

# Adult Social Care Budget Report

Quarter 2 2024/25 Update

# Budget Overview

# Adult Social Care Budget 2024/25

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Gross Expenditure  
Budget  
£163m

2

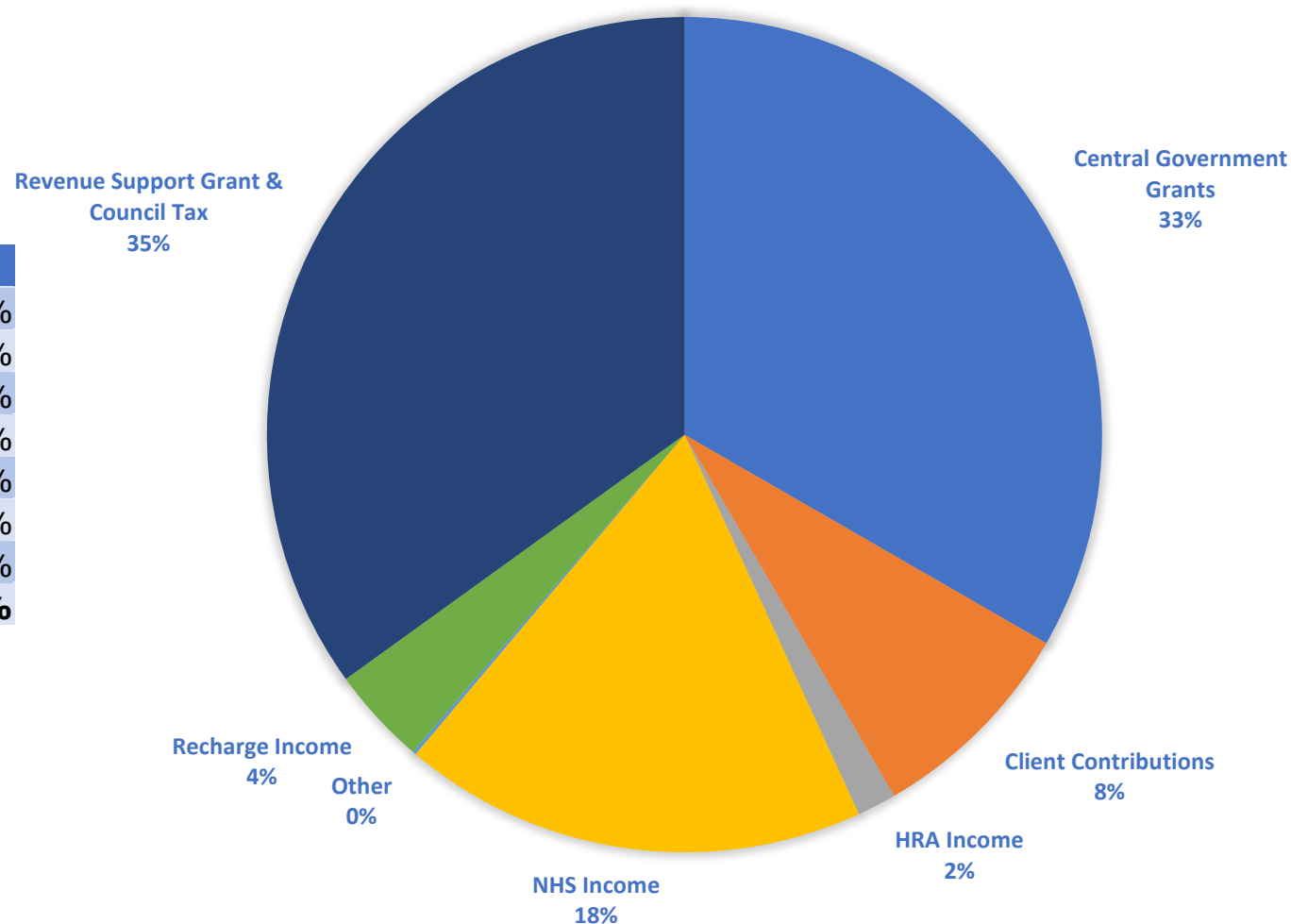
Gross Income  
Budget  
£106m

3

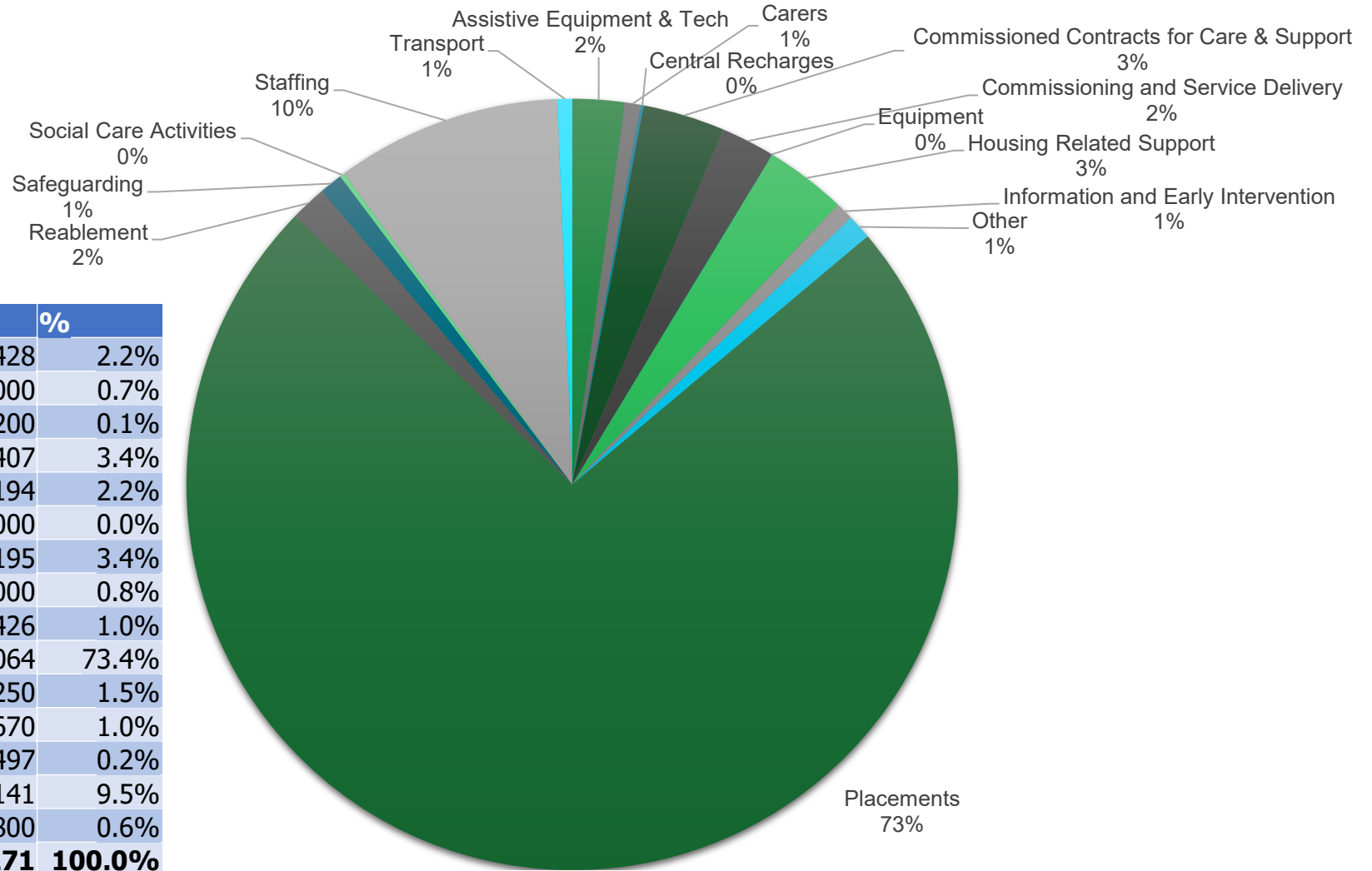
Net Budget  
£57m

# Adult Social Care Funding 2024/25 - £163m

Funding	Amount	%
Central Government Grants	£54,405,923	33.3%
Client Contributions	£13,571,693	8.3%
HRA Income	£2,466,232	1.5%
NHS Income	£29,384,468	18.0%
Other	£215,042	0.1%
Recharge Income	£6,179,588	3.8%
Revenue Support Grant & Council Tax	£57,066,325	34.9%
<b>Total Gross Expenditure</b>	<b>£163,289,271</b>	<b>100.0%</b>



# Adult Social Care Gross Expenditure 2024/25 - £163m



Expenditure Type	Amount	%
