

Purpose of the Report

This report has been constructed in response to the increasing pressures and escalating costs in Learning disability services, the parameters of the report are established within the Project Initiation Document. The report seeks to contextualise performance and delivery within the structure of comparable performance and contrasting practice within the regional and national stage and to provide contrasting and comparable information against our “family” of authorities.

The report will test the following three hypotheses:

1.1 Hypothesis One

- That the level of need in Nottinghamshire is no greater than that which exists nationally or within comparator authorities.

1.2 Hypothesis Two

- That Nottinghamshire County Council commissions a higher level of care and support than comparator authorities for similar levels of need.

1.3 Hypothesis Three

- That Nottinghamshire County Council is paying more for similar services than comparator authorities

2.0 Background

Since 2004 the Nottinghamshire Adult Social Care and Health, Learning Disability gross budget has increased by over £33 million pounds. This represents an increase of 117% from £28,381 million pounds in 2003/2004, up to £61,497 million pounds in 2007 / 2008.

Over the same period the Net budget increased by over £28 million pounds from £18,738 million pounds to £47,485 million pounds. This represents a net growth of 153% over the same period.

2.1 Change in Expenditure

The significant increases in expenditure are by no means an isolated experience, being an area of National concern. In 2007 the Care Services Improvement partnership (CSIP) ⁽¹⁾, reported that over the previous two years Local Authorities spending on adults with learning disabilities was reported as increasing by 8% above inflation, compared with around 5% for overall spending on adult social care.

The main reasons identified by CSIP⁽²⁾ for this National pressure were demographic changes combined with a continued reliance on building-based services to meet the bulk of demand.

Appendix 1 – Extract of Learning Disability Finance Report Summary

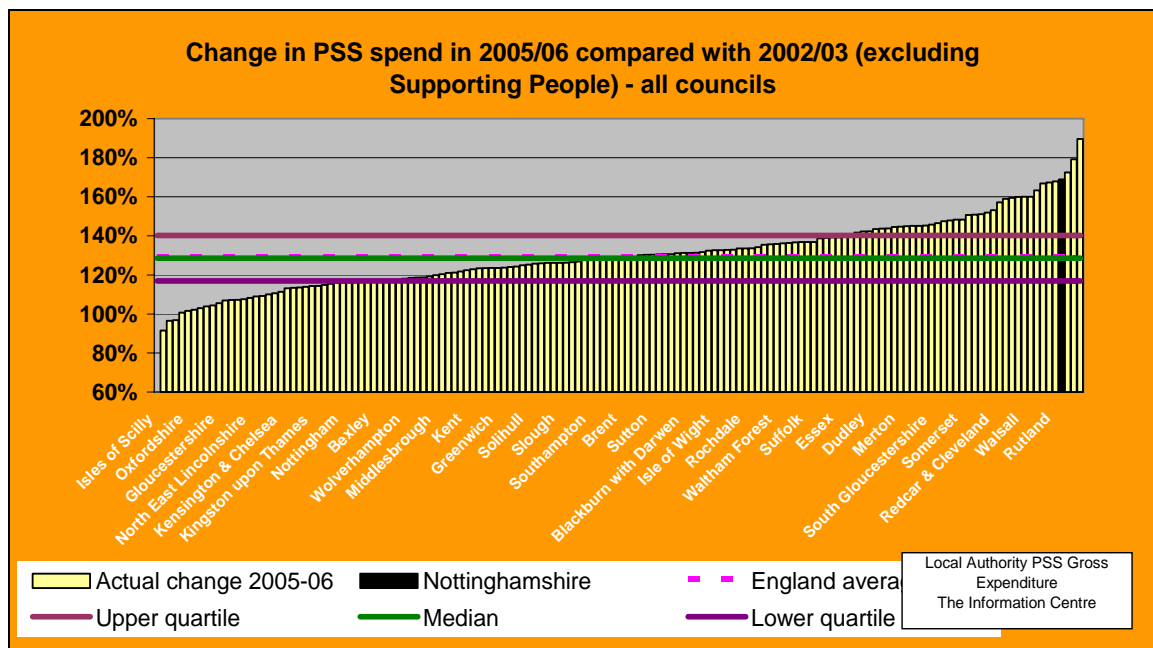
They identified increasing numbers of people combined with increasing levels of complexity of need, resulting in a National trend of increasing budget allocations that identified 70% of Councils expenditure for social care for adults with learning disabilities was used to buy:

- Long term Residential / Nursing care or
- Day – care services

In Nottinghamshire this trend was reported as accounting for 74% of our expenditure in this area.

