

## **CABINET MEMBER FOR ADULT SOCIAL CARE**

**Venue: Town Hall,  
Moorgate Street,  
Rotherham S60 2TH**

**Date: Monday, 30th January, 2012**

**Time: 10.00 a.m.**

### **A G E N D A**

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency
3. Adult Services Revenue Budget Monitoring Report 2011-12 (Pages 1 - 8)
4. Exclusion of the Press and Public  
The following item is likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relating to the financial or business affairs of any person (including the Council))
5. The Supporting People Programme Extension of Contracts for Accommodation Based Services (Pages 9 - 13)

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
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<b>1</b>	<b>Meeting:</b>	<b>Cabinet Member for Adult Social Care</b>
<b>2</b>	<b>Date:</b>	<b>Monday 30 January 2012</b>
<b>3</b>	<b>Title:</b>	<b>Adult Services Revenue Budget Monitoring Report 2011-12</b>
<b>4</b>	<b>Directorate :</b>	<b>Neighbourhoods and Adult Social Services</b>

## **5 Summary**

This Budget Monitoring Report provides a financial forecast for the Adult Services Department within the Neighbourhoods and Adult Services Directorate to the end of March 2012 based on actual income and expenditure to the end of December 2011.

**The forecast for the financial year 2011/12 at this stage is an underspend of £748k, against an approved net revenue budget of £76.627m.**

## **6 Recommendations**

**That the Cabinet Member receives and notes the latest financial projection against budget for 2011-12.**

## 7 Proposals and Details

### 7.1 The Current Position

7.1.1 The approved net revenue budget for Adult Services for 2011/12 is £77m. Included in the approved budget was additional funding for demographic and existing budget pressures together with a number of savings identified through the 2011/12 budget setting process. This budget will be subject to additional adjustments to reflect the outcome of a number of directorate wide reviews and the apportionment of a number of cross cutting budget savings targets across all Directorates.

7.1.2 The table below summarises the forecast outturn against approved budgets:-

Division of Service	Net Budget	Forecast Outturn	Variation	Variation
	£000	£000	£000	%
Adults General	4,033	3,801	-232	-5.75
Older People	35,094	35,273	179	+0.51
Learning Disabilities	17,040	16,544	-496	-2.91
Mental Health	5,320	5,399	79	+1.48
Physical & Sensory Disabilities	6,713	6,613	-100	-1.49
Safeguarding	739	654	-85	-11.50
Supporting People	7,688	7,595	-93	-1.21
<b>Total Adult Services</b>	<b>76,627</b>	<b>75,879</b>	<b>-748</b>	<b>-0.98</b>

7.1.3 The latest year end forecast shows there are a number of underlying budget pressures which are at present being offset by a number of forecast underspends.

The main budget pressures include:

- An overall forecast overspend within Older Peoples' Home Care Service (+£437k) mainly due to increased demand for maintenance care within independent sector.
- Pressure on independent home care within the Physical and Sensory Disability Services (+£270k) due to a continued increase in demand. An additional increase of 97 new clients (+1277 hours) on service since April.
- A budget shortfall in respect of income from charges within in-house residential care (+£235k).

- Additional employee costs due to high dependency levels and cover for vacancies and long term sickness within older people in-house residential care (+£163k).
- An overall forecast overspend on Direct Payments across all client groups due to increase in demand is being reduced by savings on independent and voluntary sector contracts as clients in these schemes move to direct payments (+£307k); a net increase of 26 clients since April.
- Recurrent budget pressure on Learning Disabilities Day Care transport (+£283k) including income from charges.

7.1.4 These pressures have been offset by the following forecast underspends:-

- Forecast net underspend on Older People independent sector residential and nursing care due to an increase in the average client contribution and additional income from property charges (-£316k).
- Underspend on employee costs within the Transport Unit plus income from increased activity (-£35k).
- Slippage on developing Supported Living Schemes (Shared Lives) within Physical and Sensory Disabilities (-£140k).
- Review of care packages within learning disabilities supported living resulting in efficiency savings with external providers and additional funding from health (-£379k).
- One-off slippage on vacant posts as part of restructure/reviews including voluntary early retirements (-£213k).
- Underspend on Rothercare Direct (-£43k) due to slippage on vacant posts and a reduction in expenditure on equipment including leasing costs.
- Slippage on recruitment to vacant posts within Older Peoples Assessment and Care Management teams (-£52k).
- Underspend on Older Peoples day care due to slippage on vacant posts plus additional grant income (-£78k).
- Slippage on developing support services for carers (-£183k).
- Underspend on preserved rights clients within residential care and nursing care (-£72k).
- Difficulties on recruiting to vacant posts within Adult Safeguarding Team (-£55k) plus underspend on Mental Capacity Training (-£30k) budgets due to council wide moratorium on non essential spend.
- Further efficiency savings on Supporting People contracts (-£93k).
- Impact of additional funding from NHR for support to carers strategy (-£500k).
- Further slippage on developing specialist residential and respite care for clients with a physical or sensory disability (-£250k).

