



## Report to Policy Committee

### Author/Lead Officer of Report

Liam Duggan, Assistant Director Governance and Financial Inclusion

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**Report of:** Director of Adult Health & Social Care

**Report to:** Adult Health and Social Care Policy Committee

**Date of Decision:** 21<sup>st</sup> September 2022

**Subject:** Adult Social Care Financial Update and Progress with Financial Recovery Plan

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? <b>1128</b>				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -				
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>				

### Purpose of Report:

At the Committee held on 15<sup>th</sup> June an analysis of the Adult Health and Social Care budget, spend and funding was provided to enhance understanding, improve transparency and to ensure that ongoing financial risks and issues remain visible. At the same Committee, a Care Governance Strategy and Framework was approved setting out a robust approach to governance across Adult Health and Social Care, including effective use of our resources.

It was agreed that future reports would be brought to the Committee which set out more detail on funding streams, spends and on forecasting including long term assumptions as part of our approach to transparent reporting on the Adult Social Care Budget spend and progress in relation to the financial recovery plan.

This report provides information about use of our resources, an update on progress with our financial recovery, an update on improvements made in relation to our

financial governance and seeking endorsement for Adult Social Care Effective Use of Resources Delivery Plan.

**Recommendations:**

It is recommended that the Adult Health and Social Care Policy Committee:

1. Note the information about the funding used to support early achievement of the National Minimum Wage and comparison of Sheffield with other authorities.
2. Note progress towards the delivery of the 2022/23 pressure mitigations and the actions being taken to achieve delivery.
3. Note the update on progress with the actions set out at Adult Health and Social Care Committee on 15<sup>th</sup> June 2022.
4. Agrees the transparency reporting milestones to the Committee noted at section 2.8 of this report.
5. Agrees the Financial and Resource Management Delivery Plan and request updates on progress with implementation through our Budget Delivery Reports at each Committee.

**Background Papers:**

Appendix 1 – Financial and Resource Management Delivery Plan

Appendix 2 – Use of Resources Report

Appendix 3 – Benchmarking Report

Lead Officer to complete: -		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Liz Gough
		Legal: Patrick Chisholm
		Equalities & Consultation: Ed Sexton
		Climate: Jessica Rick
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>SLB member who approved submission:</b>	<i>Alexis Chappell</i>
3	<b>Committee Chair consulted:</b>	<i>Councillor George Lindars-Hammond and Councillor Angela Argenzio</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Liam Duggan	<b>Job Title:</b> Assistant Director Governance and Financial Inclusion
	<b>Date: 13<sup>th</sup> September 2022</b>	

## 1.0 PROPOSAL

- 1.1 At the Committee held on 15<sup>th</sup> June 2022 an analysis of the Adult Health and Social Care budget, spend and funding was provided to enhance understanding, improve transparency and to ensure that ongoing financial risks and issues remain visible. At the same Committee, a Care Governance Strategy and Framework was approved setting out a robust approach to governance across Adult Health and Social Care, including effective use of our resources.
- 1.2 It was agreed that future reports would be brought to the Committee which set out more detail on funding streams, spends and on forecasting including long term assumptions as part of our approach to transparent reporting on the Adult Social Care Budget spend and progress in relation to the financial recovery plan.
- 1.3 This report provides information about use of our resources, an update about on progress with our financial recovery, an update on improvements made in relation to our financial governance and seeking endorsement for Adult Social Care Effective Use of Resources Delivery Plan.

## 2.0 BACKGROUND

- 2.1 Our vision is that ‘everyone in Sheffield lives in a place they can call home, in communities that care, doing things that matter to them, celebrated for who they are - and when they need it, they receive care and support that prioritises independence, choice, and recovery.
- 2.2 The vision and strategy set out the approach to make sure that everyone can live and age well in Sheffield. The strategy makes six commitments as the guiding principles we will follow to deliver this Strategy. The related outcomes highlight what we want to achieve or better. By working in this way, we want to bring about fundamental changes to the experience of and quality of social care in the city.
- 2.3 A priority is that Adult Health and Social Care can demonstrate and evidence effective use of our resources and effective governance to deliver upon the Strategy and improve experiences, outcomes, and quality of care across the City. A *Care Governance Strategy and Framework* was approved on 15<sup>th</sup> June 2022 which supported implementation of this priority.
- 2.4 To enable implementation a *Financial and Resource Management Delivery Plan* was developed consolidating actions underway to manage our resources effectively, including taking learning from our self-assessment, Internal Audit and Local Government Association reviews as well as benchmarking with comparable authorities and cross reference to CIPFA Financial Management Standards.

