

REPORT TO: Health and Wellbeing Board

Date of Meeting: Health and Wellbeing Board
Report of: Mark Palethorpe, Acting Executive Director of People
Subject/Title: Social Care Precept 2017/18

1 Report Summary

- 1.1) This report describes the impact of the social care precept for 2017/18, a 3% increase in council tax producing a yield of £5.4m, which was and continues to be invested into adult social care to benefit our service users and those who care for them.
- 1.2) However it is anticipated that the costs of providing care and support for adults in Cheshire East will exceed this additional funding and that Cheshire East Council will continue to need to protect its front line care services when compared with other Council departments.

2 Recommendations

- 2.1) That the Health and Wellbeing Board note that the social care precept is welcomed but not sufficient to meet the rising complexities and demands of meeting care and support needs in Cheshire East.

3 Reasons for Recommendations

- 3.1) Council tax is worth £179m in Cheshire East, The Council, due to it's statutory social care responsibilities is allowed to levy an increased precept specifically for Adult Social Care. This increase must not exceed 6% over a 3 year period from 2017/18 and must not exceed 3% in any single year. Cheshire East Council levied a 3% increase in 2017/18 and in line with the regulations has confirmed to central government this will be fully utilised in support of Adult Social Care.
- 3.2) It is important to consider this money generated through this precept alongside other investments in the Social Care and Health economy, most notably the Better Care Fund, which is considered elsewhere on this agenda.

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- 3.3) This increased precept funding has enabled the council to continue to ensure that there is no charge to carers, free telecare equipment for all residents over 85 who live alone and investment in new information systems to enable joined up care.
- 3.4) However the cost of care is rising due to a number of factors, including the national living wage and the need to maintain appropriate wage differentials. In April 2016 Cheshire East Council implemented an increase in fees to care providers to ensure the sustainability of the care and support market. An increase for 2017 reflecting the recent further increase to the NLW is under consideration.
- 3.5) Rising demand and complexity for both older people and people with learning disabilities when coupled with a volatile labour market in which health and care professionals are increasingly opting for more lucrative agency and contract work means that adult social care both in Cheshire East, and nationally, face financial challenges.
- 3.6) Cheshire East Council introduced Community Care Boards towards the end of the 2016 calendar year. These Boards agree all new care packages to ensure fairness / consistency and that the needs of service users are met. In the first 3 months period of operation these Boards recorded an increase of costs of £1.2m which translates to a full year impact approaching £5m. This would have been in excess of £6m had the Board not found innovative ways of delivering care packages. This surge in costs is not specific to Cheshire East, Social Care authorities nationally are consistently reporting year on year increases in costs of 3%.
- 3.7) This pressure is exacerbated by reductions in central funding to the council with £40m of Revenue Support Grant being withdrawn by Central Government by 2020. Reductions being applied to social care budget are a fraction of the reductions being applied to both the Place and Corporate Departments of the Council. Full details of these reductions can be found in the Council's budget book published on the Council's website.
- 3.8) In addition, financial deficits faced by health partners within the borough have lead to difficult decisions being taken, including reductions in funding for services from mental health reablement to continuing health

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care. These actions are illustrative of the severity of the financial outlook for the health and care economy across the borough.

- 3.9) Cheshire East Council remains committed to supporting local people to live well and for longer. To continue to do this, Cheshire East and health and care partners, from commissioners to providers, need to continue to work together to manage our funding focussing on whole system implications.

4 Impact on Health and Wellbeing Strategy Priorities

- 4.1) Our ambition is that people live well and for longer. We are mitigating the financial pressures described above; not only via the social care precept, but by changing how we work to ensure that we provide personalised care that maximises independence and wellbeing and hence reduce reliance on public sector support.
- 4.2) Better uses of technology such as the Cheshire Care Record and integrating practice around the people who need care and support in Cheshire East as well as adopting efficient, best practice processes are crucial to achieving this and mitigating the impact of financial pressures.

5 Background and Options

- 5.1) n/a

6 Access to Information

- 6.1) For more information see the Cheshire East Council Tax booklet <http://www.cheshireeast.gov.uk/pdf/council-tax/your-cheshire-east-booklet-2017-18.pdf>
- 6.2) Cheshire East Council's budget information is available online here: http://www.cheshireeast.gov.uk/council_and_democracy/your_council/council_finance_and_governance/cheshire_east_budget/cheshire_east_budget.aspx
Or type 'budget book' into the search box on www.cheshireeast.gov.uk

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The background papers relating to this report can be inspected by contacting the report writer:

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