

FINANCE AND PERFORMANCE MID YEAR UPDATE

Report of the Head of Adult Commissioning and Health

1. Introduction and Background

- 1.1 This report is intended to inform Health and Care Scrutiny how Adult Social Care in Devon County Council is performing regarding delivering its strategic objectives and performance targets within the budget allocated to it, highlighting any significant variation from agreed plans.

2. The Adult Social Care Budget

- 2.1 Adult Care and Health services overall are forecast to underspend by £488,000 as at month 6, which represents the half way point of the financial year. This position takes into account £455,000 of management action yet to be achieved but assessed as achievable. Previously at month 4, the service was forecasting a break even out-turn.

| <u>Adults Month 6 Position Statement</u> | | | |
|---|----------------|------------------------------|-------------------------|
| | Budget £000 | Projected Outturn £000 | Over / Under £000 |
| Older People | 94,643 | 93,345 | (1,298) |
| Physical Disability | 19,966 | 19,957 | (9) |
| Learning Disability (inc. Autistic Spectrum Conditions) | 70,832 | 71,700 | 868 |
| Central & Other Budgets | 18,263 | 18,071 | (192) |
| In House (Older People & Learning Disability) | 8,168 | 8,061 | (107) |
| Total for Adult Care Operations and Health | 211,872 | 211,134 | (738) |
| Adult Commissioning & Health | 11,549 | 11,370 | (179) |
| Mental Health | 14,470 | 14,899 | 429 |
| | 237,891 | 237,403 | (488) |

- 2.2 Adult Care Operations is forecasting to underspend by £738,000 an increase of £550,000 from the underspend reported at month 4.
- 2.3 Older People and Physical Disability services are forecast to underspend by £1.3 million. Reductions in client numbers experienced towards the end of last financial year remain at similar levels and are currently 362 clients lower than

the budgeted level of 7,754. Average prices have seen a year on year increase for residential and nursing costs primarily because of the introduction of the new care fee model. This is offsetting the impact of lower client numbers and funding released from the 2017/18 Better Care Fund revenue carry forward.

- 2.4 Sensory, Community Enabling, Social Care Reablement and other operational budgets are showing an underspend of £192,000. In-house services are forecast to underspend by £107,000 due to lower running costs and staffing vacancies.
- 2.5 Learning Disability services are forecast to overspend by the end of the year by £868,000, an increase of £232,000 since month 4. The numbers of clients are currently 124 higher than the budgeted level of 3,134.
- 2.6 Adult Commissioning and Health is forecast to overspend by £250,000 primarily due to increasing placements within Mental Health, some of which are more costly than average, particularly in residential care. Vacancies are also contributing to an underspend within Adult Commissioning.
- 2.7 Subsequent to the month 6 position being finalised the Department of Health and Social Care has confirmed additional funding to spend on adult social care services and help councils alleviate winter pressures on the NHS. Devon County Council is to receive an additional allocation of £3.6 million. While the grant determination details have yet to be issued it has been indicated that this funding should be spent on providing adult social care services in addition to funding already planned and that local NHS partners should be involved in these discussions and decisions. At this time, it has been assumed that this fund will be fully spent in the current financial year.
- 2.8 There are a number of financial risks facing the service, the most significant being:
 - a) the continuation of increased unit costs in residential / nursing care;
 - b) that winter is a challenging and volatile time for the service as turnover of care packages increases significantly;
 - c) children transitioning to adult services;
 - d) increased autism costs as a result of individuals being moved back into local communities and increasing incidence and diagnosis;
 - e) and in next financial year, pending HMRC action on National Living Wage compliance for sleep in night shifts.

3. Delivery of Strategic Objectives

- 3.1 Cabinet received and approved our vision and plan for adult social care 'Promoting Independence in Devon' on 10th October 2018 following discussion at Adult Health and Care Scrutiny on 20th September 2018.
- 3.2 This aligned the council's plans and objectives with the desired outcomes and priorities agreed across health and care through our local Sustainability and Transformation Partnership:
- 3.3 *Prevention: enabling more people to be and stay healthy.*

3.3.1 Our Life Chances programme taking a social prescribing approach to linking people to voluntary sector support has gained national attention through a lottery bid.

3.3.2 Our approach to risk stratification using health and care data to identify those with escalating risks is well placed to support this.