- 2.5 The *Financial and Resource Management Delivery Plan* is attached at Appendix 1 for approval.
- 2.6 As part of the implementation of the Delivery Plan, a programme of work has been scheduled through the Adult Health and Social Care Budget Reports for the Adult Health and Social Care Policy Committee to provide detailed and transparent information on use of our funds and resources and progress with our Business Plans to deliver savings.
- 2.7 The Delivery Plan also supports decision making and an evidence base for continuous improvement and where to prioritise the further efficiencies required to alleviate budget pressures. It also provides an assurance that Adult Social Care is using resources effectively to improve outcomes for people of Sheffield and providing greater understanding of pressures and reasons for historical overspends.
- 2.8 The Committee reporting milestones on use of Adult Health and Social Care Policy Committee resources for agreement by the Committee are:
- September 2022 – Use of National Minimum Wage Grant, Corporate Charges, Supplies and Services, Benchmarking with Core Cities, CIPFA, Y&H, England on 3<sup>rd</sup> party spend and Outcomes of the Local Government Association Report.
  - November 2022 – Better Care Fund & S75 Agreement, Grants and Other Income, use of HRA and Disability Facilities Grant and use of COVID Grants benchmarked by Core Cities and assurance regarding Adult Health and Social Care income and expenditure.
  - December 2022 – Integrated Commissioning Budget Overview and Expenditure, Establishment Controls and Contract Management Controls.
  - March 2023 – Use of Resources Delivery Plan, Establishment and Contract Management 6 Monthly Progress Update.

### **3.0 ADULT SOCIAL CARE FINANCIAL RECOVERY AND SUSTAINABILITY PROGRESS**

#### **3.1 Forecast Delivery of Year 22/23 Savings**

- 3.1.1 As described in detail on the 15<sup>th</sup> June at Adult Social Care Policy Committee report, £43.2m savings / pressure mitigations were required to bring costs down within available resources and enable the Council to set a balanced budget for 2022/23.
- 3.1.2 The delivery of these savings is critical to the 2022/23 financial outturn and the funding of adult social care within budget.

3.1.3 A summary of the forecast regarding mitigation of the **£43.2m** pressures on Adult Health and Social Care Budget at August 2022 is set out in Table A below.

<b>Adult Health and Social Care Pressure Mitigations Agreed at Cooperative Executive 16<sup>th</sup> February 2022</b>	<b>Value (£000,s)</b>	<b>Forecast (£000,s)</b>	<b>Forecast %</b>
Social Care Precept	£3.3m	£3.3m	100%
Increased Grant/ Swap Cash Limit for Grant income	£8.5m	£8.5m	100%
Funding from Council Reserves	£6.2m	£6.2m	100%
Mitigations / Savings	£25.2m	£17.1m	68%
<b>Total Pressures</b>	<b>£43.2m</b>	<b>£35.1m</b>	<b>81.3%</b>

3.1.4 A detailed breakdown of forecast regarding the £25.2m mitigations/ savings is at Table B below.

<b>Table B – Recovery Activity and Progress Against Savings Approved on 16<sup>th</sup> February 2022.</b>				
<b>Saving Category by Service</b>	<b>Savings Value (£000s)</b>	<b>Forecast value June 22</b>	<b>Forecast value Sept 22</b>	<b>Forecast %</b>
Change and Strategy Delivery	<b>1,803</b>	1,803	1,803	100%
Living and Ageing Well (Older Adults and People with Dementia)	<b>10,888</b>	7,380	7,554	66%
Adults with Disabilities	<b>9,506</b>	4,797	5,250	55%
Mental Health and Wellbeing	<b>1,650</b>	1,275	1,150	70%
Care Governance and Inclusion	<b>1,254</b>	1,254	1,254	100%
Commissioning and Partnerships	<b>100</b>	100	100	100%
Chief Social Work Officer	0	-	-	-
<b>Total</b>	<b>25,201</b>	<b>16,609</b>	<b>17,111</b>	<b>68%</b>

3.1.5 To date, Adult Health and Social Care **have delivered £7.4m** in savings through staffing budget adjustments and recommissioning programmes, reviewing excess costs/strength-based reviews and through our current projects

