

Update for Health & Social Care Scrutiny Committee – 2 July 2015

ADULT SOCIAL SERVICES BUDGET POSITION 2014/15-2015/16

The detailed budget position is set out in the tables below.

In summary the Adult Social Care Budget for 2014/15 of £37.5 was £5.2m less than 13/14 due to further reduction in central government funding. At year end Adult Social Care outturned at £671k over budget but this was after the use of one off monies .

A further budget reduction of £1.6m in 2015/16 means that our Cost Improvement Plan has been formulated on the basis of delivering close to £7m of savings in 2015/16. Initiatives include reducing the price we pay for care provision, but the scale of these savings require significant reductions in the number of people receiving support and the amount of high cost care received.

The presentation to follow will focus on our approach to “doing things differently” to achieve satisfactory outcomes for an increasing number of people at reduced cost.

Paul Taylor, Director

ADULT SOCIAL SERVICES BUDGET POSITION 2014/15-2015/16

Final outturn position for 2014/15	
Net Budget-£37.5m	The Council’s budget strategy for Adult Social Services in 2014/15 included savings taken from budget of £5.2m and an earmarked a drawdown budget of £2.240m. The service area overspent by around £671k. Added to this was around £380k of pressure in the Social Care service-Supporting People contracts which is delivered by Family, Cohesion and Commissioning. Therefore the total underlying variation before using the draw down budget and other one off funding , in total around £3.1m, was over £4m.

Budget for 2015/16	
Net Budget-£35.8m Gross expenditure -£51.4m Gross income-£15.6m	<p>The service area budget was arrived at after taking out £1.64m of savings including £505k from the services within Family, Cohesion and Commissioning. The actual budget of £35.8m has reduced by more than the savings because of the impact of reduced Support Service recharges and some other ancillary changes which do not impact the budget available to spend on Adult Care services.</p> <p><u>Pressures on the service area budget-2015/16</u></p> <p>The overspend in 2014/15 is a continuing pressure on the Adult Social Services budget The budget has also been reduced by 2015/16 savings to be made of £1.64m and there are also additional pressures being realised as the year progresses. In order to reduce the pressure on the budget a Cost Improvement Plan is in place and the cost savings included in the plan total</p>

	<p>around £7m in 2015/16, with further savings proposed in 2016/17. External challenge has been procured by the service and the results of this have helped shape the actions contained within the Cost Improvement Plan; these include managing down demand and reducing unit costs and also include reductions to spending on Supporting People services. In addition there are significant savings attributed to doing things differently, for example the Locality Working project which is underway. The savings attributable to these innovative ways of working are designed to reduce demand for Community Care services or reduce costs by finding different ways of meeting the needs of people eligible for care.</p> <p>Corporate Drawdown Budget (ASS) £2.5m in 2015/16</p> <p>There is a Corporately held drawdown budget of £2.5m in 2015/16 for Adult Social Services. The budget strategy for 2014/15 established a drawdown budget to meet overspends in both Adult Social Services and Children's Safeguarding services. In 2014/15 around £2.2m Corporate drawdown budget for Adult Social Services was used to meet the bottom line pressure, in 2015/16 the budget available is £2.5m, however the Service's strategy to address the identified pressures for 2015/16 is predicated on the full delivery of cost reductions of £7m within year as detailed within the Cost Improvement Plan without any planned call on the drawdown budget. Close monitoring of the delivery of the Plan and identification through the financial and performance management monitoring process of any new pressures arising will facilitate any need to revise the strategy or detailed supporting plans.</p>
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Integrated Working with Health-2015/16	
Budget-£12.5m	This financial year sees the commencement of the Department of Health's Better Care Fund initiative. This is a partnership to encourage Integrated Working between CCGs and Local Authorities. The organisations need to work together to deliver a reduction in emergency admissions and other locally agreed targets, and to facilitate this the funding will be combined in a Pooled Budget. The Pooled budget for Telford & Wrekin CCG and LA is around £12.5m, and within this around £9.5m funds existing Council activity (including £1.3m capital funding)

Budget and Strategic issues – arising 2015/16	
	<ol style="list-style-type: none">1. Better Care Fund – Integration of Health and Social Care;2. Implementation of Care Act part 1 and prep Part 2;3. Cost Improvement Plan;4. Transfer of Independent Living Fund;5. Continuing Health Care.