

# HEALTH AND ADULT SOCIAL CARE SCRUTINY BOARD - 18 January 2022

## MINUTES

**Present:** Councillors: M Brain, S Caudwell, D Howell, R Long, A Mackenzie, M McCarthy (Chairman), D Pinwell and R Sexton

Cabinet Member for Adult Social Care and Health Councillor Tony Dicicco

**Officers:** Lizzie Edwards – Assistant Director for Adult Care and Support (Service Delivery)  
Jane Game – Democratic Services and Scrutiny Manager  
Mohammed Irfan – Finance Manager (Adult Care and Support)  
Karen Murphy – Assistant Director for Adult Care and Support (Commissioning)  
Andrea Santer – Finance Manager (Public Health)  
Jenny Wood – Director for Adult Care and Support

### 1. APOLOGIES

Apologies were received from Councillor Blunt.

### 2. DECLARATION OF INTERESTS

There were no declarations of interest.

### 3. QUESTIONS AND DEPUTATIONS

No questions or deputations were submitted.

### 4. MINUTES

The minutes of the meeting held on 9<sup>th</sup> November 2021 were presented for approval.

#### **RESOLVED**

The minutes of the meeting held on 9<sup>th</sup> November 2021 were approved.

### 5. COMMENTS FROM INFORMAL BRIEFING

A summary of the comments made at the informal briefing held on 22<sup>nd</sup> December 2021 were presented for information.

Councillor Mackenzie noted that it was an all age strategy for the Exploitation Reduction Strategy, although the focus of the report was on adults at risk of exploitation.

### 6. MTFS UPDATE – BUDGET STRATEGY 2022/23 – 2024/25

The Director for Adult Care and Support introduced the item and reminded Members of the budget process. They also explained that there had been an additional meeting of the budget strategy group which had meant that some of the figures had altered slightly. The main pressures within the Directorate related to demographic demand changes and unit cost inflation above budgeted levels. There were additional pressures from the Health and Social Care Levy which put additional costs on the employer and employee national insurance contributions. This year the Adult Care and

## HEALTH AND ADULT SOCIAL CARE SCRUTINY BOARD - 18 January 2022

Support Directorate faced more challenges and uncertainty compared to previous years which were outlined in the report. This was a result of COVID-19, risk to one off funding in future years, reform of adult social care and NHS services and the proposed duty for local authorities adult social care to be inspected. It was announced that free PPE would continue in the next financial year.

The Finance Manager for Adult Care and Support provided an overview of the revised pressures and mitigations for the MTFS within the Adult Care and Support Directorate. Further information was provided on the additional budget strategy group meeting which took place after the reports were published. This included that the funding gap after the provisional finance settlement reduced from 9 million down to 8 million at the end of 2024-25. Also included in the provisional financial settlement was additional funds for the Improved Better Care Fund and an announcement of the first tranche of funding from the new health and social care levy. It was highlighted that it would be appropriate to hold the level of reserves within the budget in case of financial pressures which arise from the risks.

The Finance Manager for Public Health provided an overview of the revised pressures and mitigations for the MTFS within the Public Health Directorate. It was outlined that the main pressures for the Directorate related to contract inflation. Previously, the Directorate had agreed fixed price contracts which meant they were not exposed to inflation. These were due for renewal during the MTFS period, and it would be expected that tenders would reflect inflationary pressures. The Public Health Grant would support these pressures, and there were a good level of reserves. Another significant pressure was the conclusion of European Social Fund Grants which would come to an end by December 2023. It was expected that the grants would not be provided to the local authority in the future instead to partners, but the Council had a responsibility to ensure there was a joined up approach and leadership. There was funding within the budget for this.

Members made comments and asked the following questions:

- A Member queried about whether the potential financial pressures and costs associated with the move to an ICS would be met by central government. The Director for Adult Care and Support explained that there were significant changes through the move to the ICS. With respect to the potential impact on adult social care, the Director for Adult Care and Support explained that the extent of income from the NHS may be affected, hence it was referenced as a risk. It was noted that some elements were less at risk, for example, funding related to the Better Care Fund. This was because there was a national policy which outlined what it could be spent on. However, there was other income from the NHS through one off payments and joint funding. These arrangements could be renegotiated but the aim would be to ensure that they would be sustainable and with good quality for the residents of Solihull. It was therefore currently assumed that the shift to the ICS would be cost neutral, but would continue to be monitored.
- A Member asked if the reported increases in social care wages would provide a risk to the budget. The Assistant Director for Adult Care and Support (Commissioning) agreed that there were pressures on the social care workforce and explained that they would be working closely with care providers over the next few months to understand the costs of their workforce, which were likely to change. The proposed workforce strategy would also help to highlight the sector as an attractive place to work, and they would continue to work with providers to direct funding towards workers and to help retain them.

