult Care and Community Wellbeing (ACCW) budget for 2023-24 is £177.767 net. As of 31 August 2023, ACCW is forecasting a year end spend of £177.062, a forecast underspend of £0.705m.

Actions Required:

The Adults and Community Wellbeing Scrutiny Committee are asked to:

1. note the financial performance in 2023-24 and its drivers
2. notes the addition of key benchmarking information

1. Background

We set our spending plans for 2023-24 in the context of increasing costs across the sector arising from the cost-of-living crisis, growing cost pressures from demand led services especially in working age adult services, and the Council's responsibility to pay the National Living Wage.

Adult Care and Community Wellbeing (ACCW) continues to operate its Medium-Term Financial Plan (MTFP) which underpins the wider Council's. The MTFP brings together the revenue and capital resources available to support the forecast activity for each of the services and forecasts forward to 31 March 2028. Through its MTFP, ACCW can prioritise its resources and enable teams to act as early as possible to build upon financial opportunities and minimise financial risk.

The table below shows the forecast position for 2023-24 for each of the areas within ACCW based on the financial performance through to 31 August 2023.

Service Budget	Budget	Actual	Variance
Adult Frailty & Long-term Conditions	137.918	137.658	-0.260
Adult Specialties	100.206	100.029	-0.177

Public Health & Community Wellbeing	31.632	31.499	-0.133
Public Protection	5.407	5.272	-0.135
Public Health Grant	-35.984	-35.984	0.000
Better Care Fund	-61.412	-61.412	0.000
Adult Care & Community Wellbeing	177.767	177.062	-0.705

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.

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

Public Health & Community Wellbeing allocation supports delivery of Adults Public Health services funded by the Public Health Grant and Adult Wellbeing Services.

The Lincolnshire Better Care Fund is an agreement between the Council and Lincolnshire ICB, overseen by the Health and Wellbeing Board. The BCF pools funds from the organisations to aid the objective of integrated service provision.

Public Protection reports into the Public Protection and Communities Scrutiny Committee.

2023-24 Financial Headlines

The underspend is driven by a 6% vacancy rate (47 FTE posts) across ACCW. The financial position includes the costs of maintaining Lincolnshire's low waiting times across adult social care assessments and occupational therapy.

Residential care volumes have increased driven by demand from hospital discharges. Adult social care financial plan forecast this and allocated sufficient funding from the 2023-24 discharge funding to support.

Specialist adult services continues to see growth in demand for mental health care and community supported living services. The cost of this increase in demand is within the financial forecast set through the 2023-24 budget setting.

Public Health and Wellbeing continues to tailor its financial resources to meet the needs of the population as Lincolnshire. Continued maximisation of the public health grant income is enabling the services to deliver within their resources.

Adult social care received a £7.9m Market Sustainability Grant in 2023-24. This grant was used to: -

- continue the four-tier homecare rate introduced in 2022-23 following a comprehensive market assessment.
- introduce a two-tier community supported living rate to reflect the costs of delivering the service in the more rural parts of Lincolnshire, as confirmed through a market assessment.

- increase in rate paid to residential providers aligned to the indicative cost of care completed during 2022.

In August, the Government announced a second tranche of Market Sustainability Grant funding with a further £5.1m allocated to Lincolnshire adult social care. Discussions are underway to agree the best use of the funding to increase workforce and/or further support reduction in waiting times, market sustainability.

Adult Social Care Investment

ACCW commenced a £15m programme of investment supporting developments in extra care, working age adults housing and day services. This is a programme delivered in partnership with District Councils.

To date £3.281m has been spent which includes securing nomination rights in the new extra care housing development, DeWint Court in Lincoln.

The Council has approved a further £7.339m investment into extra care and working age adult accommodation and day services across Lincolnshire over the coming years.

Service Transformation

ACCW has a programme of transformation underway which focuses on maximising an individual's independence. This includes having a strengths-based conversation throughout the person's adult social care journey, increasing capacity in the reablement service, and introducing the active recovery service. The latter of these are in their infancy but all are reducing the scale of forecast cost increases during the life of the medium-term financial plan.

