

Health and Social Care Update

Overview and Management Scrutiny
Board

15 November 2018

Purpose of session

- To share knowledge of the historical and current Council budget position, particularly in relation to health and care services
- To begin to discuss a way forward that will result in medium-term stability for both SCC and CCG

Reminder: the overall position

- Since 2010, SCC has lost 60p in every £1 of Government grant – we are now largely reliant on self-generated income, such as Council Tax, business rates, and fees and charges
- Overall cumulative reduction of around £430m since 2010, with a further £104m gap anticipated over the next three years
- Focus now is on demand pressures rather than grant cut
- Other Councils are now encountering serious difficulties – this isn't Sheffield (yet)
- We have a viable plan, but it relies on making rapid progress on a range of change programmes, including, critically, across health and care prevention and demand management...

Reminder: we are one system, but there are a set of imbalances

- **Higher rates of hospital admissions** than comparators and this is **rising faster** than our comparators
- People **spend too long in hospital** so they have **higher needs when they leave**
- **Increasing numbers of people being admitted** results in increasing number being discharged (and a rising demand for ASC services)
- **Changes in cohort of Looked After Children & increase in out of city placements** as we are unable to meet need locally at times of crisis
- **Benchmarking shows other health and systems elsewhere in the country are driving better use of resources.** The Sheffield system needs rebalancing so that it can make better use of resources too

SCC Financial position

A summary of our current budget gap is shown below

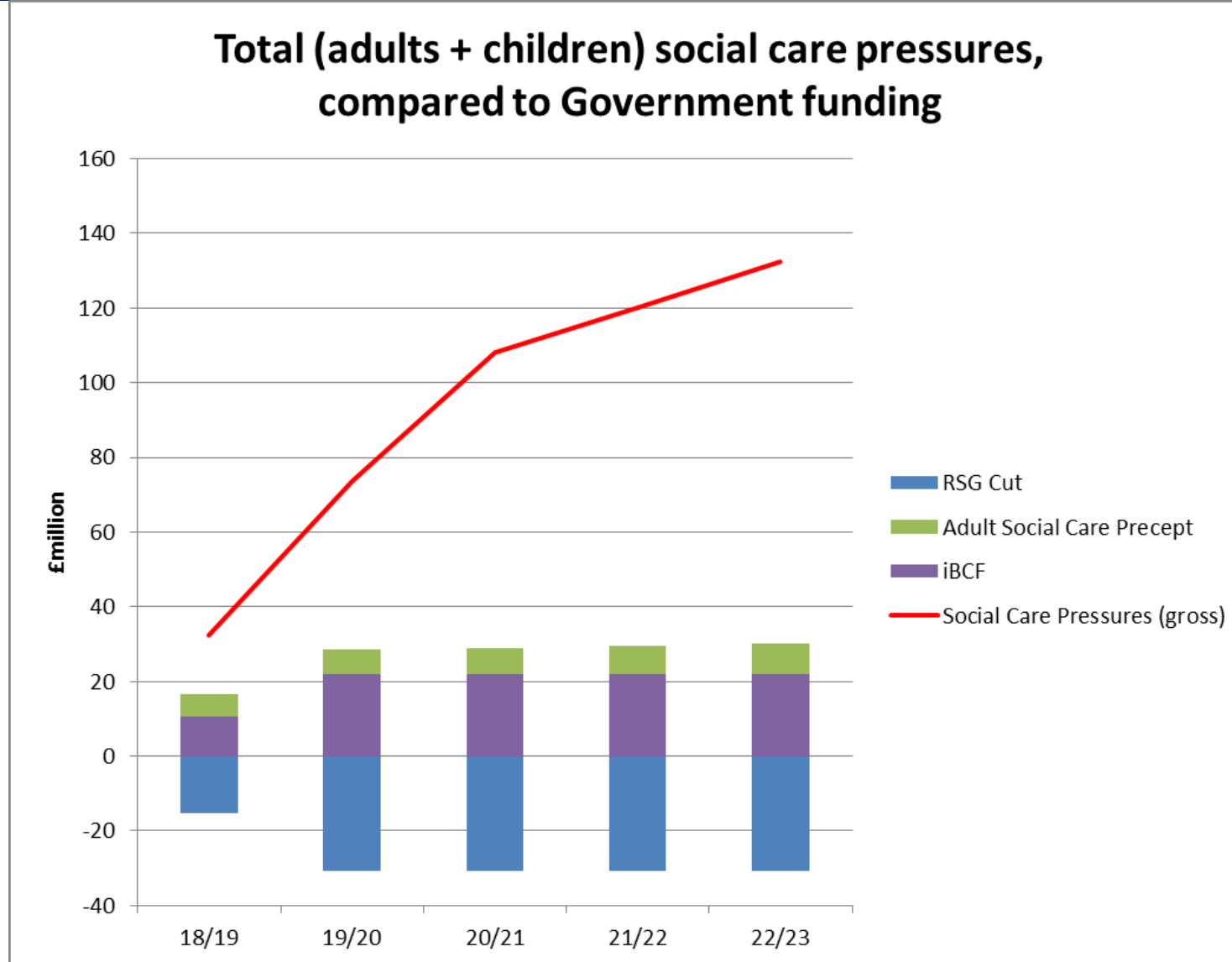
	19/20 £'m	20/21 £'m	21/22 £'m	22/23 £'m	Total £'m
Corporate Income increases (RSG, CT, BR & grants)	8.9	7.2	9.8	11.0	36.9
Corporate Expt increases	14.0	8.5	8.8	4.1	35.4
Service pressures	45.7	29.8	15.1	15.7	106.3
Budget gap	50.8	31.1	14.1	8.8	104.8
Identified mitigations to date	15.2	16.8	6.9	4.8	43.7
Total (net) Council gap	35.6	14.3	7.2	4.0	61.1