## HEALTH AND ADULT SOCIAL CARE SCRUTINY BOARD - 18 January 2022

- A Member commented that in point 3.9 of the report it would be more appropriate to also include the needs of the employees within the Borough when the jobs market was discussed.
- It was highlighted that there was uncertainty in relation to the new social care reforms, which Members were reassured to see was referenced within the report.
- A Member questioned whether there was further information about the impact of the new care reforms, such as the care cap and the fair cost of care, within Solihull. In response the Director for Adult Care and Support explained that this work continued to be scoped out, but within the Borough there were a significant number of self-funders for social care who would access the Directorate in the future to be supported. The Assistant Director for Adult Care and Support (Service Delivery) noted that they were using available information to identify the impact of the proposed reforms. There would likely be additional demand on finance staff as spending on care for self-funders would need to be recorded and a financial assessment undertaken when needed. The Finance Manager for Adult Care and Support added that there was uncertainty over how the care market would react to the proposals, and they awaited further guidance from the Department for Health and Social Care.
- From this, a Member highlighted that the changes to funding could negatively impact social care providers which would rely on self-funders, and asked how concerned they should be about the viability of providers as a result. The Director for Adult Care and Support agreed there was uncertainty but there were also positive indicators, for example, providers continued to invest in Solihull which highlighted some confidence in the market. The uncertainty with respect to the reforms and associated financial impact was noted as a risk in the report. The Assistant Director (Commissioning) explained that they continued to work with care providers to ensure that their business models would reflect future need and were resilient. This would be through appropriate buildings, workforce and fee structure, to shape the social care market to meet the needs and preferences of local people. It was also noted that many care providers were keen to work with the Council as there was the assurance of a set level of income.
- A Member sought further information on the potential impacts of a greater shortfall in funds if the full social care precept was not agreed, and significant risks occurred. It was clarified that the precept was not an officer decision. The Director for Adult Care and Support explained that if the risks did lead to additional pressures then some were likely to be recurrent and would lead to a deteriorating financial position. These would be considered as part of future budget planning sessions. The Cabinet Member for Adult Social Care and Health stated that any decision on the social care precept would take into account the requirements and risks within the Directorate.
- A Member referred to the Domestic Abuse grant maximisation mitigation within the report. They asked whether this would enable the Council to fulfil its statutory responsibilities under the Domestic Abuse Act and if the grant would enable all responsibilities to be met in full. The Finance Manager for Public Health explained that this was a three year grant, but a number of the statutory duties were already paid by the Public Health Grant. This therefore meant that some of the Public Health Grant funds could be saved.
- A Member queried if the pressures referenced would now be considered as an underestimate because of inflation and other pressures. The Finance Manager for Adult Care and Support highlighted that the figures were based upon the known figures at the time the budget is compiled. These have been revised when new information has been presented.

## HEALTH AND ADULT SOCIAL CARE SCRUTINY BOARD - 18 January 2022

- A Member sought clarity over how many contracts were to be renewed soon. It was explained that work would continue with the aim of building a sustainable care market, which would include taking into account contract related considerations.
- A Member expressed concern about the care cap and asked when they would be able to quantify the level of exposure. The Director for Adult Care and Support explained that the national guidance provided an overview of the next steps for the care cap, and they operated within a national context. Further national guidance was still anticipated.
- They also queried when DHSC would provide clarity over the mitigation support for the care cap. It was confirmed that this information was not currently available.
- A Member noted that there could be a negative impact if care providers were requested to pay staff more while they still had to justify their costs to the Council. It was highlighted by the Director for Adult Care and Support that there were good relations with care providers and they worked collaboratively with them. The Assistant Director (Commissioning) reaffirmed that there was no suggestion that providers planned to leave the Solihull market and the Council wanted to help them achieve stability, sustainability and resilience which the fund would provide. The Assistant Director (Service Delivery) stated that as the care cap would be in place by October 2023, there was time to understand the financial settlement and recruit additional staff to support with delivery.
- A Member asked what the risks were for the business rates retention scheme in order to cover the budget strategy reserve. The Finance Manager for Adult Care and Support explained that although the MTFs does not commit the windfall beyond 2022-23, it was likely that the pilot would continue. This money would support pressures as they emerged rather than long term plans. Further information was requested on this.

The Board **RESOLVED** to:

- Note the pressures and mitigating actions for the Adult Social Care and Health cabinet portfolio as set out in Appendix A and agreed comments to be fed back to the Resources and Delivering Value Scrutiny Board in and the Full Cabinet in February 2022.
- Consider the budget proposals outlined in the report and agree any comments to be fed back to the Resources and Delivering Value Scrutiny Board and the Full Cabinet in February 2022.
- Consider the schedule of fees and charges proposed for 2022/23, as attached at Appendix B, and agree any comments to be fed back to the Resources and Delivering Value Scrutiny Board and the Full Cabinet in February 2022.

### 7. WORK PROGRAMME

The updated work programme was presented for approval. Members were asked to approve the inclusion of an additional item on a sexual health commissioning programme which the Board had been asked to consider.

#### **RESOLVED**

The Board approved the work programme with the above addition included.

The meeting finished at 7.20 pm