

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Member for Adult Services and Public Health
<b>Date:</b>	18 January 2022
<b>Title:</b>	2022/23 Revenue Budget Report for Adults' Health and Care
<b>Report From:</b>	Director of Adults' Health and Care, Director of Public Health and Director of Corporate Operations

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### Section A: Purpose of this Report

1. The purpose of this report is to set out proposals for the 2022/23 budget for Adults' Health and Care in accordance with the Councils Medium Term Financial Strategy (MTFS) approved by the County Council in November 2021. It also proposes a revised budget for Adults' Health and Care for 2021/22.

### Section B: Recommendation(s)

To approve for submission to the Leader and the Cabinet:

2. The revised revenue budget for 2021/22 as set out in Appendix 1.
3. The summary revenue budget for 2022/23 as set out in Appendix 1.
4. The proposed fees and charges as set out in Appendix 2.

For the Executive Member to approve:

5. That authority is delegated to the Director of Adults' Health and Care, in consultation with the Executive Member for Adult Services and Public Health, to undertake all required activity to allocate, and disperse funds, including awarding of grants, from funding made available by the Government to support the County Council's ongoing, Public Health and Adult Social Care, response to the Covid-19 pandemic, as outlined in paragraph 40.

## Section C: Executive Summary

6. This report provides the summary outputs of the detailed budget planning process undertaken by Adults' Health and Care for 2022/23 and the revised budget for 2021/22. This process has been undertaken against a backdrop of considerable uncertainty, both in terms of the resources available to the Council and the ongoing impacts of Covid-19 on service delivery. As we transition towards a 'new normal' post-Covid, the distinction between latent and longer term Covid impacts and 'business as usual' financial pressures is difficult to establish. For the purposes of budget setting, the impact of Covid-19 continues to be dealt with as a discrete one-off financial impact as far as possible, separate from the business as usual medium term financial strategy.
7. The 2021 Spending Review announced a 3% per annum real terms increase in local government core spending power to 2024/25. In 2022/23, local authorities will benefit from a considerable boost to grant funding allocated through the local government finance settlement, however this is set against a requirement for £26m additional grant as part of the SP2023 programme. The Spending Review has therefore not diminished the challenges that the authority faces in securing financial sustainability over the medium term.
8. The current financial strategy which the County Council operates works on the basis of a two year cycle of delivering departmental savings targets, with deficits in the intervening years being met from the Budget Bridging Reserve (BBR). In line with this strategy, there will be no new savings proposals presented as part of the 2022/23 budget setting process. Savings targets for 2023/24 were approved as part of the MTF5 in July 2020 and detailed savings proposals, developed through the Savings Programme to 2023 (SP2023), were agreed by Cabinet and County Council during October and November last year.
9. The anticipated delay to delivery of some aspects of the existing Transformation to 2019 (Tt2019) and Transformation to 2021 (Tt2021) programmes has been factored into our financial planning, and a combination of one-off corporate and departmental funding will be provided to bridge the forecast savings gap in 2021/22 and 2022/23. As of November 2021, £9m of Tt2019 savings and £38m of Tt2021 savings have yet to be delivered, in addition to the £80m of SP2023 savings required by 2023/24. The Council therefore faces the substantial challenge of delivering three overlapping change programmes, requiring a total of £127m budget savings. The report discusses the specific issues impacting delivery of the savings programmes for Adults' Health and Care in Sections F, G and H.
10. The report also provides an update on the business as usual financial position for the current year as at the end of October and the outturn forecast for the Department for 2021/22, excluding the financial impact of Covid-19, is a budget under spend of £10.9m, of which £9.4m relates to Adults Social Care and £1.5m to Public Health.
11. The proposed budget for 2022/23 analysed by service is shown in Appendix 1.
12. The report also reviews the level of charges for the provision of services which require approval and provides a summary of these charges in Appendix 2.

13. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2021/22 and detailed service budgets for 2022/23 for Adults' Health and Care. The report has been prepared in consultation with the Executive Member and will be reviewed by the Health and Adult Social Care Select Committee. It will be reported to the Leader and Cabinet on 8 February 2022 to make final recommendations to County Council on 17 February 2022.

#### **Section D: Contextual Information**

14. The Medium Term Financial Strategy (MTFS) update presented to Cabinet and County Council in October and November respectively, addressed the challenges of long term financial planning in an environment of significant uncertainty, in respect of both ongoing spending commitments and the national funding position for the local government sector.
15. The 2021 Spending Review represents the first multi-year budget since 2016/17 following single year spending announcements in 2019 and 2020 linked to uncertainty surrounding the UK's exit from the EU and recently the economic impacts and fiscal response to Covid-19. Whilst the additional certainty offered by a multi-year settlement is welcome, it is disappointing that local authority funding will remain relatively flat in 2023/24 and 2024/25. The settlement therefore does not present a long term solution to funding growth in service demand, for which the Council has lobbied the government for a number of years.
16. The impact of Covid-19 continues to be dealt with as a discrete one-off financial impact, separate from the business as usual medium term financial strategy. The budget summary presented in this report does not take account of Covid-19 impacts as these will be centrally funded on a one-off basis in line with the pressures reported by departments in their financial monitoring returns. However, it should be noted that as we transition towards a 'new normal' post-pandemic, the distinction between latent and longer term Covid-19 impacts and 'business as usual' financial pressures is difficult to establish. The complex inter-relationship between numerous variables post-pandemic makes forecasting challenging, but based on recent analysis carried out as part of detailed budget preparation work, the medium term forecast for departmental spending now anticipates significant pressure building by 2024/25 within Adults' and Children's social care
17. The current financial strategy which the County Council operates, works on the basis of a two year cycle of delivering change to release resources and close the anticipated budget gap. This provides the time and capacity to properly deliver major transformation programmes every two years, with deficits in the intervening years being met from the Budget Bridging Reserve (BBR) and with any early delivery of resources retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures. The model has served the authority well.
18. The County Council's action in tackling its forecast budget deficit and providing funding in anticipation of further reductions, placed it in a very strong position to produce a 'steady state' budget for 2022/23, giving itself the time and capacity to develop and implement the SP2023 Programme to deliver the next phase of savings totalling £80m by April 2023. This also avoids the worst effects of

sudden and unplanned decisions on service delivery and the most vulnerable members of the community.

