

Budget Task Group

Adult Social Care & Public Health |

Bernie Flaherty, Executive Director

Executive Summary

Adult Social Care

- In 2023/24, Adult Social Care had a gross controllable expenditure budget of £107.438m and a gross income budget of £54.413m (net controllable budget £53.025m).
- Efficiencies savings of £2.350m are proposed in 2024/25. Of this, saving commitments already agreed are £0.860m and £1.490m are new savings.
- Two investments totalling £1.275m are proposed to support car workers pay and also to provide hot meals to service users
- ASC demographic pressures identified are £0.550m for 2024/25.

Key Issues

- Changes in national policy and the impact this is having/will have locally includes:



National Policy

- **Regulation and inspection of ASC** – new role for the CQC to assess how local authorities are meeting their ASC duties. Introduced through the Health and Care Act 2022.
- **National discharge funding** is uncertain in the long-term and sub-regionally, NWL Integrated Care System is conducting an out of hospital Better Care Fund spend review.
- **Health inequalities** highlighted and exacerbated by COVID-19
- **Market fragility** caused by shortages in the workforce due to Brexit, COVID-19, wages, cost of living crisis and long-term structural issues and underfunding.
- **Underfunding of social care** - £1.5bn funding gap identified following analysis of Fair Cost of Care exercise in 2022. Approx £196 p/w difference in what local authorities pay compared to actual costs. Providers are handing back contracts or exiting the market due to rising costs.



Local Impact

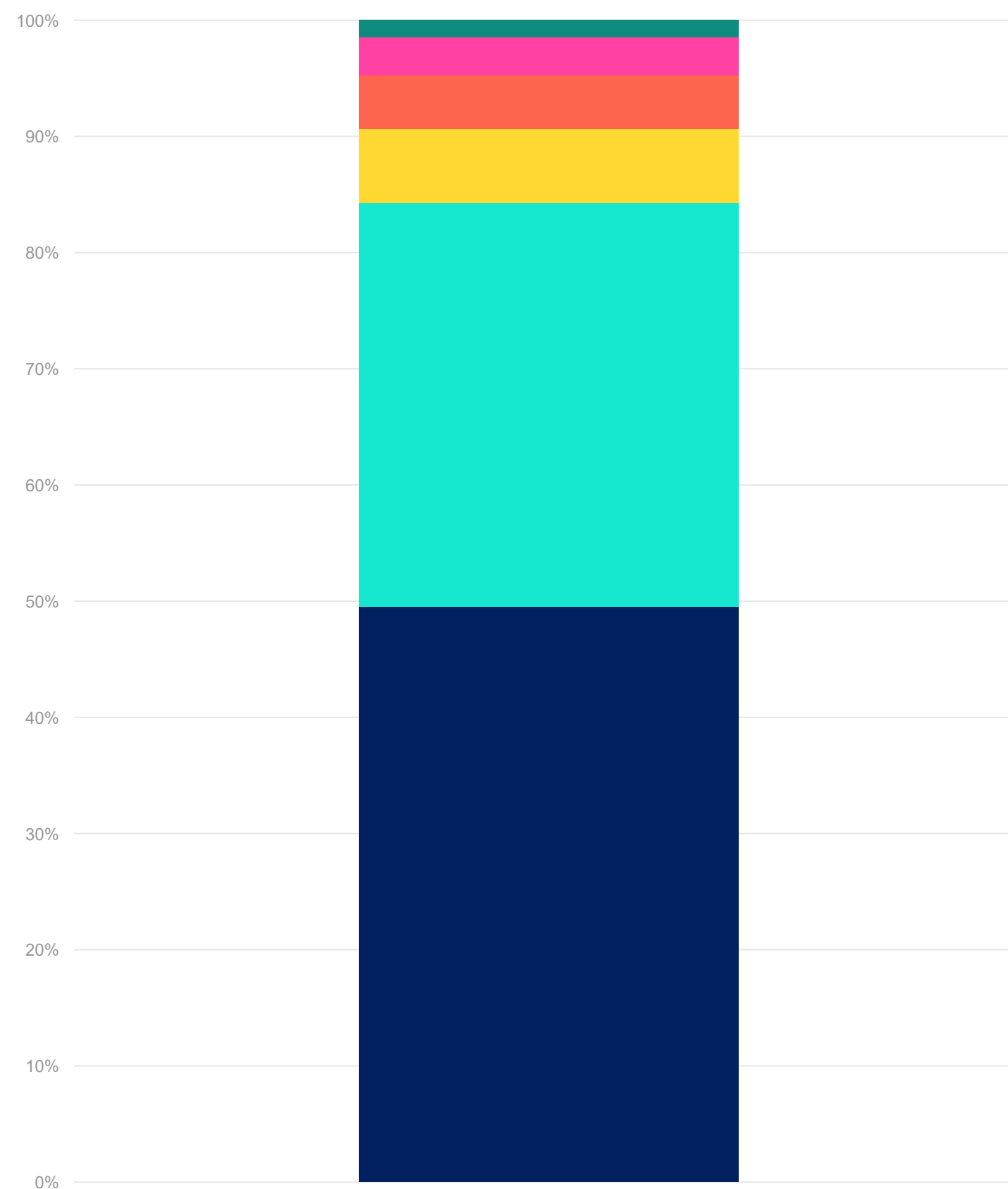
- **Pressures from Health**
 - The Government has asked all Integrated Care Boards to reduce their overheads by 30-40%. Locally, there is a significant risk this will impact on investment in our local partnerships, and we will increasingly see a more standardised and centralised approach to health provision.
 - BCF has been agreed, following a request for lodged funds to be released to offset hospital discharge grant shortfall.
 - A BCF review is being conducted by the ICB (October/November 2023) which could impact 2024/25 budgets.
- Existing service users who leave the system are being replaced by new users with **more complex needs**, which results in requiring more support.
- There is a considerable amount of **Ministerial interest in adult social care** spending at the moment and scrutiny of the allocation of funds.

