

Report of the Director of Adult Social Care and the Director of Public Health

2014/15 THIRD QUARTER FINANCIAL, PERFORMANCE & EQUALITIES MONITORING REPORT – HEALTH & WELLBEING

Summary

- 1 This report analyses the latest performance for 2014/15 and forecasts the financial outturn position, by reference to the service plans and budgets for all of the services falling under the responsibility of the Director of Adult Social Care, and the Public Health services falling under the responsibility of the Director of Public Health.

Financial Analysis

- 2 A summary of the service plan variations is shown at table 1 below.

Table 1 – Health & Wellbeing Financial Projections Summary 2014/15 – Quarter 3 - December

	2014/15 Latest Approved Budget			Projected Outturn Variation	
	Gross Spend £000	Income £000	Net Spend £000	£000	%
Adult Assessment & Safeguarding	40,353	13,802	26,552	+124	+0.5%
Adult Commissioning, Provision & Modernisation	28,503	5,067	23,436	+390	+1.7%
Directorate of Adult Social Care - General	418	-	418	+14	+3.3%
Public Health Services	7,862	466	7,397	+187	+2.5%
Public Health Grant	-	7,305	-7,305	-	-
Total Health & Wellbeing	77,136	26,640	50,497	+715	+1.4%

- 3 Table 1 shows that Health & Wellbeing budgets are reporting overall net financial pressures of £715k. This is an improvement of £480k compared to the £1,195k overspend reported at quarter 2 (£965k more favourable than the position reported at quarter 1).

Two major items contribute to this:

- A reduction in the projected overspend on Deprivation of Liberty (DOLS) of £246k due to delays in recruiting the extra staff needed to process the increased number of cases. There is now a significant backlog so there is likely to be a short term impact of this in 2015/16 until things settle down into a more regular pattern.
- An additional £300k of funding for the reablement service has been secured from the Clinical Commissioning Group (CCG).

Adult Assessment & Safeguarding (+£124k / 0.5%)

- 4 In common with councils across the country, there is a significant budget pressure in respect of meeting increased demographic demand for adult social care and the increasing complexity, and therefore cost, of care packages for the ageing population. The recently published Office for National Statistics (ONS) Population Projections show that the 65-69 year old population of the City of York expanded by 18.9% (1,738 people) between 2011-2013, while the over 90 year old population expanded by 14.3% (337 people) in the same 2 years. The on-going implications of the significant overspends in 2013/14 and the estimated increase in numbers for 2014/15 result in projected pressures across a number of budgets that are £274k in excess of the amount of growth and contingency funding that the council was able to allocate to the service over the two financial years.
- 5 Staffing costs are currently projected to overspend by £98k due mainly to additional safeguarding staff hours required in the first half of the year to deal with a backlog of cases, and additional management capacity over and above the amount provided for in the budget.
- 6 An additional pressure, that was not evident at the time the budget was set, is in relation to DOLS (Deprivation of Liberty Safeguards). All councils with adults responsibilities have been impacted by a recent court ruling that is dramatically increasing the number of formal applications that must be processed. This increase could not have been foreseen at the time that the 2014/15 budget was set. At quarter 1 Cabinet agreed to allocate one-off contingency funding to cover the estimated net additional costs in 2014/15. As set out at paragraph 3, the position in 2014/15 is now £246k more favourable than expected.

Adult Commissioning, Provision & Modernisation (+£390k / 1.7%)

- 7 There is a significant projected overspend of £918k within the Elderly Persons Homes (EPH) budgets. The vast majority of this is due to overspends and pressures that were identified during 2013/14 but were not covered by the additional growth funding allocated to Adult Services as part of the 2014/15 budget process:

- Utilities, cleaning, catering and R&M. This is the largest projected variance for this area and reflects the actual increase in costs to 2013/14 for essential services at the residential homes, which continues into 2014/15. (+£353k)
- Increased staffing ratios. The budgeted staffing ratios do not fully take into account either the impact of the move to the household model of provision in the two dementia care homes, nor the changing client mix within the remaining five homes. Both of these changes have increased the ratio of staff to residents and result in a continuing overspend in 2014/15. (+£180k)
- Temporary staffing costs. The nature of the service provision has meant that the use of temporary staff has increased in recent years, for which there is no specific budget provision. (+£282k)
- Undelivered 2013/14 budget saving following changes to the EPH re-provision project. (+£165k)
- Net additional income. The residential homes receive income from beds commissioned by health partners and from charges to residents who do not have their care fully funded by the council. Based on current patterns, there is a projected surplus for 2014/15. (-£62k)

8 Additional income to support the reablement service of £300k has been negotiated and received from the CCG.

9 Other variations within Small Day Services, Contracted Services, Sheltered Housing with Extra Care (SHEC) s, Home Care Nights Service and staffing budgets contribute to a net projected underspend of £228k.

Directorate of Adult Social Care General (+£14k / 3.3%)

10 The projected variation is due to a small overspend on the directorate redundancy and early retirement budget, and a number of other minor pressures.

