

# North Somerset Council

## Report to the Adult Services and Housing Policy and Scrutiny Panel

**Date of Meeting: 6 July 2023**

**Subject of Report: Finance Update**

**Town or Parish: All**

**Officer/Member Presenting: Principal Accountant (Adults)**

**Key Decision: No**

### Recommendations

That the panel notes the final outturn for 2022/23 and the risks and opportunities associated with the medium-term financial position for the directorate.

#### 1. Summary of Report

- 1.1 This report summarises and discusses the year-end position for 2022/23 for adult services, highlighting key variances, movements, and contextual information.
- 1.2 The year-end position for Adult Social Services Directorate is a **£1.278m** favourable variance (ie an underspend against revised budget). This is a 1.69% variance from budget.
- 1.3 The budget for Individual Care and Support package was underspent by £775k, and Commissioning and Service Strategy came in £1,011k under budget. These underspends were partially offset by an overspend in Other Social Care amounting to £646k.
- 1.4 The 2023/24 budget contains growth totalling £13.7m, partially funded from central government. There are also savings of £4.2m built into the budget.

#### 2. Policy

- 1.1. The Council's budget monitoring is an integral feature of its overall financial processes, ensuring that resources are planned, aligned, and managed effectively to achieve successful delivery of its aims and objectives. The revenue and capital budgets have been set within the context of the council's medium-term financial planning process, which support the adopted Corporate Plan 2020 to 2024.

#### 3. Details

## 2022/23 Outturn Position

- 1.2. The overall year-end position for Adult Services Directorate was a £1.278m favourable variance. This represents a 1.69% underspend against the revised budget. A summary of the outturn position against budget is shown in **Table 1** below, and a more detailed breakdown is contained in **Appendix 1**.

**Table 1**

<b>NORTH SOMERSET COUNCIL - 2022/23 REVENUE BUDGET MONITORING</b>			
<b>FINANCIAL SUMMARY</b>			
<b>31 March 2023</b>			

ADULT SOCIAL SERVICES	REVISED BUDGET	OUT-TURN	OUT-TURN VARIANCE
	Net £	Net £	Net £
Learning Disability	31,439,486	30,747,659	(691,827)
Physical Support	23,908,649	22,578,560	(1,330,089)
Mental Health	8,749,055	9,097,932	348,877
Memory & Cognition	5,184,342	6,149,183	964,841
Social Support: Support for Carer	970,580	998,161	27,581
Social Support: Substance Abuse	301,530	247,174	(54,356)
Sensory Support	216,775	176,886	(39,890)
<b>Individual Care and Support Packages</b>	<b>70,770,417</b>	<b>69,995,555</b>	<b>(774,863)</b>
Social Care Activities	9,175,305	9,436,617	261,312
Information & Early Intervention	977,576	1,221,071	243,495
Assistive Equipment & Technology	432,429	574,088	141,659
<b>Other Social Care</b>	<b>10,585,310</b>	<b>11,231,777</b>	<b>646,466</b>
Commissioning & Service Strategy	(6,417,360)	(7,428,072)	(1,010,713)
<b>Commissioning &amp; Service Strategy</b>	<b>(6,417,360)</b>	<b>(7,428,072)</b>	<b>(1,010,713)</b>
Housing Services	711,038	572,498	(138,540)
<b>Housing Services</b>	<b>711,038</b>	<b>572,498</b>	<b>(138,540)</b>
<b>ADULT SOCIAL SERVICES TOTAL</b>	<b>75,649,406</b>	<b>74,371,757</b>	<b>(1,277,649)</b>

- 1.3. Individual Care & Support (£775k underspent); this is by far the biggest area of spend and the actual year-end outturn position is only 1% different from the budget. This area is discussed in detail in **appendix 2**.
- 1.4. Major variances outside Individual Care and Support Packages;
- 1.4.1. Social Care Activities (£261k overspend); the largest overspend in this area relates to Community Meals, where increases in the cost of meals and additional transports costs were also compounded by a shortfall in income

from clients resulting in a £208k overspend. Costs of the Emergency Duty Team also increased, and some teams incurred additional staffing costs, but these were offset by salary saving from vacancies in other teams.

- 1.4.2. Information and Early intervention (£243k overspend); this overspend was a result of additional costs of Commissioned Services, particularly in Mental Health, some of which were jointly commissioned with Health. The funding of these was originally planned to be taken from reserves, but underspend elsewhere in the directorate meant we decided to retain the reserves for future projects.
  - 1.4.3. Assistive Equipment and Technology (£142k overspend); increased demand for aid and adaptations alongside slight increases in contract costs led to the majority of this overspend.
  - 1.4.4. Commissioning & service delivery (£1,011k underspend); There were significant salary savings across the teams in this area as well as a reduction in the spend on the voluntary sector. £371k of inflation on the Better Care Fund was held as a contingency and this was not required so added to the underspend.
  - 1.4.5. Housing Services (£129k underspend); within Housing Services there was increased cost pressures arising from additional demand for emergency B&B accommodation, but this was more than offset by significant salary savings from vacancies across the teams.
- 1.5. In November we were allocated £770k Adult Social Care Discharge Grant. This was used on a variety of projects, in conjunction with Health, with the aim of reducing delays to Hospital Discharges. This income and expenditure is spread across the areas above.

## 2023/24 Budget

- 1.6. The 2023/24 budget as agreed at full Council includes the following key changes from the 2022/23 budget.

	£'000
2022/23 Base Budget	75,158
Growth Items	
Pay related inflation	1,007
Inflation, demographics, transitions	8,853
New funding and responsibilities	3,863
Savings	-4,227
Budget transfers (to other directorates)	-320
<b>2023/24 Budget</b>	<b>84,334</b>

- 1.7. Pay inflation; this amount covers the additional cost of the 2022/23 pay rise as well as the anticipated 2023/24 pay award.
- 1.8. Growth has been allowed for inflation to care packages, including increasing rates to cover the cost of the living wage increases.

