

Adult Social Care Outturn 2022/23

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1. Summary

- 1.1.** This report shows the Adult Services outturn position for 2022/23.
- 1.2.** There continues to be pressures on placement fees, and this is set to continue into the medium longer term. Approximately 90% of the adult social care budget is placement costs.

2. Recommendations

- 2.1.** To note the Adult Services outturn position for 2022/23

3. Outturn 2022/23

3.1 Adult Services

- 2022/23 net budget £160.7m. The outturn showed a net expenditure total of £176.1m. This equates to a £15.4m overspend which is 9.6% above the allocated annual net budget.
- 2021/22 net budget £146.2m, outturn favourable variance £0.2m

Table 1: 2022/23 Adult Services as at the end of March 2023 (Month 12)

Service Area	Current Budget	Full Year Projection	Month 12 Variance	A/(F)	Movement From Month 10	Direction From Month 10
Adult Social Care - Physical Disability/Sensory Loss/65 Plus						
Residential & Nursing	40.2	46.7	6.5	A	(0.2)	↑
Home Care	24.8	24.5	(0.3)	(F)	0.1	↓
Direct Payments	10.7	12.1	1.4	A	0.1	↓
Staffing Costs	10.6	10.8	0.2	A	2.0	↓
Transport, Daycare & Other	3.0	3.6	0.6	A	0.6	↓
sub total	89.3	97.7	8.4	A	2.6	↓
Mental Health						
Residential & Nursing	11.0	13.4	2.4	A	0.4	↓
Home Care/Supported Living	4.5	5.4	0.9	A	0.1	↓
Staffing/Deprivation of Liberty Safeguards	4.6	4.2	(0.4)	(F)	(0.4)	↑
Direct Payments, Day Care & Other	1.0	1.4	0.4	A	0.0	→
sub total	21.1	24.4	3.3	A	0.1	↓
Learning Disabilities						
Residential & Nursing	20.6	22.6	2.0	A	0.4	↓
Supported Living/Home Care	25.1	27.3	2.2	A	0.3	↓
Direct Payments/In Control	9.1	9.5	0.4	A	(0.3)	↑
Day Care	3.5	5.1	1.6	A	0.1	↓
Discovery	29.8	27.8	(2.0)	(F)	(0.1)	↑
Transport, Shared Lives & Other	8.2	8.8	0.6	A	0.1	↓
sub total	96.3	101.1	4.8	A	0.5	↓
Commissioning						
Commissioning	13.1	15.8	2.7	A	3.1	↓
Better Care Fund	(34.7)	(37.4)	(2.7)	(F)	(2.7)	↑
LD Pooled Budget Income	(24.4)	(25.5)	(1.1)	(F)	(0.1)	↑
sub total	(46.0)	(47.1)	(1.1)	(F)	0.3	↓
Adult Services Total	160.7	176.1	15.4	A	3.5	↓

3.2 Adult Services - key explanations, actions, and mitigating controls

Adult Social Care - Physical Disability/Sensory Loss/65 Plus

Adult Social Care (ASC) ended with an adverse variance of £8.4m. As has been reported throughout the year; more people have been receiving support through Residential and Nursing placements, as well as an increase in home care delivery compared to previous years. This has led to overspends of £6.5m against placements and £1.4m within direct payments.

Within the cost pressure against Residential and Nursing is £1.2m. Home closures across Somerset due to difficult financial stability within the current market.

There continue to be a number of interim placements as the service works with the NHS trusts to ensure a timely discharge for people from hospital.

Mental Health

The Mental Health budget continues to be an area of growth for the past few years, and this has continued in 2022/23 with an adverse variance of £3.3m. Residential and nursing continues to be a pressure for the service due to a combination of increasing numbers and high unit costs. This budget includes individuals who have a diagnosis of dementia.