Service pressures 19/20 to 22/23

Service pressures for 19/20 to 22/23 break-down as follows:

Four-year position	Gross pressure £m	Identified mitigations £m	Net Gap £m
Page 18 People – Adults	62.2	24.1	38.1
People - Children's	29.6	15.3	14.3
Place	10.2	3.0	7.2
Resources / PPC	4.2	1.2	3.0
Total Portfolio position	106.3	43.7	62.6
Corporate position	35.4	36.9	1.5
Total (net) Council gap	141.7	80.6	61.1

Social Care Pressures vs Government Funding



Breakdown of social care pressures

Adults’ pressures for 19/20 to 22/23 break-down into the following areas (mainly social care):

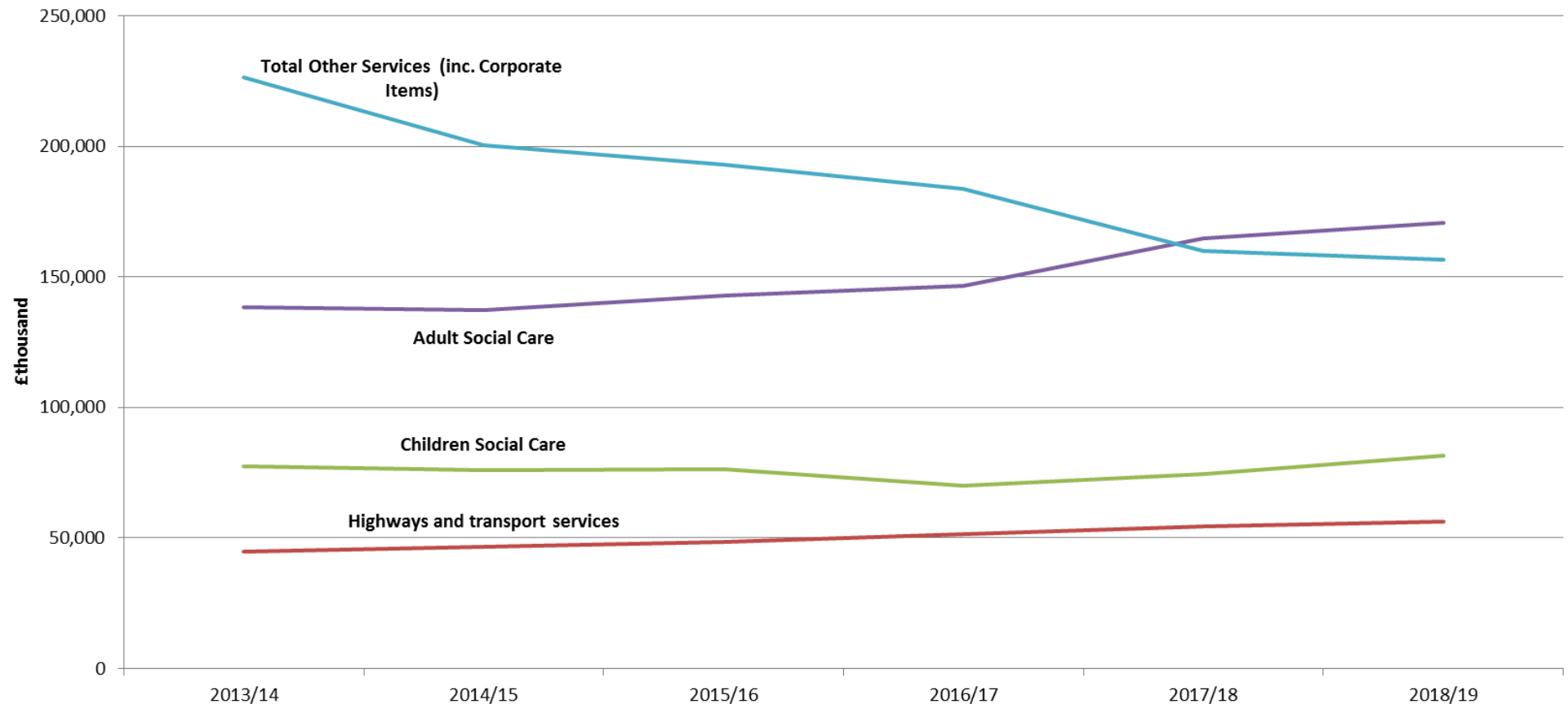
Area	Pressure 19/20 to 22/23 £'m
Older People	16.1
Learning Disabilities	12.3
Mental Health	2.5
Better Care Fund drop-out*	5.9
Non ASC (Libraries & Skills)	1.3
TOTAL ADULTS	38.1

*Assumption in our budget that this will be funded through jointly delivered integration savings. Currently £0 realised.

Social Care – pressures are increasing faster than budget increases

Analysis of net expenditure by area

This graph shows a time series of net expenditure excluding schools in £k. It illustrates the success the Council has had in protecting its Social Care budgets.



Social Care costs – growing overspends

The table below shows an analysis of social care costs and overspends (before corporate cash releases) since 2014/15. The actual support received from the NHS is also shown with a further breakdown in the table below.

