

ADULT SOCIAL CARE AND HOUSING OVERVIEW & SCRUTINY COMMITTEE

Agenda Item 54

Brighton & Hove City Council

Subject:	<i>Adult Social Care and Housing and S75 Financial funding and pressures</i>
Date of Meeting:	<i>8th January 2009</i>
Report of:	<i>Director of Adult Social Care and Housing</i>
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Wards Affected:	All

FOR GENERAL RELEASE

The special circumstances for non-compliance with Council Procedure Rule 23, Access to Information Rule 5 and Section 100B(4) of the Local Government Act as amended (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) are that the report could not be concluded prior to the despatch of the agenda.

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The report sets out for information the funding streams that support the Adult Social Care and Housing and the S75 budgets and how these are utilised. It also explains the service pressures that impact on these budgets.
- 1.2 Budget pressures and efficiency savings and the overall budget package for 2009/10 will be reported through to Overview and Scrutiny Commission in February in line with the agreed budget process.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the financial and funding arrangements for the Adult Social Care and S75 budgets and the pressures that arise.

3. RELEVANT BACKGROUND INFORMATION:

3.1 Funding

Adult Social Care Budgets are split between mainstream which cover staffing budgets and in house services and community care where services are purchased/ contracted with the independent sector to meet the assessed

needs of individual service users. The City Council funds net costs of service provision. The PCT meets the costs of entitlements to Free Nursing Care and Continuing Health Care and part funds joint posts and other joint working arrangements and initiatives. Service Users are financially assessed to contribute towards chargeable services including homecare, day care, residential and some nursing care. Other significant income streams are government grants, Supporting People, Independent Living Fund and housing benefit contributions.

Services provided under S75 arrangements are jointly commissioned and funded by PCT and the City Council with budget contributions agreed each year. Income streams referred to above apply. Under S75 arrangements the Council retains the responsibility for assessment and funding of social care needs. Learning Disability Services are provided through the City Council. Mental Health and Substance Misuse Services are provided through Sussex Partnership Trust. The Integrated Community Equipment Store, Intermediate Care and HIV/AIDS services are provided by South Downs Health Trust.

Strategic Housing budgets cover housing strategy, housing needs, homelessness and Supporting People. Significant income streams include government grants, housing benefits, and rental income.

3.2 Pressures experienced in 2008/09

Financial pressures experienced in the current financial year as a result of:

- Full year effect of growth in number of Physical Disability service users in 2007/08
- Full year effect of increase in adult mental health service users and high unit costs
- Pressures on Acute Trust to reduce length of stay and of bed closures-knock on effect on Community Care budget
- High cost placements- ensuring that all potential income streams are identified. Disputes with PCT over funding.
- Challenging efficiency savings targets in particular on homecare.
- Challenging Financial Recovery Plan to achieve budget and 3% efficiency savings
- In house services are facing staffing pressures and income shortfalls
- Increased demand and high cost placements for Mental Health services and slow delivery against Financial Recovery Plan
- Increased demand for equipment delivered through the Integrated Community Equipment Store

3.3 Pressures expected in 2009/10

Budget pressures and efficiency savings and the overall budget package for 2009/10 will be reported through to Overview and Scrutiny Commission in February in line with the agreed budget process.

The information below sets out the key pressures within the Adult Social Care and Housing Directorate.

On Adult Social Care:

Demographic budget pressures from anticipated growth of new physical disability service users equivalent to 11 Whole Time Equivalents and the full year effect of growth experienced in 2008/09. Demographic information indicates a small decline in Older People.

Changes in grant funding-including reduction in Preserved Rights grant and the Supporting People grant.

Other pressures identified include impact on provider fees from the implementation of the Working Time Directive and Fairer Contracting, and Energy Costs.

Further pressures have been identified including potential fines from Delayed Transfer of Care, addressing historic deficits and the impact on services from no inflationary increase on Supporting People.

The cash limited budget assumes that inflationary pressures can be managed and efficiency savings of 3% can be delivered within the 0.5% uplift on the base budget. In 2008/09 the financial recovery plan is addressing significant unexpected in year pressures and is likely to have a shortfall.

On Learning Disabilities:

Anticipated growth pressures of new services users equivalent to 33 Whole Time Equivalents based on previous years trends and demographic information for 18-64 year olds. In addition the number of service users transferring from CYPT to Adults transitions is estimated at 17 Whole Time Equivalents.

Pressures to manage include the delivery of the financial recovery plan for 2008/09 and managing demand.

On Health Led S75 services:

No demographic growth anticipated. Potential funding pressures of the Dementia Care at Home service for Older People with Mental Health needs. On Adult Mental Health Services the full year effect in 2009/10 of increased demand in 2007/08 and 2008/09.

A financial recovery plan has been put in place in the light of the 2008/09 pressures, further detail is awaited from Sussex Partnership Trust on the expected results of this and the full year effect on 2009/10.

Increased demand on equipment provided through the Integrated Community Equipment Services expected to lead to a financial pressure. Due to the complexities of commissioning of equipment further analysis is required and options considered to address all aspects of the Integrated Community

Equipment Service budget. This will be led by South Downs Health Trust, and involve the PCT and City Council.

4. CONSULTATION

4.1 None

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 As set out in the main report

Finance Officer Consulted: Anne Silley Date: 22nd December 2008

Legal Implications:

5.2 The report is for noting only and no specific legal implications arise from this report

Lawyer Consulted: Hilary Priestley Date: 23 December 2008

Equalities Implications:

5.3 There are no direct equalities implications arising from this report.

Sustainability Implications:

5.4 There are no direct sustainability implications arising from this report.

Crime & Disorder Implications:

5.5 There are no direct crime and disorder implications arising from this report.

Risk and Opportunity Management Implications:

5.6 The council's revenue budget and Medium Term Financial Strategy contain risk provisions to accommodate emergency spending, even out cash flow movements and/or meet exceptional items.

Corporate / Citywide Implications:

5.7 The Council's financial position impacts on levels of Council Tax and service levels and therefore has citywide implications.

SUPPORTING DOCUMENTATION

None

