

# Public Document Pack



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PUBLIC

To: Members of Cabinet Member meeting - Adult Care

Wednesday, 7 August 2019

Dear Councillor,

Please attend a meeting of the **Cabinet Member meeting - Adult Care** to be held at **10.00 am** on **Thursday, 15 August 2019** in Room 4, County Hall, Matlock, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in cursive script that reads 'Janie Berry'.

**JANIE BERRY**  
Director of Legal Services

## **A G E N D A**

### **PART I - NON-EXEMPT ITEMS**

1. Apologies for Absence  
To receive apologies for absence (if any)
2. Declarations of Interest  
To receive declarations of interest (if any)
3. Minutes (Pages 1 - 2)  
To confirm the non-exempt minutes of the meeting of the Cabinet Member – Adult Care held on 13 June 2019.

To consider the non-exempt reports of the Executive Director for Adult Care on 13 June 2019.

4. Revenue Outturn 2018-19 (Pages 3 - 8)

5. Exclusion of the Public

To move "That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph(s)... of Part 1 of Schedule 12A to the Local Government Act 1972"

## **PART II - EXEMPT ITEMS**

6. Declarations of Interest

To receive declarations of interest (if any)

7. Minutes (Pages 9 - 12)

To confirm the exempt minutes of the meeting of the Cabinet Member – Adult Care held on 13 June 2019.

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**MINUTES** of a meeting of the **CABINET MEMBER – ADULT CARE** held on 13 June 2019 at County Hall, Matlock.

**PRESENT**

Councillor J Wharmby (in the Chair)

Also in attendance were Councillors C Dale, and A Fox

**09/19** **MINUTES RESOLVED** that the minutes of the meeting held on 7 January 2019 be confirmed as a correct record and signed by the Cabinet Member.

**10/19** **EXCLUSION OF THE PUBLIC RESOLVED** that the public be excluded from the meeting during the consideration of the remaining items on the agenda to avoid the disclosure of the kind of exempt information detailed in the following summary of proceedings:-

**SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC WERE EXCLUDED FROM THE MEETING**

1. To confirm the exempt minutes of the meeting of the Cabinet Member for Adult Care held on 24 May 2018
2. To consider the report of the Executive Director, Commissioning Communities and Policy and Head of Paid Service and the Director of Organisation Development and Policy on Adult Care Senior Management Restructure (Contains information which is likely to reveal the identity of an individual)

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**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER**

**15 AUGUST 2019**

**Joint Report of the Acting Executive Director of Adult Social Care and  
Health  
and Director of Finance & ICT**

**REVENUE OUTTURN 2018-19 ADULT CARE**

**Adult Care**

**1 Purpose of the Report**

To report the final revenue outturn position for 2018-19 for the Adult Care Portfolio.

To identify significant variations in expenditure from the budget and assess the impact of growth items built into the budget.

To identify the impact of the 2018-19 outturn on future years and any action proposed.

To note the balance on reserves

To note the use of the 2018/19 underspends

**2. Information and Analysis**

**2.1 Summary**

Attached as Appendix 1 to this report is a statement setting out the final outturn position for 2018-19. Net controllable expenditure was £230.974m compared to a budget of £240.457m, resulting in a controllable underspend of £9.483m.

**2.2 Variances**

There was an underspend of £9.483m on controllable expenditure. The main variations were:

<b>Service</b>	<b>(Under)/Over Spend £m</b>	<b>Main Reasons for Outturn Position</b>
Purchased Services (All Client Groups including both Independent Sector and In-House Services)	(1.802)	Under-spend achieved through demand management and a successful reclaim of costs from another local authority following a successful ordinary residency claim
Pooled Equipment (ICES)	(1.416)	Savings made on the Integrated Community Equipment Service pooled with the Derbyshire Clinical Commissioning Groups
Social Care Activity	(1.428)	High level of vacancies due to difficulty in recruiting staff
Information and Early Intervention	(0.884)	Savings on various schemes including Commissioned Carer Services, Healthwatch, Dementia Services and Direct Payment Employment Support
Commissioning and Service Delivery	(0.715)	Vacancy management and efficiency measures
Housing Related Support	(0.913)	Under-utilisation on a number of spot contracts
Unallocated Budgets	(2.032)	Balance of budget growth not allocated to services

## 2.3 Growth Items

The following significant changes were included in the 2018-19 budget as growth items:

### **Adult Social Care Precept**

**£5.927m**

Funds raised from an additional 2% increase in Council Tax specifically to support Adult Social Care services.