- 1.9. Demographics growth and estimated additional cost arising through transitions from Children's Services have been allowed for.
- 1.10. New funding included continuation of the new Discharge Grant (that was first announced in November 2022), as well as core funding for social care as part of the local government finance settlement. Much of this new funding will be pooled alongside the Better Care Fund and a key priority is to allocate this new investment. The two main themes will be Hospital Discharge and addressing the Fair Cost of Care outcomes.
- 1.11. The budget also includes £4.2m of planned savings in the following primary areas, which are consistent with the principles of our Maximising Independence and Wellbeing Vision.
  - Undertaking timely reviews of care assessments and Direct Payment arrangements to ensure that they continue to reflect needs and take opportunities to maximise independence.
  - Reviewing care pathways to ensure the maximum benefit is obtained from the new Reablement and Technology Enabled Care Services.
  - Ensuring income from health partners represents a fair and appropriate contribution, as required by legislation.
  - Bringing forward additional alternative care accommodation solutions (such as Supported Living and Extra Care Housing) that are more cost effective and increase independence when compared, for example, to residential care.
  - Increased client charges to cover inflation and to reflect increases in benefits and pensions.
- 1.12. The savings targets for 2023/24 are challenging and are a mixture of new items as well as a continuation of existing savings plans. With the new savings it can sometimes take some time for new initiatives to take effect. The savings targets in 2022/23 were achieved but the continuation of these savings becomes harder as the most appropriate packages will be in place for the majority of cases as more reviews are carried out.
- 1.13. The directorate relies on income from a number of sources to contribute towards expenditure. **Appendix 5** covers this in more detail.

## Risks

- 1.14. In broad terms, the Covid-19 pandemic has served to heighten several risks in the adult social care budget, the key ones being;
  - Potential increased demand for support, to reflect long wait times for elective surgery, waiting lists for social care and Occupational Therapy assessments, deterioration and deconditioning, and the potential impacts of Long Covid, as well as likely increases in demand for mental health, carers, and safeguarding.
  - Increased costs in, and financial stability of, the care market generally.

- The extent to which funding will be provided for future increases in cost and demand, particularly given the increase in the National Living Wage, and other inflationary pressures on providers.
  - Capacity to deliver transformation and MTFP savings.
- 1.15. Inflationary pressures from cost-of-living wage, will impact on demand for services, service provision and internal cost pressures within the council. Higher inflation for fuel, energy and food will impact community meals and other service provision such as homecare.
- 1.16. The Social Care reforms have been delayed but the results of the “Fair Price for Care” model will still need to be addressed.
- 1.17. The ability to achieve income targets could be affected by the general increases in the cost of living as clients may have less disposable income and there is a risk that arrears will increase.
- 1.18. There is a risk that the funding we receive from government or health will change, or conditions attached to the funding could be updated.

#### **4. Consultation**

- 1.19. Not applicable.

#### **5. Financial Implications**

- 1.20. Financial implications are contained throughout the report.

#### **6. Legal Powers and Implications**

- 1.21. The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs, although further details and requirements are contained within related legislation. The setting of the council’s budget for the forthcoming year, and the ongoing arrangements for monitoring all aspects of this, is an integral part of the financial administration process.

#### **7. Climate Change and Environmental Implications**

- 1.22. Adult Social Services is developing a Carbon Literacy and Climate Action Plan, of which investment in TEC (Technology Enabled Care) and other means of prevention and early intervention, will be critical to reducing the size and number of care packages/visits and therefore reducing carbon footprint.

## **8. Risk Management**

1.23. See paragraphs 3.13 to 3.17.

## **9. Equality Implications**

1.24. Not applicable to this report directly. The 2021/22 revenue budget incorporates savings approved by Members in February 2021, all of which are supported by an equality impact assessment (EIA). These EIAs have been subject to consultation and discussion with a wide range of stakeholder groups to ensure all risks have been identified and understood; the same is true for 2022/23 savings. In addition, the main growth areas were also discussed with the Equality Stakeholder Group

## **10. Corporate Implications**

1.25. There are no specific corporate implications within the report.

## **11. Options Considered**

1.26. Not applicable.

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### **Appendices:**

Appendix 1 – Breakdown of major 2022/23 variances to budget.  
Appendix 2 – Narrative in relation to Care and Support packages.  
Appendix 3 – Detailed breakdown of Care and Support outturn.  
Appendix 4 – Activity and Unit cost data.  
Appendix 5 – Income and funding Sources.

## Appendix 1 – Breakdown of major 2022/23 variances to budget.

APPENDIX 2

FINANCIAL OVERVIEW OF THE ADULTS SOCIAL SERVICES DIRECTORATE					
31 March 2023					
Directorate Summary					
	Original Budget 2022/23	Virements	Revised Budget 2022/23	Out-turn 2022/23	Out-turn Variance
	£000	£000	£000	£000	£000
- Gross Expenditure	113,918	1,749	115,668	115,693	26
- Income	(38,761)	(19)	(38,780)	(41,341)	(2,561)
- Transfers to / from Reserves	0	(1,238)	(1,238)	19	1,258
<b>= Directorate Totals</b>	<b>75,158</b>	<b>492</b>	<b>75,649</b>	<b>74,372</b>	<b>(1,278)</b>
Out-turn Variance					-1.69%
- Individual Care and Support Packages	70,236	534	70,770	69,996	(775)
- Assistive Equipment & Technology	420	12	432	574	142
- Information & Early Intervention	978	0	978	1,221	243
- Social Care Activities	9,308	(132)	9,175	9,437	261
- Commissioning & Service Delivery	(6,453)	35	(6,417)	(7,428)	(1,011)
- Housing Services	669	42	711	572	(139)
<b>= Directorate Totals</b>	<b>75,158</b>	<b>492</b>	<b>75,649</b>	<b>74,372</b>	<b>(1,278)</b>
Out-turn Variance					-1.69%