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Year	Budget £'m	Outturn £'m	Overspend £'m	Memo – actual NHS contribution £'m
2014/15	213.1	214.3	1.2	10.2
2015/16	219.1	220.4	1.3	20.8
2016/17	216.7	229.6	12.9	20.1
2017/18	239.3	258.2	18.9	25.1
2018/19	252.4	266.1	13.7	22.7

In-year overspends have been met by one-off corporate support, to resolve the in-year position, which means the overspends have rolled into the following years.

Chancellor's Budget Update

- Possibly £7m: welcome but a further “one off” injection in 2019-20, not a long term funding solution
- Any additional money will be used to reduce our budget gap in 2019-20
- The £61m four year budget gap (£36m in 2019-20) identified above could be reduced by £17m by further draft savings
- In addition the current discussions with health are for around up to £13m linked to changes in joint commissioning (not agreed)
- So, even with this ask, plus the additional savings proposals our likely gap over 4 years is still £30m+ and £13m+ in 2019-20
- The extra money could reduce next year gap to £6m.
- That kind of number might be a sustainable use of reserves within a four year joint commissioning plan
- Without savings from joint commissioning – we would then be back up to a £19m gap for next year, which is not a sustainable position

Social Care costs – CCG Contributions

The table below shows the breakdown of the S75/256 payments from the CCG to the Council – it is worth noting that this does not include any individual client contributions paid for Health Care towards needs.