Local data indicates that in Nottinghamshire the gross growth per annum was approximately 12%, placing us above the national average. Indicating that in line with the National picture expenditure is increasing, although it appears to be at a steeper rate locally than nationally.

This increase in expenditure places us in the highest quartile for growth in terms of gross expenditure for local authorities, from 2003 up to 2006 as shown in the graph below.



In 2005/2006 the Learning Disability Services received an additional £6,626,812 pounds of income from Supporting People funding, placing us 5th in terms of size as the largest recipient in our family group of thirteen.

The income received towards packages of care from Independent Living Funds Awards (ILF) remains low. We are ninth out of our family of authorities, with relation to the number of claimants. ILF contributes to care costs over £300, thus alleviating some of the financial burden on the local authority with relation to high cost packages of care.

At a local level, the numbers of people being placed in long term care had risen to 592 by January 2009 which is a change in trends from falling numbers in previous years. However it should be noted that 80 individuals (representing an increase of 18%) were added to the figures as a result of NHS campus re-commissioning in 2007/8

In addition, 76% of service users remain in the residential setting for more than 5 years, raising options for commissioning practices and alternative provision of a community based nature.

Research into national benchmarking by CSIP⁽³⁾ would indicate that this places Nottinghamshire amongst the group of Councils most likely to have increasing expenditure in this area

In 2006 -2007 local Authorities overspent their outturn for Personal Services Budgets by on average £0.58 million, even after accounting for an average additional £1 million investment per authority.

The second highest area of overspend was Learning Disability Services at 2.7%, with an average overspend of £0.54 million.

The most significant cost pressure consistently identified throughout the reports in this area, in terms of both demand/ volume and unit cost / complexity relate to care home placements for learning disability clients.

Nationally authorities reported that this area represented a pressure rising from 65% in 2006 / 2007 to 71% in 2007/2008 ⁽⁴⁾.

Average net unit costs have risen by 7.2% between 2006 – 2007 and 2007-2008. The steepest increase being the provision of external independent nursing care in Learning disabilities where costs have risen by over 13%.

Within this context whilst the position in Nottinghamshire appears to be above that of the national average, it is nonetheless typical of national trends.

Levels of expenditure have been linked to other factors, including increasing expectations, the political commitments to Valuing People⁽⁵⁾ and Valuing People Now ⁽⁶⁾ combined with the commitment of Government to a philosophy of independence, choice and control which all present mounting pressures on these overstretched budgets.

In recognition of the national pressures on Learning disabilities budgets, the Association of Directors of Adult Social Services (ADASS) recently responded to Government that whilst they fully endorsed the refreshed strategy for caring for people with learning disabilities, they felt it was also necessary to remind the Government of the burgeoning effects of national spending pressures.

The co-chairs of the ADASS Learning Disabilities Network reported that:

“upward pressure on demand for services, as the number of people with learning difficulties increases, meeting downward pressures on resources, as local authority funding gets tighter, will not make meeting our responsibilities to our users and carers any easier.” ⁽⁷⁾

At the same time as this increasing pressure over levels expenditure we need to consider the requirements of the Comprehensive Spending Review for 2008-11.

This highlights the requirement on local authorities to find 3% cashable savings every year ⁽⁸⁾. The need to respond to these challenges invariably necessitates that Local authorities undertake benchmarking exercises, such as those contained within this report, so that consideration of comparing and contrasting practices can be made, and appropriate analysis of trends identified to support appropriate decision making and risk management.

