

SLOUGH BOROUGH COUNCIL

REPORT TO: Health Scrutiny Panel **DATE:** 10th July 2017

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PART I **FOR INFORMATION, COMMENT & CONSIDERATION**

PROGRESS UPDATE ON THE ADULT SOCIAL CARE TRANSFORMATION PROGRAMME 2015-2019

1. **Purpose of Report**

This report provides the Health Scrutiny Panel with a progress report on the delivery of the adult social care transformation programme and an update on the adult social care budget.

2. **Recommendation(s)/Proposed Action**

The Health Scrutiny Panel is recommended to note the report and the progress being made in delivering the adult social care transformation programme and note the impact of the financial pressures facing adult social care over the next three years.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **Slough Joint Wellbeing Strategy Priorities**

The adult social care transformation programme will meet several of the current Slough Wellbeing Board strategy priorities including:

- Increasing life expectancy by focussing on inequalities
- Improving mental health and wellbeing
- Housing

3b. **Five Year Plan Outcomes**

The adult social care transformation programme will support the delivery of the following SBC Five Year Plan outcomes:

- More people will take responsibility and manage their own health, care and support needs
- Children and young people in Slough will be healthy, resilient and have positive life chances

4. **Other Implications**

(a) **Financial**

The adult social care budget has been facing increasing pressures over the last three years with increasing demand, increasing prices and a reducing budget. The budget has overspent in the last two years and the outturn for 2016/17 is an overspend of £774k or 2% of the net budget.

The position for SBC is not significantly different than other councils with responsibility for adult social care. The Association of Directors of Adults Social Services (ADASS) in its annual budget survey published in July 2016 identified the standstill shortfall for all councils for social care of £1bn for 2017/18. Local councils are facing increasing demand for social care – ADASS estimates £4bn a year in demographic pressures plus increasing costs, with the national living wage cost alone being £612m this year. Since 2010 councils have been making savings of approx. £1bn a year as the government revenue support grant to councils has been reducing.

The 2017 ADASS budget survey published in June 2017 shows a total spend on ASC nationally of £14.19bn on a net budget of £13.82bn – a 3% overspend compared to a Slough ASC overspend of 2%.

Planned savings for 2017/18 nationally are £824m - 5% of the net ASC budgets and 27% of total council savings. This compares with Slough planned ASC savings of 4% against the net ASC budget and 10% of council planned savings.

ADASS Directors confidence in delivering these savings is only 31% despite additional national funding and this reduces to 8% for 2018/19.

The national budget statements over the last eighteen months have provided adult social care with additional one off funding each year from 2017/18 to 2019/20. This funding is allocated through the Better Care Fund and requires an agreement with the local NHS on how this funding will be used. The total nationally for 2017/18 is £1bn. For Slough this improved Better Care Fund allocation is:

2017/18 £2.173m

2018/19 £2.862m

2019/20 £3.327m

Without this additional funding Slough adult social care would have to make this equivalent level of saving each year in its budget to ensure the adult social care budget is balanced.

After March 2020 there is no guarantee of any further additional national funding so there is a significant risk that the budget for adult social care will need to be reduced by £3.327m at this point although there will be a further national review of adult social care funding as confirmed in the spring budget.

(b) Risk Management

<i>Risk Area</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>Financial</i>	<i>Savings plans not delivered</i>	<i>Action plans in place and regular monitoring. Alternative plans in place.</i>
	<i>Additional national funding ceases after 2019/20</i>	<i>Regular review of national position. Alternative savings to be developed.</i>
<i>Strategy</i>	<i>Key projects in the ASC transformation programme</i>	<i>Action plans in place and regular monitoring of plans. ASC</i>

	<i>do not deliver planned improvements</i>	<i>programme board with senior SBC and partners attendance.</i>
<i>Demand</i>	<i>Demand continues to increase</i>	<i>Regular monitoring of activity. Focus of prevention work.</i>
<i>Integration</i>	<i>Negative impact of integration with the NHS via the STP and Better Care Fund</i>	<i>Regular monitoring of plans and projects Risk share agreements in place for pooled budget</i>

(c) Human Rights Act and Other Legal Implications

There are none identified at this point.

(d) Equalities Impact Assessment

Equality impact assessments have been undertaken for each of the projects within the programme and each of the savings plans. No issues have been identified.

(e) Workforce

There are no specific issues identified at this point.

5. **Supporting Information**

5.1 **Adult Social Care Transformation Programme**

5.1.1 The transformation programme has been focused on both delivering the new responsibilities of the Care Act 2014 but also delivering the adult social care strategy.

The aims of the strategy are:

- Prevent and delay the need for social care services by good information and advice, prevention, reablement, asset based approaches and building community capacity
- Avoid people being in crisis
- Support to carers to continue caring
- Support people to live at home and reduce number of people living in care homes
- Support people to manage their own care and support through direct payments and technology
- Working in partnership with the NHS to deliver integrated services
- Improving quality of local services
- Developing our workforce

5.1.2 The transformation programme started in 2015 and has 25 different projects. Of these 12 have been completed, 11 are still ongoing and 2 have still to be delivered.

The most significant project that has been delivered is the restructure of adult social care into three locality teams with a focus on asset based and strength based conversations and connecting people to the range of supports and services available in their communities.

Other projects delivered are the redesign of the councils internally provided learning disability services, including day services, the new information and advice service provided by SPACE and the redesign of housing related support services.

Of the projects still to be delivered these are related to IT and digital (development of a citizen portal and of an e-market place).