19. Consequently, there are no new savings proposals to be considered as part of the 2022/23 budget, however other factors will still affect the budget, such as the publication of specific grant allocations and potential increases in unavoidable pressures such as inflation.
20. The Autumn Budget and Spending Review announcement took place on 27 October 2021 and the key elements were as follows:
  - Local government Core Spending Power will increase by 3% per year in real terms in the period to 2024/25, however this includes raising Council tax and the Adult Social Care (ASC) Precept by the maximum permitted increases.
  - Over the next three years, local authorities will be allowed to increase core council tax by up to 2% per year without a referendum. In addition, ASC authorities will be allowed to raise the ASC Precept by 1% each year. The MTFS assumes that the Council will have the flexibility to raise the ASC Precept by 2% each year and the reduction in the available precept therefore presents a further funding shortfall for the Council of £14m by 2023/24.
  - An additional £4.8bn grant funding was announced for social care and other services to 2024/25. This includes around £1.5bn per year to be distributed through the local government finance settlement in addition to an extra £200m for the Supporting Families Programme and over £70m to boost cyber security and to further strengthen local delivery and transparency.
  - The Spending Review confirmed that £3.6bn of the additional £5.4bn funding for adult social care reforms announced on 7 September 2021 will be routed through to local government. The funding is expected to cover all additional costs resulting from the personal care cap and revised capital limits.
  - Included within the Department of Health and Social Care settlement was an additional £1.7bn over three years to improve the wider social care system, including the quality and integration of care. At least £500m of this will be allocated to improve qualifications, skills, and wellbeing across the adult social care workforce.
  - £2.7bn funding for local road maintenance for non-mayoral authorities over the remaining years of the parliament, equivalent to £900m per year. This allocation is expected to maintain highways funding at 2021/22 levels.
  - The government published its report on the outcome of the Fundamental Review of Business Rates. The review reaffirmed the advantages of business rates as a form of business taxation and did not propose any fundamental changes to the basis on which the tax is levied. However, the government announced a move to 3-yearly revaluations starting in 2023, a freeze on the multiplier and significant new temporary and permanent reliefs, including a 50% relief for retail, hospitality and leisure businesses in 2022/23. Local authorities will be fully compensated for the multiplier freeze and new reliefs via Section 31 grants.

## Provisional Local Government Finance Settlement

21. The Provisional Local Government Finance Settlement sets out the key funding allocations that the Council will receive from Government for the coming financial year. This year's settlement covers 2022/23 only as the allocations of funding from 2023/24 will be the subject of a review of the local government funding regime and further consultation, to be carried out in Spring 2022.
22. The key outcomes of the settlement for the County Council are show below and are split between general resources which will contribute to meeting the Council's overall budget requirement, and specific resources which are needed to meet new departmental costs:

Funding Source	2021/22 allocation (£m)	2022/23 allocation (£m)	Change (£m)
Social Care Grant	26.2	37.2	+11.0
2022-23 Services Grant	-	8.3	+8.3
Business rates grant	6.3	9.9	+3.6
<b>Total 'general' resources</b>	<b>32.5</b>	<b>55.4</b>	<b>+22.9</b>

Funding Source	2021/22 allocation (£m)	2022/23 allocation (£m)	Change (£m)
Market Sustainability and Fair Cost of Care Fund	-	3.2	+3.2
Improved Better Care Fund	30.4	31.3	+0.9
New Homes Bonus	3.9	3.4	-0.5
<b>Total 'specific' resources</b>	<b>34.3</b>	<b>37.9</b>	<b>+3.6</b>

23. The key features of the settlement are:
- A 6.3% increase in Core Spending Power, of which 3% is attributable to the grant allocations set out above and 3.3% is attributable to council tax increases (including 1% for ASC) and tax base growth. This compares with an average 7.5% increase for Shire Counties.
  - The 2022/23 Services Grant will be distributed based on the 2013/14 local government funding formula for 2022/23 only. The distribution will be re-evaluated for future years in light of the proposed review of local government funding.
  - The Market Sustainability and Fair Cost of Care Fund is part of the government's package to support the recently announced social care reforms, providing funding for local authorities to prepare their care markets for reform and move towards paying providers a fair cost of care. There are a number of conditions associated with the funding which will require new consultation and market intervention activity and therefore it will not contribute towards meeting the budget deficit in 2022/23.

- The New Homes Bonus was expected to end in 2022/23 but will instead continue for a further year to 2023/24, albeit at a reduced level and has traditionally been used for one-off purposes by the County Council.
24. The final grant settlement for 2022/23 is not due out until January / February 2022. The impact of the final settlement will be reflected in the final budget setting report to County Council.
25. Adults' Health and Care has been developing its service plans and budgets for 2022/23 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the Department are set out below.

## **Section E: Departmental Challenges and Priorities**

26. The purpose of this report is to set out the medium term position for the Department and this section is to outline those longer term challenges that are faced. It follows that this report will not then focus on the pandemic but will highlight where opportunities and potential longer term challenges have arisen as a consequence of the pandemic.

### **ADULT SOCIAL CARE**

27. The current year has been another incredibly challenging year for Local Authorities across the breadth of the country due to the Covid-19 pandemic, in particular for those councils that have responsibility for Adult Social Care and Public Health. Hampshire is no different. During the continued response to the pandemic there has been no slowing down or halt to the financial challenges that pre-date the pandemic, quite the opposite in the last year. These financial challenges are well known and driven by various key factors including:
- Number of eligible clients continuing to increase at a faster rate, particularly for those over 85 that are the most vulnerable and have the most challenging conditions,
  - Growing complexity of care needs, for example the increasing prevalence of multiple conditions including higher levels of dementia, and,
  - Sustained increases in the numbers and costs associated with supporting children with disabilities and complex needs transitioning to adulthood.
28. In addition to those key pressures highlighted within paragraph 23, there are many other factors, (such as the financial challenges being experienced by NHS organisations) which have a direct bearing on social care pressures. Regulation and the National Living Wage (NLW) are also impacting on direct provision and the independent sector in terms of increasing cost pressures being passed onto the County Council. It is becoming increasingly evident that these pressures are growing at a faster rate as a result of the impact on the provider market from the Covid-19 pandemic. These pressures are also not unique to Hampshire and are representative of the position nationally.
29. The Government's commitment to the NLW will continue to have an impact on the purchased care budget with greater pressure expected in 2022/23. The increase

in the NLW from April 2022 was confirmed as part of the Spending Review and will see it rise to £9.50 from £8.91, an increase of £0.59, (6.6%).