### **Adult Social Care Support Grant**

**£2.267m**

This contributed towards funding the increased pressures on budgets due to the aging population and increased demand within the county from a number of factors e.g. increased life expectancy for people with moderate to severe disabilities.

### **Improved Better Care Fund**

**£6.687m**

Additional funding made available to spend on the following areas:-

- Meeting adult social care needs
- Reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready
- Ensuring that the local social care provider market is supported

**Independent Sector Fee Increase****£6.000m**

To fund the increase in home care and care home fees in excess of inflation required to meet the new National Living Wage of £7.83 per hour from 1 April 2018.

**Pay Award****£2.272m**

To fund the 2% pay award agreed for 2018-19

**Winter Pressures Funding****£3.627m**

Additional funding received to fund additional spend from December 2018 to March 2019 aimed at reducing delayed discharges from hospital.

**2.4 Transfers to/from Earmarked Reserves**

A detailed analysis of the earmarked reserves is shown below.

	Opening Balance £m	Additions £m	Used/ Returned £m	Closing Balance £m
ICT System Replacement Reserve	0.250	0.000	0.000	0.250
Budget Savings Shortfall Reserve	3.161	0.000	(3.161)	0.000
Budget Savings Pump Priming	0.771	0.000	(0.771)	0.000
Healthy Homes	0.000	0.098	(0.065)	0.033
Older People's Housing Strategy	0.000	22.676	0.000	22.676
	<b>4.182</b>	<b>22.774</b>	<b>(3.997)</b>	<b>22.959</b>

The earmarked reserves have been reviewed and all are required to meet commitment already agreed for 2019-20 onwards.

**2.5 Savings achieved in 2018-19**

Savings were achieved in 2018-19 in the following areas:-

	£m
<b>On-Going Savings</b>	
Consolidate Block Contracts	0.200
Reduction in Commissioning & Performance Staffing	0.225
Demand Management	2.500
Use of Improved Better Care Fund	3.170
	<b>6.095</b>

**2.6 Impact on the future**

The start of year projection for the 2019-20 position is as follows:

	£m
Underlying underspend from 2018-19	(9.483)
Add; Additional Funding:	
Adult Social Care Precept	(6.290)

Improved Better Care Fund	(6.148)
Less; Additional Commitments/Pressures	
Budget Savings Target	5.732
Independent Sector Fee Increases	8.567
Pay Award	3.385
<b>Total Budget Available</b>	<b>(4.237)</b>
Savings already identified (see below)	(5.732)
<b>Underlying Budget Position</b>	<b>(9.969)</b>

However, there are significant further budget pressures arising from the following:-

- Transforming Care Programme (TCP)
  - Learning Disability
  - Mental Health
- Quality, Innovation, Productivity and Prevention Programme (QIPP)
- Learning Disability Short Breaks

To date it has not been possible to quantify the above, but work is continuing to further understand the potential financial impact on the department.

## 2.7 Action to be taken to deal with the Budget Pressures for 2019-20

£m

A number of actions are in progress. These are:

Electronic Home Care Recording	0.350
Saving on LD Block Contracts and High Cost Placements	0.500
Use of the Improved Better Care Fund to support Adult Care Services	4.882
<b>Total Savings Identified</b>	<b>5.732</b>

## 2.8 Ceasing of current funding streams

A number of significant funding sources are due to cease at the end of 2019-20 as follows:-

	£m
Better Care Fund	39.944
Improved Better Care Fund	31.055
Winter Pressures Grant	3.627
Independent Living Fund Grant	2.534
<b>Total</b>	<b>77.160</b>

Although it is expected that new sources of funding will replace the items above, there is no guarantee that these will be at the same level and there is a potential risk of further budget pressures from 2020-21 onwards.



## **2.9 Action to be taken to deal with the Budget Pressures from 2020-21 onwards**

Consultants have been employed to review the care pathway for both disabled adults and older people. Currently it is estimated that savings of £21.130m can be achieved over the period 2020/21 to 2023/24.