Learning Disabilities

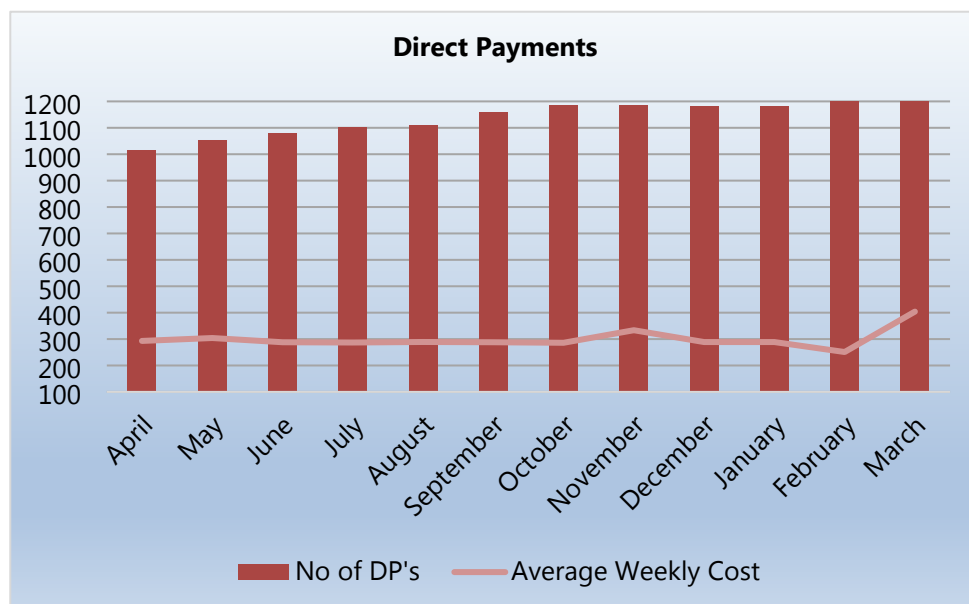
Overall, Learning Disabilities ended the year with an adverse variance of £4.8m. The four main pressure areas continue to be Residential £2m, Supported Living and Homecare £2.2m, and Day Care £1.6m due to market sustainability. Supported Living is in the best interest of people but is an area where unit costs can be high.

As families feel more self-assured of living with Covid they feel more confident of using day services as an option for a carer's break/respite. Consequently, we are seeing increased need and subsequent spend.

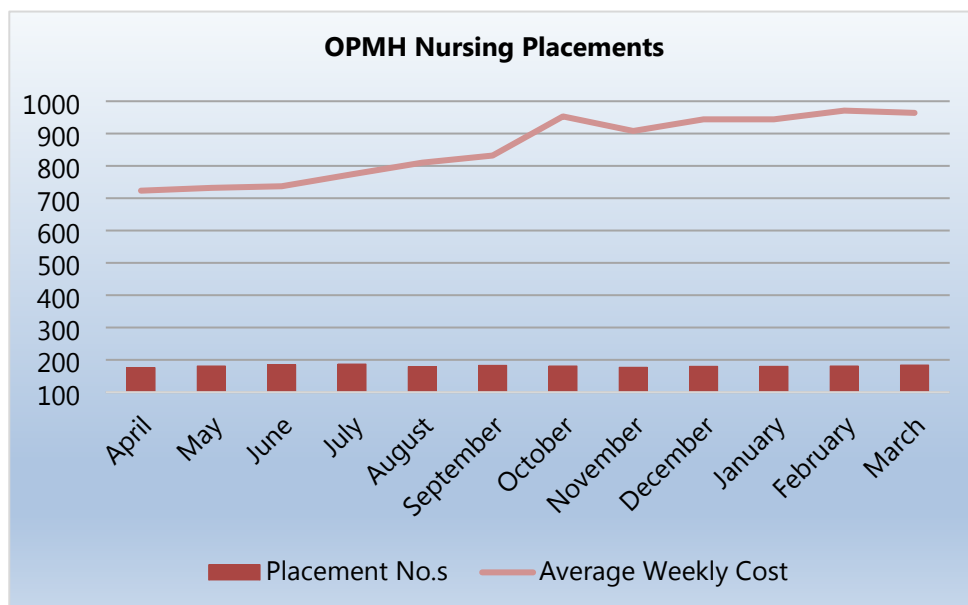
Medium Term Financial Plan (MTFP)

There were £0.6m of MTFP savings to be achieved during 2022/23. An element of these were achieved for this year £0.1m. Due to continued efforts undertaken to deal with current demands it meant savings of £0.5m have not been achieved during this financial year.