Within this report numerous comparisons will therefore be made in relation to a range of sources of available information relating to other authorities. It should be noted that several difficulties exist in extracting benchmarking data between authorities.

Each year expenditure and income against activity for each authority is reported on the PSSEX1 return. This return is currently subject to wide variations between council's in any given year and in trend data for individual councils between years.

Benchmarking and other analysis based upon this data can therefore be undermined in relation to reliability of data recorded and / or reported ⁽⁹⁾. Therefore there is an inherent assumption that some of the statements contained within this report, will indeed be questionable when set against certain benchmarking criteria. However, when considered in their totality they will present an overall picture which will provide us with a thematic understanding of the issues relating to the levels of increasing expenditure in this service area.

Conclusion

The Adult Social Care and Health Learning Disability Commissioning Budget has increased its net budget by of 153% since 2003.

To understand this level of expenditure three Hypothesis where tested in turn. The findings of this report account for comparisons both nationally and against similar "family" authorities, and concluded that:

Hypothesis One

- That the level of need in Nottinghamshire is no greater than that which exists nationally or within comparator authorities.

Hypothesis one was found to be proven **True**:

The level of need in Nottinghamshire is **no** greater than that which exists nationally or within comparator authorities.

Hypothesis Two

- That Nottinghamshire County Council commissions a higher level of care and support than comparator authorities for similar levels of need.

Hypothesis two found to be proven **True**

That Nottinghamshire County Council commissions a higher level of care and support than comparator authorities for similar levels of need.

Hypothesis Three

- That Nottinghamshire County Council is paying more for similar services than comparator authorities

Hypothesis three is found to be proven partially **true**:

Nottinghamshire County Council is paying more than comparator authorities for some similar services.

The conclusion is therefore that

Nottinghamshire commissions a higher level of care and support than comparators and pays more for some similar services. These are therefore contributing factors to the increased levels of expenditure when compared to other authorities.

However, this trend is to some degree linked to other factors, including increasing expectations and the political commitments of the Government to a philosophy of independence, choice and control all present mounting pressures on these overstretched budgets.

The National pressures on Learning disabilities budgets, are clearly a cause for concern raised by the Association of Directors of Adult Social Services (ADASS) which felt it necessary to remind the Government of the burgeoning effects of national spending pressures.

There are also some areas in which recommendations are made, that could contribute towards addressing this increased level of expenditure.

Recommendations

1. a review of the transport Service Level Agreement be undertaken.
2. a review of service users eligibility for transport be undertaken
3. a review of the service users who fall above the threshold for eligibility for ILF be carried out.
4. staff awareness and training is carried out in regard to ILF.
5. a review of high cost care placements be undertaken considering levels of Health funding.
6. staff awareness and training is carried out .in regard to continuing healthcare
7. The care funding calculator be used to commission and procure all long term care placements
8. All existing high cost placements be reviewed using the care cost calculator to determine appropriate placement costs
9. A review of people within residential settings who have low to moderate needs to explore opportunities for supported living
10. That residential and nursing placements are made only after all other options have been explored
11. That commissioning and procurement staffs should look to replace high cost providers with lower cost providers where quality and choice can be assured.
12. That work be undertaken to develop the existing approach to working with service users and carers to identify people at risk of their care arrangements breaking down and that these people are identified as being at risk of placing into long-term care so services can be directed towards enabling independence training
13. That all community services are focused to work in an inclusive manner to promote independence skills and work towards supported living options where practicable to avoid long term placements when care arrangements break down.
14. Service users in day-care who live with their family or carers need profiling for healthcare needs of carers and service users to establish those in need of independent living arrangements with projections of likely needs in the event of carer breakdown or the need to provide long term care and alternative care planning..
15. Assistive Technology should be explored in community settings to enable alternative support arrangements to be provided
16. Options for Low level peer and volunteer support need exploring e.g. Key-Ring Living Support Networks
17. Education campaigns and courses aimed at carers - About the value of daily living and tenancy management skills for the people they care for.
18. Targeted daily living and tenancy management skills training - At day centres and in future clients own homes for people identified as at risk of needing residential care