Year	S75/256 Children's £'m	S75/256 Adult's £'m	S75/256 BCF £'m	*Total £'m
2014/15	0.6	4.3	5.3	10.2
2015/16	0.4	8.0	12.4	20.8
2016/17	0.4	7.1	12.6	20.1
2017/18	0.3	7.2	17.6	25.1
2018/19	0.3	4.8	17.6	22.7

Social Care costs – Investments

SCC additional Investments since 2014 (£m)

	Adult Social Care only	Adult + Child Combined
Permanent Budget Uplift Since 2014	33.6	39.3
Additional One-off Funding to Meet in Year Overspends	23.7	48.0

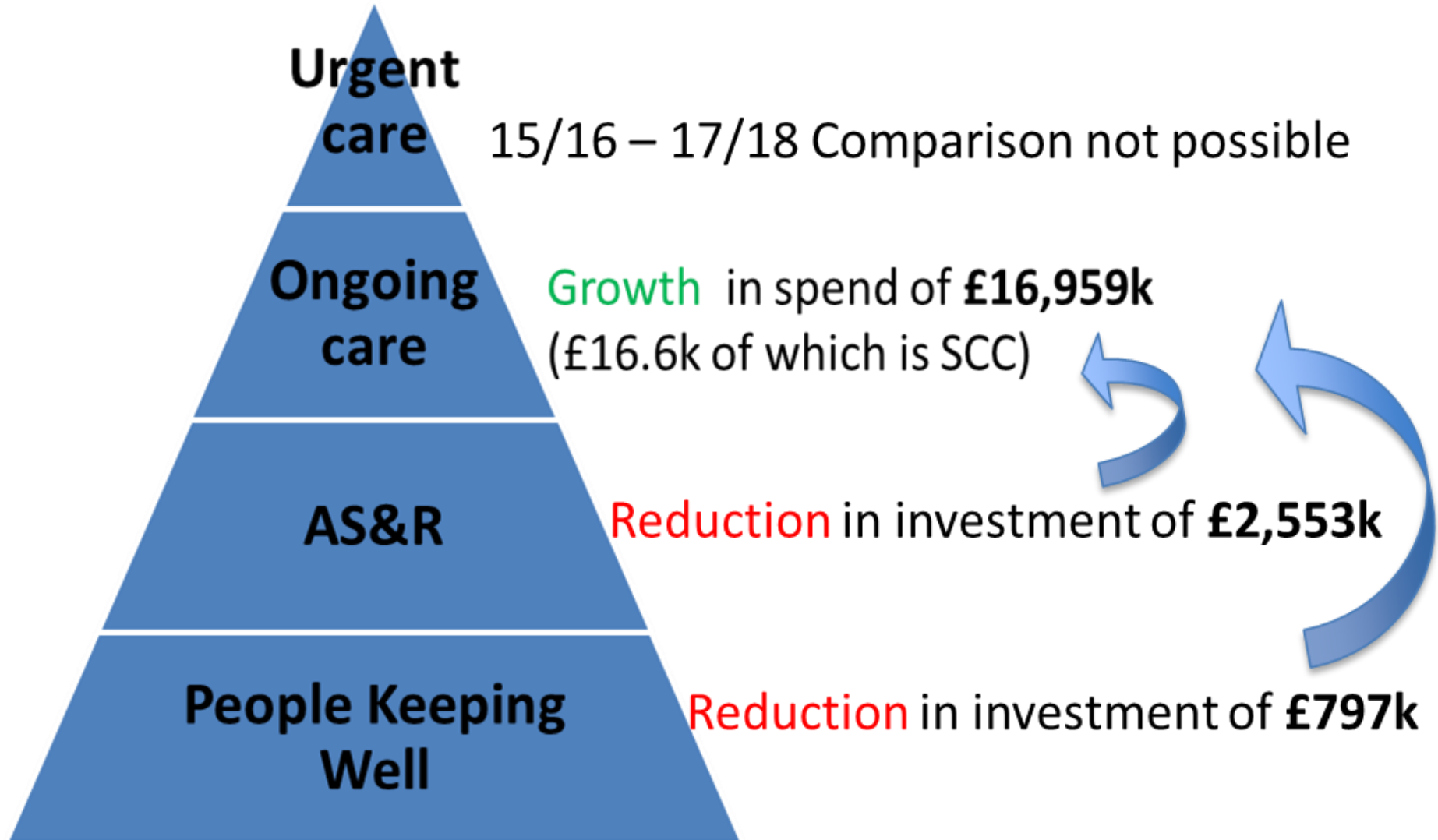
CCG additional Investments since 2014 (£m)

