

BUDGET /PERFORMANCE MONITORING 2003/04 – 10 MONTHLY REPORT

Report By: Head of Business Services

Wards Affected

County-wide

Purpose

1. To report on the budget monitoring and performance indicators position for Social Care and Strategic Housing for the first ten months of the financial year 2003/04.

Financial Implications

2. As detailed within the report.

Background

3. Following the Council's Performance Management Framework, there should currently be reporting to the Scrutiny Committee on performance at 4, 6, 8, 10 and 12 months. This report considers both the budget monitoring and performance indicator position.

Budget 2003/04

Social Care

4. The budget for the financial year 2003/04 was set by Council on 7th March 2003. The total net budget available for Social Care in 2003/04 is £33,262,950. In addition, there are Government grants totalling £6.6million. The budget continues to be monitored on a monthly basis, through reports to budget managers, the directorate management team, the Cabinet member and Chair and Vice Chair of this Committee.
5. At the last meeting of this Committee on 27th January 2004, the reported projected year end position for Social Care was £308,000 overspent. This figure *included* the £582,000 overspend which had been carried forward from 2002/03.
6. The position at the end of January 2004 shows a continued improvement on the impact of the brought forward overspend from 2002/03. At the end of January 2004, the projected year end position for Social Care indicates an overspend of £220,000, showing some further reduction in the "debt" which was carried forward from 2002/03.

7. The directorate aim to balance the budget overall has been a considerable challenge. In previous reports to Committee, key risk areas have been highlighted. These risks included the childrens agency placement budget, which is particularly volatile and difficult to predict. Since the last meeting of the Committee, 6 new placements have been agreed, the most expensive costing £4,100 per week for an individual child.

Strategic Housing

8. The 2003/04 budget for Strategic Housing is £1,247,000. In addition an underspend of £191,000 was carried forward from 2002/03. There continues to be potential financial risks which will affect the year end position. At the end of January 2004, the projected year end position is largely unchanged from the last report. The Strategic Housing budget is expected to be on target.

General

9. The directorate management team has reviewed the budget with key managers and further action has been taken where possible to manage the overspend down further. As we approach the end of the financial year, the directorate will be making every possible effort to achieve the aim of balancing the budget. If balancing the budget does not prove possible, the directorate will be aiming to carry forward no more than 1% of the Social Care budget as an overspend.

Performance Monitoring 2003/04

10. As explained in previous reports to the Committee, the Department of Health (DOH) publishes statistical information on the performance of all Social Services departments. There is a national set of 49 performance indicators covering Adults and Childrens services. The DOH ranks performance in bands ranging from Band 5 – “very good” to Band 1 “investigate urgently”
11. Strategic Housing performance is monitored by Best Value indicators and regularly reported to the Government Office of the West Midlands and the Office of the Deputy Prime Minister.
12. The directorate continues to monitor performance throughout the year. However, direct comparison with previous year’s performance is difficult as the DOH continues to introduce new performance measures and refine existing indicators. In addition, the assessment of likely banding can only be carried out assuming the previous year’s banding value applies.

13. The information is collected on a quarterly basis, so the information contained in the appendices is our assessment at the end of the third quarter. The information presented in the appendices show the numbers and percentages as presented in the performance framework prescribed by Government.
14. Behind each indicator are the calculations/numbers that form the results. At the last meeting of the Committee, members asked for additional information which would assist the scrutiny of the indicators, including the numerator and denominators used. An example is given below for illustration purposes.
15. A particular focus this year has been on improving adult indicators relating to "Helped to live at home". One such indicator, which is also a Best Value indicator and LPSA target is shown below:.

Indicator C32 – Older people helped to live at Home

The indicator is calculated is by the following:

Numerator – older people aged 65 or over helped to live at home

Denominator – Population aged 65 or over

On this indicator, we currently help 2,935 people to live at home, out of the population of 33,599. The performance recorded is $2,935/33,599 = 87$. We have improved on this performance this year. However, we need to be sensitive to the fact that any changes in the older people's population may affect our indicator.

16. Information staff meet with operational managers to analyse what increases in numbers are necessary to ensure a more positive assessment. This is made more difficult as definitions change, and the banding levels also change year by year.
17. Work is currently taking place to assess the final end of year outcome for all the indicators. Specific targets have been agreed with the Social Services Inspectorate for all the indicators and the directorate will need to demonstrate that these targets have been achieved.

Strategic Housing

18. The detail of the housing indicators is shown in the attached appendix, including a commentary. The third quarter's assessment of performance indicates that performance has exceeded targets in two of the four Best Value performance indicator areas.
19. The main area of risk relates to BV183B but is reflective of the extreme shortage of affordable accommodation.

Summary

20. The directorate will be finalising the end of year position over the coming weeks, where an assessment on both the budget and performance will be necessary. A further report on the 2003/04 end of year outcome will be made to the next Committee.

RECOMMENDATION

THAT the budget monitoring and performance monitoring report for the first 10 months of the financial year be noted.

BACKGROUND PAPERS

- None