The forecast also excludes any additional income from NHSR in respect of additional funding announced by the Government for the support of social care. In January 2012 the Department of Health announced an additional one-off £150m would be allocated to Primary Care Trusts nationally for investment in social care services which also benefit the health system, recognising the significant pressures being faced during the winter periods. There is a requirement that this should be transferred to Council's under section 256 of the 2006 NHS Act. Negotiations are currently taking place with NHSR to determine the most appropriate way of utilising this funding in 2011-12 and beyond. The implications will be included in the next monitoring report once agreement has been reached on how the additional funding will be utilised.

### 7.1.5 Agency and Consultancy

Total expenditure on Agency staff for Adult Services for the period ending 31st December 2011 was £255,388 (of which £1,979 was off contract). This compares with an actual cost of £288,018 for the same period last year (of which £34,113 was off contract).

The main costs were in respect of residential care and assessment and care management staff to cover vacancies and sickness. There has been no expenditure on consultancy to-date.

### 7.1.6 Non contractual Overtime

Actual expenditure to the end of December 2011 on non-contractual overtime for Adult Services was £243,927 compared with expenditure of £262,277 for the same period last year.

The actual costs of both Agency and non contractual overtime are included within the financial forecasts.

## 7.2 **Current Action**

To mitigate any further financial pressures within the service, budget meetings and budget clinics are held with Service Directors and managers on a regular basis to monitor financial performance and further examine significant variations against the approved budget to ensure expenditure remains within the cash limited budget by the end of the financial year.

## 8. **Finance**

Finance details are included in section 7 above and the attached appendix shows a summary of the overall financial projection for each main client group together with the main reasons for variation.

## 9. Risks and Uncertainties

Careful scrutiny of expenditure and income and close budget monitoring remains essential to ensure equity of service provision for adults across the Borough within existing budgets particularly where the demand and spend is difficult to predict in such a volatile social care market. Any future reductions in continuing health care funding would have a significant impact on residential and domiciliary care budgets across Adult Social Care.

## 10. Policy and Performance Agenda Implications

The delivery of Adult Services within its approved cash limit is vital to achieving the objectives of the Council and the CSCI Outcomes Framework for Performance Assessment of Adult Social Care. Financial performance is also a key element within the assessment of the Council's overall performance.

## 11. Background Papers and Consultation

- Report to Cabinet on 23 February 2011 –Proposed Revenue Budget and Council Tax for 2011/12.
- The Council's Medium Term Financial Strategy (MTFS) 2011-2014.
- Revenue Budget Monitoring – September 2011

This report has been discussed with the Strategic Director of Neighbourhoods and Adult Services and the Director of Finance.

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ADULT SERVICES SUMMARY									
PROJECTED REVENUE OUT-TURN AS AT 31st December 2011									
Last Reported Projected Net Variance as at 30/11/2011 £000	Service Division	Net Expenditure					Revised Projected Year end Variance Over(+)/Under(-) spend £000	Revised Financial RAG Status	* Note
		Original Budget £000	Proj'd out turn £000	Variance (Over (+) / Under (-) Spend) to Original Budget £000	Current Financial RAG Status	Financial Impact of Management Action £000			
(118)	<b>Adult Services - General</b>	4,033	3,801	(232)	Green	0	(232)	Green	1
	<b>Health &amp; Well Being</b>								
515	Older People	35,094	35,273	179	Red	0	179	Red	2
(459)	Learning Disabilities	17,040	16,544	(496)	Green	0	(496)	Green	3
58	Mental Health	5,320	5,399	79	Red	0	79	Red	4
(54)	Physical and Sensory Disabilities	6,713	6,613	(100)	Green	0	(100)	Green	5
(10)	Safeguarding	739	654	(85)	Green	0	(85)	Green	6
(32)	Supporting people	7,688	7,595	(93)	Green	0	(93)	Green	7
<b>(100)</b>	<b>Total Adult Services</b>	<b>76,627</b>	<b>75,879</b>	<b>(748)</b>		<b>0</b>	<b>(748)</b>		

