

Midlothian Integration Joint Board



Thursday 20th April 2017 at 2.00pm

Social Care Fund – Update 2016/17 and proposition for 2017/18

Item number: 5.3

Executive summary

As part of the 2016/17 financial settlement the Scottish Government announced the creation of the social care fund. This was a resource which was to be allocated to integration authorities to support the development and delivery of social care. The IJB agreed with Midlothian Council on the use of this social care fund as part of their acceptance of the 2016.17 budget and this agreement was further revised at the IJB's meeting of August 2016. This report lays out the actual use of the 2016/17 social care fund in comparison to the agreement.

The 2017/18 settlement included a second tranche of the social care fund which was largely designed to tackle the issues of the delivery of the living wage which had not been fully addressed from the 2016/17 allocation. The report also proposes the use of the 2017/18 social care fund.

Board members are asked to:

- 1. To note this report*
 - 2. To support the proposed use of the social care fund in 2017/18*
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Social Care Fund – Update 2016/17 and proposition for 2017/18

1 Purpose

- 1.1 This report updates the IJB use of the social care fund for 2016/17 and makes a proposition for its use in 2017/18

2 Recommendations

- 2.1 The IJB is asked to :-
- Note the contents of this report
 - Support the proposed use of the social care fund in 2017/18

3 Background and main report

- 3.1 The Scottish Government announced the social care fund as part of its 2016/17 budgetary settlement. This resource was to be allocated to Integration Authorities for the support and development of social care services. The Deputy first minister issued further clarification in January 2016 which further explained that half of the fund should be used to support pressures in the system including the delivery of the living wage and half to support 'additionality' including pressures arising from demography and also address a change in charging thresholds.
- 3.2 Midlothian share of the Social Care Fund (SCF) is £3,470,000 and the IJB agreed the use of the SCF with Midlothian Council which was in line with the ambitions of the DFM's letter. At its August 2016 meeting, the IJB agreed to a revised position which took into account the greater than projected costs of delivering the living wage. That said, more than 50% of the social care fund was still targeted against 'additionality' in that plan.
- 3.3 Although the final financial out-turn for 2016/17 is not yet available MLC have provided a projected out-turn against the SCF in 2016/17. At its March 2017 meeting, it was reported to the IJB that because of slippage in some of the additional projects and developments there was a projected underspend within the SCF. These funds had been used to underpin pressures elsewhere in the Midlothian social care system.

- 3.4 Appendix 1 lays out the projected out-turn for the SCF in 2016/17 and compares that to the revised use of the fund as agreed by the IJB in August. The main area of slippage lies in the further development of MERRIT although the costs of relaxing the charging thresholds are not as great as first considered and this has allowed further capacity to support the system.
- 3.4 As was discussed above, the Scottish Government has made a further tranche of social care fund available in its 2017/18 settlement. This second tranche (£107m on a national basis) is divided into two elements - £100m to cover the full year effects of delivering the social care fund, of providing uplift for the living wage in 2017/18 and for stabilisation and sustainability for the providers as appropriate. And a second element of £7m being £5.0m to support the costs generated by removing veterans pensions for the financial assessment for services and £2.0m to support the preparation for the carers bill. The element for Midlothian Council is £1,460,00 of which £10,000 is for veterans and carers development.
- 3.5 Appendix 2 takes the agreed position for 2016/17 as a base and, having addressed the living wage considerations, makes a proposition for the use of the SCF in 2017/18.
- 3.6 A further report on what the 'additionality' element of these investments have delivered in 2016/17 will be presented to the IJB at its June meeting once the final information is available.

4 Policy Implications

- 4.1 There are no further policy implications arising from any decisions made on this report

5 Equalities Implications

- 5.1 There are no implications for health inequalities or general equality and diversity issues arising directly from the issues and recommendations in this paper. However, as services are redesigned as discussed above equalities impacts will require to be undertaken

6 Resource Implications

- 6.1 The resource implications are laid out above

7 Risk

- 7.1 The issue of financial sustainability is already identified in the IJB's risk register

8 Involving people

- 8.1 This report is based on the IJB's Strategic Plan which itself has been consulted on with both the general population and staff

9 Background Papers

- 9.1 None

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DATE	6 th April 2017

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| Appendices: | 1. 2016/17 Out-turn
2. 2017/18 Proposals |
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Analysis of the use of the Social Care Fund - 2016/17 projected out-turn

Pressures	Agreed at 30/6/16 £000's	Projected Out-turn £000's
Review of pay, grading and NI costs (MLC Staff)	355	355
NCHC - 2.5 % - Initial model	205	205
NCHC - move to 6.4% from October	165	165
NCHC - 15/16 recurrency	147	147
Living wage for providers	470	470
Newbyres - Pressures	250	300
Recurrent funding for 2015/16 quality of care allocation	69	69
Support operational pressures		266
	1,661	1,977
Additionality		
Demographic Increase - Community Care	610	610
Demographic Increase - packages into adulthood	250	250
Highbank review	19	
Newbyres - add'n dementia beds	250	300
MERRIT (extend capacity)	285	38
Hospital to home team	165	165
Review team	150	150
Increase to charging thresholds	200	100
	1,929	1,613
Total Allocation	3,590	3,590

Projected utilisation of the Social Care Fund 2017/18

	Agreed at 30/6/16 £000's	FYE £000's	Projected 2017/18 £000's
Pressures			
Review of pay, grading and NI costs (MLC Staff)	355		355
NCHC - 2.5 % - Initial model	205		205
NCHC - move to 6.4% from October	165	165	330
NCHC - Uplift for 17/18		242	242
NCHC - 15/16 recurrency	147		147
Living wage for providers	470	470	940
Living wage 2017/18 uplift		19	19
Newbyres - Pressures	250	50	300
Recurrent funding for 2015/16 quality of care allocation	69		69
Living Wage - Stabilisation		131	131
	1,661	1,077	2,738
Additionality			
Demographic Increase - Community Care	610	232	842
Demographic Increase - packages into adulthood	250	200	450
Highbank review	19	-19	0
Newbyres - add'n dementia beds	250	50	300
MERRIT (extend capacity)	285	10	295
Hospital to home team	165		165
Review team	150		150
Increase to charging thresholds	200	-100	100
	1,929	373	2,302
Total Allocation	3,590	1,450	5,040

NB - Does include the funds for Veterans or Carers support (£10,000)