Budget Uplift Since 2014 *	12.5
Additional One-off Funding	0.0

* Assumes the additional £5m above the BCF award continues

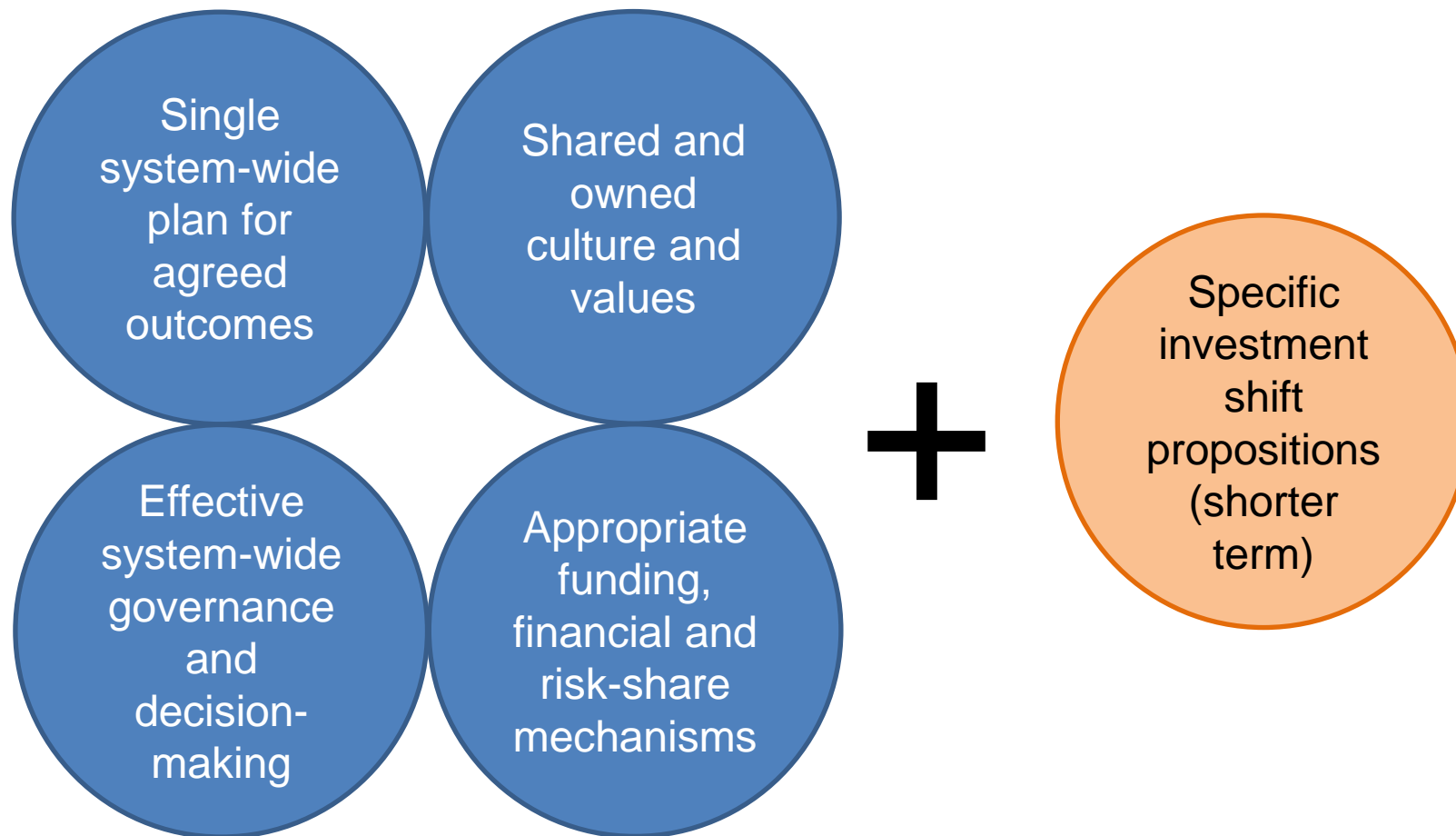
What does this mean in practice?

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Where next?

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Where next? Integrated Commissioning?



