

Adult Social Care Committee

Item No

Report title:	Additional Social Care Funding
Date of meeting:	10 July 2017
Responsible Chief Officer:	James Bullion, Executive Director of Adult Social Services

Strategic impact

Adult Social Services faces huge challenges in delivering a sustainable model of care and support in the context of growing financial and demographic pressures. The Chancellor's Budget in March 2017 announced £2bn additional non recurrent funding for social care, of which Norfolk will receive £18m in 17/18, followed by £11m in 2018/19 and £6m in 2019/20. This funding is in addition to recurrent funding received through the Better Care Fund (BCF). The funding will be paid as a direct grant to councils by the Department of Communities and Local Government (DCLG) and as a condition of the grant, councils are required to pool the funding into their BCF. The BCF is governed by the Health and Wellbeing Board, agreed by CCGs and monitored by DCLG through an assurance process. Final guidance is expected on the BCF, and following agreement by the Council's committees, an agreed plan will be submitted as part of our BCF submission.

Executive summary

This report outlines how Adult Social Services proposes to use the additional one-off funding announced as part of the budget in March 2017. The grant amounts to some £35m over three years and effectively acts as a 'bridge' to the Improved Better Care Fund. It will help manage existing and new pressures in the health and social care system, and will enable preventative activities which reduce and delay the need for formal care and support the safe discharge of people from hospital.

The grant will be directed towards and benefit the following key areas:

- a) Protecting social care – Funding required to manage shortfall in recurrent pressures and protect social care services. This will ensure vital service provision such as homecare is maintained and people can maintain their independence and stay out of hospital
- b) Sustain social care – Supporting the capacity of social services ensures people receive support that meets their needs and is fundamental to people being able to leave formal care settings as soon as they are medically fit. It will mitigate pressures on the costs of care and secure the supply of home care and residential care which is affordable and of good quality
- c) Invest and improve social care – investing in prevention, including earlier intervention in the community, additional care at home, and specialist care for those people who can leave hospital but are not ready to go home

Taken together, this approach is fully in line with, and strengthens, previously agreed plans to achieve over £50m in savings and efficiencies by 2020.

Recommendations:

Committee is asked to agree to support the proposals for use of the additional monies as set out in Appendix 1, and recommend to Policy and Resources Committee for agreement.

1. Background

- 1.1 The Chancellor's Budget in March 2017 announced £2bn additional non recurrent funding for social care, of which Norfolk will receive £18m in 17/18, followed by £11m in 2018/19 and £6m in 2019/20. The funding will be paid as a direct grant to councils by the DCLG. As a condition of the grant, councils will be required to pool the funding into their BCF and agree a plan. This plan is governed by the Health and Wellbeing Board and signed off by CCGs and DCLG through national and local assurance.
- 1.2 Additional investment and funding proposals require approval and endorsement of the ASC Committee in addition to agreement by Clinical Commissioning Groups (CCGs).

2. Grant Conditions from the Additional social care funding

- 2.1 Councils are required to meet the grant conditions which have been set out in the grant determination letter sent to all councils. The new, one off, additional social care grant will be paid directly to local authorities from the DCLG and will be included in the BCF. Guidance sets out the purposes of the funding which is to be spent on adult social care and used for the purposes of:
1. **Meeting social care needs**
 2. **Reducing pressures on the NHS supporting people to be discharged from hospital when they are ready**
 3. **Ensuing that the local social care provider market is stabilised**
- 2.2 The Government has made clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. Local authorities are therefore able to spend the grant, including to commission care, subject to the conditions set out in the grant determination, as soon as plans have been locally agreed.
- 2.3 The additional funding supports the shared agendas of health, Acutes and social care. Funding, is short term and operates as a 'bridge' to recurrent funding within the Improved BCF (iBCF) therefore it is important that initiatives undertaken seek to genuinely manage and divert demand within the system. Robust evaluation and monitoring of all interventions will be undertaken to identify where in the system efficiencies are made - this will support sustainability in the long term.