30. Over the medium term the expected underlying demand in clients requiring adult social care services and the average price paid for it has grown significantly in the past year and is showing no signs of slowing down. Over the next eighteen months at least this growth is likely to far exceed both the previous assumptions and the available funding set aside within the MTFS. The detail of this most prominent challenge is outlined further within Section G of this report
31. Whilst most of the volatility of client numbers and variability of risk tends to concentrate within the Older Adults sector it should not be overlooked that Younger Adults is now the largest single paid for care budget, especially now that services for those with Physical Disabilities is catered for in the Younger Adults overall portfolio. It continues to have a consistent and yet slightly more predictable year on year pressure that needs to be managed. However, despite the unique year that we have seen so far, whilst the general impact of Covid-19 for Younger Adults whilst has been noticeable, it represents less of an additional risk in year and into the future.
32. In previous years, the pressures within Adult Social Care have been partially offset through the availability of non-recurrent funding within the Integrated Better Care Fund, (IBCF) including the Winter Pressures grant. Both of these funding streams are now recurrent. Historically in Hampshire we have invested a proportion of this invaluable resource to influence and implement much needed system change, in particular to reduce numbers of delayed transfers of care, (DToC) out of hospital, which pre Covid-19, had been a major positive force for change. Since 2020/21 a greater proportion of any additional funding has been directed to meet the long term care costs associated with greater and more rapid discharges from hospital, which have been significant due to the national investment given to the NHS within the Hospital Discharge Scheme.
33. The opportunity to utilise spare capacity within the HCC Care Residential units through the sale of Discharge to Assess beds, (D2A) to the NHS to support timely discharges from hospital has continued throughout 2021/22. This has more than offset any pressure arising within HCC Care in response to the pandemic. This is evident later in the report when a favourable business as usual financial position for 2021/22 is outlined. This does not however change the long-term underlying projections of the potential disparity between available resources and need.
34. It was announced within the Spending Review that local authorities will be able to raise only 1% through the adult social care precept in 2022/23. This represents a change from the previously anticipated level of 2%. This reduction in available funding will need to be seen in the wider round when the full impact of the Provisional Local Government Finance Settlement is known.
35. As with 2020/21 there continues to be a focus on the Department's support for the NHS in maintaining the faster flow of patients out of NHS hospitals and this is likely to continue into the medium term. However, as with 2020/21, throughout 2021/22 there has continued to be additional funding through the NHS Hospital Discharge Scheme. In the current year it is forecast that Adult Social Care will have recovered over £28m from the scheme for services commissioned to support discharges on behalf of the NHS. The current expectation is that the

national funding will cease from 2022/23. The key aim as 2022/23 begins will be to look to build upon the continued improvement in these services that have become embedded and attempt to secure them on a longer term footing using existing core NHS funding.

36. The key discharge services further developed over the past year that will need to be maintained are as follows:
  - Discharge to Assess, (D2A) capacity as a vehicle to both step clients down from hospital and step people up to prevent a hospital stay. This includes both bedded services provided by HCC Care and non bedded services commissioned from the independent sector.
  - Integrated Intermediate Care, (IIC) arrangements to adequately meet the reablement and rehabilitation demands across the County seamlessly through teams from both Health and Social Care backgrounds.
  - Single Point of Access, (SPoA) a multi-disciplined team across Health and Social Care functions with the singular aim of completing all of the necessary processes together in a timely way to discharge clients from hospital safely through to their physical arrival at the optimum destination for their care journey – this will mainly be their home.
  - Enhanced working within the Hampshire Equipment Store to ensure that vital equipment is accessible for seven days a week to aid faster discharges.
37. Whilst national funding is currently unexpected for the forthcoming year, (this would have been true as at this time last year), it is understood that a national review of these services is due to be undertaken in the early part of 2022. Any continuation of funding would be most welcome, enabling the further embedding of these services without the challenges that uncertainty over funding often brings to joint working initiatives. It is unlikely that without continuation of national funding that these services can be provided to the same extent or developed further, which will inevitably impact on the rate of discharge. In turn slower discharges will have a negative consequence on the capacity of the NHS to clear the elective surgery backlog in the timeframe intended.
38. The supply of affordable and sufficient staffing resource within the In-House Residential and Nursing Care homes continues to be a major challenge for the Department, never more so in the current pandemic climate. This issue is no different to that faced by the independent providers that the Department procure care from. Accordingly in the current year due to the staff shortages and the lower than normal occupancy level the decision has been taken to temporarily close two of the HCC Care Home sites. This has enabled the service to be better placed to adequately resource the remaining homes and in doing so has led them to become more cost effective in the short term. The service has worked closely with clients and their families to safely move residents to suitable alternative care settings.
39. Despite the impact of Covid-19, that has further exacerbated the difficulty to secure both permanent and temporary staff, there continues to be significant progress in sustainably eliminating the overspends seen in prior years and delivering the required savings. The Department has invested both time and short

term financial resources to address the previous issues both through structural changes and development of IT solutions. There is still more work to do to in 2022/23 to fully deliver the efficiencies, but the Department are well positioned for this to be achieved in the early part of the year.

40. As highlighted later in the report the ability to source adequate numbers and quality of staff has been an issue for both the Department and providers of social care alike. This is a national issue, that during the exceptional circumstances of the pandemic continues to be supported with additional funding to try and alleviate this pressure, none more so than at the present. Accordingly, the Department has been required, within the relevant grant specification, to agree plans for these funds. In order to continue to safely allocate and administer Covid-19 related grants, including but not limited to grant awards from these funds that support the social care workforce, the Executive Member is requested to formally delegate authority to the Director of Adults Health and Care, in respect of Public Health and Adult Social Care grants, to take all steps necessary to agree:
  - the allocation and dispersal of any such funds,
  - to set and apply the criteria on which allocation of funds to recipients will be dependant, and
  - any administration required to support the grant expenditure including compliance by recipients.
41. The demand from people of working age with physical and learning disabilities is growing even more rapidly and, although positive work to improve value for money in commissioning has created good financial and quality outcomes, the increase in demand through transition from childhood is further outweighing this. Advances in medical care have had a positive impact on life expectancy and have meant that people with very complex needs are surviving into adulthood when historically they might not have done so. They are also living a fuller adult life and are demanding support to live as independently as possible for significant periods.
42. Whilst in the medium term, this represents a growing pressure on Adult Social Care budgets the Department have focussed efforts through Tt2019 and continue to do so through Tt2021 to minimise the impact of this pressure where possible whilst improving outcomes and life experiences for service users, including identifying and helping to secure employment opportunities. This will be achieved through further innovation (including multi-million pound investment in Technology Enabled Care and modern Extra Care housing / Supported Living) alongside efficiencies and service reductions. Additionally, the strengths-based way of operating, coupled with Least Restrictive Practise approaches have been increasingly working to mitigate costs and provide better alternatives for clients within the Younger Adults' service area.
43. Within 2021/22 the Department has commenced the delivery of the programme to roll out Collaborative Robots (Cobots) within the care sector as an alternative and enhancement to traditional forms of care. This innovative approach is the first of its kind and is aimed to help reduce the need for two carer visits and support carers with the physical demands of the role they undertake. Whilst this is a key strand to the Department's Tt2021 savings delivery through reduced overall care

costs, it is anticipated that many other benefits will accrue such as supporting the market to meet demand and help with the retention of carers within the market through less physical stress on their bodies. Whilst the project remains in the early stage of implementation it should be noted that it has undeniably been affected by the impact of the pandemic and the ability of providers to support. However, a small number of Cobots have been deployed to participating providers during the year and have delivered reductions in care. This programme and the outcomes achieved, as volumes of deployed Cobots is extended, will be closely monitored over the next 12 months.