- 3.1.6 The forecast delivery of savings has improved across all categories except one since the report to Committee, **with £16.7m savings** forecasted to be realised in 22/23. This was in relation to staffing which remains a challenge because of the critical risks in the homecare market and the need to maintain individual's continuity of care.
- 3.1.7 As Table A shows, current forecasts do not anticipate full delivery of the £25m budgeted savings plan at Quarter 1.
- 3.1.8 Following on from the decision of the Cooperative Executive<sup>1</sup> on 16<sup>th</sup> February 2022, the Adult Health and Social Care Policy Committee is required to mitigate this forecast overspend by 31<sup>st</sup> March 2023.
- 3.1.9 To mitigate the risk of overspend, the service has undertaken the following since the last Committee, and this is reflected in our forecast results for 22/23 and in our budget plans for 23/24:
- **Completed 136 reviews** of high-cost support arrangements using agency staff and through this released 2,300 increased capacity of homecare hours to the City per week. This delivers £2.4m savings in 22/23 and £800k in 23/24.
  - **Planned for 500 Reviews** to be completed by 31<sup>st</sup> March 2023 using agency staff. It is anticipated this will release a further 2,000 homecare hours per week and deliver £600k savings in 22/23 and £1.7m in 23/24.
  - **Planned for 550 Mental Health Reviews** to be completed by 31<sup>st</sup> March as a partnership arrangement with health colleagues. It is planned that this will ensure appropriate arrangements are in place and it is anticipated that this will save £300k during 22/23 and £700k during 23/24.
  - Reviewed **the Direct Awards process** to create foundations for addressing Direct Awards backlogs and reducing need for Direct Awards. It is anticipated that this will ensure better quality and continuity of care for people and save £500k during 22/23 and £500k during 23/24.
  - Reviewed our **Care Home and Supported Living Voids** to create foundations for managing our resources more efficiently and it is anticipated that this will save £1.2m during 22/23 and £500k during 23/24.
  - Reviewed **income and payments forecast and savings** and identified an **additional £429k savings** which will be re-allocated to the Adults with a Disabilities Service to improve its forecast and deliverability.
- 3.1.10 In total this means, that **£5,429m savings** will be delivered in 2022/ 2023 and **£4.2m savings** in 2023/ 2024 through this work. This is included in the forecasts and budget planning for 2023/2024.
- 3.1.11 The service has also sought to improve our governance to ensure effective oversight of our resources by:

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<sup>1</sup> Budget Report 2022/ 2023 – 16<sup>th</sup> February 2022 - [Draft Protocol for Cabinet Reports \(sheffield.gov.uk\)](https://www.sheffield.gov.uk/cabinet-reports/draft-protocol-for-cabinet-reports)

- Reviewing all 3<sup>rd</sup> Party Contracts and from that established a contractual establishment control, aligned to the work programme for Committee and Savings Proposals for 22/23. This will ensure effective governance of Adult Health and Social Care 3<sup>rd</sup> party contractual spend.
- Developing a programme to ensure data accuracy which can then provide an accurate picture of our growth pressures in current year and in going forward.
- Setting out arrangements to improve our staffing establishment control by November 2022, which means that we will be on track to bring our staffing spend within financial envelope available to the service.
- Implementing a remodelling of adult health and social care to better align resources to care groups and from establish greater efficiency and value in how we are working.

### 3.1.12

These developments enable Adult Health and Social Care to deliver on our ambitions set out on 15<sup>th</sup> June 2022<sup>2</sup> to improve our homecare offer and to deliver on our service priority to reduce waiting lists to acceptable risk levels. It also supports and enables Adult Health and Social Care to become financially sustainable in both our staffing and purchasing of care spend.

### 3.1.13

It is recognised that the savings of £25m required within one year were always going to be a risk and a challenge when set against:

- Adult social care ongoing response to the pandemic which has continued throughout this financial year.
- Wider legal duties relating to the Care Act, Mental Capacity Act and in particular duties relating to safeguarding, maintaining stability of the social care market which also require to be met by the Policy Committee.
- Change Delivery Programme required to achieve these savings within a one-year timescale set against wider developments across the Council and introduction of a CQC Assurance Framework, Workforce Reporting, Fair Cost of Care and Social Care Charging Reforms under Health and Care Act 2022 during this financial year which place additional pressure and duty upon Adult Health and Social Care.
- National challenges in relation to recruiting social work and social care staff and pressures this then creates on staff where vacancies exist.
- Increased inflationary costs, costs of living costs and the energy crisis which is facing all residents and care providers in the City.

