

CABINET MEMBER FOR ADULT SOCIAL CARE

**Venue: Town Hall,
Moorgate Street,
Rotherham.
S60 2RB**

Date: Monday, 26th March, 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. Minutes of previous meeting (Pages 1 - 4)
4. Adult Services Revenue Budget Monitoring 2011-12 (Pages 5 - 11)
5. Exclusion of the Press and Public
Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in 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)).
6. Mental Health Day Service (Pages 12 - 17)

**CABINET MEMBER FOR ADULT SOCIAL CARE
12th March, 2012**

Present:- Councillor Doyle (in the Chair); and Councillor Walker.

Apologies for absence were received from Councillors Gosling, Jack, P. A. Russell and Steele and Steele.

H51. MINUTES OF PREVIOUS MEETING

Consideration was given to the minutes of the previous meetings held on 13th February, 2012.

Resolved:- That the minutes of the previous meetings held on 13th February, 2012, be approved as a correct record.

H52. ADULT SERVICES REVENUE BUDGET MONITORING 2011-12

Consideration was given to a report, presented by the Finance Manager (Adult Services), which provided 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 January, 2012.

It was reported that the forecast for the financial year 2011/12 was an underspend of £1.976M against an approved net revenue budget of £76.400M.

It was explained that there were a number of underlying budget pressures which were at present being offset by a number of forecast underspends:-

The underlying budget pressures included:

- an overall forecast overspend within Older Peoples' Home Care Service mainly due to increased demand for maintenance care within the independent sector
- pressure on independent home care within Physical and Sensory Disability Services due to continued increase in demand
- shortfall in respect of income from charges within in-house residential care
- additional employee costs due to high dependency levels and cover for vacancies and long term sickness within older people inhouse residential care
- an overall forecast overspend on Direct Payments across all client groups due to increase in demand was being reduced by savings on independent and voluntary sector contracts as clients in those schemes moved to Direct Payments
- recurrent budget pressure on Learning Disabilities Day Care transport including income from charges

These pressures had 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
- Underspend on employee costs within Transport Unit plus income from increased activity
- Slippage on developing Supported Living Schemes within Physical and Sensory Disabilities
- Review of care packages within Learning Disabilities Supported Living resulting in efficiency savings with external providers and additional funding from health
- One off slippage on vacant posts as part of restructure/reviews including voluntary early retirements
- Underspend on Rothercare Direct due to slippage on vacant posts and a reduction in expenditure on equipment including leasing costs
- Slippage on recruitment to vacant posts within Older People's Assessment and Care Management Teams
- Underspend on Older People's Day Care due to slippage on vacant posts plus additional grant income
- Slippage on developing support services for carers
- Underspend on preserved rights clients within learning disabilities residential care and nursing care
- Difficulties in recruiting to vacant posts within Adult Safeguarding Team
- Further efficiency savings on Supporting People contracts in order to meet 2012/13 budget savings target
- Impact of additional funding from NHSR for Support to Carers Strategy
- Further slippage on developing assistive technology
- Savings within supported Living Schemes across client groups due to vacant posts and additional income from health
- Further slippage on developing specialist residential and respite care for clients with a physical or sensory disability
- The additional one-off income from Health in respect of additional funding announced by the Government for investment in Social Care Services which benefitted the Health system, recognising the significant pressures during the winter period, had now been agreed with NHSR.

Total expenditure on Agency staff for Adult Services so far was £287,674 compared with an actual cost of £314,947 for the same period last year. The main costs were in respect of residential care and assessment and care management staff to cover vacancies and sickness. There had been no expenditure on consultancy to date.

Careful scrutiny of expenditure and income together with close budget monitoring remained essential to ensure equity of service provision for adults across the Borough within existing budgets. Any future reductions in continuing health care funding would have a significant impact on residential and domiciliary care budgets across Adult Social Care.

Discussion ensued with the following issues raised/clarified:-

- The difficulties caused by the late receipt of the additional NHS funding for winter pressures
- New postholder in Assistive Technology to advance the early intervention and prevention agenda

Resolved:- (1) That the latest financial projection against budget for the year based on actual income and expenditure to the end of January, 2012 for Adult Services be noted.

(2) That the Strategic Director, Neighbourhoods and Adult Services, raise with the Association of Directors of Adult Social Services the difficulties caused by the late receipt of winter pressures funding.