44. The purchase of care for clients within their own home continues to be a challenging area for the Department, and in all likelihood, greater dependency will be placed on providers into the future across all client groups. The impact on the workforce highlighted earlier in this report within Care Home settings is just as prevalent with home care providers. The Department currently cannot secure home care immediately for all clients, accordingly work is being undertaken with local care groups and providers to explore potential initiatives to bring new entrants into the workforce. This is being supported in the short term through utilising specific Covid-19 funding such as the Workforce Retention grant. Work continues to expand upon the gains made from the introduction of the non-residential framework and associated payment process with further streamlining and simplifying of the transactional engagement with providers, having successfully expanding it to all other client groups. Evidence to date would support that it has improved relationships with providers and reduced their back-office costs resulting in greater levels of care provision being available at affordable rates. The Department will continue to seek to improve and make further gains.
45. The other key priority is the Adults' Health and Care Transformation Programme, which is currently forecast to successfully complete delivery of the £55.9m Tt2019 savings by the end of 2022/23, notwithstanding that the final savings will be the hardest to achieve, at the same time as mitigating the significant operational pressures that have been outlined above. Due to the impact of Covid-19 this position represents a delay on the delivery of savings against this programme, the cash impact of this is reflected accordingly within the proposed budget.
46. Additionally, the Department are set to secure cumulative savings of £33.5m for Tt2021 by the end of 2022/23 with the balance against the target of £43.1m being delivered later.
47. This delayed transformational savings is being supported with cash from the planned corporate support and the agreed Covid-19 support package. Beyond this it is essential all savings are achieved within the recently revised timeframes in order to minimise the need to draw on the Department's Cost of Change reserve. Avoiding the need to draw on this reserve maintains the Department's ability to adequately support the forecast transformation costs associated with these programmes and any requirements to offset service pressures in the short term.
48. The Department will be committed within the next year to delivering the implementation of a brand new IT social care system, (Care Director) that is likely to be rolled out by the 2<sup>nd</sup> quarter of the year. This will inevitably represent a

further challenge for the Department in respect of both securing available resources and the significant risk associated with the control of data and processes during the switch to a new system. The Department are carefully managing the risk and the project to ensure the safe transition.

49. Finally, 2022/23 will see a period of considerable action as the Department prepares for the Adult Social care charging reforms that are due to commence in October 2023. These changes represent the single largest change in the way adult social care is funded. Whilst the precise details of the reform are still to be agreed we do know that there will be a cap on the maximum amount that clients can pay for their care over their lifetime, likely to be £86,000, as well as a change in the upper capital threshold at which point clients become eligible for Local Authority financial support. This will be a change from £23,250 to £100,000.
50. However, within the next twelve to eighteen months the Department will need to prepare for all of the required processes, procedures, policies and systems that will safely deliver these changes in accordance with the responsibility given through the reform. Accordingly, the Government will set aside funding to aid Local Authorities with this work.
51. Alongside this work the Department will also need to focus on developing a greater understanding of the longer term financial consequence of the reform, not just arising from changes in the number of clients requiring financial support but also the additional resources to undertake greater number of social care assessments, financial assessments, billing etc. This will be crucial in order to assess whether the funding provided by the government to meet the ongoing cost of the reform is sufficient.

## **PUBLIC HEALTH**

52. The past year has continued to be exceedingly challenging for Public Health. The continued response to the pandemic has been a significant draw on the time of the management and leadership of Public Health, not least because whilst there has been sufficient additional funding made available, this comes with its own challenges to ensure it is spent appropriately and is targeted to where it will have most impact.
53. It is anticipated the ring-fence will remain on the Public Health grant into 2022/23 and therefore the financial position for Public Health in 2022/23 is based upon this assumption. It is anticipated that the level of the grant for 2022/23 will be announced in January. It is also expected that there will be an allowance for inflation, but it is unknown at what percentage. When greater clarity is provided the budget will be updated accordingly.
54. During 2021/22 the Public Health team have successfully delivered £3.1m of savings toward their Tt2021 in addition to finalising all of the savings required to mitigate in full, the Public Health grant reductions that began in 2015/16.
55. In November 2021 a revised Tt2021 saving target for Public Health of £3.1m was approved by Cabinet and Council as part of the MTFS. In addition, it was agreed that there would be no further saving requirement for Public Health for SP2023. Accordingly, the position reported represents full delivery of all agreed and required Public Health savings.

56. However, the Public Health team are set to continue a programme of making efficiency savings over the medium term, that would be reinvested within Public Health, in order to ensure that the grant is utilised on those services that deliver the best outcomes in those areas that have the highest priority. This includes closer work with the NHS to better align services, where appropriate, to deliver those improved service outcomes for the residents of Hampshire.
57. In 2021/22 the ring-fenced Public Health grant received by Hampshire was increased by £0.6m to £52.9m. This increase was used to cover the recurring inflationary costs incurred by providers most notably the increase in staff cost experienced by the NHS providers. At this time there has not been any confirmation of the actual grant level in 2022/23, the budget has therefore been set on the minimum expectation of a grant equivalent to that received in 2021/22 of £52.9m.
58. Within the current year Public Health resources have continued to be stretched to the maximum due to the requirements of the Covid-19 response. From a financial perspective all forecast additional costs are expected to be met from within specific additional funding made available through the Test and Trace grant, Contain Outbreak Management Fund and Practical Support grant. Therefore, the current year financial variance for the Department represents a position that is largely unaffected by the impact of Covid-19 as is shown within Section F. In respect of Covid-19 response costs in the following year it is currently assumed this will be met from eligible carry forward of the Test and Trace grant, in addition to further specific funding made available nationally.
59. Despite the recent grant increases and the likelihood of a further inflationary increase in grant for 2022/23 there remains significant challenges for delivery of the County Council's core public health responsibilities and for wider work to improve the public's health. Continued careful planning, delivery and evaluation of evidence-based interventions will ensure that the available Public Health resources are focused on the key public health priority areas identified in the Public Health Strategy 'Towards a Healthier Hampshire', which will be refreshed from April 2022, and these are set out below.
60. A key priority is to ensure efficient delivery of the public health mandate to best meet the public health needs of Hampshire's residents and to continue to ensure that these services are providing best value for money. These include the mandated services: the National Child Measurement Programme, (NCMP) delivered through the school nursing service; delivering quality assured NHS health checks with the aim of both reducing future ill health, particularly dementia and cardio-vascular disease, and the demand for health and social care services; enabling access to comprehensive good value for money sexual health services through transformation, providing public health expertise and leadership to NHS commissioners and to local Integrated Care Systems to inform the planning and commissioning of health services and the delivery of health protection responsibilities.
61. A focus on improved outcomes and increased quality in the public health commissioned services remains a priority alongside leadership of public health for Hampshire.