## 3.2 Additional Actions to Increase Confidence in Delivery of £25m Savings in 22/23.

3.2.1 On the 15<sup>th</sup> June the Committee agreed the Adult Health and Social Care financial update report<sup>3</sup> setting out a range of additional actions to increase confidence in the 2022/23 savings being delivered in full to achieve a balanced budget and assurance as to the effective use of our resources.

<sup>2</sup> Homecare Transformation Report – 15<sup>th</sup> June 2022v

<sup>3</sup> Adult Social Care Financial Update Report – 15<sup>th</sup> June 2022 - [Draft Protocol for Cabinet Reports \(sheffield.gov.uk\)](https://www.sheffield.gov.uk)

- Provision of use of resources and benchmarking information. This is described in section 4.1 and Appendix 3 of this report.
- Local Government Association feedback of adult health and social care budget. This is described in section 4.2 of this report.
- A joint NHS and LA funding bid to provide additional social care capacity to enable people to be discharged from hospital on a timely basis, which resulted in Adult Health and Social Care receiving £2.427m until March 2023. This was agreed at Finance Sub Committee on 6<sup>th</sup> September 2022<sup>4</sup> and a report on our Discharge Improvement Programme is planned for November 2022 Committee.

3.2.3 The following additional actions are underway with an update planned at November Committee: -

- Consideration of employing further external support to undertake a review of Adult Social Care budgets, support further action planning regards our financial governance and to determine whether any efficiencies can be found.
- A further review of each service within remit of Policy Committee to determine opportunities for further efficiency to improve forecast position.
- Review of activity between Adult Health and Social Care, Integrated Commissioning and NHS Sheffield Clinical Commissioning Group, including activity within pooled budgets to determine shared areas of efficiency.
- Business Partnering with Internal Audit to use learning and work towards best practice of governance and standards.

## 4 EFFECTIVE USE OF RESOURCES

### 4.1 Learning From Benchmarking and Analysis of Use of Resources

4.1.1 To ensure effective use of our resources, the service has provided a further overview of the budget and its usage as well as benchmarking with Core Cities, Yorkshire and Humber, England and CIPFA Comparative Authorities.

4.1.2 An overview of the budget usage was provided to Committee on 15<sup>th</sup> June 2022 through the financial update report<sup>5</sup>. As a follow up to that report more information is provided about use of national minimum wage grant, corporate charges, supplies and services and 3<sup>rd</sup> party contracts.

An overview is provided in Appendix 2 and in summary tells us that: -

- 4.1.3
- The Adult Health and Social Care Policy Committee budget is a Cash Limit of **£149.5m** - this consists of a split between £132.6m to Adult Health and Social Care, £7.9m to Children Services Directorate by way of Integrated Commissioning and £9m to Resources Directorate for Corporate Recharges.

<sup>4</sup> (Public Pack)Item 16 - [Adult Health and Social Care Pooled Resource Supplement to Finance Committee, 06/09/2022 14:00 \(sheffield.gov.uk\)](#)

<sup>5</sup> Adult Social Care Financial Update Report – 15<sup>th</sup> June 2022 - [Draft Protocol for Cabinet Reports \(sheffield.gov.uk\)](#)

- £9m of the Policy Committee budget is used for corporate recharges. This refers to internal services, such as IT, accommodation, and support services (Legal, HR, Finance) and is the responsibility of the Resources Directorate. This is a means of monitoring internal demand from different service areas against the corporate budget.
- One-off funding has been provided by the NHS to the Local Authority to provide workforce capacity in the care sector and improved access to homecare support. Payments were made to 103 independent sector care providers in the city totalling £1.5m. The remaining £1.3m funding carried over has been used to support use of agency support to undertake reviews and with that improve access to homecare and support.
- £4,139m of the Adult Health and Social Care Directorate budget is used for supplies and services. To date the budget is showing a slight underspend, which supports delivery of the £200k savings attached to supplies and services. Further activity will be undertaken throughout the year to ensure delivery of this budget on balance and to determine what further efficiencies can be made.
- Over the past 6 years the Cash Limit budget provided by Sheffield City Council to services now within the scope of the Adult Health and Social Care Policy Committee has increased by £12.4m alongside an increase of £73.5m from grants and other income and at same time the cash limit has reduced from 62% of the total Adult Health and Social Care budget income in 2017/18 to 47% of the total budget income in 2022/23.