Extract showing material variances compared to the revised budget			
Service area and projected budget variance	Revised Budget 2022/23	Projected Out-turn 2022/23	Projected Out- turn Variance
	£000	£000	£000
<b>- Individual Care and Support Packages</b>			
Expenditure - Long Term Care Packages (residential)	48,236	49,001	766
Client Income - Long Term Care Packages (residential)	(11,520)	(12,072)	(551)
Expenditure - Long Term Care Packages (non-residential)	37,780	37,582	(198)
Client Income - Long Term Care Packages (non-residential)	(4,518)	(4,251)	267
Expenditure - Short Term Care Packages	6,413	5,977	(436)
Client Income - Short Term Care Packages	(260)	(399)	(139)
Other income (including CCG contributions)	(5,440)	(5,523)	(83)
Other	80	(320)	(400)
<b>- Assistive Equipment &amp; Technology</b>			
Increased demand for Aids and Adaptations	359	451	92
<b>- Information &amp; Early Intervention</b>			
MH Commissioned Services	628	794	167
<b>- Social Care Activities</b>			
Centralised Safeguarding - additional staffing cost including agency cover	477	589	112
Community Meals - increased cost of meals, additional transport costs & shortfall in income	10	217	208
DOLS & IMHA - salary saving and reduced medical fees	334	231	(103)
Reablement Therapy Team - increased staffing costs due to locum cover	9	104	95
Locality Social Work Teams - salary saving from vacancies	3,243	3,033	(210)
MH Management Team - increased EDT costs	393	525	132
<b>- Commissioning &amp; Service Delivery</b>			
Supporting People Commissioning - reduced spend on voluntary sector	1,545	1,362	(183)
Salary savings from vacancies across teams	1,390	1,246	(145)
Better Care Fund Inflation contingency used to offset other overspends	(10,303)	(10,674)	(371)
Discharge Grant funding - not allocated to spend elsewhere in directorate	0	(342)	(342)
<b>- Housing Services</b>			
Housing Solutions - Emergency Accommodation - additional demand for B&B	15	122	107
Salary savings from vacancies across teams	728	469	(259)
<b>Sub total - material budget variances</b>			<b>(1,476)</b>
Other minor variations to the budget			198
<b>= Directorate Total</b>			<b>(1,278)</b>

## Appendix 2 – Narrative in relation to Care and Support packages.

The predominant area of spend within the directorate relates to individual care and support packages, the net budget for this area is £70.770m which represents over 90% of the net budget for the directorate.

### Overall Income and Expenditure Trends

Spend on care and support packages was c. £2.2m in excess of budget in 2021/22 and this gap was narrowed with £1.4m of budget growth for 2022/23; as a result, all other things being equal, we essentially began the financial year with an underlying demand gap against the budget of c. £600k, although clearly the position is much more complex than that.

Our gross expenditure on care packages for 2022/23 was 10.2% more than in 2021/22. We passed on an average of 6.3% in standard inflation to providers, plus additional uplifts arising from the Fair Cost of Care exercise and some temporary uplifts to cover additional inflationary pressures. The overall level of uplift averaged 8% so there was an increase in costs of around 2% that is materialising through a growth in care package numbers or size.

The 2022/23 budget included £1.1m of saving within care and support packages, we overachieved this target which helped to contain the overall gross spend at close to budgeted levels.

Client income rose by around 14%; normally this would be lower than the increase in gross expenditure as client contributions cannot increase beyond the maximum charge, however Nursing income increased significantly from 2021/22 due to the increase in the number of packages and the collection of deferred payments that should have been accounted for in 2021/22. The increase in other contributions reflects the funding being provided by the Integrated Care Board (ICB) to support costs associated with the Discharge to Assess Business Case.

This means that the increase in total net spend from 2021/22 to 2022/23 was 6.8%, but 1.1% lower than budgeted.

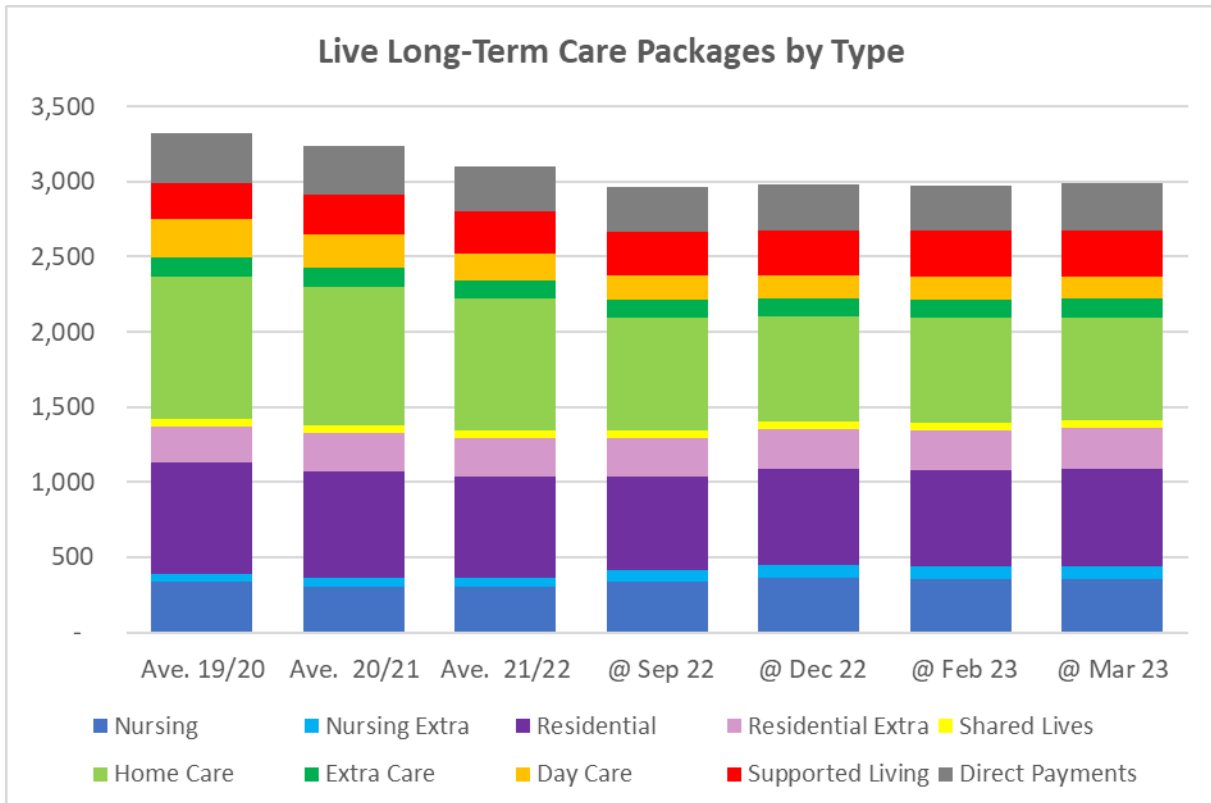
	2021/22	2022/23	2022/23	2022/23		2022/23	
	Outturn	Budget	Forecast	Change from PY		Variance from budget	
	£	£	£	£	%	£	%
Gross spend	85,455,607	94,121,173	94,167,403	8,711,796	10.2%	46,230	0.0%
Client income	(14,584,456)	(16,298,618)	(16,711,569)	(2,127,113)	14.6%	(412,951)	2.5%
Other contribution	(5,323,988)	(6,611,138)	(7,019,279)	(1,695,291)	31.8%	(408,141)	6.2%
Use of reserves	0	(441,000)	(441,000)	(441,000)	0.0%	0	0.0%
Net spend	65,547,163	70,770,417	69,995,555	4,448,392	6.8%	(774,863)	-1.1%



