

## **REPORT ON ADULT SOCIAL CARE – MONTH 8**

### **Introduction**

The Adult Social Care Service is forecasting an overspend at the year end of £2,109k as at month 8. This compares with £2,056k at month 7.

It was recognised that the 2010/11 financial year would be a challenging one for Adult Social Care budgets, based on the ability to maintain demand through the resource panel at a static level and achievement of 'best case' outcomes of negotiations with the NHS over some Continuing Health Care (CHC) cases. However, the demand management targets proved extremely challenging due to the severity of cases coming through and the slow down in death rates, leading to additional pressures of £1,080k. The CHC negotiations did not achieve best case, therefore not realising the headroom that may have helped alleviate pressures.

In addition, identified pressures on the Learning Disability transitions budget were taken as risk during the budget build process, as this budget has been a volatile one to predict in previous years. It is now known that this pressure is in the region of £356k.

### **Background**

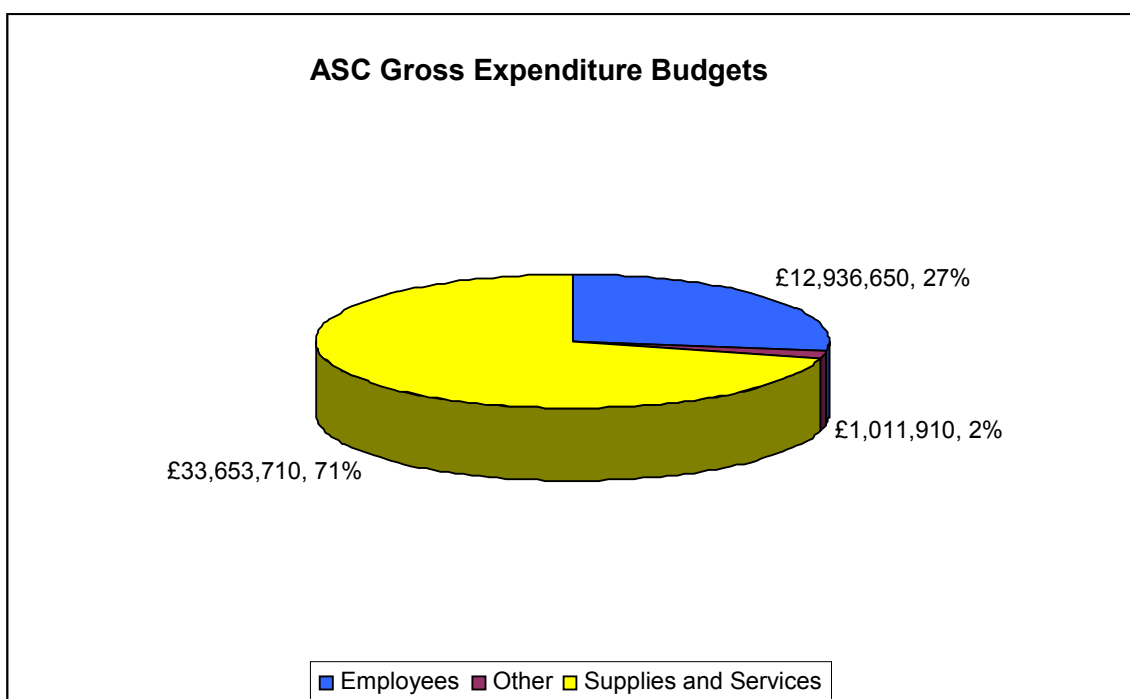
The main areas of overspend are:

- £830,000 - Demography – demand management measures have proved difficult to maintain due to the complexity of need of a number of frail and vulnerable older people requiring high levels of domiciliary care.
- Rising number of delays in hospital and emergency/safeguarding placements. Currently hold a waiting list for care home placements of 6 who are in hospital. North Hants hospital has begun fining WBC for the delays. RBH stated its intention to fine WBC but since early December our delayed transfer of care have been 5 and under, and there has been no further mention of fining. The PCT has funded 14 nursing home placements to 31.3.11 to relieve the pressure in the number of delays discharges. These costs have been built into the budget build for 2011/12.
- £240,000 – care home purchasing due to 14 capital depleters. These are people who have been previously self-funding who have used all of their own funds but still require care under our eligibility criteria. There are a further six people expected to come through over the next few months. A further 6 have been built into the budget next year plus the full year effect of those we have assumed responsibility for in 2010/11.