62. There is compelling evidence that what happens at the start of life is vital in laying the foundations for good adult outcomes. The Healthy Child Programme (0-19) is an evidence based universal prevention and early intervention public health programme that is offered to all families. These services are supported by a mandate that requires universal delivery of five key child 'development reviews. It supports parents and promotes child development, leading to improved child health outcomes and reduced inequalities while ensuring that families at risk are identified at the earliest opportunity. To ensure that we get the best outcomes for children and families the Public Health team is working in partnership with Children's Services and NHS colleagues to transform and provide collaborative services for children and young people and their families. Effective use of resources will help to maximise the universal nature of the service, as well as to provide an enhanced offer to vulnerable families, to get the best possible outcomes in the six high impact areas, focus on prevention, and early identification of children and families at risk of future health and social problems. The Public Health nursing service has recently been recommissioned with a view to supporting Hampshire's vulnerable families at a time of resource constraint. This will be led through an active partnership between commissioner and provider.
63. The proportion of our population making unhealthy lifestyle choices, which will impact on their future health and care needs, remains a real public health challenge in Hampshire. These choices already have an impact on public services and lead to considerable costs to the system. This is likely to get worse over time. Focusing on prevention and making a healthy lifestyle 'the norm' for people of all ages is key to keeping people healthy, in employment and independent for longer and to reducing future demand for services. We continue to work to achieve this through appropriate nutrition, reducing obesity, promoting physical activity and supporting people to stop smoking and to drink sensibly. The Stop Smoking Service focuses on both the whole population and aims to increasing quit rates, especially in vulnerable individuals and communities. This requires strategic leadership and collaboration to change the system alongside effective services for the population.
64. With an increasingly older population, tackling social isolation and malnutrition, preventing falls and maintaining mobility in our vulnerable and older residents remain important areas of focus for our work with colleagues in Adult Social Care and for the Demand Management and Prevention Programme.
65. Public Health leadership of violence reduction has further progressed with leadership of the local Violence Reduction Unit for Hampshire. This sees the team working closely with the Office of the Police and Crime Commissioner and Hampshire Constabulary. Domestic abuse is a serious public health problem; Public Health leadership of the strategic partnership is driving work across the system to reduce domestic abuse. The Domestic Abuse service for victims and perpetrators provides further impetus to this work and has an increased focus on reducing the impacts of domestic abuse on children to prevent long term sequelae and impact. In 2021/22, and likely to continue into 2022/23, this work has been supported by the arrival of a specific additional grant to support domestic abuse services.

66. Poor mental health represents a significant burden of disease in the County and increases the risk of developing physical illness and of premature mortality. We will continue our work to improve the mental wellbeing of our communities and the focus on preventing suicide. The final year of an EU partnership grant focusing on improving male health has enhanced our capacity in this important area. The Mental Health Partnership and plan will be further developed in this coming year. Promoting emotional wellbeing, resilience and good mental health in children is a priority for both our health visiting (through action on maternal mental health and promoting attachment) and school nursing services. An updated Emotional Health and Wellbeing Strategy for children and young people continues to be implemented. Partnership working across the County Council, the NHS, voluntary sector and service users will help to drive this agenda forward.
67. The substance misuse service delivers a robust drug and alcohol treatment system that fully meets the diverse needs of the Hampshire population and empowers and enables people to recover from alcohol and/or drug dependency. Through a transformation programme the service will take a family approach and deliver a comprehensive treatment service. Wider system work continues to support responsible drinking and promote safe and healthy places for people to live and work.
68. Sexual Health services and substance misuse services, being demand led, are challenged by the number of patients requiring these services. However, they are continuing to meet the demand through service transformation to ensure that the right service is provided at the right time in the right way for those who need it including through shifting more activity from face to face to digital interventions where appropriate. These approaches, begun prior to the pandemic, have been further developed during the response to Covid-19.
69. The Director of Public Health (DPH) continues to deliver the Health Protection responsibilities through partnership work with the UK Health Security Agency, Office for Health Improvement and Disparities and NHS England. The County Council's health protection responsibilities have been significantly stretched this year with the added responsibilities of Covid-19 pandemic leadership, Outbreak Control Plan, local contact tracing service and leadership and coordinating testing services. This will continue to be a core part of the Departments work in the coming year. The Emergency Planning responsibilities are delivered through work with the Emergency Planning teams in the County Council and wider Local Resilience Forum (LRF) partners.
70. To ensure delivery of the Joint Strategic Needs Assessment on behalf of the Hampshire Health and Wellbeing Board the team continues deliver key analysis for partners including working with the developing Primary Care Networks. Our leadership of Population Health Management will enable more effective delivery of healthcare for the system. Our leadership of Covid-19 intelligence work will continue to be central to the success of our and the system response.
71. Nationally and within the Hampshire and Isle of Wight ICS there is a welcome renewed focus on population health and prevention. The north east of Hampshire is part of the Frimley Integrated Care System where there are similar focuses on population health, prevention and delivery through place. The DPH

provides leadership to both these work programmes supported by the Public Health consultant team.

72. Hampshire County Council are now in the third year of a formal partnership to provide the leadership of public health on the Isle of Wight, (IOW). This arrangement commenced in September 2019 following eighteen months of interim leadership support. The partnership will be reviewed on an ongoing basis but at present is still demonstrating successes. The partnership has increased Public Health capacity across the councils, maintaining the high quality of services across Hampshire, building resilience whilst improving the quality of service delivery on the Island. We will continue to work in partnership to respond to the pandemic appropriately.

## **Section F: 2021/22 Revenue Budget**

73. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.
74. The budget for Adults' Health and Care has been updated throughout the year and the revised budget is shown in Appendix 1. The revised budget shows an increase of £83.1m of which Adult Social Care is a £52.1m increase and Public Health a £30.99m increase.
75. The Adult Social Care increase is made up of the following:
- £30.3m grants (£21.8m Infection Prevention Control, £4.8m Test and Trace, £2.3m Clinically Extremely Vulnerable, £1.1m Rapid testing and £0.25m Workforce Capacity Grant).
  - £19.5m corporate support for T19 and T21 slipped savings
  - £1.0m as a result of responsibilities transferring into Adults' Health and Care from other areas of the County Council
  - £1.4m from Childrens' Services in relation to T21 savings (Public Health rebadging)
76. The Public Health increase is made up of the following:
- £0.6m increase to the 2021/22 Public Health Grant
  - £30.4m grants including £24.3m COMF and £2.4m Domestic Abuse
77. The anticipated business as usual outturn forecast for 2021/22 is a budget under spend of £10.9m, of which £9.4m relates to Adult Social Care and £1.5m to Public Health.