## Number of Care Packages

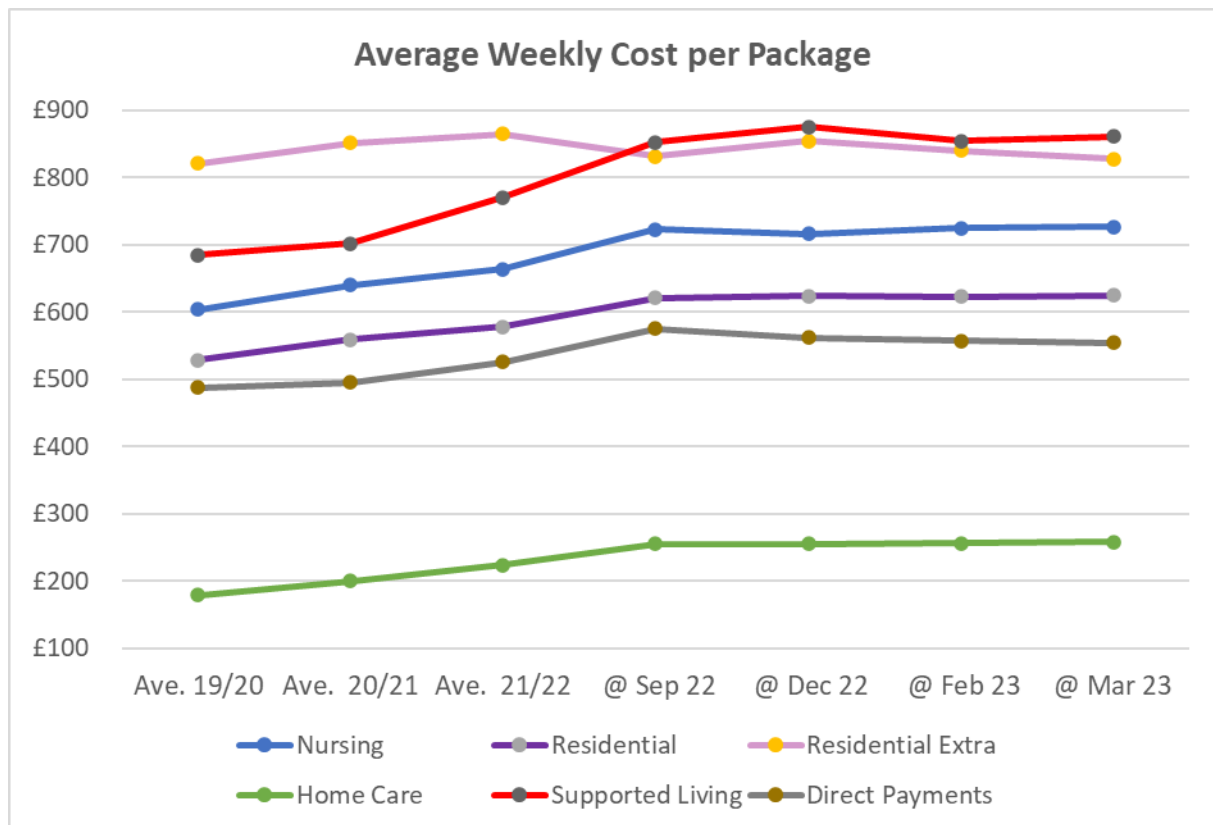
Where we are seeing cost increases beyond just price inflation, this is not generally because the number of packages is increasing; in fact, the average live long-term packages for 2022/23 are 3% lower than they were on average last year (2,993 compared with 3,098). Rather, increases relate to increases in package cost (see next paragraph).

It is worth noting however, that the activity data does indicate a recovery in the nursing sector, but a continued fall in home care packages. If this trend continues, we will see overall costs increase as the average cost of nursing is far higher than home care packages.



## Average Unit Costs of Packages

As the numbers of packages are falling, any cost increases above inflation are largely being driven by an increase in package size, and this is particularly evident in home care, and in the continued increase in the number of nursing placements with exceptional special needs. This is likely reflective of increased complexity and need driven by factors such as deterioration and de-conditioning (partly due to delays in elective surgery and other treatment, and lock-down / isolation), earlier hospital discharge, increases in mental health support needs, and family / carer breakdown. In overall terms, the average weekly unit cost of a long-term care package has increased by c. 10% in the last year, with around 8% of that reflecting price inflation as opposed to package size.