3. Promoting Independence – Adult Social Services vision and priorities

- 3.1 Adult Social Services has developed a vision for the future – to support people to be independent, resilient and well. The strategy to achieve that vision – Promoting Independence – is shaped by the Care Act with its call to action across public services to prevent, reduce and delay the demand for social care.
- 3.2 It aims to shift spending away from the more costly intensive spending such as residential care, towards earlier intervention and prevention, reducing demand for services over a number of years.
- 3.3 The strategy has these main elements:
- 3.3.1 **Prevention and early help** – Empowering and enabling people to live independently for as long as possible through giving people good quality information and advice which supports their wellbeing and stops people become isolated and lonely. It will help people stay connected with others in their communities, tapping into help and support already around them – from friends, families, local voluntary and community groups. For our younger

adults with disabilities, we want them to have access to work, housing and social activities which contribute to a good quality of life and wellbeing.

3.3.2 **Staying independent for longer** – for people who are most likely to develop particular needs, we will aim to intervene earlier. Our social care teams will look at what extra input could help people’s quality of life and independence – this might be some smart technology, some adaptations to their homes to prevent falls, or access via telephone or on-line to specialist tailored advice. When people do need a service from us, we want those services to help people gain or re-gain skills so they can live their lives as independently as possible.

3.3.3 **Living with complex needs** – for some people, there will be a need for longer term support. This might mean the security of knowing help is on tap for people with conditions like dementia, and that carers can have support. We will look at how we can minimise the effect of disability so people can retain independence and control after say, a stroke or period of mental illness.

3.4 Together with implementing this change programme, these are the service priorities:

- a) Strengthen social work so that it prevents, reduces and delays need - great social work, in all its forms, is at the heart of delivering our vision, and is at the heart of our statutory role as outlined in the Care Act
- b) Be strong partners for integrated working to support a good life in communities – working with partners, sharing information, joining up services will help us avoid duplication and plan health and social care so it is organised around how individuals want to live their lives, not around organisational structures
- c) Increased focus on quality and safeguarding – during a period of change, the need to be relentless on quality and safeguarding becomes even more important
- d) Strong financial and performance accountability – the council has prioritised spending on adult social care and made some tough decisions to ensure that we are on a sound financial footing. There must be a continuous focus on efficiency, driving out waste and unnecessary cost, and ensuring every pound invested represents the best possible value

4. Improved Better Care Fund and Norfolk County Council (NCC) Budget Planning

4.1 The additional funding is one-off and is being provided as a bridge to the recurrent improved Better Care Fund. Both funding sources will be received directly from DCLG. The table below shows the profile of the one-off additional funding and the improved Better Care Fund. The improved better care fund has been shown within the medium term financial plan agreed by County Council. The funding for 2017-18 was built into funding sources.

4.2

£Ms	New funding iBCF as per 2017 Spring	iBCF as per 2015 Spending Review (recurrent)	Total	Additional/Reduction in funding year on year
	Budget (one-off)			
2017/18	18.561	1.885	20.446	20.446
2018/19	11.901	15.828	27.729	7.283
2019/20	5.903	28.372	34.275	6.546
2020/21		28.372	28.372	(5.903)

5. Norfolk Priority Proposals

5.1 Priority areas for Norfolk are summarised thus:

- a) Protection of social care – maintaining social care services
- b) Sustain social care – focus on the market and securing supply and workforce
- c) Invest and improve social care – support health functions in discharging their duties including work with CCGs and providers to meet National Condition 4

5.2 While the additional funding will need to be pooled within the BCF and principles agreed as part of the overall plan, investment of this element of the fund will be agreed by NCC Adult Social care Committee. Detailed description of the proposals is contained within **Appendix 1 Table 1**.

5.3 These priority areas complement and support the key PI themes and are focused on supporting the shared objectives of health and social care partners, combining an enhanced prevention offer, with direct support to NHS systems to support discharge from hospitals.