### **ADULT SOCIAL CARE**

78. The forecast saving of £9.4m for Adult Social Care will be utilised in year to fund £8.4m of investment within the transformational programme. In addition, the arrangement whereby £7.6m was provided to the County Council by the county

CCGs in 2020/21 will be reciprocated during 2021/22. This will be funded by the Department's Cost of Change reserve.

79. The Cost of Change balance is forecast to be £26.8m by the end of the year, a reduction of £6.6m from the starting balance of £33.4m. Excluding the impact of the arrangement with the NHS, this represents an increase of £1m in cost of change balance from all other activity within the year. The Cost of Change balance will be utilised within the following years to help fund known forecast pressures, planned delays in savings and one-off project costs.
80. There are some key variances within the £9.4m net position reported, most notably £8m saving within HCC Care, most of which is due to indirect consequences of the impact of Covid-19, as outlined below:
  - staffing levels required to meet reduced occupancy in part offset by net additional costs associated with Infection Control.
  - net additional income from the sale of unoccupied beds to the NHS for the purpose of meeting discharge from hospital requirements.
81. In addition, the Department has faced significant spend arising from the response to the Covid-19 pandemic in year. The total spend directly attributable to the consequence of the pandemic, not funded from a specific grant, is forecast to be over £16.1m. This will be offset at the end of the year by corporate support in the form of the financial response package. The business as usual position reported above is therefore after all additional support has been factored in.
82. The impact Covid-19 has had on transformation savings delivery for both Tt2019 and Tt2021 has been significant within Adults' Health and Care. The delay in savings directly attributable the Covid-19 pandemic is being covered by additional corporate support. After all planned support, including Covid-19 and early delivery of savings under SP2023 the Department is not reporting an adverse position in year against profiled transformation savings. However, the ability to affect care package prices and volumes into the long term, which most of the planned savings relate, has been severely impacted by the consequences that the pandemic has had on the care market as well as the continued increase in demand for care.
83. Whilst the Adult Social Care position reported for 2021/22 appears positive on the surface, there is a significant pressure that will materialise in later years arising from the sustained and significant increases throughout 2021/22 in both client numbers and the average price paid for care, in particular within Older Adults. Within 2021/22 these costs can be contained through utilising the additional corporate support given under Covid-19. However, this is not sustainable beyond 2021/22 even at the current level without factoring in the likelihood of these increases continuing into 2022/23 and beyond. The issue is explored further within Section G below.

## **PUBLIC HEALTH**

84. The anticipated favourable outturn forecast for 2021/22 of £1.5m is the result of reduced activity, in some considerable part due to the continued impact of Covid-19. This saving is distributed across most of the contracted services including NHS Health Checks, Violence Prevention, Drugs and Alcohol and Sexual Health

which combined total over £0.9m saving. Additionally, the 0-19 service area is forecasting an under spend of £0.65m due in part to a service provider returning an overpayment against the volume of service provided in a prior year. All of the saving will be placed within the Public Health Reserve at the end of the year.

85. The closing balance of the Public Health reserve is currently forecast to be £7.3m by 31 March 2022. This resource will be utilised in future years to continue to deliver transformational change in addition to providing one off funds to catch up on key contracted services that delivery of has slowed during the pandemic.
86. The Public Health delivery of Tt2021 savings was formally reported to be £3.1m in Month 7, (October). In accordance with the revised Tt2021 saving target for Public Health, approved by Cabinet and Council as part of the MTFS in November 2021, this position represents full delivery of the agreed Public Health savings for Tt2021.
87. All additional expenditure pertaining to Public Health in response to the Covid-19 pandemic has been managed within the specific grants that have available in year including the Contain Outbreak Management Fund, Test and Trace grant and the Practical Support grant.

## **Section G: 2022/23 Revenue Budget Pressures and Initiatives**

88. As outlined within Section F, the departmental business as usual position is currently showing a forecast saving in 2021/22. However, it is currently forecast that this is highly unlikely to be maintained within planned recurrent funding levels into 2022/23 and beyond. Please note the likely pressure is held entirely within the budgets for Older Adults and Younger Adults care packages. All other service areas of the Department, including Public Health, are not currently anticipated to be a pressure for 2022/23 or beyond.

### **ADULT SOCIAL CARE**

89. Within the last twelve months there has been a considerable increase in both numbers of clients and the price at which appropriate care can be secured, with more significant increases observed within the last six months. Primarily this has affected Older Adults Residential and Nursing care packages.
90. Covid-19 obviously had a major impact on the sector with Residential and Nursing volumes dropping by over 350 clients between March 2020 and July 2020 from 2,530 to 2,180. This reduction enabled the County Council to reduce the growth funding to Adults' Health and Care which helped to offset over £8m of undelivered recurring savings within Public Health across Tt2021 and SP2023.
91. Subsequently by September 2021 the total number of clients had risen to 2,394, only 136 clients less than the March 2020 figures, representing an increase of 214 clients over 14 months. Ordinarily over this timeframe we would expect to see approximately 85 additional clients.
92. Growth in client numbers is therefore a significant concern as the rate of growth far exceeds normal expectations and should this continue will represent an accelerated increase in pressure. However, the biggest single concern in this service area is the rate of increase in the price offered by providers for care

packages. Whilst there is no single obvious explanation for this, it could be being driven by:

- Limited availability of an affordable workforce, attributable to:
  - Vaccine requirements
  - Opening up of other sectors of the economy including leisure that has provided alternative employment options
- Ongoing requirements to meet additional infection prevention and testing controls.
- Lower than normal occupancy within the private market, thereby each Care Home's largely stepped cost base, needs to be recovered over fewer clients.
- Pre-empting of the potential impact of the announcement by the government that Social Care Funding Reforms enable self-funding clients to have their care arranged by the local authority thereby eroding the longstanding discrepancy between the rate private clients pay providers and that paid by councils.

93. Irrespective of the reasons, the combination of increasing clients and increasing prices could have a major impact on the County Council's medium term financial position.

94. Whilst of a significantly lesser magnitude there is also a continued acceleration of growth in pressure within Younger Adults, from known client volumes and estimated prices, that contributes to the overall forecast pressure within Adult Social Care.

95. From the various scenarios modelled the most likely forecast pressure for Adult Social Care in 2022/23 is £35m over and above the planned growth already allowed for. In the longer term this would increase to just under £50m by 2024/25. This pressure is based on the assumption that all planned savings are delivered.

96. This forecast is predicated on:

- volumes of care continuing to increase in line with the trajectory seen between April and September 2021, through to April 2022 at which point growth would revert to a rate akin to normal pre-pandemic growth.
- average price paid for care to increase in line with the trajectory seen between April and September 2021, through to the point at which the average weekly cost for all clients meets the current average price secured for new care.

