

## Health and Adult Social Care Select Committee 25 November 2014

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INVESTOR IN PEOPLE





## **Report: Overview of the key risks for Adult Social Care for 2015/16 and beyond**

**To: Health and Adult Social Care Select Committee**

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### **Background**

Adult Social Care is going through unprecedented change. This paper sets out some of the top risks the portfolio faces. Some of these issues are specific to Buckinghamshire, others are regional or national challenges.

#### **Risk 1: Increases in demand**

Adult Social Care services are provided within a legal framework which is changing from the 1<sup>st</sup> April 2015 with the introduction of the Care Act. This framework sets out whom and what it is required to be provided by way of services. Whilst the Council is able to identify the most cost effective way to meet need it is not able to use resources as a reason not to provide care.

One of the key risks is the demographic changes we are expecting to see, this is not a problem for the future it is a challenge for us now. (See appendix 1. Table 1.)

Analysis has shown us that projections for social care need in Buckinghamshire are likely to change over time. Based on Planning4care estimates, combined with Census 2011 and published population projections, the numbers aged 65+ with any level of social care needs in Buckinghamshire is projected to rise by 66% over the next 20 years. This is above both the projected increases in the region (60%) and nationally (54%). The number of people in Buckinghamshire with 'very high' social care needs is expected to rise by 71% over the same period. (See appendix 1. Figure 1.)

The total number of people with dementia is projected to rise over the 20-year period by 87% (97% for those with the 'very high' needs level of 'severe cognitive impairment and functional disability'). This is above the regional (79%), and national (72%) comparative increases for total numbers with dementia.

The table below identifies the Planning4care 10-year and 20-year projections for the number of older people with social care needs in Buckinghamshire, Districts and comparator areas. The highest predicted rate of increase is in Aylesbury Vale and the lowest in Chiltern. This increase in demand, and the legal framework in which we as a Council operate, make this a very significant financial risk for the portfolio. (Appendix 1. Table 2.)

#### **Risk 2: Care Act and Better Care Fund**

The Care Act is welcomed by Buckinghamshire County Council as it will produce some real benefits for service users, carers and communities, but effective implementation presents challenges and additional burdens for the local authority and its partner agencies.

Buckinghamshire County Council is very concerned that both the allocation formula for the Better Care Fund and the implementation funding for the Care Act do not sufficiently reflect the actual impact and costs of implementation, let alone the very real demand-led pressures facing Adult Social Care in Buckinghamshire. These pressures are caused by the relatively higher proportion of those aged 60 and over, higher unit cost of driving services over a larger geographical and rural area, and the additional demand led by the higher number of self-funders (which in Buckinghamshire is 55% of the total).

Under the Care Act, there is also a new duty to provide social care support to prisoners on the same basis as people living in the community – which with 3 prisons in Buckinghamshire will have an impact. The cost of this is unknown at this stage although work to understand this is underway with prison governors and health colleagues there is a question mark as to whether this will adequately cover these new costs.

Whilst the government is providing implementation funding of £470m, it is currently unclear whether counties such as Buckinghamshire will receive a fair proportion of this, given their high proportion of self-funders. Furthermore, it is important that funding isn't just one off but reflects the on-going demand.

Using the financial model recommended by the DH/LGA and ADASS, the County Council has estimated that in 2015/16 the implementation costs to cover the increased numbers of assessments for self-funders, and the costs for carers eligible for support, will amount to £5.4m.

The Council has modelled the potential budget impact of the Care Act and estimates that the total new burden could be as high as £30m per year by 2020, rising to £36m by 2025. To date, there is no additional funding committed by the Government to fund the cost of unintended consequences of the Care Act on the care market and, potentially, costs borne by Councils. The unintended costs have respectively been modelled at up to £14m in 2020 and £16m in 2025, meaning that the Council could be £20m underfunded for new burdens.

In addition to this, the Council is required by April 2015 to enter into a legal partnership with the NHS to commission older people services in a more joined up way. The value of the Better Care Fund in Buckinghamshire is £28.8m. This funding has a number of purposes, one of which is to ensure that social care is protected going forward. Whilst this is a real opportunity to progress services, we need to ensure that the model of integration and the financial governance around the partnership works for both the Council and the NHS.

### **Risk 3: Workforce and leadership of adult social care**

Without a skilled social care workforce, the Council cannot discharge its statutory responsibilities. Workforce is the primary driver of social care. It is easy to think of workforce as the Buckinghamshire County Council workforce, but of course the picture is much more complicated than this. In reality, adult social care needs to ensure it has the right supply and competency of the entire social care workforce, including that of our external providers otherwise they cannot deliver the services we commission. The Council retains the legal duty of care to the service users who use these services, irrespective of whether we are directly providing them or not. The consequence of not achieving this is poor care quality or ultimately whole provider failure for which, under the Care Act, we have a new responsibility.

Nationally, 1.6m of the population is working in social care and 1 in 10 of the working population work in health and social care. It is predicted that there is a growing demand for social care workforce, which clearly is the case if we are expecting to see a 60% increase in social care demand, but the number of workers is not growing, some commentators have described this as the biggest public health challenge we have. It is predicted that by 2025 there will be a 35% shortfall in the social care workforce across the UK. We in Buckinghamshire are already seeing this pressure across our social work workforce and in key areas of service delivery, such as attracting staff to work in domiciliary care. This problem will not fix itself.