Assistive Equipment & Tech	£3,560,428	2.2%
Carers	£1,076,000	0.7%
Central Recharges	£215,200	0.1%
Contracts for Care & Support	£5,614,407	3.4%
Commissioning and Service Delivery	£3,638,194	2.2%
Equipment	£60,000	0.0%
Housing Related Support	£5,587,195	3.4%
Information and Early Intervention	£1,226,000	0.8%
Other	£1,691,426	1.0%
Placements	£119,797,064	73.4%
Reablement	£2,453,250	1.5%
Safeguarding	£1,592,670	1.0%
Social Care Activities	£327,497	0.2%
Staffing	£15,439,141	9.5%
Transport	£1,010,800	0.6%
<b>Total Gross Expenditure</b>	<b>£163,289,271</b>	<b>100.0%</b>

# Breakdown of Placement Expenditure by type and care group

Care Type	Learning Disabilities	Memory & Cognition and Physical Support	Mental Health	Total
Residential Care	£10,052,275	£13,023,156	£4,705,831	£27,781,262
Homecare	£1,298,206	£20,630,877	£715,240	£22,644,323
Supported Accommodation	£13,211,642	£5,364,162	£1,682,237	£20,258,041
Nursing Care	£884,439	£17,423,931	£1,620,554	£19,928,924
Personal Budgets	£9,314,677	£8,212,824	£312,076	£17,839,576
Day Care	£2,715,026	£2,031,600	£4,306	£4,750,932
Continuing Care	£2,676,685	£0	£0	£2,676,685
Intermediate Care	£0	£1,503,021	£0	£1,503,021
Respite Care	£1,049,126	£36,813	£0	£1,085,938
Other	£284,414	£74,002	£51,074	£409,489
Shared Lives	£353,344	£0	£0	£353,344
Adult Care	£293,954	£56,841	£0	£350,795
Community Access Project	£173,275	£0	£0	£173,275
Professional Support	£30,685	£10,659	£113	£41,457
<b>Total</b>	<b>£42,337,748</b>	<b>£68,367,885</b>	<b>£9,091,431</b>	<b>£119,797,064</b>