Single Commissioner Voice

Joint Committee – delegated authority that enables change

We will develop and deliver a single commissioning plan to manage demand more effectively across the system, ensuring a more positive experience for everyone involved in Health and Care across Sheffield.



Staff

We will develop and train our staff to give the best care possible

Workforce dev't plan by December:

- Engagement Plan
- Optimising our collective strengths: skills, experience and access to resource and intelligence.
- Working to the same Service Model



Money

Pooled Budget across priority areas that can target investment where it is needed

Specified NEL element to the Budget that invests in services on a risk share basis



Technology

We will explore opportunities to integrate IT systems to improve the flow of information between services

We will use the latest technology to empower you to live independently and give you the best health recovery possible.



Communication

We will work with our partners, stakeholders, staff and residents to continue to Shape Sheffield.

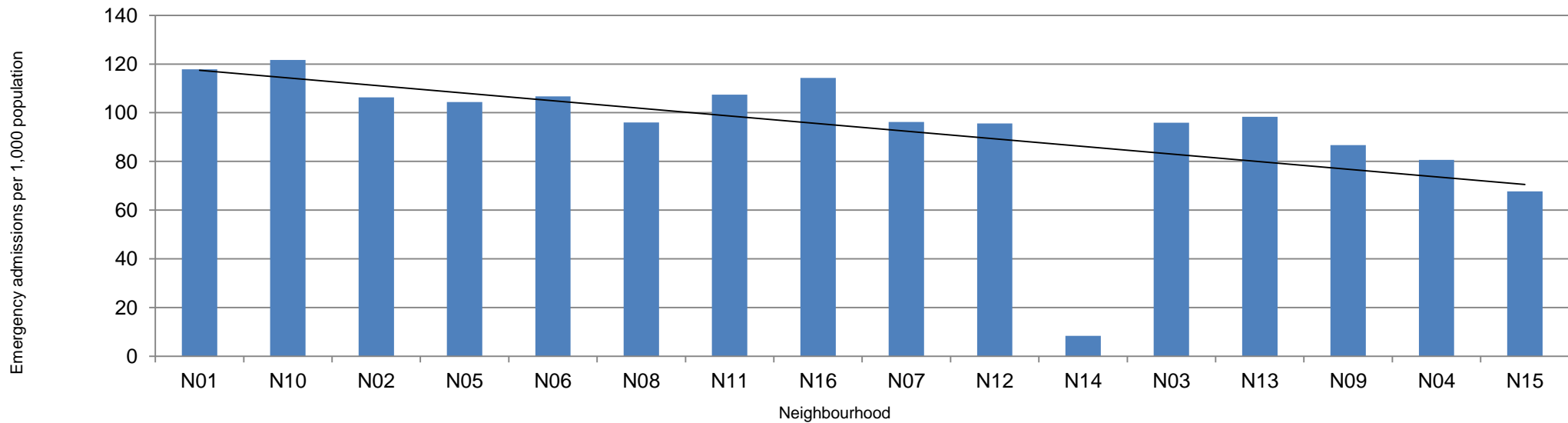
Communities and staff will be involved in the design, delivery and assurance of services so that everyone truly owns their health and care.