4.1.4 It is understood that long-term grant income to the Council relating to adult social care has historically been provided to Adult Social Care budgets as cash limit. Over the last four years this funding has increasingly been treated as grant for accounting purposes. The impact of this has been that the cash limit (net) budget has risen more slowly compared with the gross budget and a lower proportion of the service is now funded by cash limit.

4.1.5 With the advent of increased grant to respond to the charging reforms set against a cash standstill agreed at Strategy and Resources Committee on 5<sup>th</sup> July 2022, it is anticipated that the % of the total Adult Social Care budget funded through cash limit from the Council will reduce further and with that reduction, it will limit options for determination of future efficiencies. Future reports to committee will confirm the position and options to Committee.

4.1.6 The Financial Years 2021/ 2022 to 2022/ 2023 specifically demonstrated key changes to the Adult Health and Social Care Directorate budget with the impact of the pandemic and decision making by the Council which were:

- A significant increase in pressures to £43m from a previous average of £20m.

- An increase in savings identified by the Council for the Service to £25m from a previous average of £10m. This was to match the increased pressures as closely as possible.

4.1.7 The benchmarking information is provided at Appendix 3 and in summary, tells us that Sheffield: -

- Increased total Adult Health and Social Care expenditure support by 29% between 2019 – 2021 during the COVID pandemic and at a higher rate than comparators. However, despite this increase the total expenditure on long and short-term care is now at same rate as the average for all Core Cities as the main population comparator.
- Has a comparable spend on employees to core cities and the lowest increase over last 5 years on employees spend of all authorities to 2020/2021.
- Has a comparable spend on running costs to core cities but the highest increase during the pandemic, which is why the total expenditure is showing an increase. Running costs include purchasing of care and contracts with voluntary sector.

4.1.8 This tells us that Sheffield Adult Health and Social Care spend increased from 2019 onwards at a higher rate than comparators but despite that we remained as comparable to Core Cities. This explains the increased pressure on Adult Health and Social Care Budgets as well as provides indicators of areas where further activity needs to be undertaken.

4.1.9 It is likely the significant increase in costs was due to a health and social care city wide decision to promote community-based support as a way of keeping people well during the pandemic. This is the underlying reason for the rise in cost pressures experienced over last 2 years for adult health and social care.

4.1.10 A deeper dive of the reasons for the increase in running costs, identifies that Sheffield:

- Supports more older people with homecare services and spent more on homecare than comparators, whilst still retaining a level of residential care. This could be attributed to the model of homecare, use of Direct Awards to provide support to people where homecare not available as well as full implementation of the discharge to assess model.
- Spent double the amount on assistive technology such as equipment and adaptations than comparators for over 65's. In the year 2020 – 2021, the joint health and care equipment budget was overspent by £3,080,499 but amount of care provided remained the same.

- Spent more on direct payments than comparators, which is a positive indication of a shift towards choice and control.
- Spends less on short term care but more on long term care than comparator authorities, which indicates further support needed to enable people to live independently at an earlier stage.
- Spent more on supporting people with a physical disability, learning disability and those experiencing mental ill health increased significantly during the pandemic and at a higher rate than other local authorities.

4.1.11 The detailed review of use of our budget and benchmarking information is important as this informs a budget strategy and the annual budget setting process, including assumption of pressures on Adult Health and Social Care and any subsequent pressures which, the service is required to mitigate to deliver the budget on balance.

4.1.12 Due to this, further benchmarking is being undertaken with other Cities to continue to enable learning to be gained as to models and approaches which can ensure that Sheffield is confident it is delivering an optimum service and using resources wisely to achieve best outcomes for residents of Sheffield.

## **4.2 Learning from Local Government Association Review of Adult Social Care Budget**

4.2.1 Since the Committee in June the LGA has provided feedback and within it has identified key lines of enquiry and areas for improvement under three headings - Corporate Finance, Service Strategy and Processes.

4.2.2 The feedback highlighted that targets were set early in 2021 as part of budget planning 2022/23 and for adult health and social care, based on costs rolled back to pre-pandemic levels within one year.

4.2.3 The Council approved a total saving programme of £52.7m in 2022/23 with Adult Health and Social Care being responsible for the delivery of £25.2m of those savings within the financial year 2022/ 23. The LGA recommended consideration be given to the development of multi-year savings or transformation programmes to bring about longer term strategic change.