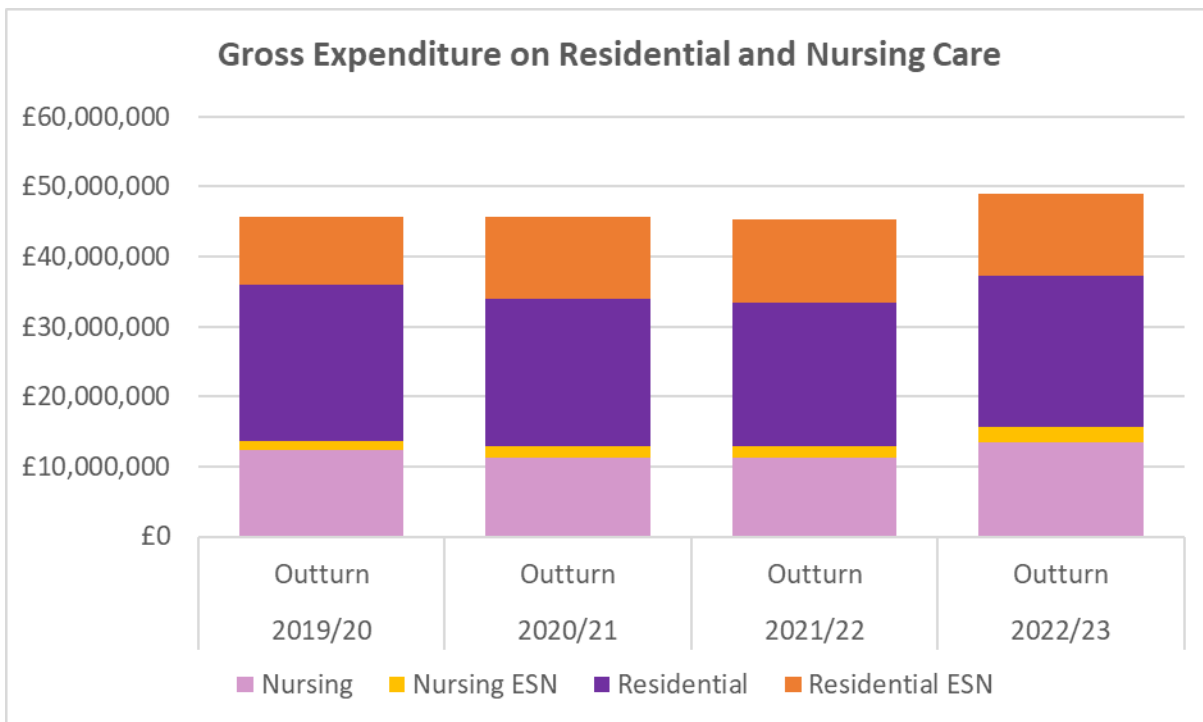
## Other Factors

### Supported Living

As well as nursing the other material area where package numbers are increasing is in supported living (from an average of 240 in 2019/20, 263 in 2020/21 and 281 in 2021/22 to an average of 296 in 2022/23; this is an expected rise, which is particularly associated with bringing forward new schemes as a more cost-effective alternative to residential placements and to support transitions from children's services.

### Exceptional Special Needs

Finally, it is worth noting that the increase in demand for residential and nursing placements with Exceptional Special Needs (ESN) which we experienced in 2020/21 and 2021/22, has now been contained. ESN now represents 22% of total spend on residential and nursing care, compared with 29% in 2021/22.



