

BUDGET SCRUTINY

Top three challenges for delivering within Portfolio budget for 2026/27
Councillor Aspinall (Health and Adult Social Care)



I. CHALLENGE 1 - PUBLIC HEALTH RING-FENCED GRANT

In recognition of the broader financial challenges across the organisation, it is proposed that during 2026-27, the Public Health Grant will be used to support a portion of the Environmental Health Team, whilst keeping in line with the terms and conditions of the Public Health Grant (environmental hazards protection and infectious disease surveillance and control). The risk is that the level of funding from the Public Health Grant does not meet the overall Office of the Director of Public Health delivery targets for 2026/27 resulting in financial pressure.

I.a. MITIGATIONS FOR CHALLENGE 1 - PUBLIC HEALTH RING-FENCED GRANT

- Monitor budgets across whole directorate
- Continuation of flat rate contracts from procurements for Public Health Contracts
- Review all roles critically if vacancy arises
- Review of non-essential spending and non-statutory services.

2. CHALLENGE 2 – ADULT SOCIAL CARE: RISING DEMAND AND COMPLEXITY OF CARE

Forecasts locally and nationally show continued growth in demand for adult social care assessments and support from care services e.g. domiciliary care, bedded care and supported living. Plymouth's aging population and increasing complexity in need are significant drivers. Plymouth's 65+ population is expected to increase by 31.6% between 2021 and 2043 (from 50,000 to 64,000). This increase in population and numbers of people accessing health services is already creating higher demands for adult social care. 2025/26 is already experiencing increased pressures particularly bedded care and supported living. Assumptions for 2026/27 remain elevated despite mitigation plans. Increasing complexity places, along with inflation changes, are putting pressure on market capacity. This makes it more difficult to provide the right care for people in the right place and at the right time.

2.a. MITIGATIONS FOR CHALLENGE 2 – ADULT SOCIAL CARE: RISING DEMAND AND COMPLEXITY OF CARE

- **Prevention, Early Intervention & Reablement:** As part of the councils' initiative to reduce costs and maximise independence, a strength-based reablement approach will be introduced before any new long-term domiciliary care package is set up. Evidence from 2025/26 in hospital discharge pathways show that 69% of clients who received reablement required no further funded social care.
- **Pipeline Demand Management:** Ongoing assessment of demand trends and fee levels in residential care to stabilise growth assumptions. Manage demand through the front door, ensuring better information and advice is available and target reviews for people at the porch / pre front door. This will link to the City-Wide Help and Support programme across the council.
- **Strong governance and monitoring of mitigation activities and savings plans:** Regular oversight of all key saving and mitigation activity allowing for regular assurance or additional interventions to be created as required throughout the year.

3. CHALLENGE 3 – ADULT SOCIAL CARE: MARKET SUSTAINABILITY

Provider failure and the Community Equipment Service (CES) contract pressures have impacted the 25/26 budget. Provider viability issues national and locally are being experienced, with risks of contract hand backs and service closures from workforce sufficiency or fee rates do not keep pace with costs. If providers exit the market or reduce capacity, the council may face emergency placements at premium rates, worsening budget pressures. Furthermore, there will be a reliance on out of area placements.

Robust contract management arrangements are essential in mitigating challenges around provider failure and maintaining a stable market.

3.a. MITIGATIONS FOR CHALLENGE 3 – ADULT SOCIAL CARE: MARKET SUSTAINABILITY

- **Workforce:** A sustainable and robust workforce will ensure continuity of care to those who need it most. Working with Caring Plymouth and our providers to attract, grow and retain the adult social care workforce is key to our focus on market sustainability.
- **Risk-Based Reviews:** Implement targeted reviews of care packages to contain costs and prevent unnecessary escalation.
- **Care Home Framework and Extra Care Framework:** implementation of a framework for both care home and extra care packages will ensure that placements are made at published and agreed Plymouth City Council rates.
- **Domiciliary Care Framework:** developing and implementing an optimised approach to the provision of domiciliary care will create capacity and reduce costs through a collaborated approach to the delivery of care.
- **Contract Management:** increasing the focus of contract management on the financial position of providers will enable early identification and intervention around financial challenges which may lead to provider failure.