The case for change

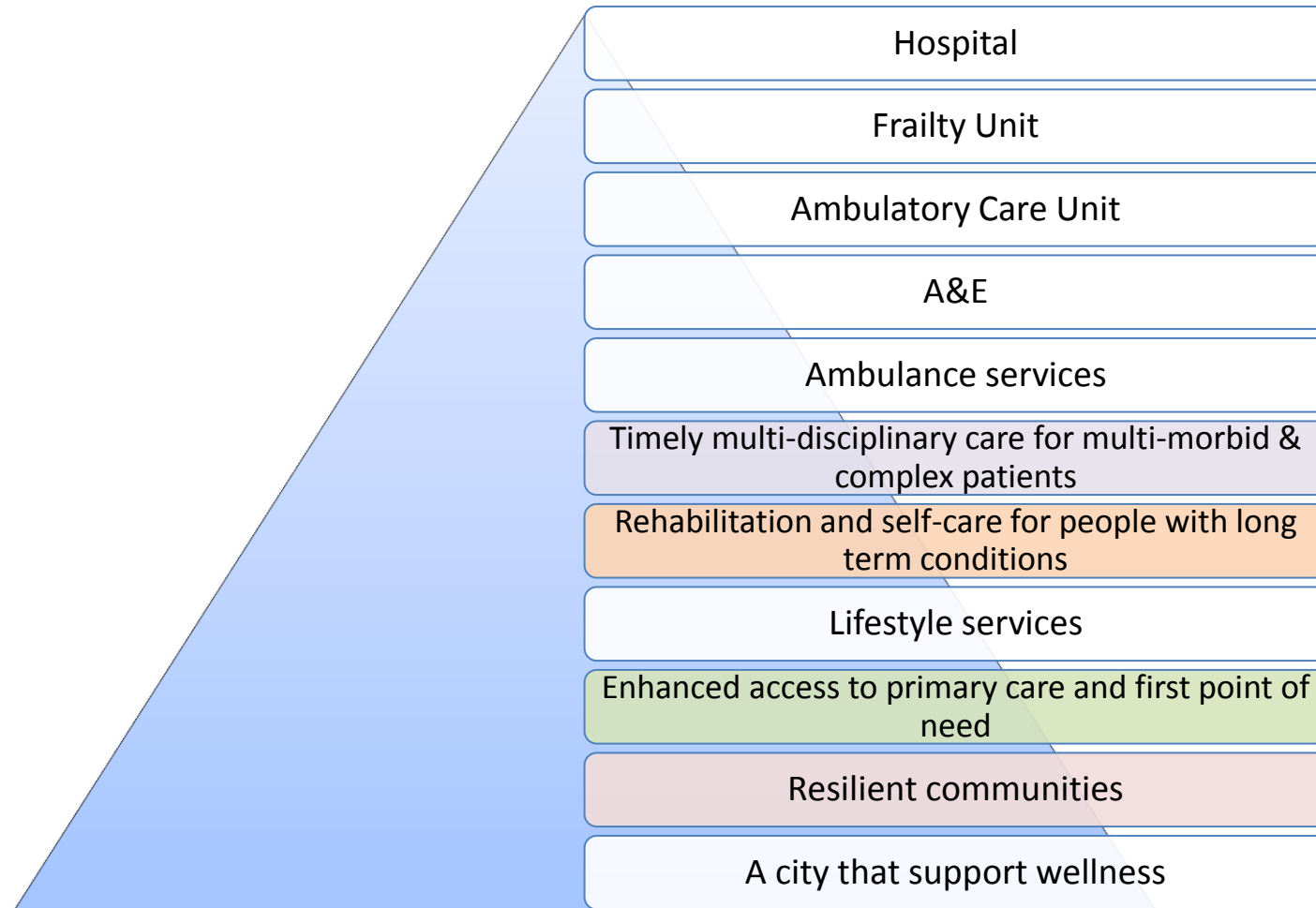
- **Why** – Sheffield is too dependant on hospital beds. This is often a poor way to meet people’s needs and is financially unsustainable. This affects our most deprived communities disproportionately.
- **What** we need to do differently - Prioritise out of hospital care, joining up primary and community care and putting proactive support in place well before people’s health deteriorates; a shift in resources towards prevention.
- **How** we will do it – a fundamentally different way of working across the system; listening to the voice of people and supporting our workforce and supported by a coherent, single commissioning voice.

Supporting localities and neighbourhoods to reduce avoidable emergency hospital admissions to the level experienced in less deprived practices could save 6,463 spells in hospital and £13,449,521

