

BUDGET REPORT 2006/2007

Report By: Interim Finance Manager Adult Social Care & Strategic Housing

Wards Affected

County-wide

Purpose

1. To report on the revenue budget's financial position for Adult Social Care and Strategic Housing as at the end of January 2007 and to provide projections to the end of the financial year.

Financial Implications

2. These are contained in the report.

Background

3. The Adult Social Care and Strategic Housing Scrutiny Committee receives regular budget monitoring reports with the last one covering the first seven months of the financial year. The position presented to the 1st December 2007 Committee showed a projected overspend of £1.33m on Adult Social Care and a projected underspend of £45k on Strategic Housing.
4. As indicated in the previous reports the major budget pressure within Adult Social Care is residential and nursing care placements. This remains a consistent pressure across all service user groups.

Adult Social Care

(i) Summary

5. The projected outturn as at the end of January for Adult Social Care is an overspend of £1.315m against a budget of £31.1m. The projected outturn in the latest Integrated Performance Report was £1.424m.

6. Details of the service area projected outturn under or overspends are as follows and includes the information supplied to Scrutiny Committee on 1st December:-

	January 2007 £ Over / (Under)	October 2006 £ Over / (Under)
Learning Disabilities	1,266,637	1,217,574
Older People	(878,773)	(522,273)
Physical Disabilities	329,084	319,777
Mental Health	552,043	389,250
Service Strategy	62,991	53,055
Preventative Management	578	(3,597)
Section 31 Agreements	(25,169)	(40,416)
Joint Finance	210	210
Adults	7,435	22,671
Total	1,315,036	1,436,251

It should be noted that the £1.315m projected is before any use is made of the £1.3m Social Care contingency, which is for Adults and Children's services.

Appendix 1 summaries the position.

7. The projected outturn has remained static since the last report to Scrutiny Committee.

Learning Disabilities

8. The projected outturn for this area is a £1.267m overspend. This is for the risk sharing agreement for this Section 31 arrangement which has been suspended for 2006/07. The Council and PCT will fund their respective proportion of the projected overspend.
9. The main areas of overspend are Community Care Residential, Nursing care and Agency Placements.

Older People

10. The projected underspend of £879k in the Older People service area is the result of:-
 - a. Reduction in expenditure due to Waverley House refurbishment;
 - b. With regards to the Shaw Healthcare residential contract additional income received above the annual budget target;
 - c. Vacancies within the social work teams which has generated a non-recurrent underspend;
 - d. Allocating some staff costs to the carer's grant funding so that the grant is fully utilised;
 - e. The rental charge for the promoting independence unit has reduced from a full year to 8 months.

11. Community care residential and nursing placements still remain a key pressure within this area. Since October there has been an increase of 15 residential placements.

Physical Disabilities

12. Similar pressures affect the Physical Disabilities service user group where a £329k overspend is projected.

13. The main budget pressure within this service group is residential and homecare packages. Since July the number of community care packages has decreased from 31 to 29.

Mental Health

14. This service group is provided in a Section 31 agreement. The PCT is the lead partner for this agreement. The Adult Services overspend is £552k.

15. The community care placements budget heading remains the key budget pressure within this client group. Since October there are an additional 14 placements to fund. A detailed breakdown in community care placements is identified in appendix 2.

16. The overspend on community care placements is listed below:-
 - Residential - £460k;
 - Nursing - £207K;

Strategic Housing

17. The projected underspend for Strategic Housing is £100k against a £2.1m budget.
18. Since the last report a £55k increase in the projected outturn underspend has occurred. All sections within Strategic Housing have a reduction in the projected outturn.
19. The major budget pressure within Strategic Housing has been the demand and use of temporary accommodation to support the homeless service.
20. As pictorially illustrated in appendix 3 the number of clients within bed and breakfast accommodation has significantly decreased since April 2006.
21. Within the other sections of Strategic Housing some one-off savings have resulted due to vacant posts. This is a non-recurrent underspend against the annual budget.

RECOMMENDATION

THAT the Committee notes and comments on the projected 2006/07 financial outturn for Adult Social Care and Strategic Housing.

BACKGROUND PAPERS

- **None identified**