4.2.4 The savings allocated to Adult Health and Social Care equates to 47.8% of the total savings of the Council and 23% of the Adult Health and Social Care opening budget within the financial year 22/23. The other services savings requirement in comparison were - 12% Children & Families, 11% Commissioning, 8% Communities, 4% Education, 5% Place, 50% Policy, Performance & Communications, 14% Resources.

4.2.5 The areas of improvement identified by LGA are set out below: -

## **Corporate Finance**

- Develop a budget strategy that does not place reliance on the use of reserves to deliver an annually balanced budget.
- Consider the development of multiyear saving or transformation programmes to bring about longer-term strategic change as a corporate priority.
- Consider your approach to target setting to ensure a more equitable distribution of budget saving requirement (over the long term).
- Consider whether there are opportunities to use capital programme as invest to save.
- Consider the merit of using capital receipt flexibility to provide capacity in the delivery of revenue savings.

## **Service Strategy**

- Review as a priority the future provision of care to ensure changing needs are met in the right way and to improve value for money and work collaboratively with providers to reshape the market.
- As a priority find alternative ways of supporting people so that they don't need long term care. This should be at the heart of a transformation programme and one that adopts strengths-based approaches. This should include developing arrangements to improve take up of direct payments; support more people with a learning disability to live more independent lives and reduce your use of care homes.
- Seek to understand the extent of the current offer in providing services to a broad section of the population and set out an appropriate course of action.
- Compare your operational and commissioning practices for people with learning disabilities with Alders best practice guide.
- Review your mental health provision in conjunction with health partners.
- Review arrangements for partner and user contributions.

## **Processes**

- Consider approaches to completion of returns, data management and data integrity to ensure accuracy, consistency, and timeliness in compliance with the reporting requirements.
- Review the presentation and format of public facing financial reports to improve transparency and the "golden thread".
- Ensure arrangements for effective budget management and financial control are embedded and integrated into corporate financial management.
- Consider the outcome of this review and develop an action plan in response which the LGA would be happy to support the Council with.

4.2.6 The Council welcomed the feedback and thanks the LGA support to Adult Health and Social Care in enabling the service to ensure effective use of our resources.

4.2.7 The feedback regards Corporate Strategy were made at a point in time, for example 2022/23 is the first year SCC has used Reserves to balance its budget.

4.2.8 It is noted that Adult Health and Social Care had a significant level of savings levied in 2022/23 and this was because of the high level of pressures in Adult Health and Social Care. The pressures were largely attributable to overspend in 2021/22, additional forecast demand and fee pressures.

### **4.3 Use of Learning from Benchmarking and Feedback from the LGA**

4.3.1 Following the benchmarking exercise and feedback from the LGA, the improvements were cross matched against our Adult Health and Social Care Change Programme, Adult Social Care Strategy Delivery Plan Approved at Committee on 15th June, Care Governance Strategy approved at Committee on 15th June. There were no actions identified in the service strategy feedback that weren't already underway through the change programme.

4.3.2 For completeness, the actions from the LGA review have been added to our Effective Use of Resources Delivery Plan attached at Appendix 1 so that progress in delivery against these will be reported to each Committee and ensure effective governance and oversight by Members.

4.3.3 The Adult Social Care Change Programme has incorporated the benchmarking learning into the programme and as an assurance the improvements identified from the service strategy aspect of feedback from LGA reports are already underway as part of the change programme and are scheduled for reporting to Committee throughout the year as follows:-

- Assistive Technology (Equipment and Adaptations) – A report is planned for November Committee setting out proposals for a Criteria for Equipment and Adaptations to deliver a continued focus on enablement but within financial envelope available.
- Mental Health – A report has been submitted for September 2022 Committee setting out progress with returning line management of mental health social workers to Adult Health and Social Care and proposals for delivering mental health support within financial envelope available following on from the decision at Cooperative Executive on 16<sup>th</sup> March 2022<sup>6</sup>.
- Target Operating Model - This will set out delivery of a new model for Adult Health and Social Care which will look to delivering on our strategy and vision by enabling a shift towards earlier intervention, multi-disciplinary working with primary care and strength-based practice. This also incorporates development of an information and advice offer and an early help offer and enablement across the services. The reports on

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<sup>6</sup> [Sheffield City Council - Agenda item - Future Delivery of Mental Health Social Care](#)

the Target Operating Model and Information and Advice Offer are due for November 2022 Committee.