5.4 Grant conditions note that NCC, together with health partners, will need to meet National Condition 4 of the BCF (Managing Transfers of Care) and key to managing transfers of care is the implementation of the High Impact Change Model (HICM). This offers a practical approach to supporting health and social care systems to manage patient flow and discharge and can also be used to self-assess how health and social care systems are working now.

5.5 The national condition applies to both councils and CCGs, and both are expected to agree how the model's implementation will be funded. The model requires active management and funding of discharge pathways by CCGs, Acutes and social care; the impact on delayed discharge figures will be contingent on this. Strong partnership and co-operation will be needed to ensure a joined up and consistent approach.

5.6 S151 Officers will need to confirm that funding provided through the improved BCF is spent in addition to existing plans for spending in 17/18.

5.7 DCLG will monitor the impact of the grant on local care services and delayed hospital transfer (DTC) figures through a comprehensive narrative required quarterly. The focus of the return is on care provision that supports effective discharge and flow through the system as a whole in addition to monitoring capacity and resilience of the market overall.

5.8 The impact of the additional spend will need to be swiftly felt in 17/18 and high level agreement of principles will facilitate detailed proposals to be developed and implemented. For clarity, and in order to support CCGs to manage and plan flow, funding has nominally been allocated across the three acute systems (**Appendix 1, Table 2**). This indicates how resources will be allocated to support the health system although in practice there will need to be flexibility to direct resources where problems with delayed transfers and social care capacity are most intense.

5.9 **Protection of social care**

5.9.1 This area covers medium term risk to the social care budget and the consequent impact on services arising from:

- a) The end of the three year protection of social care Section 75 in 2019/20 (BCF)
- b) Enabling some future protection of social care through mitigating the need for additional reductions arising from the identified budget shortfall for future years. 2017-18 budget

5.9.2 Sustaining the care market is key to the sustainability of the system overall as additional cost pressures would otherwise need to be met through reductions in social care provision.

5.10 **Sustain Social Care**

5.10.1 Social care is under pressure to continue to meet the care and support needs of the population and as part of this task NCC is required to ensure the market for social care is managed to be sustainable and effective.

5.10.2 Much of NCC spending is in market based services such as homecare and care homes and the additional short term funding will be used to help support increases in costs, sustain services and ensure that capacity within social work teams is sufficient to meet demand. These areas are crucial in ensuring that the health service is able to manage its demand effectively and supports the close partnership between health and social care necessary to ensure overall system sustainability.

5.10.3 In practice much of this spend will have a recurrent cost pressure, which will need to be a first call on the improved better care fund in future years

5.10.4 Key areas for the Norfolk system are:

- a) Working with homecare and care home markets to ensure sustainable care provision and managing potential market failures which presents risk to individuals but also the system overall. Funding here will support integrity of the care market
- b) Responding to additional contractual cost pressures arising from national living wage (NLW). NLW while supporting recruitment into the care sector places a direct pressure on providers. NCC needs to support the sector in managing these pressures and ensuring that provision is sustainable
- c) Care pressures – direct support to secure increased capacity in the home support market in areas where there is unmet need, which can reduce options for individuals and delay discharges from hospital. The principle which supports managing needs within the community rather than in formal care settings increases demands on the market based offer and resources will be focused on strengthening this
- d) Managing capacity within social work teams to enable timely assessment and assist people at discharge and to prevent admissions. Strengthening social work is one of the key strands of prevention of admissions to both hospitals and care homes. Additional capacity here will also support the development of a more dynamic response to hospital teams with resources directed at areas of pressure. Further detail on cost and capacity is contained in section 7.7 below. The expectation is that this investment would help achieve additional savings and would need to be self-financing by 2019-20

