

Public Accounts Select Committee		
Title	Adult Social Care Budget – Addendum to the Budget Report	
Contributor	Executive Director for Community Services/Executive Director for Resources	Item 5
Class	Part 1 (open)	05 February 2019

Reasons for Lateness and Urgency

This addendum was not available for the original dispatch because officers were waiting for additional information in order to complete it. The addendum is urgent and cannot wait as it forms an addendum to the Council Budget Report being considered by committee on 5 February 2019.

1. Purpose

1.1 In conjunction with consideration of the Council's Budget Report, the Committee has requested updated information about the current cost pressures on the Adult Social Care (ASC) budget. This addendum provides an update on pressures, savings and funding.

2. Recommendations

2.1 Members of the Public Accounts Select Committee are asked to note the content of the report.

3. Background

3.1 In conjunction with consideration of the next round of savings proposals, the Committee requested updated information about the current cost pressures on the Adult Social Care (ASC) budget. A report was considered at the November 2018 meeting which presented information on pressures and trends, savings and benchmarking. Members of the committee have requested regular updates on issues described in that report.

4. Policy Context

Statutory Requirements: Care Act 2014

4.1 The Care Act 2014, provides guidance as to how a Local Authority should go about performing its care and support responsibilities for those with care needs and their Carers. The overall challenge set out by the Act is to promote wellbeing and independence of the whole adult population by working collaboratively with Health.

4.2 The Council has a duty to provide the public with a wide range of information and advice regardless of whether individuals are eligible for a social care assessment.

4.3 The Care and Support (Eligibility Criteria) Regulations 2014 sets out the eligibility threshold for adults with care and support needs and their Carers. The threshold is based on identifying how a person’s needs affect their ability to achieve relevant outcomes, and how this impacts on their wellbeing. Where local authorities have determined that a person has any eligible needs, they must meet these needs.

4.4 The Care Act 2014 is a national criteria that gives local authorities a legal responsibility to provide a care and support plan. The care and support plan should consider what the person wants to achieve, and what they can do by themselves. The support plan must include a personal budget which is the money the Council has worked out it will cost to arrange the necessary care and support for that person.

5. Progress on savings

5.1

Title	Savings Target 2019-20	January 2019 Update	Work being under taken to deliver saving: To achieve this we are:
Managing demand for Social Care (3 conversations) asset and strength based approach to practice	£136k	Saving on target to achieve by 31 March 19	<p>Ongoing review of small packages of care to identify opportunities for people to make their own arrangement, this will bring us more in line with national averages.</p> <p>Re-organisation of Social Care by April 2019, to build capacity at the point of contact ensure we are taking an asset and strength based approach to assessing need.</p> <p>Reviewing support for claiming disability benefits to ensure people have access to money to purchase low level support.</p>

<p>Ensure support plans optimise VFM</p>	<p>£250k</p>	<p>Saving on target to achieve by 31 March 19</p>	<p>Review of high cost packages and placement, to identify opportunities for reduction us care and ensure VFM in contracts.</p> <p>Ensuring that no package of care is seen as long term with regular reviews.</p> <p>Ensuring CHC eligibility is correct and transfer from Social to Health at the right time.</p> <p>Increased scrutiny of short term emergency interventions and ensure support is proportionate to need.</p>
<p>Increase revenue from ASC charging</p>	<p>£117 k</p>	<p>Partial saving by March 19.</p> <p>Full saving not achievable to IT system work is completed</p>	<p>This saving is reliant on the updating and correction of the current financial system</p> <p>Charging, systems clean up on providers, more LAS provisions now added. Further work needed on Controcc and Oracle systems to ensure that this saving is made and future charging is accurate that will lead to a reduction in debts.</p> <p>Auto Charging is now not possible until IT system work is undertaken.</p>
<p>Reducing unit costs for LD in line with London benchmarking companies</p>	<p>£600k</p>	<p>Saving on target to achieve by 31 March 19</p>	<p>Renegotiation of residential & supported living placements to ensrue they cost effective.</p>

			<p>Reviewing high cost placements</p> <p>Deregistration of residential care services to Supported Living Services therefore using housing benefit to pay for the housing element of the cost.</p> <p>Reducing voids in supported living thus reducing the whole house costs.</p> <p>Review community packages</p>
Personal Assistants (Direct Payments)	£60k	Saving on target to achieve by 31 March 19	20 new personal assistants have been recruited and ready to start. This will reduce the unit cost of community packages.
Review of the Enablement Service to be more cost effective.	£200k	Saving on target to achieve by 31 March 19	<p>Recruitment campaign underway to reduce agency spend.</p> <p>Average intervention to be more proportionate rather than full 6 weeks. This will allow for an increase in productivity.</p> <p>Staff plan IT system will be upgraded to improve planning function.</p>
Reduction in ASC contribution to MH Integrated Community Services	£100k	Saving on target to achieve by 31 March 19	Commissioners in process of negotiation to reduce costs for 19/20

Reduction of MH residential care costs	£300k	Saving on target to achieve by 31 March 19	Deregistration of care homes underway to move to supported living model with entitlement to Housing benefit; Reassessments of clients who can move to Personal Budgets.
Increase use of shared lives	£200k	Saving on target to achieve by 31 March 19	2 x Shared Lives Officers appointed. Current carer capacity increased by 6 carers by end of Jan 2019. All Respite and long term support requests for LD are considered by the scheme. .
Develop a more cost effective model for transitions	£200k	Saving on target to achieve by July 19	Development of a Transition team in progress. Joint commissioners working on developing the local market and exploring opportunities for cross borough service development.