**Reason for Variance(s), Actions Proposed and Intended Impact on Performance**

**NOTES Reasons for Variance(s) and Proposed Actions**

*or under performance against income targets) and actions proposed*

	<p><b><u>Main Reasons for Variance</u></b></p>
1	<p><b><u>Adult Services General (-£232k)</u></b></p> <p>General cross cutting Directorate budgets including carers, training, RBT affordability and corporate recharges are forecasting an overall including an underspend on emergency carers service -£183K , new allocation of carers funding from health -£50K and Information Technology charges +£66K.</p>
	<p><b><u>Health and Well Being</u></b></p>
2	<p><b><u>Older Peoples Services (+£178k)</u></b></p> <p>Vacancies with Assessment and care management plus forecast underspend in non-pay budgets (i.e. car allowances) (-£52k)  Overspend on In House Residential Care (+£398k) due to higher dependency Levels, additional cover for long term sickness and maternity leave plus budget pressure on Part III income.  Forecast overspend on Independent Sector Home Care budget (+£769k) due to increase in average weekly hours continuing from last year.  Underspend on employee costs within In-house Home Care (-£332k), overall underspend on In House Day Care (-£378k) due to vacancies.&amp; new allocation of Carers funding from health funding  An underspend on independent residential and nursing care (-£316k) due to increase in average client contribution, additional income from health and increased income from property charges.  Projected underspend on employees and leasing costs within Rothercare Direct reduced by potential pressure on income budget (-£43k).  Underspend on Transport due to increased income from additional contracts and slippage on vacant posts (-£35k)  Increased demand for Direct Payments over and above approved budget (+£270k). This includes the review of client categories and over 65s being moved from other client groups.</p>
3	<p><b><u>Learning Disabilities (-£496k)</u></b></p> <p>Slippage on vacant posts due to reviews and voluntary early retirements (-£213k).  Additional unplanned placements into residential care over the last few months has reduced the initial forecast underspend to a balanced budget.  Review of care packages in supported living, additional funding from Health and ILF plus additional efficiency savings from providers (-£397k)  Underspend within in-house supported livings schemes and community support due to vacant posts (-£65k)  Recurrent budget pressure on Day Care transport (+£283k) including income from charges.  Underspend on Community Support due to clients moving to residential care (-£20k) and increase in demand for Direct Payments (+£27k).</p>
4	<p><b><u>Mental Health (+£79k)</u></b></p> <p>Unachieved vacancy factor with Assessment and Care Management (+£89K)  Projected overspend on residential care due to additional clients (+£6k).  Slippage on implementing full budget saving target in respect of Rotherham Mind moving into Clifton Court (+£35k).  Increase pressure on Direct Payments (+£201k) reduced by efficiency savings on a number of contracts (-£233k) &amp; reclassification of over 65yrs to older people.</p>
5	<p><b><u>Physical and Sensory Disabilities (-£100k)</u></b></p> <p>Restructure of directorate assessment teams savings on vacancies offset by one-off relocation costs from Kirk House (+£30k).  Continued Pressure on Independent Sector domiciliary care (+£270K) due to continue increase in demand (97 new clients = 1277 hours since April)  Reduction in Continuing Health Care funding for client in Supported Living scheme being challenged (+£27k).  Further demand and increased hours for existing clients forecast overspend on Direct Payments (+£42K). Underspend on Crossroads SLA (-£86k) as clients are redirected to Direct Payments.  Forecast underpend on Residential and Nursing Care (+£94k) offset by slippage on developing shared lives schemes (-£140k) &amp; (-£250K) slippage on developing specialist residential care.</p>
6	<p><b><u>Safeguarding (-£85k)</u></b></p> <p>Use of agency staff to cover difficulties in recruiting to vacant posts in order to meet service demands.Underspend on Mental Capacity training budget due to moratorium.</p>
7	<p><b><u>Supporting People (-£93k)</u></b></p> <p>Forecast underspend improved commissioning &amp; vacant posts</p>
	<p><b><u>Proposed Actions to Address Variance</u></b></p> <p>Budget performance clinics continue to meet monthly to monitor financial performance against approved budget.</p>





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