(3) That concerted effort be made with regard to issuing Assistive Technology equipment.

(THE CHAIRMAN AUTHORISED CONSIDERATION OF THE FOLLOWING ITEM TO ENABLE THE APPROPRIATE BOOKING TO BE MADE.)

H53. CONFERENCE

Resolved;- That the Chairman (or substitute) be authorised to attend the National Children and Adult Services Conference to be held in Eastbourne on 24th-26th October, 2012.

H54. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in 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)).

H55. REVIEW OF THE RESOURCE ALLOCATION SYSTEM (RAS)

The Director of Health and Wellbeing submitted for consideration a proposal to freeze the Resource Allocation System (RAS) scorecard to reflect the Council's budget setting decisions.

The aim of the RAS, linked to the allocation of personal budgets, was to provide a clear and rational way to calculate how much money it was likely to cost to meet a person's assessed needs as determined in their support plan.

The RAS had to be revised each year to take account of changes in Social Care budgets and support costs. Presently the key cost drivers were Direct Payments and the costs of independent sector community based services. The Council's inflation provisions for the cost drivers had not been increased, therefore, it was proposed that the RAS scorecard be frozen at 2011/12 levels.

The rates were set out in Appendix 1 of the report submitted.

Resolved:- That the Resource Allocation System be frozen at 2011/12 prices for the financial year 2012/13.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1	Meeting:	Cabinet Member for Adult Social Care
2	Date:	Monday 26th March, 2012
3	Title:	Adult Services Revenue Budget Monitoring Report 2011-12
4	Directorate :	Neighbourhoods and Adult Social Services

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 February 2012.

The forecast for the financial year 2011/12 at this stage is an underspend of £2.145m, against an approved net revenue budget of £76.400m.

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 £76.400m. 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 has been 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	3,963	3,743	-220	-5.55
Older People	35,423	34,422	-1001	-2.83
Learning Disabilities	17,040	16,565	-475	-2.79
Mental Health	5,313	5,406	93	+1.75
Physical & Sensory Disabilities	6,354	6,127	-227	-3.57
Safeguarding	786	708	-78	-9.92
Supporting People	7,521	7,284	-236	-3.15
Total Adult Services	76,400	74,255	-2,145	-2.81

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

The main budget pressures include:

- An overall forecast overspend within Older Peoples' Home Care Service (+£400k) mainly due to increased demand for maintenance care within independent sector.
- Pressure on independent home care within the Physical and Sensory Disability Services (+£290k) due to a continued increase in demand. An additional increase of 110 new clients (+1,260 hours) on service since April 2011.
- A budget shortfall in respect of income from charges within in-house residential care (+£236k).

- Additional employee costs due to high dependency levels and cover for vacancies and long term sickness within older people in-house residential care (+£141k).
- An overall forecast overspend on Direct Payments across all client groups due to an increase in demand which is partially being reduced by savings on independent and voluntary sector contracts as clients in these schemes move to a Direct Payment (+£368k); a net increase of 20 clients since April 2011.
- A recurrent budget pressure on Learning Disabilities Day Care transport (+£284k) including income from charges.

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

- Older People independent sector residential and nursing care due to an increase in the average client financial contribution and additional income from property charges (-£402k).
- Slippage on developing Shared Lives schemes within Physical and Sensory Disabilities (-£173k).
- Review of care packages within learning disabilities independent supported living schemes resulting in efficiency savings with external providers and additional funding from health (-£437k).
- One-off slippage on vacant posts as part of restructure/reviews within Learning disabilities including voluntary early retirements (-£159k).
- Underspend on Rothercare Direct (-£89k) 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 (-£136k).
- Slippage on developing support services for carers (-£233k).
- Underspend on preserved rights clients within learning disabilities residential and nursing care (-£32k).
- Difficulties on recruiting to vacant posts within Adult Safeguarding Team plus savings on non pay budgets due to moratorium (-£78k).
- Further efficiency savings on Supporting People contracts (-£236k) in order to meet next year's budget savings target.
- Impact of additional funding from NHSR for support to carers strategy (-£500k).
- Slippage on developing assistive technology schemes (-£200k), detailed action plan being developed for 2012-13 onwards.
- Savings within supported living schemes across client groups due to vacant posts and additional income from health (-£94k).
- Further slippage on developing specialist residential and respite care for clients with a physical or sensory disability (-£250k).