6. Invest and Improve

- 6.1 Additional one-off funding offers the opportunity to implement demand management initiatives that will support ensuring people are safely and quickly discharged from hospital when they are medically fit to do so. These initiatives will ensure that Condition 4 – ‘managing transfers of care are met’ and the principles of the HICM, including a Discharge to Assess model, are explored and implemented.
- 6.2 Initiatives will require full collaboration of the Acutes and CCGs in order to ensure that system flow is consistently improved across the health and social care landscape. Joining up of pathways in and out of hospital is essential for any new initiatives to have real and sustained impact.
- 6.3 Analysis of delayed transfers of care (Dtoc) for each of the Acutes and Norfolk and Suffolk Foundation Trust (NSFT) hospitals will support identification of the most effective intervention for each part of the system.
- 6.4 Priorities, which will need to be on an invest to save basis include:
- a) Expansion of prevention schemes and community/care navigation schemes including social prescribing (SP). Evidence shows that SP can have a significant impact on reducing demand on hospitals and work with District Councils and Public Health will explore how these initiatives can be linked to work closely with the provision of disabled facility grants and information and advice sources. In order to impact change across Norfolk it is anticipated that external finance will need to be secured and funding opportunities are being explored
 - b) The HICM will require Acutes and CCGs to commit to work collaboratively in order to apply best practice to facilitate hospital discharges. Co-production of a trusted assessor model with providers will ensure that each Acute is able to discharge people safely and efficiently back to care homes. Further work with Acute and health partners to establish a consistent and robust approach to shared assessments is underway
 - c) Bed based reablement and active assessment beds– the ‘homefirst’ model describes a system that helps promote independence for older people and at the same time relieves pressure on health services. Bed based reablement facilities will be scoped to serve appropriate discharge from Acutes; these facilities would work in conjunction with active assessment beds and CCG ‘supported care’ initiatives and, combined, will support the process of swift and safe discharges
 - d) Wrap around home care – supporting the development of ‘supported care models’ it is proposed to develop an enhanced level of homecare that will wrap around people on discharge to ensure needs are met expertly and the ‘homefirst’ model is resourced effectively
 - e) Additional provision is being scoped to support discharges from mental health hospitals and support to carers. Funding is proposed to enhance existing initiatives on the basis of invest to save

7. Investment in additional social care capacity

- 7.1 We have analysed patterns of social work and associated activity across the county to understand better current workloads, practices, challenges and barriers.
- 7.2 We have modelled different scenarios using our cost and demand model to test whether we have the right resources, skills and capacity in the right places, and our conclusions from this work are that we need to invest in more front line social workers, and some

additional team managers. The staffing establishment has not sufficiently kept pace with the changes introduced by the Care Act, the changing complexity of workloads, and increasing expectations about discharge from hospital and admission avoidance.

- 7.3 The additional funding for social care means we can strengthen teams in our localities sooner to sustain and improve the health and social care system.
- 7.4 Over the next three years, our modelling shows that we need to invest in the equivalent of 50 social workers in our locality teams. The cost of this is £3.4m per annum which will be recouped over the period of the new Medium Term Financial Strategy through increased savings.
- 7.5 Additional capacity will also address the backlog of work which is currently being carried across all teams. Over the last year this backlog has meant that at any one time between 2500 and 2900 pieces of work are waiting to be started – often assessments of people who have had an initial conversation with adult social care (and who may have had interim services put in place) but where a full assessment is required to make sure the right support is in place. The backlog is not good practice, and requires considerable additional social work time to monitor risk and to prioritise activity. The investment will:
- a) enable teams to manage the volumes of work to provide the right level of resources to underpin strengths-based social work, supporting timely discharge and preventing admissions to acute hospitals
 - b) provide an establishment which keeps pace with predicted demand while continuing to give the very best service
- 7.6 By strengthening social work and eradicating waiting lists, we will ensure that people remain as independent as possible for as long as possible, and that health and social care resources are focussed on those in the most need. Our strengths-based model of care supports the development and implementation of a 'Three Conversations' model, promoting 'wrap-around' integrated working. This earlier intervention in the community will support admission avoidance and re-admissions as well as facilitating speedy discharges to the most suitable setting.