# Budget Forecast, Pressures & Risks

**Indication Quarter 2 2024/25**

# Indication of Financial Pressures & Mitigations - Q2

Pressure	£'m	Mitigating actions	Net impact Q1 £'m	Net Impact Q2 £'m
<p>The pressure from Care UK is caused by the fact the beds were unavailable for several years resulting in the need to place service users in spot provision at an additional cost to the council.</p> <p>Once the beds became available at the end of 2023/24 the process to reoccupy started with some criteria having to be met:</p> <ul style="list-style-type: none"> <li>• Limits on the number of service users that should be placed each week, to support safe &amp; effective transfers</li> <li>• Ensuring a match in the level of need of the individual to the specific support available in the placement bed</li> </ul> <p>At the start of this financial year of the three Care UK care homes, Highbury New Park was full occupied and there were 47 vacancies in Lennox House and Muriel St care homes with a full year cost of placing these in spot provision of £2.4m - which was unfunded.</p> <p>As the year has progressed, we have placed more service users into the Care UK homes thus reducing the expenditure on spot placements, currently it is estimated this would cost £1.065m – this is an estimate based on approx. speed of reoccupation.</p> <p>As the 1st July we have 25 vacancies in Lennox House and Muriel St, if these are filled by the 31 March 2025 (at a rate of approx.3 a month) this will reduce the pressure to approx. £800k.</p> <p>We will not eliminate the pressure caused by the reoccupation of the Care UK beds in 2024/25, because of the spot cost of vacancies already incurred, however once the homes are filled this pressure will not carry into 2025/26.</p>	2.4	<p>Adult Social Care, Resources and Community Wealth Building are working together to reach a resolution with Care UK to enable the full usage of the beds.</p> <p>A robust mobilization plan is in place across commissioning, operations and Care UK ensuring new referrals and people from out of borough are offered placements in a timely manner.</p>	1.065	0.739
<b>Total</b>				



# Potential Future Financial Risks & Mitigations

Potential Risks & Pressures	Plans & Mitigation & Timeframe
Additional demand due to NHS & Community pressures.	Using the Integrated Quality Assurance Meeting (IQAM) to focus on promoting independence and maximizing enablement. IQAM is a panel process led by senior managers in Adult Social Care to ensure care packages both meet resident needs and deliver value for money.
Increase in the acuity of need to exiting clients exceeding budgeted allocation.	Operational Social Work Management are working with the Finance team and Data Intelligence to capture further information on the pressures to be able to focus targeted work on areas of growth earlier. Further Continuing Health Care (CHC) training to support staff in the CHC process, to ensure NHS funding when appropriate.
NHS funding changes.	Continued work with our NHS partners to support whole system benefits to residents and reduce cost impacts for Health and Social Care.
Children transitioning to Adult Social Care	A programme across Adults and Children's Services, chaired by the DASS & DCS is focusing on developing our progression to adulthood approaches further.
Delays in the opening of Adults Social Accommodation	Ongoing negotiations with providers, use of one-off resources to manage pressure and working with NHS partners to fund pressures.
Savings Slippage	Regular monitoring of savings and identification of mitigations early to offset any slippage.

# Adult Social Care Savings & Management Actions

**2024/25**

# Delivered, Current & Future agreed savings & management actions

Savings Area	2021/22 £m	2022/23 £m	2023/24 £m	<b>2024/25 £m</b>	2025/26 £m	Total £m
Older People	£0.188	£0.206	£0.191	<b>£0.351</b>	£0.165	£1.101
Physical Support	£1.519	£1.671	£1.542	<b>£2.837</b>	£1.336	£8.905
Learning Disabilities	£1.047	£0.934	£0.981	<b>£1.963</b>	£0.650	£5.575
Mental Health	£0.300	£0.550	£0.240	<b>£0.650</b>	£0.300	£2.040
Staffing	£0.430	£0.000	£0.000	<b>£0.000</b>	£0.000	£0.430
Housing Related Support	£0.699	£0.101	£0.000	<b>£0.220</b>	£0.350	£1.370
Other	£1.075	£1.350	£0.000	<b>£0.635</b>	£0.000	£3.060
<b>Total</b>	<b>£5.258</b>	<b>£4.812</b>	<b>£2.954</b>	<b>£6.656</b>	<b>£2.801</b>	<b>£22.481</b>

**Please note for 2024/25 Adult Social Care are on target to deliver all their savings.**

# Adult Social Care Background

**2024/25**

**Islington Adult Social Care vision - For Islington to be a place made up of strong, inclusive and connected communities, where regardless of background, people have fair and equal access to adult social care support that enables residents to live healthy, fulfilling and independent lives.**



# Challenges faced by Adults Social Care nationwide

Increase in demand for complex Learning Disability and Older People Placements,

Increase in the acuity of need of existing service users,

Impact of Health on Social Care including increased pressure from hospital discharges and delays in Health interventions,

Inflationary pressures from providers,

Workforce availability,

Since 2010 there have been significant pressures on council budgets due to austerity which have impacted on adult social care.