- Direct Payments - Direct Payment Transformation programme including support service for people in receipt of direct payments and an internal advice service for workers to improve use of direct payments. A report is planned for December Committee on the outcome of this work.

4.3.4 Our approach to reshaping long term care by way of remodelling homecare provision was approved on 15<sup>th</sup> June 2022 as was our approach to short term care beds. It's planned that these improvements will enable delivery upon our strategy as well as establish long term sustainability.

## **5 HOW DOES THIS DECISION CONTRIBUTE?**

5.1 Good governance in relation to resource management and financial decision making supports the delivery of the adult social care vision and strategy

5.2 Our long-term strategy for Adult Health and Social Care, sets out the outcomes we are driving for as a service, and the commitments we will follow to deliver those outcomes:

- Support people to live a fulfilling life at home, connected to the community and resources around them, and provide care and support where needed.
- Provide temporary assistance to help people regain some stability and control in their life following ill health or crisis.
- Provide care and support with accommodation where this is needed in a safe and supportive environment that can be called home.
- Make sure support is led by 'what matters to you,' with helpful information and easier to understand steps.
- Recognise and value unpaid carers and the social care workforce and the contribution they make to our city.
- Make sure there is a good choice of affordable care and support available, with a focus on people's experiences and improving quality.

## **6 HAS THERE BEEN ANY CONSULTATION?**

6.1 The purpose of this report is provided background to the funding of Adult Social Care, an update to the forecast spend position for 2022/23 and progress with the delivery of savings. No consultation has been undertaken on these aspects.

6.2 Consultation is undertaken during the development of proposals for the budget and implementation of proposals for the budget as appropriate.

## **7 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **7.1 Equality of Opportunity Implications**

- 7.1.1 As part of the annual budget setting process, an overarching EIA assesses the cumulative impact of budget proposals (EIA 1128), as well as individual EIAs for each proposal that are monitored and maintained as an ongoing process. The Savings Plan referred to in summary was agreed by the Council as part of the 22/23 Budget and the EIAs for each element remain live.
- 7.1.2 Over the last 4 years, the Council has provided vital social care services with above inflation funding increases. A 16% increase for 2022/23, and an average increase of nearly 13% p.a. over the last 5 years, has seen the budget for adults and children's social services rise by a total of £126m.
- 7.1.3 The year-on-year reductions from Government has meant that over the last ten years we have seen a real terms reduction of 29% and this has impacted on the people of Sheffield, including those in greatest need and groups that share equality characteristics. We have also seen increasing demand for our services in key areas like social care.
- 7.1.4 The 2022/23 savings targets are the highest the Council has ever faced, as the Council needs to make over £52.7m of savings across all service areas. Although there are very difficult choices to make, our impact assessments illustrate our commitment to tackling inequality and ensuring inclusivity and to mitigate negative impacts where possible. We will monitor closely for any adverse equality impacts as reductions and changes in provision occur during the next year.

### **7.2 Financial and Commercial Implications**

- 7.2.1 Our long-term financial strategy to support the implementation of the adult health and social care strategy consists of three elements:
- Supporting people to be independent
  - Secure income and funding streams
  - Good governance
- 7.2.2 This report is part of an improved financial governance framework that aims to improve understanding and provide transparency on the use of public money to the citizens of Sheffield.
- 7.2.3 Financial governance will be aligned with the adult health and social care strategy to ensure that opportunities for efficiency and improvement are recognised and developed by accountable owners. An emphasis on enablement and less formal support will be embedded through processes that identify a strengths-based practice at the point of assessment and review.
- 7.2.4

Given the overall financial position of the Council there is a requirement on the committee to address the overspend position in 2022/23 and support plans to mitigate it.

### **7.3 Legal Implications**

7.3.1 As this report is designed to provide information about background to and an update about the financial position rather than set out particular proposals for the budget and implications, there are no specific legal implications arising from the content. The ongoing process will however assist the local authority in meeting its obligations and legal duties.

### **7.4 Climate Implications**

4.4.1 There are no climate impacts arising directly from this decision.

### **7.5 Other Implications**

4.5.1 There are no further implications to consider at this time.

## **8 ALTERNATIVE OPTIONS CONSIDERED**

8.1 Not applicable – no decision or change is being proposed.

## **9 REASONS FOR RECOMMENDATIONS**

9.1 These recommendations are made to support strategic planning and operational decisions that are necessary for the long term sustainability of adult health and social care and the long-term benefit of people in Sheffield.