Funding and income

Gross Budget
(broken down in following slide)

£107,000,000

% breakdown of income



Income	£m	% of income
Council revenue	53,000,000	50%
Income from NHS	37,000,000	35%
Client income	7,000,000	6%
Income from other LAs	5,000,000	5%
Public Health Grant	3,000,000	3%
Other	2,000,000	1%
Total	107,000,000	

- Overall, income of £54m (50%) is derived externally with a significant reliance on income from NHS, mainly in the form of BCF and iBCF.
- BCF and iBCF make up 86% of the income received from Health.
- Council revenue includes government funding e.g Social Care Grant (£16m) and Social Care Precept (£1.2m).
- Income from other local authorities is largely the s113 recharge to RBKC for share of WCC staff costs.

2023/24 Budget

Adult Social Care

- The key controllable service area budgets for 2023/24 are broken down in the table below.
- NB: Service area descriptions are based on CIPFA categorisations. Income is generated from client contribution, Health contribution and grants.

Service Area	Expenditure £m	Income £m	Net Budget £m
Assistive Equipment and Technology	2.134	(1.925)	0.209
Commissioning and Service Delivery	6.090	(4.500)	1.590
Information and Early Intervention	1.732	(1.792)	(0.060)
Costs of assessment and care management process	13.120	(4.761)	8.359
Learning Disability Support	25.683	(7.870)	17.813
Mental Health Support	11.261	(6.734)	4.527
Physical Support	39.809	(23.280)	16.529
Sensory Support	0.045	(0.013)	0.032
Social Support	1.220	(1.770)	(0.550)
Support with Memory and Cognition	6.344	(1.768)	4.576
TOTAL BUDGET 2023/24	107.438	(54.413)	53.025

Savings Proposals (1 of 2)