# Budget Strategy

ASC has a budget & demand strategy that has been developed as the basis for sound financial management. This is evidence based and sets out the primary levers for managing the main sources of financial pressure across ASC

DEMAND MANAGEMENT Preventing, reducing and delaying demand for social care	MARKET MANAGEMENT Commissioning packages of care that meet needs in the most cost-effective way	OPERATIONAL MANAGEMENT Reducing the cost base of delivering Adult Social Services
Strengthening preventative support in the community, including reablement)	Improve information and access to community alternatives	Improving the resilience and permanence of the workforce
Diversion at the Community Front Door (new operating model)	Increase the sufficiency and value for money of community-based provisions including PAs, Day Opportunities	Strengthen management oversight and decision-making on performance and finance
Managing demand from acute hospitals (new operating model)	Increase the local availability and utilisation of a range of accommodation options, included Shared Lives	Implementing operational integration with health and other LAs
Managing transitions from CYPs	Strengthen the Homecare market and improve quality and outcomes	Establishing fairer contributions – income and subsidies
Expanding the use of assistive technology	Contain the cost of residential and nursing placements working across NCL to develop capacity	Revising contracts for services (non-care packages)
Promoting independence through care planning and reviews	Develop capital assets to deliver commissioning intentions	

# Actions Implemented to Promote Independence, Manage Cost & Reduce Demand

A range of actions to promote independence, manage demand & cost to deliver savings & reduce expenditure have been implemented over the last 18 months. This is showing signs of curtailing increases in demand and is enabling increased control of spend, although increasing complexity of care remains a significant risk & pressure. The actions include;

## Proactive & Preventative Operational Changes :

1. **Operating Model:** Redesign of all depts to support a prevent, reduce, delay of care needs, has been implemented across ASC
2. **Front Door;** Moved back to ASC, increase specialist skills able to problem solve at the Front Door and reduce numbers coming into long term care. Use of digital solutions to encourage self-assessment and resolution of routine issues.
3. **Specialist Teams;** redesigned with a focus on problem solving with people and resolving issues quickly whenever possible. Work underway to improve productivity within the teams to ensure a quicker and more efficient response.
4. **Prevention and Early Intervention;** working together across the council and with partners to develop our Early Intervention & Prevention offer, including Access Islington & the Coaching Offer.
5. **Reablement & Take Home & Settle Service;** New offer launched, with preparation for further increase in capacity well advanced.
6. **Practice & Workforce;** Practice Improvement & Improved recruitment & retention (temp to perm) and a new Perm top team

## Improved Process, Governance & Assurance:

1. **Daily quality & funding panels** that scrutinise all new spend within Adult Social Care & drive practice improvement. This includes scrutiny of all hospital discharge cases and quality monitoring of strength-based practice.
2. **Budget Monitoring;** improved oversight and ownership down to individual Team & DMT level, overseen by monthly SLT.
3. **Performance Data;** new performance dashboards with analysis to individual team & practitioner level that is enabling deeper scrutiny of finance and performance and targeting service improvement.
4. **Quality Assurance;** a new QA framework developed to oversee quality, including the quality of preventative/early intervention practice.
5. **Negotiation and Brokerage;** A robust annual uplift process is in place, which also include collective negotiation across NCL which increases leverage and reduce costs.
6. **Maximising Income;** Improved process & expertise in place to maximise NHS funding for care (CHC), reducing the financial burden on the individual and the Council. Client Contribution review to ensure financial assessment support fair charging processes and fair contributions to care costs