## Appendix 3 – Detailed breakdown of Care and Support outturn.

£	2019/20 Outturn	2020/21 Outturn	2021/22 Outturn	2022/23 Revised Budget	2022/23 P12 Full Year	2022/23 Change from PY	2022/23 Variance from budget		
<b>Expenditure</b>									
Nursing	12,312,381	11,297,314	11,241,753	12,341,312	13,501,443	2,259,691	20.1%	1,160,131	9.4%
Nursing ESN	1,277,316	1,641,031	1,728,176	1,801,318	2,255,798	527,622	30.5%	454,480	25.2%
Residential	22,315,815	20,979,629	20,459,192	22,250,830	21,448,983	989,791	4.8%	(801,847)	(3.6%)
Residential ESN	9,853,644	11,792,743	11,848,126	11,842,457	11,795,273	(52,853)	-0.4%	(47,184)	(0.4%)
Shared Lives	1,343,321	1,627,656	1,686,194	1,822,108	1,787,624	101,430	6.0%	(34,484)	(1.9%)
Homecare	7,664,954	8,968,914	9,340,179	10,004,675	9,523,092	182,914	2.0%	(481,583)	(4.8%)
Extra Care	1,598,083	1,712,432	1,602,612	1,726,420	1,652,682	50,070	3.1%	(73,738)	(4.3%)
Daycare	1,492,815	1,495,512	1,330,715	1,425,293	1,571,781	241,066	18.1%	146,488	10.3%
Supported Living	10,030,136	11,366,867	12,857,390	14,581,321	15,236,333	2,378,944	18.5%	655,012	4.5%
Direct Payments	8,093,138	7,729,415	7,416,395	8,536,841	8,073,715	657,320	8.9%	(463,126)	(5.4%)
DPs Carers	29,427	7,295	31,636	32,930	48,991	17,355	54.9%	16,061	48.8%
<b>Sub-total Long-Term</b>	<b>76,011,030</b>	<b>78,618,809</b>	<b>79,542,366</b>	<b>86,365,505</b>	<b>86,895,717</b>	<b>7,353,350</b>	<b>9.2%</b>	<b>530,211</b>	<b>0.6%</b>
Enablement Nursing	279,388	57,178	411,730	438,945	303,577	(108,153)	-26.3%	(135,368)	(30.8%)
Enablement Res	377,362	61,242	308,108	336,553	250,619	(57,489)	-18.7%	(85,934)	(25.5%)
ST Nursing	652,723	858,075	1,522,904	1,677,214	1,585,962	63,057	4.1%	(91,252)	(5.4%)
ST Residential	2,093,425	2,009,944	2,716,947	3,114,730	3,088,878	371,931	13.7%	(25,852)	(0.8%)
Reablement	112,970	108,767	265,862	845,836	747,896	482,034	181.3%	(97,940)	(11.6%)
<b>Sub-total Short-Term</b>	<b>3,515,868</b>	<b>3,095,206</b>	<b>5,225,551</b>	<b>6,413,278</b>	<b>5,976,932</b>	<b>751,381</b>	<b>14.4%</b>	<b>(436,346)</b>	<b>(6.8%)</b>
<b>Various Other CIC Expd</b>	<b>749,472</b>	<b>521,141</b>	<b>687,690</b>	<b>1,342,390</b>	<b>1,294,754</b>	<b>607,064</b>	<b>88.3%</b>	<b>(47,636)</b>	<b>(3.5%)</b>
<b>Income</b>									
Daycare	(164,556)	(32,009)	(104,674)	(113,626)	(104,777)	(103)	0.1%	8,849	(7.8%)
Direct Payments	(573,810)	(389,961)	(714,951)	(1,141,532)	(829,615)	(114,665)	16.0%	311,917	(27.3%)
Extra Care	(322,391)	(351,391)	(380,133)	(425,885)	(417,962)	(37,829)	10.0%	7,923	(1.9%)
Homecare	(1,432,620)	(1,549,146)	(2,044,276)	(1,963,236)	(2,051,777)	(7,501)	0.4%	(88,541)	4.5%
Nursing	(4,663,446)	(4,076,181)	(3,084,340)	(3,734,304)	(4,656,154)	(1,571,814)	51.0%	(921,850)	24.7%
Residential	(8,268,335)	(7,812,866)	(7,267,349)	(7,786,165)	(7,416,543)	(149,194)	2.1%	369,622	(4.7%)
Shared Lives	(212,098)	(249,574)	(178,074)	(220,056)	(193,956)	(15,882)	8.9%	26,100	(11.9%)
Supported Living	(436,617)	(469,663)	(595,979)	(653,595)	(641,358)	(45,378)	7.6%	12,237	(1.9%)
ST Nursing	(83,926)	(127,089)	(79,513)	(103,459)	(136,163)	(56,650)	71.2%	(32,704)	31.6%
ST Residential	(125,202)	(180,867)	(135,168)	(156,760)	(263,265)	(128,098)	94.8%	(106,505)	67.9%
<b>Sub-total client income</b>	<b>(16,283,001)</b>	<b>(15,238,747)</b>	<b>(14,584,456)</b>	<b>(16,298,618)</b>	<b>(16,711,569)</b>	<b>(2,127,113)</b>	<b>14.6%</b>	<b>(412,951)</b>	<b>2.5%</b>
Contributions LA	(21,862)	0	(1,709)	(3,000)	(6,741)	(5,032)	294.5%	(3,741)	124.7%
NHS Cont Residential	(1,999,705)	(2,019,758)	(2,348,176)	(2,484,270)	(2,459,275)	(111,099)	4.7%	24,995	(1.0%)
Contributions Nursing	(207,043)	(295,899)	(454,449)	(451,640)	(507,949)	(53,499)	11.8%	(56,309)	12.5%
Contributions Home Care	0	0	0	(295,000)	(284,582)	(284,582)	0.0%	10,418	(3.5%)
Contributions DPs	(111,210)	(163,277)	(182,819)	(179,580)	(231,654)	(48,835)	26.7%	(52,074)	29.0%
Contributions General	(809,126)	(718,741)	(955,738)	(157,749)	(418)	955,320	-100.0%	157,331	(99.7%)
Contributions Other	(70,666)	0	(181,404)	(231,457)	(228,553)	(47,149)	26.0%	2,904	(1.3%)
Contributions Extra Care	0	0	0	(3,000)	(18,337)	(18,337)	0.0%	(15,337)	511.2%
Contributions Shared Lives	0	0	0	(147,000)	(23,268)	(23,268)	0.0%	123,732	(84.2%)
Contr'ns Supported Living	0	0	0	(732,000)	(915,436)	(915,436)	0.0%	(183,436)	25.1%
Contributions Day Care	0	0	0	(4,000)	(2,136)	(2,136)	0.0%	1,864	(46.6%)
<b>Sub-total other income</b>	<b>(3,219,612)</b>	<b>(3,197,675)</b>	<b>(4,124,296)</b>	<b>(4,688,696)</b>	<b>(4,678,349)</b>	<b>(554,053)</b>	<b>13.4%</b>	<b>10,347</b>	<b>(0.2%)</b>
Contns Better Care Fund	0	0	0	(583,836)	(583,836)	(583,836)	0.0%	0	0.0%
Contns BCF - D2A	0	0	0	(844,502)	(844,502)	(844,502)	0.0%	0	0.0%
Recoveries General	0	0	0	(243,000)	(178,253)	(178,253)	0.0%	64,747	(26.6%)
Other CIC Income	0	0	0	(251,104)	(734,339)	(734,339)	0.0%	(483,235)	192.4%
<b>Various Other CIC Inc</b>	<b>(756,296)</b>	<b>(521,141)</b>	<b>(1,199,693)</b>	<b>(1,922,442)</b>	<b>(2,340,931)</b>	<b>(1,141,238)</b>	<b>95.1%</b>	<b>(418,489)</b>	<b>21.8%</b>
<b>Use of Res (to revenue)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Tr to Reserves (from Revenue)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Use of Reserves</b>	<b>(1,752,402)</b>	<b>0</b>	<b>0</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Gross spend</b>	<b>80,276,370</b>	<b>82,235,155</b>	<b>85,455,607</b>	<b>94,121,173</b>	<b>94,167,403</b>	<b>8,711,796</b>	<b>10.2%</b>	<b>46,230</b>	<b>0.0%</b>
<b>Client income</b>	<b>(16,283,001)</b>	<b>(15,238,747)</b>	<b>(14,584,456)</b>	<b>(16,298,618)</b>	<b>(16,711,569)</b>	<b>(2,127,113)</b>	<b>14.6%</b>	<b>(412,951)</b>	<b>2.5%</b>
<b>Other contributions</b>	<b>(3,975,908)</b>	<b>(3,718,816)</b>	<b>(5,323,988)</b>	<b>(6,611,138)</b>	<b>(7,019,279)</b>	<b>(1,695,291)</b>	<b>31.8%</b>	<b>(408,141)</b>	<b>6.2%</b>
<b>Use of Reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>(441,000)</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Net spend</b>	<b>60,017,461</b>	<b>63,277,592</b>	<b>65,547,163</b>	<b>70,770,417</b>	<b>69,995,555</b>	<b>4,448,392</b>	<b>6.8%</b>	<b>(774,863)</b>	<b>(1.1%)</b>