Financial Benchmarking

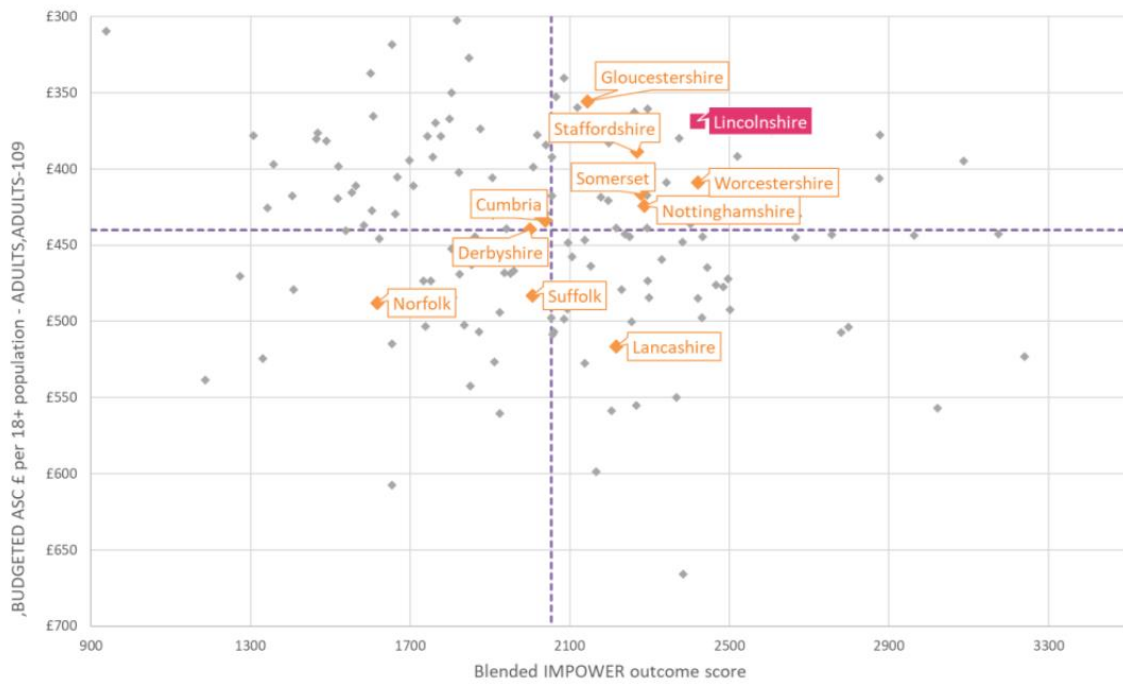
Lincolnshire Adult Social Care carries out benchmarking of costs through use of externally available regional and national data / reports as well as service specific cost comparisons when procurement exercises are run to demonstrate value for money. Two most recent external reports include: -

- The Impower Index
- Use of Resources

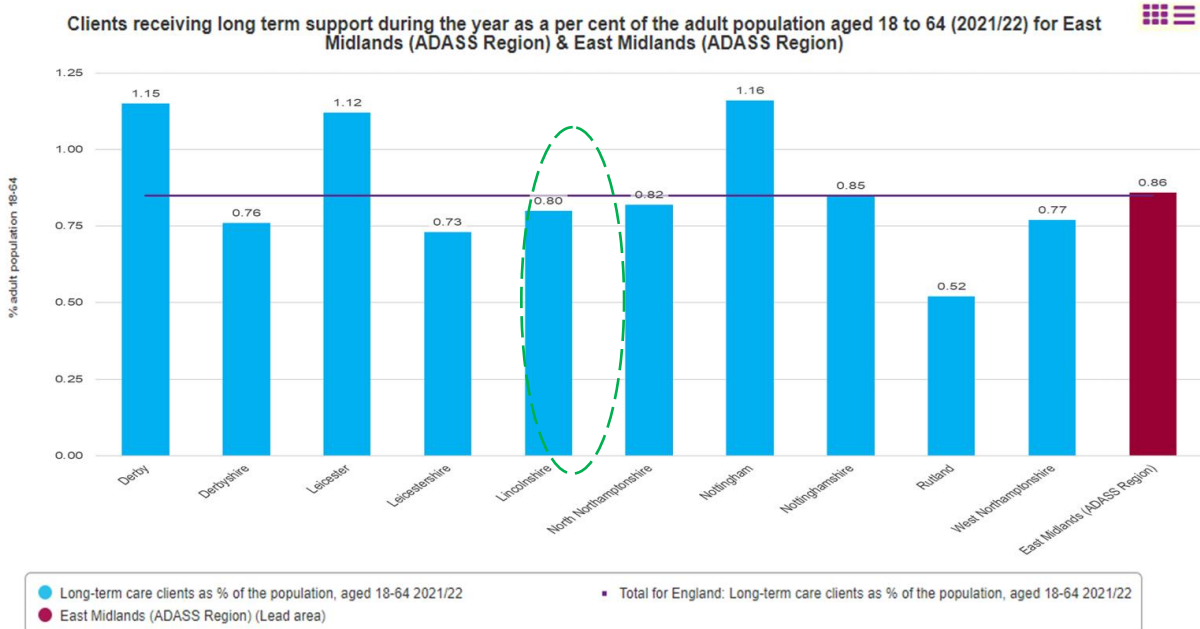
The Impower Index is a benchmarking tool that takes publicly available outcomes data and, looks at the value that councils are delivering when ASCOF measures are combined and measured against budget.