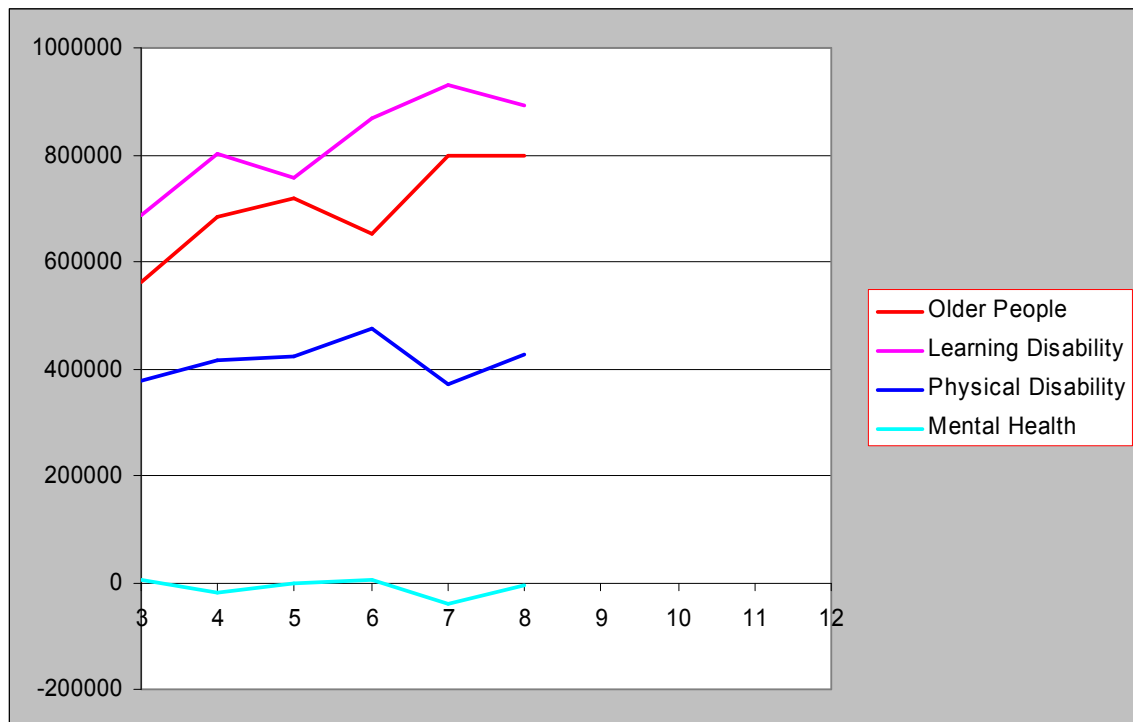
- £144,000 - Loss of Independent Living Fund (ILF) income. The ILF was set up as a national resource within the Department of Work and Pensions dedicated to the financial support of disabled people, to enable them to live in the community rather than residential care. It was announced nationally in April 2010 that from 1 May 2010, as care package costs rise and the ILF is coming under greater pressure, that in order to safeguard existing users' awards, the ILF will not be accepting any new applications for the remainder of the 2010 /11 financial year. Loss of benefits for individual care packages in West Berkshire is currently estimated as £144k.
- £356,000 - overspend on Learning Disability transition of children to Adult Services. This was taken as a risk during the budget build process as in previous years it has been a difficult and volatile budget to predict.
- £80,000 - Urgent Safeguarding placements; 2 in Older People and 2 in Learning Disability.
- £84,000 - due to reduction in Preserved Rights allocation this year.
- £240,000 - new demand in LD services due to increasing complexity of needs and young adults moving out of the parental home into supported living.

### ASC Budgets

The service expenditure is split across three categories, with 71% of all expenditure in supplies and services (mainly commissioning):



This graph shows the movement in the forecasting for the four key service elements that make up the Adult Social Care service from the start of monthly forecasting on Month 3:



### Next Steps

1. The Service with accountancy has modelled the in year cost pressures of the above and the growth required for 2011/12 for its budget build for next year. This growth modelling for 2011/12 includes; an increase in LD transitions for next year; demography, the loss of ILF, a further 6 capital depleters, 14 nursing home beds for delayed transfers of care.
2. A Comparative analysis of other Berkshire Local Authorities activity and expenditure to inform its commissioning activity.
3. A redesigned care management structure that offers a universal advice, information and signposting service, a service that maximises independence and provides a Personal Budget for those eligible for adult care services.

**Jan Evans**  
**Head of Service**  
**12 January 2011**