7.7 The costs for proposals to invest in additional social work capacity are as follows:

Proposal	Costs
Additional and re-organised Social Work and Assistant Practitioner Capacity:	£2,146,300 p.a.
Increased and re-organised management capacity:	£829,170 p.a.
Strengthened professional development offer for staff:	£196,660 in 2017-18 £513,651 p.a. thereafter
Strengthened professional development offer for managers:	£22,800 one-off cost
Pilot Implementation through an Innovation Site approach:	£71,892 one off cost
Total costs for year one	£3,266,822
Total costs subsequent years	£3,489,121

8. Issues, Risk and Innovation

- 8.1 The risks in the adults' risk register are all pertinent to the delivery of the improved performance required from the additional social care funding. The funding is specifically focused on addressing key areas of pressure within the system and the combination of protection of social care and innovation in terms of investment in new mechanisms will need to be demonstrated in the performance of the system as whole, both in terms of delayed transfers of care, but also in enhanced capacity and sustainability within the care market.
- 8.2 Close monitoring of performance is already undertaken and this will support the flexing of resources to ensure that maximum impact is felt from the additional funding. Sustained improvements in performance will require the close collaboration and joint working of Acutes, CCGs, NSFT and ASC.

9. Summary

- 9.1 The government has made clear that part of the one-off additional social care grant is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. Local authorities are therefore able to spend the grant, including to commission care, subject to the conditions set out in the grant determination, as soon as plans for spending the grant have been locally agreed with CCGs involved in agreeing the Better Care Fund plan."
- 9.2 The additional social care grant is short term and there is a strong focus on the proposed commitments in 17/18. However, where necessarily expenditure would give rise to an ongoing commitment, this is stated as recurrent in **Appendix 1**. In practice these commitments will be a first call on the recurrent iBCF in future years. All short term investments will need to demonstrate how demand for services is shifted and pathways

improved as a result. This is key to ensuring that improvements in flow and customer experience are maintained as funding subsequently reduces.

- 9.3 The proposed investment of additional social care funding will support the health and social care system in Norfolk, managing existing and new pressures and implementing the HICM as required by the DCLG grant conditions. The use of the funding reflects the priorities identified within the Promoting Independence strategy and builds on the overarching priorities of the service; strengthening social work, being good partners for integration and improving the quality of services. By working with our health partners the additional spend will have a positive impact on delayed transfers of care and increase capacity to support people in their homes. The impact of the additional spend will also strengthen the plans to achieve over £50m in savings and efficiencies by 2020.

10 Recommendations

- 10.1 **Committee is asked to agree to support the proposals for use of the additional monies as set out in Appendix 1, and recommend to Policy and Resources Committee for agreement.**

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Appendix 1

Table 1

Planning priority	Grant Condition	Description	2017/18	2018/19	2019/20	Impact
			£m	£m	£m	
Protect	Meeting Social Care Needs	Funding required to manage shortfall in recurrent pressures and protect social care services	1.9	11.9	22.2	Over the three year period this funding will ensure that vital service provision such as homecare is maintained and people are supported to maintain their independence and stay out of hospital
Sustain	Reduce pressure on the NHS and stabilise Social Care provider market	Support the care market and develop resilience against the impact of specific recurrent market pressures	9.3	11.0	11.0	Recent legislation on National Minimum Wage and the cost of care presents additional pressures to the care sector that require supporting if provision to remain sustainable. Market failure presents a risk to individuals but also the system overall funding here will support integrity of the care market
	Meeting Social Care Needs	Managing recurrent capacity with DOLs when alternative funding finishes	0.0	0.2	0.2	
	Reduce pressure on the NHS and meet	Managing capacity – strengthen social work to assist people at discharge and to prevent admissions	2.6	2.5	0.0	Social work is core to ensuring people’s needs are met quickly and effectively. Supporting capacity of social work will strengthen the prevention offer, ensure people receive support that meets their needs and is fundamental to ensuring that people are able to leave formal care settings as soon as