97. Currently the average weekly price paid for new placement stands at £995 and £1,175 for Residential and Nursing care respectively. In comparison the average weekly price for all existing clients is £859 and £1,000 for Residential and Nursing care respectively. It follows that as pre-existing packages are replaced with newer purchased packages at the current price the average cost for all the clients supported will increase. It is unlikely that prices will reduce in the market even after it stabilises, so these are the average prices likely to be paid in the future.

98. As indicated other scenarios have been modelled. These provide a potential range of a pressure up to £82m in 2022/23, whilst this is unlikely it does indicate the unpredictable nature and potential volatility of this budget.
99. Whilst this higher level of pressure is unlikely, the following risks should be noted.
- The price increases have occurred over a period of time that providers have been able to supplement their income through being in receipt of various national grants directed through the County Council. There is no certainty that these grants will continue within 2022/23.
  - It is unlikely that the much of the impact of the fuel price increases, increases in the national living wage and the 1% increase in employers National Insurance contributions will have fed through to providers.
100. It should be noted that, if necessary, the likely pressure of £35m can be contained within the Adult Social Care budget in 2022/23 through the utilisation of available one off funds held corporately including those set aside for the extended impact of Covid-19. Clearly this is unsustainable beyond 2022/23 at which point alternative solutions would need to be implemented.
101. Given the potential impact on Adults' Health and Care and the County Councils overall finances, options to deal with the increased pressure will be considered as part of the budget setting report due to be presented to Cabinet and County Council in February.
102. For the longer term, although it is early in the process options to mitigate this pressure are already being considered by senior council officers and include exploring the viability of expanding the County Councils footprint within care provision as a way to directly control costs and increasing capacity of alternatives to residential care such as extra care, live in care and supported living.
103. This position, including growth in prices and volumes will be monitored closely throughout the remainder of the current year to better assess the likely pressure in 2022/23.

## **PUBLIC HEALTH**

104. Whilst it has been announced that the Public Health Grant will be increased in line with inflation for 2022/23 a confirmed allocation has not yet been provided. In the absence of confirmed allocations for local authorities, the Public Health grant for 2021/22 had been assumed as the starting point for this budget setting round. The grant allocation for 2021/22 is £52.9m for Hampshire County Council. Should the grant allocation increase from this level this will be reflected within the Public Health budget for 2022/23 at a later date.
105. It should be noted that any inflation included within the 2022/23 allocation will need to be sufficient to offset the cost of the NHS pay award for both 2021/22 and 2022/23 where it is the responsibility of the Public Health budget to fund the associated NHS provider cost increases. Any shortfall will represent a recurrent pressure that would need remedial action to resolve. In the short term this pressure could be met from the Public Health reserve.

106. By April 2022 it is anticipated that a specific plan to utilise a proportion of the Public Health Reserve in 2022/23 will have been agreed. As highlighted previously the starting balance for 2022/23 is forecast to be £7.3m which is more than sufficient for the likely expenditure required and any potential, as yet unidentified, pressure that could materialise within 2022/23.
107. It is currently expected, although not confirmed, that any specific additional expenditure required by Public Health in relation to the Covid-19 pandemic in 2022/23 will be covered by continuation of grant funding and or the carry forward of any unspent grants within 2021/22.

## **Section H: Revenue Savings Proposals**

108. Savings targets for 2022/23 were approved as part of the MTF5 by the County Council in July 2020. Proposals to meet these targets have been developed through the SP2023 Programme and were approved by Executive Members, Cabinet and County Council in October and November 2021.
109. In line with the Council's financial strategy, SP2023 savings will be delivered over a two year period with the business as usual deficit in 2022/23 being met from the Budget Bridging Reserve. Given the medium term deficit due to Covid-19 pressures and the resulting financial response package, which uses up all available financial flexibility, it remains critical that SP2023 is delivered by 1 April 2023.
110. Rigorous monitoring of the delivery of the programme will begin during 2022/23, to ensure that the Department is able to stay within its cash limited budget as set out in this report.
111. This early action in developing and implementing the savings programme for 2023/24 means that the County Council is in a strong position for setting a balanced budget in 2022/23 and that no new savings proposals will be considered as part of the budget setting process for the next financial year.
112. However, within Adult Social Care it is anticipated that £4.2m of Tt2019 savings and £26.7m of Tt2021 savings will remain to be achieved in 2022/23, 2023/24 and 2024/25 in addition to £40.6m of savings required for SP2023 within the same timeframe. This represents a significant challenge alongside the increasing likelihood of significant pressure within Adult Social Care as reported within Section G. The shortfall against target in 2022/23 will be met from a combination of corporate cash flow support and the cost of change reserve. The main reasons for the delays to savings delivery relate to:
  - A proportion of departmental management and transformation resources continuing to be redirected toward responding to the pandemic, thereby keeping some schemes behind schedule.
  - The ability to affect care package prices and volumes into the long term, which most of the planned savings relate, has been severely impacted by the consequences that the pandemic has had on the care market. as well as the continued increase in demand for care.

## **Section I: 2022/23 Review of Charges**

113. For Adult Social Care, the 2022/23 revenue budget includes income of £72.9m from fees and charges to service users. This is an increase of £4.57m (6.68%) on the revised budget for 2021/22.
114. Details of current and proposed fees and charges for 2022/23 where approval is sought for changes are outlined in Appendix 2.
115. As agreed by the Executive Member for Adult Social Care and Health (27 September 2018) delegated authority has been given to the Director of Adults' Health and Care to approve, in respect of Meals on Wheels, the annual price rises for the service users which will be capped to no more than 2.5% above the contractual annual uplift with the service provider. It has been agreed that this provision will remain in place until such time that there is no longer a subsidy provided on this service by the County Council.
116. For 2022/23 the increase of 2.5% above the contractual uplift with the service provider has been agreed. 2022/23 will be the final year an additional uplift to the client charge will be required as from 2022/23 the client charge and the price paid for meals are equal and therefore the meals are no longer being subsidised.
117. The charges proposed for eligible social care services reflect the full cost rate applicable for County Council clients where they are assessed as being able to afford this cost. Furthermore, where these services are purchased by external organisations this charge reflects the basic cost whereby additional specific charges will be levied dependent on the additional resources required to safely support the client.

## **Section J: Budget Summary 2022/23**

118. The budget update report be presented to Cabinet on 07 December 2021 included provisional cash limit guidelines for each department. The cash limit for Adults' Health and Care in that report was £439.1m, a £28.8m increase on the previous year. The increase comprised:
  - An increase of £13.5m as per the MTFs for corporate support to meet demography and complexity pressures
  - An increase of £13.4m for inflation
  - An increase of £1.6m as a result of responsibilities transferring into Adults' Health and Care from other areas of the County Council.
  - An increase of £0.6m as a result of an increase to the Public Health grant in 2021/22
  - A minor reduction of £0.2m for various minor transfers to other areas of the County Council.
119. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Adults' Health and Care for 2022/23 and show that these are within the cash limit set out above.