## Appendix 4 – Activity and Unit cost data.

### Activity data

#### COST & VOLUME SUMMARY - PACKAGES OF CARE TREND MONTHLY BY VOLUME

Provision Type		3 years ago	2 years ago	1 year ago	6 month	3 month	2 month	1 month	current	YTD	Trend Line (1Y)	Current	1Y Change	Change	Change	
Long Term Care		Ave. 19/20	Ave. 20/21	Ave. 21/22	@ Sep 22	@ Dec 22	@ Jan 23	@ Feb 23	@ Mar 23	Ave. 22/23						
Nursing	CLT01	341	308	306	338	360	345	351	351	340		351	34	↑	11%	
Nursing Extra	CLT02	51	55	61	78	90	86	86	88	83		88	23	↑	37%	
Residential	CLT05	736	705	669	622	640	645	643	647	641		647	-	28	↓	-4%
Residential Extra	CLT06	243	263	260	256	264	264	267	273	265		273	5	↑	2%	
Shared Lives	CLT10	48	47	48	48	50	52	52	51	49		51	1	↑	2%	
Home Care	CLT20	949	924	875	751	698	700	699	688	738		688	-	138	↓	-16%
Extra Care	CLT25	123	125	120	117	121	120	119	120	118		120	-	1	↓	-1%
Day Care	CLT30	256	226	178	162	153	152	154	152	162		152	-	17	↓	-9%
Supported Living	CLT40	240	263	281	290	302	295	300	308	296		308	15	↑	5%	
Direct Payment	VAA01	333	319	300	303	303	295	302	309	301		309	1	↑	0%	
<b>Total Long Term Care</b>		<b>3,321</b>	<b>3,234</b>	<b>3,098</b>	<b>2,965</b>	<b>2,981</b>	<b>2,954</b>	<b>2,973</b>	<b>2,987</b>	<b>2,993</b>						
Short term Care		Ave. 19/20	Ave. 20/21	Ave. 21/22	@ Sep 22	@ Dec 22	@ Jan 23	@ Feb 23	@ Mar 23	Ave. 22/23	Trend Line (1Y)	Current	1Y Change	Change	Change	
Enablement - Nursing	CST01	10	2	13	9	6	6	5	1	9		1	-	4	↓	-33%
Enablement - Residential	CST05	14	3	14	11	6	6	4	2	8		2	-	6	↓	-41%
Short term - Nursing	CST11	18	19	24	19	24	27	26	30	24		30	0	↑	2%	
Short term - Residential	CST15	43	35	40	64	56	44	52	69	52		69	12	↑	29%	
Reablement	CST20	15	12	11	3	1	3	1	4	4		4	-	7	↓	-64%
<b>Total Short Term Care</b>		<b>100</b>	<b>70</b>	<b>103</b>	<b>106</b>	<b>93</b>	<b>86</b>	<b>88</b>	<b>106</b>	<b>97</b>						
<b>TOTAL</b>		<b>3,421</b>	<b>3,304</b>	<b>3,201</b>	<b>3,071</b>	<b>3,074</b>	<b>3,040</b>	<b>3,061</b>	<b>3,093</b>	<b>3,090</b>						

