

MEETING:	ADULT SOCIAL CARE AND STRATEGIC HOUSING SCRUTINY COMMITTEE
DATE:	14 DECEMBER 2009
TITLE OF REPORT:	REVENUE BUDGET MONITORING REPORT 2009/10
PORTFOLIO AREA:	ADULT SOCIAL CARE AND STRATEGIC HOUSING

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To advise members of the committee of the financial position for Adult Social Care and Strategic Housing revenue budgets for the period to 31st October 2009. The report lists the variations against budget at this stage in the year and a projected outturn for the year.

Key Decision

This is not a key decision

Recommendations

THAT: the report be noted

Reasons for Recommendations

1. To enable Scrutiny Committee to carry out its function in relation to the Adult Social Care and Strategic Housing revenue budget for 2009/10.

Key Considerations

2. A detailed Budget Monitoring Report to 31st October 2009 is attached at Appendix 1 for Members' consideration.
3. The Adult Social Care budget sits within the Integrated Commissioning Directorate whilst the Strategic Housing budget sits within the Regeneration Directorate.
4. The summary position is set out in the following table.

	Annual Budget £000	July 09 Net Forecast Over or (under) spend £000	October 09 Net Forecast Over or (under) spend £000
Older People	14,783	945	316
Learning Disabilities	11,135	1,344	1,504
Mental Health	7,010	552	133
Physical Disabilities / Sensory Impairment	3,826	284	538
Section 75 Arrangements	895	34	118
Management and Support	254	(268)	(30)
Modernisation	162	(271)	(74)
Total Adult Social Care	38,065	2,620	2,505
Strategic Housing	1,917	35	(30)
Total	39,982	2,655	2,475

Adult Social Care

5. The forecast outturn position is an over spend of £2.5 million. The forecast includes £1.088m savings arising from the recovery plan and £70k of potential continuing healthcare pressures. Further recovery action is being undertaken and is outlined in the report.
6. The forecasts are based on client commitments identified within the different social care systems and projected forward. Planned implementation of a commitment accounting approach for homecare has faced considerable software difficulties, and these are unlikely to be solved this financial year. Work is progressing on the implementation of the finance module of the Frameworki system which will enable full commitment accounting in 2010-11.
7. The attached activity information, appendix 2, shows the trend in packages for 2009/10 and indicates the increases in all areas except mental health where more a robust panel process for younger adults and the use of the mental health intermediate care project has helped to dampen down the affect of numbers going into residential care. Service Managers are now challenging care packages in all client groups put forward to panel, and have access to void information to aid their decision making.
8. Residential care is the most expensive category of care and the attached graph in appendix 2 illustrates the trend in residential numbers for the current year for each client group. The pattern is fairly consistent, with slight increases experienced in Learning Disabilities and Older People earlier in the year which have now reduced.
9. The key area of overspend is Learning Disabilities where work is on-going to transfer clients out of residential care into supported living making use of block contracts and housing related support purchased through the supporting people programme. Savings will have a part-year effect of around £30k if achieved and the full-year effect for 2010/11 is estimated at around £120k. This will be offset by the increase in transitions of four clients from children's services which if transferred at current cost level will have an impact of £279k. There is a further pressure due to the reduction of LSC funding for those clients going into further education.
10. Since the July report the social work teams have been strengthened to deal with emergency safeguarding issues. These issues require re-prioritisation of staff resources

and the consequences include an impact on the time available to conduct reviews in order to ensure that the most suitable level of care is in place. A team has been set up to deal with a small amount of homes which are falling short of current standards. The impact of this is an additional cost of £104k for 2009/10. The Council have a requirement for not only the supported clients but also those of self funders. Clients currently within these homes and supported by spot contract will transfer into current void residential care contracts. The number of contract voids is forecast to reduce by at least 40% from 1st January and is built into the forecast assumptions.

11. There have been increases for all client groups in the number of homecare packages agreed at panel. This is due to a combination of new clients and additional support hours required to meet increasing need following review. The recent bed crisis at the County Hospital has meant that patients were discharged in order to cope with exceptional demand.
12. The integrated community equipment store has seen an increase in the number of equipment issues made and a decrease of 8% in the number of pieces returned to the store. The impact of this is a £59k over spend if remedial action is not taken.
13. Modernisation projects such as electronic monitoring, external brokerage and Shop4Support will enhance the customer experience and help to deliver services in a more efficient and effective way. The projects will start to show an impact on costs in 2010/11. Projects are fully funded by the Social Care Transformation Grant.
14. There has been an increase in the projection for the Integrated Commissioning Directorate for redundancy costs of £30k due to re-structure.
15. Additional budget savings are expected of around £20k in 2009/10 from the hold on all non-essential spend within adult services and all agency staff are now approved by the relevant Head of Service. All other recovery action is noted in the plan below and Heads of Service will attend a further recovery meeting in December to ensure additional measures are in place to reduce the current overspend.