120. In addition to these cash limited items there are further budgets which fall under the responsibility of Adults' Health and Care, which are shown in the table below:

	<b>2022/23</b>	
	<b>£'000</b>	<b>£'000</b>
Cash Limited Expenditure	570,105	
Less Income (Other than Government Grants)	(130,994)	
<b>Net Cash Limited Expenditure</b>		<b>439,111</b>
Less Government Grants:		
• Local Community Voices Grant	(102)	
• Independent Living Fund	(4,082)	
• Improved Better Care Fund (incl Winter Pressures)	(30,359)	
• War Windows Pension Grant	(475)	
• Social Care in Prisons Grant	(104)	
• Public Health Grant	(52,925)	
Total Government Grants		(88,047)
<b>Total Net Expenditure</b>		<b>351,064</b>

## **Section K: Consultation, Equalities and Climate Change Impact**

121. Consultation on the budget is undertaken every two years when the County Council considers savings to help balance the budget. All savings proposals put forward by the County Council has an Equality Impact Assessment published as part of the formal decision making papers and for some proposals stage 2 consultations are undertaken before a final decision is made by the relevant Executive Member.
122. This report deals with the revenue budget preparation for 2022/23 for Adults' Health and Care Department. This is the interim year of the two year financial planning cycle when no new savings proposals are being considered. Therefore, no consultation or Equality Impact Assessments are required.
123. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
124. This report deals with the revenue budget preparation for 2022/23 for Adults' Health and Care Department. Climate change impact assessments for individual services and projects will be undertaken as part of the approval to spend process. There are no further climate change impacts as part of this report which is

concerned with revenue budget preparation for 2022/23 for Adults' Health and Care Department.

## REQUIRED CORPORATE AND LEGAL INFORMATION:

### Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes / <del>Ne</del>
People in Hampshire live safe, healthy and independent lives:	Yes / <del>Ne</del>
People in Hampshire enjoy a rich and diverse environment:	Yes / <del>Ne</del>
People in Hampshire enjoy being part of strong, inclusive communities:	Yes / <del>Ne</del>

### Other Significant Links

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Savings Programme to 2023 – Revenue Savings Proposals (Executive Member for Adult Services and Public Health) <a href="#">Adults Health and Care Budget Report SP2023.pdf (hants.gov.uk)</a>	21 September 2021
Medium Term Financial Strategy Update and Savings Programme to 2023 Savings Proposals <a href="https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&amp;MId=7737">https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&amp;MId=7737</a>	Cabinet – 12 October 2021 / County Council – 4 November 2021
Budget Setting and Provisional Cash Limits 2022/23 <a href="https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=134&amp;MId=7745">https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=134&amp;MId=7745</a>	Cabinet – 7 December 2021
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

### **Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

<u>Document</u>	<u>Location</u>
None	

## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

The budget setting process for 2022/23 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Savings Programme to 2023 Programme were considered in detail as part of the approval process carried out in October and November 2021 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 4 to 8 in the October Cabinet report linked below:

<https://democracy.hants.gov.uk/ieListDocuments.aspx?CIId=163&MIId=7737>

For proposals where a Stage 2 consultation was required the EIAs were preliminary and were to be updated and developed following this further consultation when the impact of the proposals could be better understood

## Budget Summary 2022/23 – Adults' Health and Care Department

<b>Service Activity</b>	<b>Original Budget 2021/22 £'000</b>	<b>Revised Budget 2021/22 £'000</b>	<b>Proposed Budget 2022/23 £'000</b>
<b>Director</b>	<b>1,620</b>	<b>4,046</b>	<b>1,722</b>
<b>Headquarters</b>	<b>19,474</b>	<b>21,711</b>	<b>19,468</b>
<b>Older Adults</b>			
Older Adults Community Services	124,667	149,807	153,497
Reablement	9,891	16,375	17,010
	<b>134,558</b>	<b>166,182</b>	<b>170,507</b>
<b>Younger Adults</b>			
Younger Adults Other	2,485	11,898	10,943
Learning Disability Community Services	116,927	118,328	117,328
Mental Health Community Services	18,905	14,757	17,667
Physical Disability Community Services	32,288	33,469	33,537
	<b>170,605</b>	<b>178,452</b>	<b>179,475</b>
<b>HCC Care</b>	<b>44,120</b>	<b>46,468</b>	<b>46,404</b>
<b>Governance &amp; Assurance</b>	<b>3,511</b>	<b>1,446</b>	<b>1,396</b>
<b>Centrally Held</b>	<b>(15,977)</b>	<b>(8,278)</b>	<b>(32,786)</b>
<b>Total Adult Social Care</b>	<b>357,911</b>	<b>410,027</b>	<b>386,186</b>
Children and Young People 0-19	22,872	22,872	22,867
Community Safety & Violence Prevention	1,446	3,513	1,145
Drugs and Alcohol	8,273	10,223	8,480
Health Check	1,187	1,187	1,187
Protection & Intelligence	22	22	24

Mental Health & Wellbeing	333	333	333
Nutrition, Obesity & Physical Activity	472	905	465
Older People	250	251	251
Public Health Central		6,660	
Sexual Health	9,099	9,316	9,326
Tobacco	2,249	2,249	2,245
Public Health Covid-19 Specific		25,816	
<b>Total Public Health</b>	<b>52,348</b>	<b>83,347</b>	<b>52,925</b>
<b>Total Adults Health and Care</b>	<b>410,259</b>	<b>493,374</b>	<b>439,111</b>

## Review of Fees and Charges 2022/23 – Adults' Health and Care

	Income Budget 2022/23	Current Charge	Proposed Increase	Proposed New Charge
	£'000	£	%	£
<b>Charges for HCC provided care:</b>				
(Rounded to 1DP)				
Full cost weekly charge (HCC in-house residential and nursing establishments, incl respite)				
Nursing Care for Older People (per week)	5,200	857.15	2.3	876.68
Residential Care for Older People (per week)	6,300	773.43	2.3	791.00
Residential Care for Dementia (per week)	Included in above	835.80	2.3	854.84
Residential Care for Adults with a Learning Disability (per week):				
Orchard Close	13	1,090.46	2.3	1,115.31
Jacobs Lodge	0	911.40	2.3	932.12
Discharge to Assess Bed (*)	N/A	1,250.00	2.3	1,278.48
Standard Continuing Health Care Support (*)	850	1,101.80	2.3	1,126.93
Meals on Wheels	2,235	5.33	6.5	5.67

(\*) Only applicable to NHS customers. Minimum rate actual charge will be subject to individual need

### Other Charges:

Service users' contributions for non-residential care (chargeable services) are calculated on the actual cost of care provided to service users. In line with corporate policy all other charges will be increased by an inflation rate of 2.3%