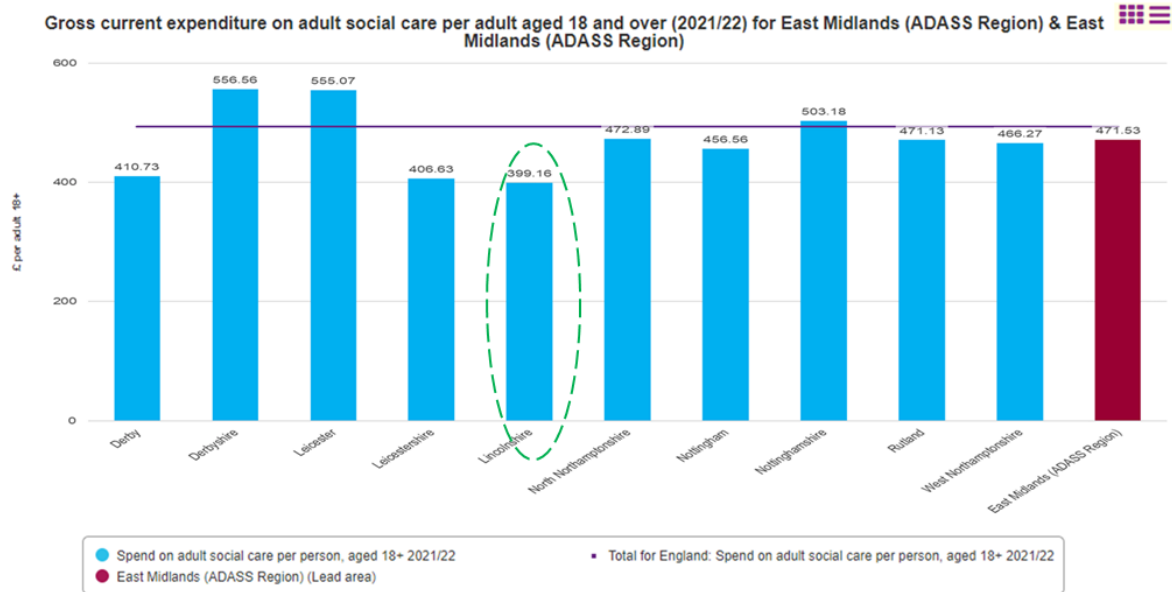
The Impower Index shows that for the second year, Lincolnshire County Council continues to deliver good outcomes for good value, Lincolnshire is achieving better outcomes for less budgeted spend than its statistical neighbours.

Adult Services - ASCOF Outcome v Budget
National Comparison - all English Local Authorities



Adult Social Care Use of Resources Reports indicate that Lincolnshire adult social care see similar volumes of clients through services as both the East Midlands and England averages whilst spending less than both the East Midlands and England averages.





2. Conclusion

ACCW is forecasting financial balance within 2023-24 however the Directorate is reliant on the planned drawdown of non-recurrent reserves to deliver this.

The Medium-Term Financial Plan is forecasting increased pressures of approx. £13.5m per year from 2024-25. This is driven by the forecast increase in national living wage and forecast continued growth in demand across services. This forecast is before any new funding announcements both locally and nationally from 2024-25 onwards. ACCW continues to seek opportunities to improve services for the people in receipt of care, reduce the forecast increase in its cost base and reduce the forecast financial gap.

3. Consultation

a) Risks and Impact Analysis

N/A

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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