Public Health (+£187k / 2.5%)

11 The former Primary Care Trust budget for genitourinary activity was allocated on a population basis (25% to York and 75% to North Yorkshire County Council). However in practice the actual activity has been closer to 50:50, leading to a significant overspend on this budget in 2013/14 which is projected to continue into 2014/15 (+£667k). In addition there is a one-off backdated payment of £125k outstanding for 2013/14. For 2014/15 a one-off budget virement of £488k has been made from other Public Health budgets to help offset the pressure and work is well underway to retender this contract from July 2015 with the aim of delivering a new service within the available budget.

12 More minor savings and variations within a number of other contracts contribute to a net projected underspend of £117k across all other Public Health budgets.

Performance Analysis

Adult Social Care

- 13 The total number of **delayed transfers of care** from hospital remains a concern at a national level, although the York position remained stable during December rather than experiencing the increases in delays seen elsewhere. These delays are largely related to the availability of nursing home beds and home care packages, rather than delays in assessment by social care staff. The Council is continuing to work closely with the CCG and hospital on this issue.
- 14 The latest national stocktake on our preparations for **Care Act** readiness has been completed, and we have received positive feedback, with the formal notification of results expected in March. CYC has hosted events on Care Act awareness for the Safeguarding Adults Board, and for partners and voluntary sector members across the city in order to ensure that the new responsibilities and opportunities are better understood.
- 15 The contract for providing **mental health services** across the city has just been published, with expressions of interest due by early March 2015, for services to commence in October 2015. CYC officers are involved in the commissioning processes.

Public Health Indicators.

- 16 There was a **15%** increase in the number of **GP Health Checks** completed in York in quarter 3 compared with quarter 2. The national figures are still awaited, but the local improvement is welcomed as York has been behind the national average for the rate of checks achieved. Recent GP mergers may have helped the situation i.e. practices not delivering health checks joining with those who do.
- 17 Up to the end of November 2014, Vale of York CCG had higher **flu vaccination** rates compared with regional and national averages for 65+ and pregnant patients but lower vaccination rates for under 65 'at risk' patients. Rates to the end of December are awaited.
- 18 New data shows which causes of death contribute to the **gap in life expectancy** between the most and least deprived residents in York. The gap is currently 5.9 years for women and 7.2 years for men. The main causes of death contributing to the gap are Chronic Obstructive Pulmonary Disease (COPD), lung cancer and other cancers (for women) and coronary heart disease, external causes and lung cancer (for men). As an example, if mortality rates for Coronary Heart Disease were the same for men in the most deprived group as they are for men in the least deprived group then an average of 1.3 life expectancy years would be gained for the most deprived men in York.

The information can be used to identify where targeted interventions would bring the greatest benefit e.g. smoking cessation services and health checks. A forthcoming public health / CCG pilot project will aim to work with a GP practice to find ways to target interventions at the most deprived patients.

- 19 Estimates for **smoking rates in Young People** were released recently. These estimates are based on factors known to predict smoking in young people e.g. the socio-demographic profile of the area. York was predicted to have slightly higher rates e.g. 9.6% of 15 years olds were estimated to be regular smokers compared with 8.7% nationally. Using local data from the 2014 Wellbeing Survey, however, the percentage of Year 10 children in York who said they had smoked in the previous week was similar to the national average. (74 out of 738 Year 10 pupils in York, i.e. 10% said they had smoked in the last week which is similar to the average national survey responses for 14/15 year olds of 10.5%).
- 20 Data on confirmed cases of **Hepatitis C** has been provided in a recent report for Yorkshire and the Humber. The rate of confirmed cases in York in 2013 was 13 per 100,000 of population which is half the regional rate of 27 per 100,000.

Equalities Update

- 21 The council recently achieved excellent status under the Local Government Association's Equalities Framework for Local Government. The inspectors found that the council has a clear and strong vision for equality in the city and that the drive for equality was embedded in work across services. This process provided a very useful stock-take of where we have made progress, but also areas where we can further strengthen our processes. This included the use of Community Impact Assessments, ensuring these are consistently used to inform the development of proposals.

Council Plan

- 22 The information included in this report is linked to the Protect Vulnerable People and Build Strong Communities elements of the Council Plan 2011-15.

Implications

- 23 The financial and equalities implications are covered within the main body of the report. There are no significant human resources, legal, information technology, property or crime & disorder implications arising from this report.

Risk Management

- 24 Adult Social Services budgets are under significant pressure. On going work within the directorate may identify some efficiency savings in services that could be used to offset these cost pressures before the end of the financial year.

It will also be important to understand the level of investment needed to hit performance targets and meet rising demand for key statutory services. Managing within the approved budget for 2014/15 is therefore going to be extremely difficult and the management team will continue to review expenditure across the directorate.

- 25 Looking ahead for 2015/16 and beyond, due to the increasing demand and increasing complexity of people requiring care and support, the implications of the Care Act, the Better Care Fund and general reductions in central government funding, further transformation will be required to address the challenging budget position.

Recommendations

- 26 As this report is for information only there are no specific recommendations.

Reason: To update the committee on the latest financial and performance position for 2014/15.

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Report
Approved

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Specialist Implications Officer(s) None

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers

Third finance and performance monitor for 2014/15, Cabinet 10 February 2015