

# **Oxfordshire Health and Wellbeing Board – 25 July 2013**

## **Oxfordshire County Council Financial Position**

This paper is in two parts – the first focuses on adult social care and the second on Public Health.

### **A. Adult Social Care**

#### **Introduction**

1. This report provides a briefing on the current challenges facing Adult Social Care, the impact these have on the current financial position and looks ahead to future challenges.

#### **Background**

2. The finances available for Adult Social Care are agreed through the County Council's Service & Resource Planning process covering the planning period 2013/14 through to 2016/17. The final decision on resources was made at Council on February 19th 2013. The plans for Adult Social Care are summarised in the Adult Social Care Business Strategy.

#### **Delivery of the Business Strategy 2013/14**

##### **Older People & Equipment**

3. The plan for 2013/14 has been to concentrate on reducing community waiting lists with a target of zero by end of June 2013 and to target faster discharge from the acute sector through Discharge to assess.
4. This waiting list strategy is intended to see clients earlier; to meet their needs earlier; to prevent deterioration and therefore to avoid Crisis episodes later. The strategy to reduce waiting lists has been a success with only the waiting list for Occupational Therapy remaining an issue. Resources have been directed to address this.
5. The demand for services continues to rise. The financial plan was built on 324 hours of Home Support per week and 7 Care Home beds (of which 2 were into block purchased arrangements and 5 spot purchases from the market). In order to clear the waiting lists a temporary addition of £2,600 per week (or 5 additional beds) was resourced through to the end of June 2013. Faced with the level of presenting demand, the additional resource has been extended to the end of September and it is likely that the resource will be required all year.

6. Review of actual activity for the period April to June 2013 suggests that placements have been running on average at 13 beds per week and 441 hours. This far exceeds the available resource and will have a financial impact beyond the current year as placements can be for over 3 years. This exceptional demand seems to arise from the two strands of the business strategy. Reducing the waiting list to see clients earlier to avoid greater support at crisis point is a long term plan with the results expected to come in future years through reduced packages and hopefully reduced emergency admissions but the cost is incurred now. The hospital teams are dealing with high numbers of discharged clients and the cost of those care packages is also being incurred now.
7. The hospital teams have continued to implement Discharge to Assess, the initiative where clients were intended to be either discharged home to have their assessment rather than waiting in bed based services or be discharged into an Assessment bed. In the last few months the default pathway for people who need onward support from acute hospitals has shifted away from community hospital beds and towards short term care home placements (as assessment beds). The original intention was that people could stabilise in these beds whilst the assessment of their long term care needs was completed, before going home. However in practice, most people stayed in the care home. Individual cases have been reviewed, and this outcome was not always in the best interest of the client and is not financially viable long term. This issue was reported to the Older People's Joint Management Group on July 18th. Their views will be reported at the meeting of the Health and Wellbeing Board.
8. The high level of demand for services is a huge challenge for the expanded Older People's pool budget. The Pool needs to be managed carefully throughout 2013/14 and resources need to be used to reduce waiting lists, demand and cover the savings requirement as necessary. Pressures of £5.2m were identified as part of the County Council's Service and Resource planning process and the pool is required to find savings to meet this pressure. The savings will be delivered in future years by means of on-going efficiency savings. Working groups are in place to deliver these savings but for 2013/14, it is planned to cover the savings by the use of one off resources. The Pool has some funding earmarked by the Council in recognition of the difficulty in balancing the conflict of delivering savings in the face of increased demand. It is likely that this funding will be drawn down in year.
9. The equipment budget supports the strategy of supporting clients at home. This budget is also overspending. The Older People Joint Management

Group has an Equipment strategy group which will make recommendations around the management of this budget.

### **Physical Disabilities**

10. The plan for Physical disabilities has also been to reduce waiting lists.

Resources have been injected to allow this and the weekly budget has been increased. There seems to be sufficient budget to meet the demand for this year but the full year effect of funding the demand is likely to cause a cost pressure in future financial years. The demand for services from clients has continued to increase, if this trend continues the budget will grow at an exponential rate as clients generally retain their care package over their lifetime.

### **Learning Disabilities**

11. The Learning Disability budget is on target for the year and efficiency savings are being delivered. The challenges in this area are the changes to national benefits, the removal of the Independent Living Fund and changes to the transition arrangements for those aged 16-25. The financial impact of these are not fully known.

### **Future Prospects and Risks**

12. The key risk to the finances for Adult social Care remains the level of demand for services particularly for those for frail older people. The Council has commissioned research to look into demand for Oxfordshire and the output from that exercise is expected later in the Summer. If the level of demand continues it will become increasingly difficult to balance resources and demand.

13. In terms of national funding, the latest Spending review has confirmed that resources will be available in full to meet financial pressures from the Care Bill (published 10 May 2013). The resources for Adult Social Care are very much tied into the resources of the Council as a whole. Whilst the Council resources are likely to be reduced by around 10% from 2015/16 onwards, resources for Social Care are partially protected through the announcement of £3.8bn pooled funding in 2015/16, for services commissioned jointly and seamlessly by the local National Health Service (NHS) and local authorities. Some of this money is already used to benefit adult social care. It includes the existing £900m already transferred from the NHS to adult social care and the £300m made available for reablement. In Oxfordshire, reablement resources are already included in the Older People Pooled Budget. It also includes £130m of existing NHS money for carers (in Oxfordshire this is effectively pooled with County Council resources for carers). There is in summary, £2.1bn of new NHS investment. However, the Government has

already made clear that the use of this money will have to be agreed with health through Health and Wellbeing Boards. In addition, £1bn will be dependent on the delivery of outcomes, such as keeping people out of hospital. There are also capital resources of £400m although we understand that this is not additional capital resources.

## **Conclusion**

14. The County Council has statutory responsibility for providing Social Care and therefore must continue to meet the rising demand within the financial envelope available. This can only be achieved through close working with all areas of Health.

John Jackson  
Director for Social & Community Services

## B. Public Health in the County Council

1. A range of Public Health functions transferred from the NHS to the County Council from April 2013. This section of the paper outlines the budget available for these functions in 2013-14 and how that allocation was determined.
2. The ring-fenced grant for Public Health in Oxfordshire County Council for 2013/14 is **£25.2 M (£25,263,900)**

### Background

3. Public Health expenditure in the NHS was monitored in 2010-11 and 2011-12 as the basis for a formula for deciding on public health budgets in 2013-14. A baseline amount per head of population in the local authority was decided.
4. Adjustments to the local authority allocations are determined by “pace of change policy”. This is based on the level of increase given to all local authorities and the level of extra resources given to under target local authorities to move them closer to their target allocation. Pace of change policy for 2013-14 is on the basis that:
  - (a) overall local authority growth is 5.5% in 2013-14
  - (b) minimum growth is 2.8% in 2013-14 but the vast majority receiving minimum growth receive 2.8%
  - (c) under target local authorities receive minimum growth or above minimum growth with a cap of 10% total growth

The allocation for Oxfordshire was adjusted as set out in the table below:

2013-14 opening baseline	2013-14 opening baseline per head £	2013-14 opening target	2013-14 opening target per head £	Opening DFT %	2013-14 baseline minus target	2013-14 (baseline minus target) / target %	2013-14 increase	2013-14 increase %
24,534	37	26,178	39	-1.2%	- 1,644	-6.3%	730	3.0%

2013-14 allocation	2013-14 allocation per head £	2013-14 closing target	2013-14 closing DFT	2013-14 closing DFT %	2013-14 crude population
25,264	38	26,196	- 932	-3.6%	663,236

Val Messenger, Deputy Director of Public Health