

SOCIAL SERVICES AND STRATEGIC HOUSING BUDGET MONITORING 2004/05 - FINAL YEAR END REPORT

Report By: Finance Manager

Wards Affected

County-wide

Purpose

1. To inform the Committee of the budget monitoring position for Social Care and Strategic Housing for the final year end position for the financial year 2004/05.

Financial Implications

2. As detailed within the report.

Background

3. Following the Council's Performance Management Framework, budget monitoring reports should be made at 4, 6, 8, 10 and 12 months to relevant Scrutiny Committees. This is the final budget monitoring report for the financial year 2004/05.
4. At the last meeting of this Committee on 5th April 2005, a report was presented on the budget position at the ten months stage. The Director outlined the results of the investment in older peoples services, and the continuing pressure on other services, the exceptional circumstances that had arisen this year and the projected overspend of £1,514,000 on the social care budget, of which exceptional items accounted for £758,000. It was also noted that expenditure on homelessness budgets had exceeded forecasts.
5. This report discusses the final year end position on the social care and strategic housing budgets, and comments on developments that have taken place since the last meeting.

Social Services Budget 2004/05

6. The final year end position for Social Care, is an overspend of £1,484,000, (4.2% of the Social Care budget) with exceptional items of £892,000, as shown in the table below. This is a minor improvement on the position reported to the last committee.

**ADULT SOCIAL CARE AND
STRATEGIC HOUSING SCRUTINY COMMITTEE**

10TH JUNE, 2005

Social Care Budget

	£000
Original Budget 2004/05	35,990
Overspend Carried Forward from 03/04	(245)
Budget 2004/05	35,745

Budget Area	Budget 2004/05	Projected Over (Under) Spend	Exceptional Items within Projection
£000	£000	£000	£000
Children's	8,789	523	48
Older People	8,237	0	36
Mental Health	3,871	328	290
Learning Disabilities	5,797	1,515	503
Other Adults	6,486	(397)	15
Business Services	1,983	(477)	0
Other Social Care	582	(8)	0
TOTAL	35,745	1,484	892

7. Members will be aware from the previous report to Committee that the Director of Social Care and Strategic Housing commissioned an independent (to the directorate) review of the financial arrangements and spending decisions. This review was carried out and was the subject of a report to Cabinet on 19th May 2005.
8. Cabinet recommended that 2% of the Social Care overspend (£714,000) as permitted under financial regulations be carried forward to the 2005/06 financial year, and that a further report be made to Cabinet on 23rd June 2005. It is anticipated that the report will include details of the service implications of the need to manage the budget.

Strategic Housing Budget 2004/05

9. The Strategic Housing budget is projected to overspend by £235,000 of which £49,000 is an exceptional item relating to 2003/04 homelessness expenditure.
10. The expenditure on homelessness in 2004/05 was £821,000 against a budget of £380,000, an overspend of £441,000. The overspend is entirely due to the costs associated with the use of temporary accommodation. This position is clearly unsustainable.
11. Cabinet received a report on 19th May 2005 on the increases in the number of applicants presenting themselves as homeless and the increase in the use of Bed and Breakfast accommodation. The current position is clearly unsustainable.
12. 2% of the Strategic Housing overspend (£27,000) as permitted under financial regulations be carried forward to the 2005/06 financial year. Cabinet will receive a further report on 9th June 2005, recommending a budget virement from waste disposal to homelessness. The decision of Cabinet will be reported to the meeting.

Summary

13. The position on both Social Care and Strategic Housing budgets is very concerning. Although the expenditure on exceptional items is not expected to be repeated in 2005/06, there will be considerable challenges in managing the commitments that have been entered into. Developing/redesigning existing provision and re-commissioning accordingly is the main strategy particularly in learning disability services. This will involve making difficult decisions on the needs of individual service users, including moving people wherever possible and appropriate.

RECOMMENDATION

- THAT (a) the final year end budget monitoring report for the financial year 2004/05 be noted;**
- and**
- (b) the recovery plan for learning disability services be scheduled for report to the Scrutiny Committee in October.**

BACKGROUND PAPERS

- None