3.4 *Empowerment: enhancing self-care and community resilience.*

3.4.1 Our 'Ready When You Are' campaign has been launched aiming to create a more positive environment in which people with disabilities can successfully find and sustain paid employment.

3.4.2 Our strength-based approach to social care practice articulated through our promoting independence policy is being adopted by health partners and independent sector providers to promote the independence of the people we jointly serve.

3.4.3 We are more widely using Technology Enabled Care Services to complement other forms of support to maintain people in their own homes.

3.4.4 Our new 'Caring Well in Devon' contract is being implemented to improve support to carers.

3.5 *Support at home: integrating and improving community services and care in people's homes.*

3.5.1 We are supplementing our 'Living Well at Home' contract with specific initiatives seeking to secure sufficient personal care services in geographies where they have been most difficult to source.

3.5.2 Our short-term service offer has been developed to integrate social care reablement and NHS rapid response services with a focus on preventing admission into and enabling discharge from hospital.

3.5.3 Our Learning Disability Strategy has been agreed by the council and across the partnership with a focus on promoting independence including in Supported Living settings and its delivery will be a key priority in 2019.

3.6 *Specialist care: delivering modern, safe, sustainable services.*

3.6.1 Our accommodation with care strategy is highlighting the importance of closer partnership working with district councils in delivering a range of housing solutions.

3.6.2 Our new residential and nursing contractual framework is now being implemented, ensuring that the fees we pay are aligned with the costs of care of the individual placement.

3.6.3 We continue to develop our market management approaches seeking to balance sufficiency, quality, affordability, choice and innovation in our commissioning.

4. Comparative performance

- 4.1 A summary of comparative performance against national and local indicators will be presented to Adult Health and Care Scrutiny on 24th January 2019 drawing on the range of statutory returns which are being published through the Autumn.
- 4.2 Our headline analysis is as follows:
 - 4.2.1 Our 'promoting independence' approach has brought the number of people dependent on our support to comparator levels, and the rate of placements into care homes is comparatively low, but we support significantly more working age adults than is typical, in particular in community settings.
 - 4.2.2 Although our short-term services aimed at restoring people's independence are effective, we know we can extend their reach in partnership with the NHS and are concerned that their capacity is often used as contingency to meet the personal care needs of people where services from the independent sector cannot be sourced.
 - 4.2.3 We are comparatively good at preventing unplanned admissions into hospital but despite recent improvements have more to do to avoid delayed transfers of care into the community with the autumn period already proving challenging ahead of winter.
 - 4.2.4 Our expenditure on adult social care relative to our population is in line with comparators and we are currently delivering within budget but locally as well as nationally we now spend more of the council's net budget on working age adults than older people with spend people aged 18-64 having increased significantly over the last decade while spend people over 65 has been static.
 - 4.2.5 Our unit costs are in line with the regional average, but under pressure, in particular to meet the requirements of the national living wage and pay frontline care workers at rates adequate to secure sufficient services.
 - 4.2.7 People with learning disabilities or with mental health needs are more likely to be in paid employment and living independently than is typical elsewhere and we aspire to do even better.
 - 4.2.8 The quality of adult social care service providers is consistently rated significantly higher in Devon than the national average by the Care Quality Commission.
 - 4.2.9 Our level of safeguarding concerns and enquiries is well below the comparator average, and our Safeguarding Adults Board is raising awareness and changing practice accordingly ahead of an independent peer review scheduled for Spring 2019 to be facilitated by the Local Government Association.
 - 4.2.10 We have convened focus groups of service users and carers to understand people's perceptions of safety and reduce social isolation which we are promoting as a priority for the council and its partners.

4.2.11 Our social care workforce turnover and vacancy rates are less high than many comparators but workforce recruitment and retention remain the sector's greatest challenge and we have much to do to ensure sufficient, high quality, affordable services into the future.

4.2.12 Despite these pressures the overall satisfaction of people who use adult social care services improved in Devon in the most recent survey and is in the top quartile nationally.

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Head of Adult Commissioning and Health

Electoral Divisions: All

Cabinet Member for Adult Care and Health: Councillor Andrew Leadbetter

Chief Officer for Adult Care and Health: Jennie Stephens

LOCAL GOVERNMENT ACT 1972: LIST OF BACKGROUND PAPERS

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