Plans to achieve savings for 20/21

- 5.2 Adult Social Care has commissioned some diagnostic work in order to analyse the cost of care and benchmark with comparator boroughs. This will be used to identify any areas of expenditure for service improvement, market shaping and where future savings can be found.

6. Pressures

- 6.1 There are 4 main areas of pressures in adult social care.

Transitions

- 6.2 Each year a cohort of young people move from children's services to adults through the transition process. Numbers and costs vary from year to year but they are increasing (as numbers with profoundest disabilities and most severe behavioural problems increase). The estimated cost to adults budgets of new service users in 2019/20 is

£1m and although savings of £200k will be sought through working with young adults and their families at an earlier stage to increase independence and make use of local more cost effective resources, a residual pressure of £0.2m is expected.

- 6.3 A review of the transition process recommended formation of a dedicated team to work with 14-25 years old to ensure that they have a clear road map to independence and adulthood. The cost of the structure proposed is £181k higher than that of staff working on transitions currently; the 2018/19 iBCF includes £100k for this and a further £81k will be added from the 2019/20 allocation.

Ageing Population

6.4 Increases in the borough population, particularly in the 75+ population, present an additional pressure as the likelihood of requiring a social care service increase with age and increased frailty and ill health. Work on demand management will provide some mitigation to this pressure, but £0.5m will be included in the iBCF plan to address the remaining costs.

Statutory duty in relation to Mental Capacity

- 6.5 There has seen a 100% increase in the number of people who lack capacity to make decisions regarding decisions about how their care needs are met. The local authority has a statutory duty to ensure they receive an assessments that considers any reduction in their liberty is in their best interest. Costs of Deprivation of Liberty Safeguards (DOLS) have increased each year since the 2009 ruling.
- 6.6 A pressure of £0.8m is reported for 2018/19 and an increase to £0.9m is likely for 2019/20. No corporate funding has been allocated to this and the full cost will be included in the iBCF plan for 2019/20

Sustaining the Care Market

- 6.7 Increases in contractual costs of care to reflect above inflationary increases in LL:W and NLW. For 2019/20 the price pressure on purchased care is estimated at £2.1m. This will be funded from the 2% precept for adult social care.

7. Allocation of new funding

- 7.1 In 2019/20, Lewisham's iBCF allocation is expected to increase from £10.5m to £13.1m. Guidance on its use has not yet been issued but initial proposals will be to allocate this £2.6m to funding the pressures described above : transition (£1m), other demographic growth (£0.5m) and DOLS (£0.9m).
- 7.2 Unless guidance changes significantly the rest of the iBCF will be allocated in a similar way to 2018/19 i.e. used to fund demographic

pressures including transition, historic price pressures and the financial effects of unachieved savings.

- 7.3 Similarly, no significant change is expected in either the allocation or conditions for BCF so allocations for 19/20 will be similar to 2018/19.
- 7.4 The Winter Resilience Allocation of £1.4m received in 2018/19 will be paid again in 2019/20. Discussions over allocation of this have not yet started. Further funding for social care of £420m nationally has also been announced. The Lewisham share of this is approx. £2.4m. Conditions over the use of this are more flexible however and this funding is likely to be used predominantly to support children's services locally.
- 7.5 The Adult Social Care Support Grant that has been paid for each of the last 3 years (£855k for Lewisham in 2018/19) is not expected in 2019/20. This has been used to support non-recurrent expenditure.

8. Financial implications

- 8.1 The financial implications are contained in the body of the report.

9. Legal implications

- 9.1 There are no further legal implications arising from the report, save that specific budget proposals may require further reports with legal implications as to the process and proposals.
- 9.2 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 9.3 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 9.4 The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.5 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory

guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equalityact/equality-act-codes-of-practice-and-technical-guidance/>

9.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

9.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty, including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/publicsector-equality-duty/guidance-on-the-equality-duty/>

10. Crime and Disorder Implications

10.1 There are no specific Crime and Disorder implications arising from this report and its recommendations.

11. Equalities Implications

11.1 There are no specific Equalities implications arising from this report and its recommendations.

12. Environmental Implications

12.1 There are no specific Environmental implications arising from this report and its recommendations.

If there are any queries on this report please contact Joan Hutton, Head of Adult Social Care (Tel: 020 8314 8364) or Robert Mellors, Group Finance Manager on 020 8314 6628