

REPORT TO:	ADULT SOCIAL SERVICES REVIEW PANEL 24 April 2017
AGENDA ITEM:	5
SUBJECT:	New Funding for Adult Social Care in 2017/18 – Update
BOARD SPONSOR:	Guy Van Dichele, Interim Director, Adult Social Care and All Age Disability
CORPORATE PRIORITY/POLICY CONTEXT: This report is for information only	

1. RECOMMENDATIONS

- 1.1 The Adult Social Services Review Panel (ASSRP) is asked to note the contents of the report.

2. BACKGROUND

- 2.1 The first three months of 2017 have seen a raft of announcements from central government regarding additional funding measures for social care and the wider local health economy. Some of these announcements herald genuinely new money, while others provide funding that would otherwise have been anticipated anyway. A summary of the key items is provided below.

3. THE ASC PRECEPT

- 3.1 The government recently announced that it would continue to allow local authorities to increase council tax beyond the previous 1.99% limit in order to fund social care. This “ASC Precept” introduced in 2016/17 allowed Councils to add a precept of 2% per annum for 4 years to be used to fund adult social care. The 2016 Autumn Financial Statement revised this precept and has allowed councils to increase council tax by a further 6% for the ASC precept over the next 3 years (with the maximum increase in a single year being 3%). Croydon has opted for the full 3% increase in 2017/18 which will raise an additional £4.4m.
- 3.2 This funding was just enough to offset other central government funding that had been anticipated by the Council as part of its 2017/18 settlement but was removed (including the New Homes Bonus). Overall, Croydon was slightly worse off as a result of this announcement (even with a 3% increase to council tax).

- 3.3 The additional funding identified above was used to support the growth that was allocated to Adult Social Care as part of the Council's 2017/18 budget. This totalled £4.9m and covered the following initiatives:

Growth Item	Value (£M)
2016/17 Spending Pressures	2.890
Market Management	0.100
Outcome Based Commissioning	0.366
Transitions Growth	1.000
Deprivation of Liberty Safeguards (DoLS)	0.366
0-25 SEND Growth	0.300
TOTAL	4.906

4. ADDITIONAL FUNDING FOR SOCIAL CARE

- 4.1 One of the key announcements in the Chancellor's 2017 budget was an additional £2 billion of funding for adult social care over the next three years. The allocations by authority have since been released with the following settlement for Croydon:

	2017/18 (£M)	2018/19 (£M)	2019/20 (£M)
LB Croydon	5.5	4.0	2.0

- 4.2 Due to the timing of this announcement, the additional funding has not been built into the Council's 2017/18 budget. The funding will be transferred directly to the Council by DCLG but it is required to work with its health partners to allocate to areas of need via the new Integrated Better Care Fund (ICBF) framework (as part of the process to allocate existing BCF funding).
- 4.3 The broad guidance issued by DCLG requires the funding to be used to support the following areas:
- Meeting adult social care needs
 - Reducing pressures on the NHS (including support for hospital discharge)
 - Stabilising the social care provider market
 - The Council is currently working up a range of suitable areas that represent the best way to allocate this funding.

5. ADDITIONAL HEALTH FUNDING

- 5.1 A range of measures have also been announced within Health which are likely to impact social care given the nature of the objectives.

a) Managing A&E Demand

The NHS has announced £30m nationally to strengthen support to care homes to provide access to clinical advice in order to reduce the risk of residents in care homes being admitted to hospital. It is currently unclear how much of this funding might be made available in Croydon.

b) Sustainability and Transformation Plans (STPs)

A Sustainability and Transformation Fund is available within the NHS to support the delivery of Sustainability and Transformation Plans (STPs). These plans have been developed jointly by the NHS and councils across England to deliver place-based improvements to health and social care centred on the needs of the local population.

Croydon is part of the South West London STP which also includes partner organisations, across health and local government, in Sutton, Richmond, Merton, Kingston and Wandsworth. Discussions are underway with NHS Croydon CCG to understand how this regional funding might be accessed to support local objectives.

6. ON-GOING BUDGET CHALLENGES

- 6.1 Decisions about how to use the funding above are being managed within the context of on-going pressure on the Adult Social Care budget. Some of the key items identified in 2017/18 are outlined below:
- Delivery of £3.1m of in-year savings and efficiencies via the transformation programme
 - On-going demography pressures resulting in an increase in numbers of clients and acuity of need (estimated to be worth £2m)
 - Transfer of clients from the Surrey and Borders Partnership Mental Health Trust to LB Croydon provision (worth approximately £1.3m)
 - Additional under-lying pressures in the 2016/17 outturn driven by one-off income that will not reoccur into the new financial year (including Ordinary Residence cases settled in the Council's favour)
 - Challenges around the provision of mental health services following recent decisions by the CCG to cut a series of existing services

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BACKGROUND DOCUMENTS: None