## **2.10 Proposal for the use of the 2018-19 Underspend**

At cabinet on 11 July 2019 approval was given to transfer £7.324m of the underspend of £9.483m to a reserve to contribute towards the capital cost of implementing the Older People's Housing Strategy with the remaining balance of £2.160m transferred to the Budget Savings Pump Priming Reserve.

## **3. Other Considerations**

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property, social value and transport considerations.

## **4. Background Papers**

Held in Room 325, Finance Section, Adult Social Care and Health Department.

## **5. Key Decision**

No

## **6. Is it required that call-in be waived for any decision on this report?**

No

## **7. Officers' Recommendations**

7.1 That the report be noted

7.2 That the use of 2018/19 underspends be noted

**Simon Stevens Acting Executive Director for Adult Social Care & Health  
and Peter Handford Director for Finance & ICT**

# ADULT CARE BUDGET OUTTURN 2018/19

# APPENDIX 1

	Budget £	Expenditure £	(Under)/ Over £
<b>All Client Groups</b>			
Purchased Services	208,492,941	206,690,832	(1,802,109)
	<b>208,492,941</b>	<b>206,690,832</b>	<b>(1,802,109)</b>
<b>Equipment</b>			
Pooled Equipment	6,825,021	5,409,135	(1,415,886)
Non-Pooled Equipment	726,843	430,857	(295,986)
Telecare	117,372	151,686	34,314
	<b>7,669,236</b>	<b>5,991,678</b>	<b>(1,677,558)</b>
<b>Social Care Activity</b>			
Assessment	20,395,855	18,968,108	(1,427,747)
Management & Support	2,575,765	2,653,054	77,289
	<b>22,971,620</b>	<b>21,621,162</b>	<b>(1,350,458)</b>
<b>Information &amp; Early Intervention</b>			
Client Support	80,089	37,462	(42,627)
Grants	861,777	848,567	(13,210)
Welfare Rights	1,712,567	1,769,681	57,114
Prevention	1,065,336	888,152	(177,184)
Learning Disability Dev Fund	51,190	12,826	(38,364)
Healthy Homes	313,131	268,264	(44,867)
Supported Employment	173,317	197,550	24,233
Other Schemes	4,970,151	4,321,161	(648,990)
	<b>9,227,558</b>	<b>8,343,663</b>	<b>(883,895)</b>
<b>Commissioning &amp; Service Delivery</b>			
General	1,002,932	1,627,657	624,725
Strategic Director	665,395	694,918	29,523
Strategy & Commissioning	2,673,952	2,601,992	(71,960)
Finance	3,483,133	2,874,124	(609,009)
Human Resources	2,723,309	2,600,728	(122,581)
Performance & Efficiency	1,648,808	1,607,555	(41,253)
Business Support	3,372,092	2,847,237	(524,855)
	<b>15,569,621</b>	<b>14,854,211</b>	<b>(715,410)</b>
<b>External Funding</b>			
Better Care Fund	(31,423,192)	(31,423,192)	0
	<b>(31,423,192)</b>	<b>(31,423,192)</b>	<b>0</b>
<b>Derbyshire Discretionary Fund</b>			
Derbyshire Discretionary Fund	1,445,234	1,337,101	(108,133)
	<b>1,445,234</b>	<b>1,337,101</b>	<b>(108,133)</b>
<b>Housing Related Support</b>			
Young People	86,000	86,236	236
Older People	3,042,128	2,285,108	(757,020)
Physical Disability	6,223	5,584	(639)
Learning Disability	597,805	443,072	(154,733)
Mental Health	565,120	565,120	0
Generic Services	174,660	172,988	(1,672)
	<b>4,471,936</b>	<b>3,558,108</b>	<b>(913,828)</b>
<b>Unallocated Budgets</b>			
Unallocated Budgets	2,032,038	0	(2,032,038)
	<b>2,032,038</b>	<b>0</b>	<b>(2,032,038)</b>
<b>Total Controllable Expenditure</b>	<b>240,456,992</b>	<b>230,973,563</b>	<b>(9,483,429)</b>

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