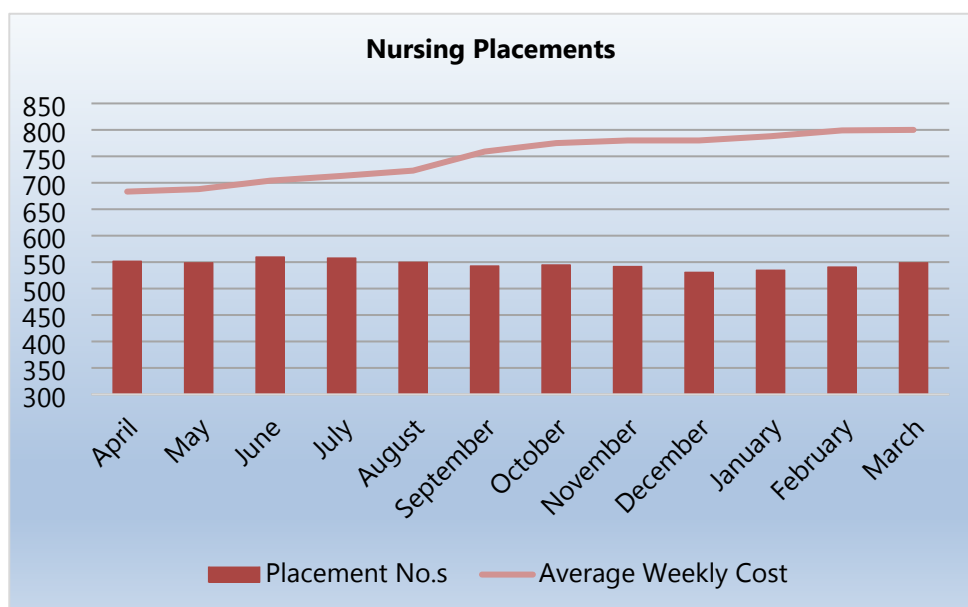
3.3 Adult Services - key performance cost drivers



As indicated in the above Direct Payments table, since the beginning of the financial year, we have seen the number of people receiving a Direct Payment increase from 1,106 to 1,247 packages. The current weekly average cost of a Direct Payment is £404 per package, compared to £293 at the beginning of the financial year.



As indicated in the Older People Mental Health (OPMH) Nursing placements table above, they have increased by eight placements in this financial year, from 176 to 184. The current weekly average cost for OPMH Nursing is £964 per placement, an increase of £116 during the year.



The above table indicates Nursing placements have decreased by three since the beginning of the financial year from 552 to 549. The current weekly average cost for Nursing is £800 per placement, compared to £683 at the beginning of the financial year.

3.4 Adult Services - key risks, future issues, and opportunities

ASC had £7.2m of one-off money in 2021/22. The budget therefore came in underspent. ASC has seen significant additional funding in 2022/23, however the inflation uplift, increase in demand post covid and the increased cost of living has resulted in the outturn position.

90% of the Adult Services budget is spent on individual placements purchased through the market via block and spot placements. Therefore, there is a significant risk that this budget will continue to overspend. This is due to increase demand, the cost-of-living rise, particularly the increase in petrol, gas, electric, and food. Alongside this our neighbouring authorities, due to lack of supply in their areas, are wanting to purchase additional beds in Somerset at significantly higher cost than we currently purchase these beds.

When we consider the market spend on supporting people to remain independent at home, we need to take into consideration the spend on Home Care and Direct Payments, you will see increases in both areas.