Planning priority	Grant Condition	Description	2017/18	2018/19	2019/20	Impact
			£m	£m	£m	
	social care need					<p>they are medically fit. Resources here will enable services to be flexed according to pressure within the system.</p> <p>Investing in social work will reduce pressures on the NHS and supports the PI agenda. The invest to save element here will be realised through better management of needs and management of flow through the system.</p> <p>Note: of the £2.6m in 2017/18, £1m will need to be carried forward into 2018/19 to reflect recruitment timescales, therefore £3.5m will be spent in 2018/19. For 2019/20 it is the intention for the investment to remain at 2018/19 levels (£3.5m) but the additional capacity should be self-financing through savings delivered in the Purchase of Care budget.</p>
Invest and Improve	Reduce pressure on the NHS	Expansion of prevention schemes – social prescribing and community/care navigation schemes – Invest to save	0.7	0.7	0.0	Social prescribing has been evidenced to divert demand from formal care services, especially hospitals. Combined with an offer that builds on community resilience and capacity this initiative is designed to support demand management initiatives and enhance community ability to respond to need
		Respond to care pressures – micro commissioning invest to save pilot	0.1	0.0	-0.1	Homecare is a key service in ensuring people can stay out of hospital and be discharged quickly when they are medically fit. Micro commissioning initiatives have been shown to have a positive impact on homecare capacity in similar rural areas. Increased capacity in the system is designed to be

Planning priority	Grant Condition	Description	2017/18	2018/19	2019/20	Impact
			£m	£m	£m	
						sustainable without additional funding after the first two years
		Managing transfers of care – Trusted assessor	0.2	0.2	0.2	Managing transfers of care and implementing the HICM requires a number of joint initiatives between social care and health partners.
		Managing transfers of care – through invest to save programme for example discharge to assess; home support wrap around service; accommodation based reablement and active assessment beds	5.1	0.5	0.2	<p>Key elements of the pathway are trusted assessor and discharge to assess. The implementation of these will be supported by an enhanced, wrap around, home care offer and additional capacity in reablement beds – these initiatives will support the reduction of delayed transfers of care and provide a better quality of care for people in this pathway</p> <p>Many of these initiatives are to be run as pilots to evaluate outcomes and put in place sustainable funding based on the part of the system where benefits accrue. There may be a requirement to c/fwd an element of the 2017/18 funding depending on the progress and timing of implementing each pilot.</p>
		Enhanced community offer for carers - 3 year invest to save pilot	0.1	0.1	0.1	Carers are key to supporting people to stay safe and independent. Additional funding here will work alongside newly commissioned carers service to ensure that carers are fully supported to have a good quality of life
		Enhanced flexible dementia offer - 3	0.2	0.2	0.2	Providing support that enables people with dementia to stay in their own homes is a priority for

Planning priority	Grant Condition	Description	2017/18	2018/19	2019/20	Impact
			£m	£m	£m	
		year invest to save pilot				both health and social care. This funding will enhance the existing offer and allow innovations in service to be implemented and tested for success. This service will support people with dementia to be discharged safely from formal care settings.
		Reduce DTOC mental health services	0.2	0.2	0.2	Providing sufficient support when people with mental health problems leave formal care services is crucial in ensuring people can settle and establish their independence. We are working with mental health colleagues to formulate the most effective mechanisms that will support discharge from hospitals and formal care settings.
Total			20.4	27.5	34.2	
Funded by:	iBCF as per 2017 Spring Budget		-18.6	-11.9	-5.9	
	iBCF as per 2015 Spending Review		-1.9	-15.8	-28.4	
	Total		-20.4	-27.7	-34.3	
Balance			0.0	-0.2	-0.1	

Table 2 - Additional Social Care Funding – Investment, Protection and Sustaining Social Care – by Acute system (population basis)

System	2017/18	2018/19	2019/20
Eastern (GY&W CCG)	2.3	3.1	3.8
Central (North, South and Norwich CCGs)	14.1	19.0	23.7
West (West CCG)	4.0	5.4	6.7
	20.4	27.5	34.2