There is a risk going forward that there is a national leadership challenge in adult social care. Unlike children's services, adults do not have the same high profile inspection regime which raises the profile and keeps the spot light on services within Councils. Increasingly, with the integration agenda with the NHS and the uncertainty around how integrated health and social care services will be delivered post election it is possible that the adult's agenda will be subsumed by a higher profile agenda.

#### **Risk 4: New Burdens**

There have been a number of new policy changes affecting the way social care is delivered:-

Statutory duty in respect of Deprivation of Liberty Safeguards (DoLS). The recent Supreme Court judgement and Acid Test handed down by Lady Hale has resulted in a significant change to the Deprivation of Liberty Safeguards process – a direct consequence is that more people in hospital and care settings should now be subjected to DoLS referrals and assessments. ADASS and the LGA are already lobbying Government as they strongly believe this is a new burden.

Buckinghamshire County Council is currently experiencing a 300% growth in referrals and assessments, leading to additional costs of £1.2m. Our ability to respond to this exacerbates the workforce challenge further. This is a conservative estimate of the growth in referrals and assessments. The Department of Health has allocated Buckinghamshire £302,000 through the Local Reform and Community Voices Grant, which needs to pay for 5 areas of work - one of which is DoLS – this therefore looks like it will be woefully insufficient.

In addition to this, the Winterbourne View judgement has identified that a number of people with learning disabilities who are in long term placements in the private/third sectors, funded by the NHS, who need to be moved into community alternatives. There has been a big national push to move people into community-based alternatives by June 2014, the original timescale which was set to have moved everyone out. The Cabinet Member has written to the DH to ensure that there is no additional funding risk for the Council it is vital that there is a proper funding settlement for both capital and revenue to secure sustainable community based placements for individuals for the rest of their lives.

#### **Conclusion**

Reconciling the challenge of future savings, growing demand and expanding statutory responsibilities continues to be an exceptional challenge which is getting harder and harder. We are currently exploring innovative ways of being able try and address this but there will come a point where we cannot reconcile all three elements.

### **Appendix 1.**

**Table 1.**

The table below sets out the growth in community placements for older people and people with physical disabilities. During the last few years there has been a very significant increase in placement numbers.

OP & PSD clients	April 2012	April 2013	April 2014	% Change over period
Residential	1026	992	1008	-2%
Nursing	575	635	677	+18%
Home Care	1375	1480	1567	+14%

Figure 1.

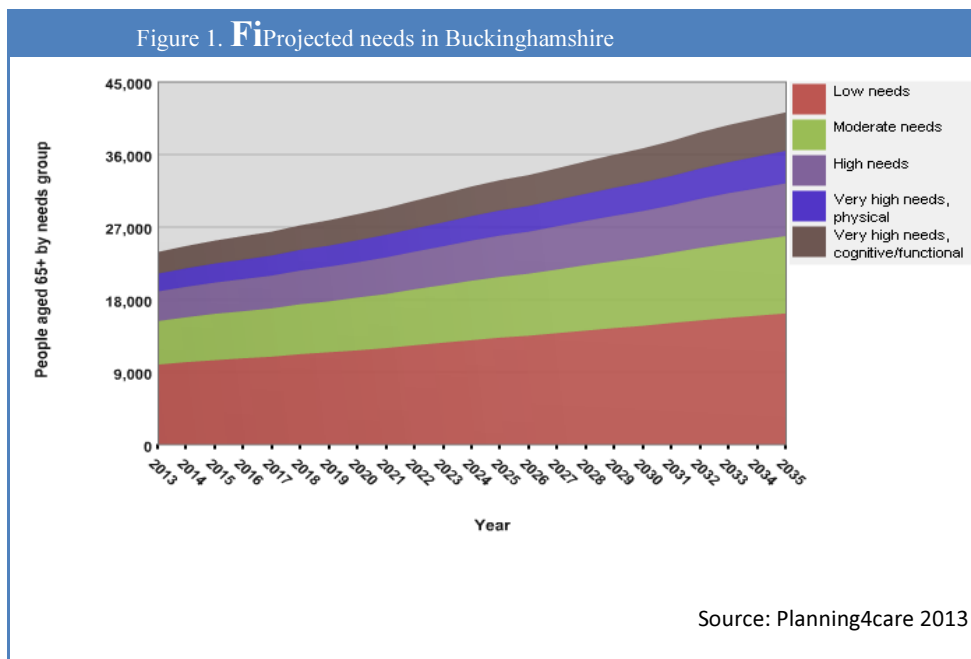


Table 2.

Planning4care 10-year and 20-year projections for the number of older people with social care needs in Buckinghamshire and comparator areas

Group	2013	2023		2033	
	N	N	% increase from 2013	N	% increase from 2013
Buckinghamshire	23,800	31,100	31%	39,600	66%
Aylesbury Vale	7,830	10,900	39%	14,500	85%
Chiltern	4,420	5,400	22%	6,560	48%
South Bucks	3,310	4,280	29%	5,420	64%
Wycombe	8,260	10,500	27%	12,900	56%
South East	402,600	507,000	26%	644,400	60%
England	3,091,000	3,800,000	23%	4,750,000	54%