# Unit Cost Data

## COST & VOLUME SUMMARY - PACKAGES OF CARE TREND BY UNIT COST

Provision Type		3 years ago	2 years ago	1 year ago	6 month	3 month	2 month	1 month	current	YTD	Trend Line (1Y)	Current	1Y Change	Change	Change
Long Term Care		Ave. 19/20	Ave. 20/21	Ave. 21/22	@ Sep 22	@ Dec 22	@ Jan 23	@ Feb 23	@ Mar 23	Ave. 22/23					
Nursing	CLT01	£ 603.75	£ 640.31	£ 663.41	£ 722.61	£ 716.05	£ 724.14	£ 724.92	£ 726.74	£ 720.94		£727	£ 57.53	↑	8.7%
Nursing Extra	CLT02	£ 464.92	£ 551.11	£ 503.18	£ 523.01	£ 459.63	£ 539.00	£ 497.78	£ 456.70	£ 489.68		£457	£- 13.50	↓	-2.7%
Residential	CLT05	£ 528.54	£ 559.33	£ 577.53	£ 620.94	£ 623.34	£ 622.02	£ 622.56	£ 624.95	£ 619.68		£625	£ 42.14	↑	7.3%
Residential Extra	CLT06	£ 820.73	£ 850.80	£ 864.74	£ 831.53	£ 853.53	£ 847.50	£ 839.32	£ 827.81	£ 839.05		£828	£- 25.69	↓	-3.0%
Shared Lives	CLT10	£ 445.84	£ 503.82	£ 503.64	£ 509.23	£ 493.24	£ 492.64	£ 494.74	£ 503.21	£ 503.67		£503	£ 0.03	↑	0.0%
Home Care	CLT20	£ 178.98	£ 200.28	£ 224.21	£ 254.92	£ 255.07	£ 256.87	£ 256.33	£ 258.02	£ 253.36		£258	£ 29.15	↑	13.0%
Extra Care	CLT25	£ 239.65	£ 242.66	£ 245.81	£ 248.82	£ 235.23	£ 229.75	£ 232.97	£ 236.55	£ 239.26		£237	£- 6.56	↓	-2.7%
Day Care	CLT30	£ 135.21	£ 144.24	£ 153.32	£ 177.81	£ 188.36	£ 187.95	£ 187.33	£ 187.33	£ 181.79		£187	£ 28.47	↑	18.6%
Supported Living	CLT40	£ 684.26	£ 701.82	£ 770.62	£ 852.11	£ 874.82	£ 846.19	£ 854.28	£ 860.61	£ 853.77		£861	£ 83.15	↑	10.8%
Direct Payment	VAA01	£ 487.35	£ 495.12	£ 525.91	£ 574.71	£ 561.68	£ 567.75	£ 556.79	£ 554.59	£ 561.61		£555	£ 35.70	↑	6.8%
<b>Ave. Long Term Care</b>		<b>£ 421.60</b>	<b>£ 451.32</b>	<b>£ 483.01</b>	<b>£ 532.61</b>	<b>£ 542.70</b>	<b>£ 541.57</b>	<b>£ 540.73</b>	<b>£ 543.05</b>	<b>£ 533.46</b>					
Short term Care		Ave. 19/20	Ave. 20/21	Ave. 21/22	@ Sep 22	@ Dec 22	@ Jan 23	@ Feb 23	@ Mar 23	Ave. 22/23	Trend Line (1Y)	Current	1Y Change	Change	Change
Enablement - Nursing	CST01	£ 588.96	£ 588.96	£ 666.24	£ 697.88	£ 691.33	£ 708.84	£ 710.78	£ 692.44	£ 700.62		£692	£ 34.38	↑	5.2%
Enablement - Residential	CST05	£ 487.63	£ 487.63	£ 562.77	£ 581.37	£ 603.29	£ 584.48	£ 599.18	£ 555.07	£ 587.61		£555	£ 24.84	↑	4.4%
Short term - Nursing	CST11	£ 595.75	£ 595.75	£ 681.90	£ 803.96	£ 718.09	£ 681.60	£ 714.73	£ 719.67	£ 742.32		£720	£ 60.42	↑	8.9%
Short term - Residential	CST15	£ 536.07	£ 536.07	£ 553.97	£ 597.70	£ 575.95	£ 594.71	£ 681.94	£ 618.94	£ 603.04		£619	£ 49.07	↑	8.9%
Reablement	CST20	£ 224.42	£ 224.42	£ 242.79	£ 60.93	£ 189.56	£ 640.22	£ 707.53	£ 262.47	£ 246.65		£262	£ 3.86	↑	1.6%
<b>Ave. Short Term Care</b>		<b>£ 498.81</b>	<b>£ 498.58</b>	<b>£ 566.00</b>	<b>£ 626.29</b>	<b>£ 617.68</b>	<b>£ 630.83</b>	<b>£ 689.79</b>	<b>£ 633.48</b>	<b>£ 630.82</b>					
<b>OVERALL WEIGHTED AVERAGE</b>		<b>£ 423.86</b>	<b>£ 452.33</b>	<b>£ 485.67</b>	<b>£ 535.84</b>	<b>£ 544.97</b>	<b>£ 544.10</b>	<b>£ 545.01</b>	<b>£ 546.15</b>	<b>£ 536.52</b>					

## Income budgeted in Adult Social Services

We receive a substantial amount of income into the directorate to help fund the services we provide. The table below shows the amounts budgeted in 2023/24, and a commentary on some of these sources is below the table.

<b>Income Category</b>	<b>Budget (£'000)</b>
Client Income towards Individual Packages	-17,278
ICB contribution to individual packages	-4,420
Community Meals Client Income	-497
Other income towards individual support packages	-210
B&B housing benefit	-203
Government Grants	-1,106
Hospital Discharge Fund	-979
Improved Better Care Fund	-6,985
Better Care Fund, from ICB	-6,754
Discharge to Assess, from ICB	-1,375
ICB contribution to other costs	-70
Court of Protection administration	-154
Recoveries	-126
Internal NSC recharges	-364
Misc income	-139
Planned drawdown from reserves	-438
<b>Total Budgeted Income</b>	<b>-41,097</b>

### Individual Support Package Income

Under the Care Act and associated legislation and guidance we are allowed to charge clients for contributions towards individual support packages following a financial assessment of their ability to pay. The income generated from these charges is obviously linked to the number of packages but also income and benefit levels of the clients.

The ICB (Integrated Care Board) make a contribution towards some packages if there is deemed to be some health need. If a client has significant health needs, then they will become CHC (Continuing Health Care) funded and the sole responsibility of the ICB so will not appear in our accounts at all.

### ICB Income

As well as the contributions towards individual packages above, we receive a significant amount of other income from the ICB. £6.8m is part of the BCF (Better Care Fund) which is a joint agreement to fund adult social care and there are minimum levels of contribution set by government. An additional £1.4m per year was allocated from 2022/23 following a business case around Discharge to Assess where the ICB give additional funding for specific project linked to hospital discharge.

### Government Grants

The Government Grants figure above includes £914k relating to Housing, for Homelessness Prevention and Rough Sleeping Initiatives, the balance related to a number of smaller specific grants for Adult Services.

Much of the funding received from the government and the ICB comes with conditions and must be pooled and used for the purposes of meeting specific care needs.

### **Other funding for Adult Social Services**

The council receives other grant funding from the government to support social care costs although this is given as part of the overall funding settlement and so is reflected elsewhere within the council's budget. This funding has increased in recent years with sums given to stabilise and sustain the care market including working towards providing a fair cost of care.

The council is able to generate additional income through the council tax charging system, specifically to support the rising costs of adult social care that are reflected within the directorate's revenue budget. This is known as the Adult Social Care Precept and as the money is linked to council tax, it is also held elsewhere within the council's budget. The amount of money that can be generated each year is capped by the government and is an additional charge on top of standard Council Tax charge.

The table below provides details of the additional funding used to support adult social care spending:

Funding	Amount in 2022/23	Amount in 2023/24
Market Sustainability & Fair Cost of Care Grant	£0.624m	£2.164m
Social Care Support Grant	£8.095m	£13.295m
Adult Social Care Precept	1% = £1.203m	2% = £2.511m