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<b>Report To:</b>	<b>Health and Social Care Committee</b>	<b>Date:</b>	<b>11 January 2018</b>
<b>Report By:</b>	<b>Louise Long Corporate Director (Chief Officer) Inverclyde Health &amp; Social Care Partnership (HSCP)</b>	<b>Report No:</b>	<b>SW/03/2018/AS</b>
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<b>Subject:</b>	<b>Savings Option HSCP/CC&amp;H/08/2018 - Reduction of Long Term Care Placements for Older People and Adults</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Health and Social Care Committee of the proposed saving option HSCP/CC&H/08/2018. This saving reduces the budget available for Long Term Care placements for Older People and Adults by £528,000 (4%) which equates to 22 placements at £24,000 each (£528,000).
- 1.2 The report also provides the Health and Social Care Committee with an update, that in order to help manage fluctuating demand on long term care placement, a smoothing Earmarked Reserve of £250,000 has been allocated by Inverclyde Integration Joint Board.

## 2.0 SUMMARY

- 2.1 The number of long term care placements can fluctuate and for the financial year 2016/17, this ranged from 608 to 649 with the budget able to support on average 626 placements. Placements in 2015/16 and 2014/15 were 615 and 612 respectively. Currently, the projection for 2017/18 is in line with the annual budget of 626 placements. The savings proposal would mean that the budget would support 604 long term care placements. Scotland Excel is currently leading the renegotiation of the National Care Home Contract (NCHC). If the contract is renegotiated with a requirement to increase the cost per placement, this will likely not be funded by the Scottish Government, but will have to be met by the Council or from the Social Care Fund as in previous years. While we are committed in the longer term to looking after more people at home (rather than in a care home), it must be recognised that a sudden reduction in the number of care home places, without the appropriate community services infrastructure being in place, is likely to lead to some instances of people being unable to be discharged from hospital at the point when they are clinically ready. In other words, we will have more delayed discharges.
- 2.2 Within Inverclyde there have been an increased number of admissions to care homes, albeit for shorter periods of time, and this reflects the growing older adult population and their level of frailty and support needs. In 2016, 40% of admissions made to a long term care placement passed away within the same calendar year.
  - 2014 - 194 admissions
  - 2015 - 232 admissions
  - 2016 - 291 admissions
- 2.3 During the 2 calendar years 2015 & 2016, 56% of admissions were from hospital. This budget reduction could mean individuals remaining in hospital due to lack of available funding for a long term care placement, and risking achievement of national targets for Delayed Discharge

as well as potentially poorer outcomes for service users.

- 2.4 A reduction in care home places will result in increased demand for care provision from homecare to maintain people in their own homes and it is noted that members have recognised this outcome where people will reside more in their own home rather than in a care home environment. Therefore funding is being invested in the homecare service with no saving being accepted from homecare.
- 2.5 The potential reduction in placements may have an impact on local care homes as they are used to operating within varying levels of demand.

### **3.0 RECOMMENDATIONS**

- 3.1 The Health and Social Care Committee is asked to note that the savings option HSCP/CC&H/08/2018 would equate to a reduction of 22 long term care placements in order to achieve a savings target of £528,000.
- 3.2 The Health and Social Care Committee is asked to note the renegotiation of the NCHC currently being undertaken and the potential financial pressure that will require to be funded from the Council or Social Care Fund.
- 3.3 The Health and Social Care Committee is asked to note that in order to help manage fluctuating demand on long term care placement, a smoothing Earmarked Reserve of £250,000 has been allocated by the Integration Joint Board in this financial year.
- 3.4 The Health and Social Care Committee is asked to note that any potential savings would result in a reduction of long term care placement, with the potential for individuals remaining in hospital due to lack of available funding for a placement, and risk achievement of national targets for Delayed Discharge. Investment in homecare services and investment from the IJB will look to balance this risk.
- 3.5 The Health and Social Care Committee is asked to approve this savings proposal, in principle, prior to its submission to the Council as part of the budget setting process.

## 4.0 BACKGROUND

- 4.1 Health & Community Care are working to maintain individuals to live in their own home however at times it is not possible to provide the assessed level of care in a safe way and so a move to a Care Home placement is necessary.
- 4.2 The length of stay in care homes is reducing which demonstrates a positive trend in increasing the number of people able to remain in their own home. However demographic pressures of an increasingly frail older population mean individuals with greater health and care needs are being supported in the community including care homes.
- 4.3 This budget covers placements for older people with a high degree of frailty often with an additional diagnosis of dementia or cognitive impairment. It also covers adults less than 65 years of age with a physical disability, long term condition or early onset dementia.
- 4.4 It is anticipated that the rise in the ageing population will continue to put demand on Social Care services by providing care within a residential setting or support to individuals to remain at home. Based on demographic projections and assuming the pressure will be centred on homecare, a budget pressure of £255k is estimated for the year 2018/20. The NCHC is currently under renegotiation. If the rate is increased by 4%, this could add a further £450,000 to the budget pressure and a 10% increase could cost £1,128,000 (this would be over and above the £255k already identified). As in previous years, an increase in the NCHC rate will require to be funded by the Council or from the Social Care Fund.
- 4.5 A saving of £528,000 is proposed, which is a reduction of 22 long term care placements. The savings proposal, following Committee approval, will be progressed and prepared as far as is feasible, subject to the Council's consideration of this budget item and immediate steps will be taken to engage with relevant staff and stakeholders within appropriate timescales.

## 5.0 IMPLICATIONS

### 5.1 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Health & Community Care	Long Term Care	17-18	250		EMR smoothing fund from IJB

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
Older People	Residential & Nursing	April 2018	(250)	N/A	Full year saving of £528,000 for a reduction of 22 beds.
		April 2019	(278)	N/A	

**Legal**

- 5.2 None.

**Human Resources**

- 5.3 None.

## Equalities

5.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
√	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

## 6.0 CONSULTATIONS

6.1 In the Public Consultation no questions were asked in respect of Residential Elderly Care.

## 7.0 BACKGROUND PAPERS

7.1 Savings Option HSCP/CC&H/08/2018.