Supporting People

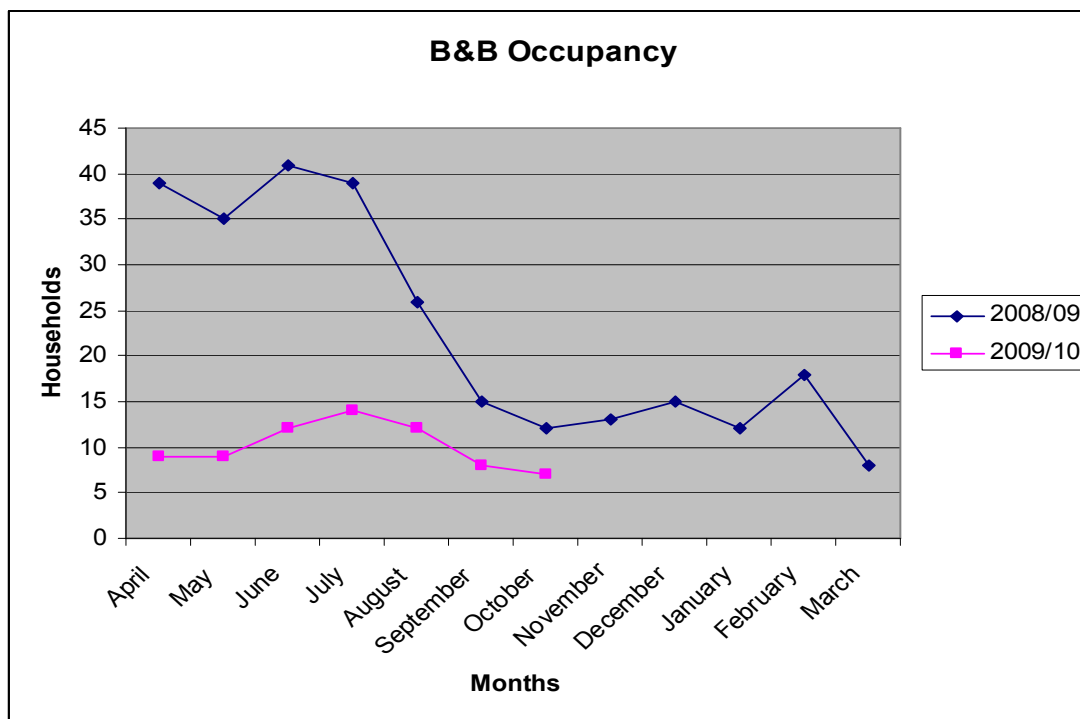
16. The 2009-10 grant to be received is £5.88 million and is fully committed. The cumulative carried forward under spend brought forward into 2009-10 was £4.83 million. A large proportion of the carry forward is committed to fund a number of pilot schemes and shortfall between on-going costs and the annual grant. The expected carry forward under spend at year end, based on current commitments, will be £1.320m.
17. A separate report to the Adult Social Care and Strategic Housing Scrutiny Committee gives more background and information on the Supporting People programme and the financial position.

Strategic Housing

18. Strategic Housing is projected to under spend by £30k.
19. Demand for temporary accommodation in bed and breakfast has been lower to date than in the last year but remains a risk area. The following table shows a detailed breakdown of occupation this year. Families with children are the most expensive to house.

Category	April	July	August	Sept	Oct
Families with children	2	3	2	3	4
Other (couples, siblings)	1	1	1	1	0
Single	6	10	9	4	8
Total	9	14	12	8	12

20. The following table illustrates that the reduction in total B&B numbers which started in the last half of 2008/09 has been sustained so far this year.



21. The reduced occupancy means that there should be no overspend on temporary accommodation. Overall the homelessness section is expected to under spend by some £36k due to staff vacancies.
22. Within the remainder of the Strategic Housing there are a number of smaller positive and negative variances which even out across the service.

Recovery Plans

23. The Adult Social Care recovery plan has highlighted a number of actions which could potentially generate savings of £1.7m. £75k has already been achieved through the hold on vacancies and the utilisation of daycare voids. A number of other savings totalling £1.089m have been assessed as achievable and these are included within the October forecast and are as defined as:
- The transfer of eligible expenditure to capital grants of £495k.
 - The transfer of eligible housing related support expenditure within adult services to the Supporting People Programme Grant of £500k.
 - The decrease in the residential voids from the transfer of clients following work completed by the emergency safeguarding team of £44k.
 - The movement of eligible expenditure to grants within learning disabilities of £50k.

Further measures identified for present and future financial stability include:

- The impact of completing a new standard price for residential care in order to reduce the amount of third party top-ups paid.
- Review of the fair pricing policy in order to generate additional income and look at services not currently charged.

- g. To implement the new resource allocation model giving greater equity to all clients and allowing a `budget` for care for social workers to work towards. Therefore reducing the impact of over allocation of personal budgets.
 - h. The implementation of electronic monitoring in order to ensure that more verification and payment of actual hours delivered.
 - i. The, impact on the hold on all non-essential spend of around £20k.
 - j. The transfer of learning disability clients into supported accommodation. Estimated at around £30k if moved by 1st January 2010.
 - k. Review of out of county placements within learning disabilities and the review of clients outside county with local PCT's where they now are eligible for continuing healthcare funding.
 - l. The use of the fair funding calculator to negotiate better prices with providers.
 - m. The claiming of ILF (Independent Living Fund) currently £14k to reclaim for current learning disability clients.
 - n. Consideration of options to raise eligibility criteria for services.
 - o. Automatic default to legal charge on property on admission to care.
24. An action plan to implement, monitor and review the recovery actions is in place and is regularly reviewed by senior management and financial services.
25. A recovery plan for Regeneration has been agreed which should enable the Directorate to achieve a balanced budget. However Homelessness remains a volatile area where increases can occur due to external pressures. The position will continue to be monitored closely and further action will be taken if required.

Financial Implications

26. These are contained in the body of the report. The projected outturn is based upon results to the end of October 2009.

Legal Implications

27. None

Risk Management

28. The risks are set out in the body of the report, in terms of the potential over spend. The report notes the actions planned to address this potential overspend.

Consultees

29. Not applicable

Appendices

Appendix 1 - Revenue Budget Monitoring Report for 2009/10 Period to 31st October 2009

Appendix 2 - Activity Data relating to Adult Social Care