2024/25 to 2026/27 Summary

Ref	Saving Title	2024/25 Over 2023/24 £m	2025/26 over 2024/25 £m	2026/27 over 2025/26 £m	Total £m
1.1	Prevention initiatives	0.250	0.300	0.630	1.180
1.2	Digital Account	0.325	0.400	0.400	1.125
1.3	Identifying contract efficiencies	0.300	0.600	0.700	1.600
1.4	Housing - Increased nomination allocated	0.200	0.300	0.300	0.800
1.5	LD – supported living services	0.100	0.150	0.150	0.400
1.6	Review Block and Spot arrangements for placements	0.075	0.100	0.150	0.325

Savings Proposals (2 of 2)

2024/25 to 2026/27 Summary

Ref	Saving Title	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
1.7	Better use of Disabled Facilities Grant	0.080	-	-	0.080
1.8	Retender of the Occupational Therapy Contract	0.060	0.060	0.060	0.180
1.9	Short breaks efficiency	0.100	-	-	0.100
1.10	Review of Tri Borough Recharge Arrangements for hospital services and EDT	-	0.050	0.050	0.100
	Total	1.490	1.960	2.440	5.890

Savings Proposals (1 of 2)

2024/25 to 2026/27

- **Prevention initiatives - £1.180m:** Continuation of prevention initiatives over the next 3 years. The approach of offering equipment, technology, direct payments and supporting residents placed outside of Westminster to return if they choose to.
- **Digital Account - £1.125m:** Use of the digital account to diversify spend beyond 'hours of care' to more outcome specific activities. Increase uptake of Direct Payments and use of digital solutions.
- **Contract efficiencies - £1.600m:** Undertaking a review of contract register, contracts in the pipeline and learning disability contracts that are in place or scheduled to be re-procured, and using benchmarking and cost modelling tools to identify and negotiate efficiencies with providers.
- **Housing - Increased nomination allocated - £0.800m:** Work with Housing to have options for service users with physical and learning disabilities and mental health needs. Provide general housing with more appropriate support.
- **LD – supported living services - £0.400m:** New contract agreements will be in place from April 2024, which entail standardised rates to reduce the cost of flexible hours and improved management of void costs.
- **Review Block and Spot arrangements for placements - £0.325m:** Review block versus spot best value and negotiate a better long-term rate through block contracting where appropriate.

Savings Proposals (2 of 2)

2024/25 to 2026/27

- **Better use of Disabled Facilities Grant - £0.080m:** One Occupation Therapist to be funded by DFG, subject to CIPFA regulations.
- **Retender of the Occupational Therapy Contract - £0.180m:** The contract is up for tender and currently on a direct award with the existing provider. Enhancements to the delivery model could result in savings.
- **Short breaks efficiency - £0.100m:** Reviewing block arrangements for short breaks to ensure provision reflects residents' needs and choices.
- **Review Tri Borough Recharge Arrangements for hospital services and EDT - £0.100m:** Increase charges including management overheads for Hospital Services and EDT.

Investment

The 2024/25 investment proposed is £1.275m, details below:

- **Home care workers' pay £1.200m**

Paying home care workers on block contracts and via direct payments £1.50 more per hour to tackle inequalities and low pay in care workforce as a response to the Ethical Care Charter. This will be funded from the Market Sustainability Improvement Fund for 2023/24 and 2024/25. The grant's continuity has not been confirmed beyond 2024/25 and this investment will be reviewed at that point.

- **Hot meal provision £0.075m**

Provision of three hot meal meals per week to defined eligible cohort over winter period. This will also be reviewed in two years' time.

General ongoing demographic pressures

2024/25 pressures identified total £0.550m, details below:

- **LD Transitions - £0.300m** : Additional cost impact from LD clients transitioning from Children's Services to ASC.
- **MH complexity - £0.250m**: Added complexity in MH support for residents. The number of assessments continues to increase year on year.
- NB: This does not include changes to demographics (complexity of need and rising numbers) that are funded by extra Government grants.