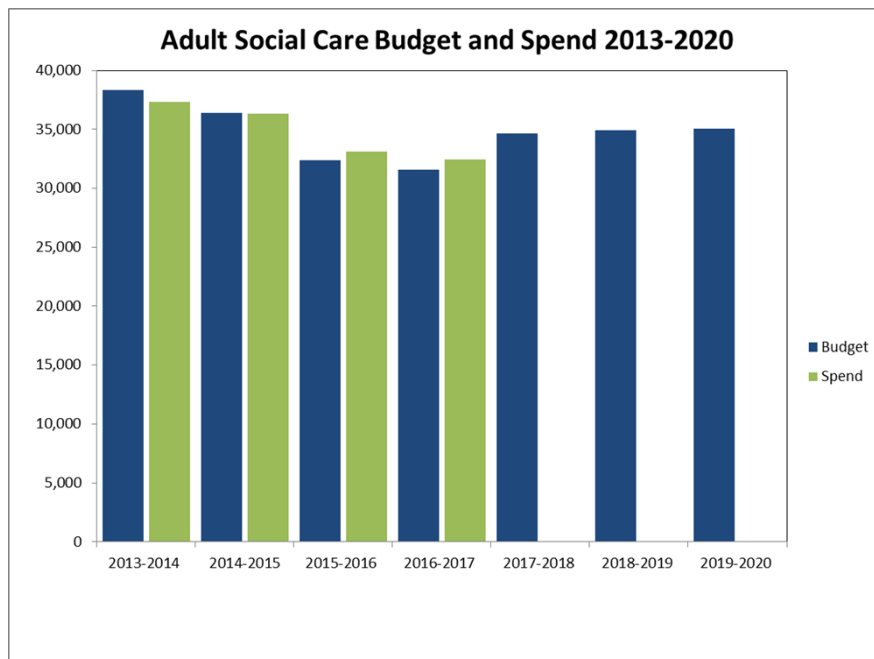
5.1.3 Key successes have been an increase in the number of people managing their care and support via a direct payment, an increase in the number of people supported by the voluntary and community sector, an increase in the number of carers identified and supported, the redesign of the drug and alcohol treatment service and an increase in the number of people with a learning disability and people with a mental health issue living in settled accommodation (not living in care homes).

5.1.4 Key deliverables for the programme over the next few years are:

- Further increases in the number of people managing their care and support through a direct payment, people supported by the community and voluntary sector and carers supported.
- Embedding the new ways of working in the adult locality teams
- Adult social care locality teams to be part of the services provided by integrated health and social care hubs
- Improving the information and advice offer to Slough residents
- Ensuring our prevention and early intervention services are making a difference
- Improving the transition experience of young people moving from children to adult services
- Improving the range of accommodation with care options including supported living and extra care alongside the councils housing strategy.

5.2 Adult Social Care Budget 2013-2020

5.2.1 The table below shows the budget and expenditure 2013-2020



The table shows a reduction of budget due to savings being made from 2013 to 2017, a difficulty in achieving a balanced budget over the last two years and an increased budget due to the additional national funding over the next three years

The base budget for 2017/18 of £32,225m includes additional funding for demography and care act new burdens responsibilities and inflation all funded by

the adult social care precept of 3% (an additional £1.5m) minus planned savings of £1.3m. The national additional funding of £2.173m (treated as a one off additional on top of the base budget) plus a small increase in BCF funding gives us a net ASC budget of £34,625m for 2017/18.

5.2.2 There are three main reasons for the overspends in 2015/16 and 2016/17:

- an increase in the number of people being supported
- an increase in the levels of need for existing clients above the planned and expected levels. This has led to increase in the number of additional domiciliary care hours being delivered for existing clients.
- an increase in the price being paid for care – mostly care home prices – partly related to national living wage increases.

5.3 **Efficiency and Savings Plans**

The transformation programme will deliver savings of over £8m – and has achieved £5.5m so far with the remainder to be delivered over the next three years. The savings profile is:

2015/16 £3.1m

2016/17 £2.4m

2017/18 £1.3m

2018/19 £1m and 2019/20 £1m (provisional figures at present)

5.4 **Impact of demand and price changes**

Although the savings from the programme have been achieved so far there are two main areas that have led to the adult social care budget seeing an increase in spend above budget – these are the impact of increased demand and increases in prices.

From April 2013 to February 2017 the council has seen an increase in the overall number of people supported with long term care needs from 1,275 to 1,371. The biggest increase has been the numbers of people supported to live at home which has increased from 830 to 999.

The average number of hours of care at home has also increased from approx. 8 hours per week to 12 hours per week during this period.

The average price paid for care at home has roughly stayed static at about £15 per hour but the average cost per person over 65 for care at home has increased from £118p/w in April 2013 to £168 p/w in February 2017. The new domiciliary care average hourly price will be increasing to £17.35 during this year which we estimate will cost the council approximately £0.5m more per year.

The average net cost for nursing home placements has increased from £411p/w in March 2013 to £662p/w in February 2017. The average net price paid for a new nursing home placement today is over £700 p/w and this is increasing each month.

6. **Comments of Other Committees**

An update on the adult social care budget was presented to the Overview and Scrutiny Committee meeting held in November 2016. A further update was requested in a year.

7. **Conclusion**

The adult social care transformation programme has led to a major change in the way that the service is provided in Slough. The changes have also delivered efficiency savings that have gone part way to managing increases in demand and also increases in costs. The additional national funding for adult social care that has been allocated to all councils to meet the increasing demands and costs that all councils are facing will help Slough meet the gap between budget and spend over the next three years. There is though a significant risk that if additional funding is not provided after 2020 that further savings will be required from 2020.

The Health Scrutiny Panel is recommended to note the report and the progress being made in delivering the adult social care transformation programme and note the impact of the financial pressures facing adult social care over the next three years.

8. **Appendices Attached**

None

9. **Background Papers**

None