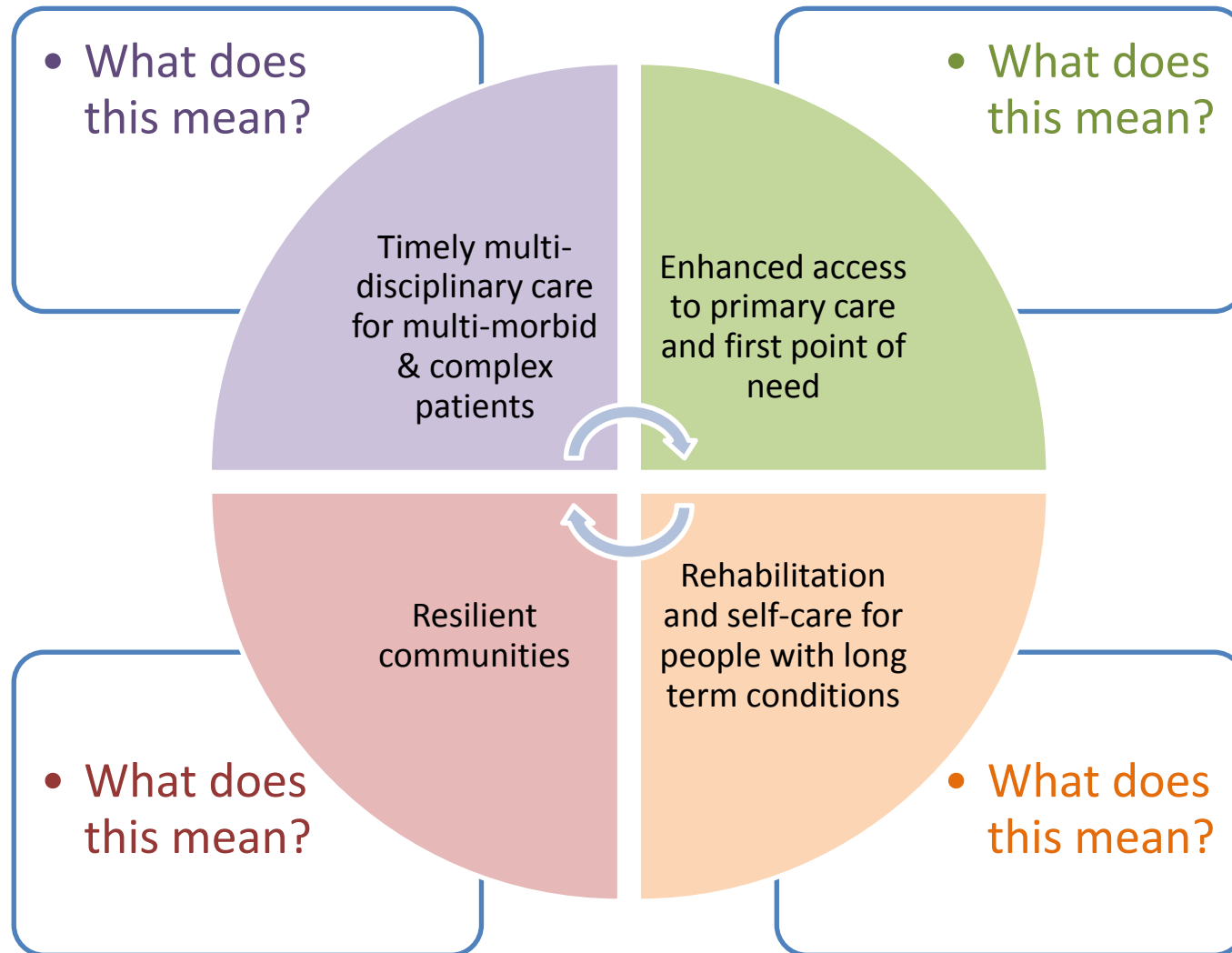
Emergency hospital admission rate for each neighbourhood ordered by deprivation status



A comprehensive approach to prevention



6,463 avoided emergency hospital admissions = £13,449,521



Principles:

Interventions at all levels

Comprehensive coverage

Equitable

Seamless connection between all levels

Scale up effective interventions

Learn from other areas of good practice

Any questions?

Social Care costs to date – Children’s



The table below shows an analysis of Children’s social care costs and overspends (before corporate cash releases) since 2014/15

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Year	Budget £'m	Outturn £'m	Overspend £'m
2014/15	75.8	75.0	(0.8)
2015/16	76.3	76.6	0.3
2016/17	70.0	76.3	6.3
2017/18	74.6	86.2	11.6
2018/19	81.6	89.1	7.5

Social Care costs to date - Adults

The table below shows an analysis of Adults social care costs and overspends (before corporate cash releases) since 2013/14

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Year	Budget £'m	Outturn £'m	Overspend £'m
2013/14	138.3	148.0	9.7
2014/15	137.3	139.3	2.0
2015/16	142.8	143.8	1.0
2016/17	146.6	153.2	6.6
2017/18	164.8	172.0	7.3
2018/19	170.8	177.7	6.9

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