Summary savings and pressures

2024/25 to 2026/27 Summary

	2024/25 £m	2025/26 £m	2026/27 £m	TOTAL £'000
New Savings	(1.490)	(1.960)	(2.440)	(5.890)
Existing Savings	(0.860)	(0.500)	(1.190)	(2.550)
TOTAL	(2.350)	(2.460)	(3.630)	(8.440)
Pressures	0.550	-	-	0.550
NET TOTAL	(1.800)	(2.460)	(3.630)	(7.890)

Funded from Market Sustainability and Improvement Fund

Investment	1.275	-	-	1.275
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2024/25 Budget

Adult Social Care

- The key controllable service area budgets for 2024/25 are broken down in the table below.
- NB: Service area descriptions are based on CIPFA categorisations.

Service Area	Expenditure £m	Income £m	Net Budget £m
Assistive Equipment and Technology	2.134	(1.925)	0.209
Commissioning and Service Delivery	5.905	(4.575)	1.330
Information and Early Intervention	1.732	(1.792)	(0.060)
Costs of assessment and care management process	13.040	(4.761)	8.279
Learning Disability Support	25.605	(8.059)	17.546
Mental Health Support	11.332	(6.934)	4.398
Physical Support	39.565	(24.027)	15.538
Sensory Support	0.045	(0.013)	0.032
Social Support	1.220	(1.770)	(0.550)
Support with Memory and Cognition	6.335	(1.832)	4.503
TOTAL BUDGET 2024/25	106.913	(55.688)	51.225

Consultations

2024/25 Proposals

- No formal consultations for 24/25 proposals are planned

Budget Task Group

Public Health |

Anna Raleigh, Director of Public Health

Executive Summary

Public Health

- In 2023/24 Public Health budget was fully-funded by grant income of £34.410m. From this grant, we are required to transfer £0.789m to the Integrated Care Board (ICB) for the Dietetics services retained by the NHS.
- The projected outturn variance for 2023/24 as at period 6 is a break-even position in line with the agreed budget.
- As part of the 2023/24 grant announcement, details of the indicative grant allocations for 2024/25 were published. The indicative 2024/25 grant figure is £34.864m which is an increase of 1.3%, wholly ring-fenced to fund Public Health Outcomes.
- In addition to the core Public Health grant, additional government funding has been allocated to Substance Misuse (£3.02m) and Local Stop Smoking Services (£0.267m).
- As part of strategic planning for Public Health, the service has committed reserve funding in addition to the grant allocations in order to fund the service with no impact on the council's General Fund.

2023/24 Budget

- The key controllable service area budgets for 2023/24 are broken down in the table below.

Service Area	Expenditure £m	Income £m	Net Budget £m
Department of Health Public Health Grant		(34.410)	(34.410)
Commissioned Services	18.469		18.469
Cross-Council Investments	10.291		10.291
Public Health Strategic Investments	3.930		3.930
Salaries and Overheads	2.512		2.512
Dietetics Service	0.789		0.789
Transfer from Reserves		(1.581)	(1.581)
TOTAL BUDGET 2023/24	35.991	(35.991)	0

2024/25 Budget

- The key controllable service area budgets for 2024/25 are broken down in the table below.

Service Area	Expenditure £m	Income £m	Net Budget £m
Department of Health Public Health Grant		(34.864)	(34.864)
Local Stop Smoking Grant		(0.267)	(0.267)
Substance Misuse Grants		(3.020)	(3.020)
Commissioned Services	22.799		22.799
Cross-Council Investments	10.291		10.291
Public Health Strategic Investments	2.750		2.750
Salaries and Overheads	2.690		2.690
Dietetics Service	0.852		0.852
Transfer from Reserves		(1.231)	(1.231)
TOTAL BUDGET 2024/25	39.382	(39.382)	0

Savings Proposals

- Public Health is fully funded by ring-fenced grant funding. As the grant allocations are increasing, there are no planned efficiency and financing proposals.

Consultations

- No formal consultations for 24/25 proposals are planned.