- The additional one-off income from health in respect of additional funding announced by the Government in January for investment in social care services which benefit the health system, recognising significant pressures during the winter period (-£848k), has now been agreed with NHSR.

7.1.5 Agency and Consultancy

Total expenditure on Agency staff for Adult Services for the period ending February 2012 was £208,021 (of which £1,979 was off contract). This compares with an actual cost of £355,049 for the same period last year (of which £42,155 was off contract). Primarily, these 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 February 2012 on non-contractual overtime for Adult Services was £292,238 compared with expenditure of £346,518 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 – January 2012

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 29th February 2012									
Last Reported Projected Net Variance as at 31/01/2012 £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			
(232)	Adult Services - General	3,963	3,743	(220)	Green	0	(220)	Green	1
	Health & Well Being								
(890)	Older People	35,423	34,422	(1,001)	Green	0	(1,001)	Green	2
(474)	Learning Disabilities	17,040	16,565	(475)	Green	0	(475)	Green	3
65	Mental Health	5,313	5,406	93	Red	0	93	Red	4
(190)	Physical and Sensory Disabilities	6,354	6,127	(227)	Green	0	(227)	Green	5
(55)	Safeguarding	786	708	(78)	Green	0	(78)	Green	6
(200)	Supporting people	7,521	7,284	(237)	Green	0	(237)	Green	7
(1,976)	Total Adult Services	76,400	74,255	(2,145)		0	(2,145)		

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><u>Main Reasons for Variance</u></p>
1	<p><u>Adult Services General (-£220k)</u></p> <p>General cross cutting Directorate budgets including carers, training, RBT affordability and corporate recharges are forecasting an overall including an underspend on carers service -£233k, new allocation of carers funding from health -£50k and Information Technology charges +£80k.</p>
	<p><u>Health and Well Being</u></p>
2	<p><u>Older Peoples Services (-£1,001k)</u></p> <p>Vacancies with Assessment and care management including forecast underspend in non-pay budgets (-£136k) plus additional Winter Pressures funding from NHSR (-£248k). Overspend on In House Residential Care (+£377k) due to higher dependency Levels, additional cover for long term sickness and maternity leave plus budget pressure on Part III income, this has been reduced by additional Winter Pressures funding from NHSR (-£100k). Forecast overspend on Independent Sector Home Care budget (+£870k) due to increase in average weekly hours continuing from last year, reduced by additional income from health (-£100k) plus underspend on Community EMI budget (-£60k). Underspend on employee costs within In-house Home Care (-£470k), plus additional Winter Pressures funding (-£300k), overall underspend on In House Day Care (-£334k) due to vacancies & new allocation of Carers funding from health funding. An underspend on independent residential and nursing care (-£402k) due to increase in average client contribution, additional income from health & increased income from property charges. Projected underspend on employees and leasing costs within Rothercare Direct (-£89k) includes additional Winter Pressures Funding from health. Underspend on Transport due to increased income from additional contracts and slippage on vacant posts (-£37k) Slippage on developing Assistive Technology (-£200k), underspend on advertising budget across Adult Services (-£22k) and vacancies due to admin review (-£35k). Increased demand for Direct Payments over and above approved budget (+£277k). This includes the review of client categories and over 65s being moved from other client groups.</p>
3	<p><u>Learning Disabilities (-£475k)</u></p> <p>Staff vacancies due to reviews and voluntary early retirements (-£159k) including slippage on campus funding. Slippage on transitional placements from Children's, underspend on preserved rights placements reduced by increase in placements into residential care (-£32k). Review of care packages in supported living, additional funding from Health and ILF plus additional efficiency savings from providers (-£437k) Underspend within in-house supported livings schemes and community support due to vacant posts (-£75k) Recurrent budget pressure on Day Care transport (+£284k) including income from charges, reduced by underspend on non-pay budgets due to moratorium (-£54k). Underspend on Community Support due to clients moving to residential care (-£25k) and increase in demand for Direct Payments (+£17k).</p>
4	<p><u>Mental Health (+£93k)</u></p> <p>Unachieved vacancy factor with Assessment and Care Management including additional staffing costs (+£104K) Projected slight overspend on residential care (+£10k), underspend on Supported Living (-£58k) Slippage on implementing full budget saving target in respect of Rotherham Mind moving into Clifton Court (+£11k). Increase pressure on Direct Payments (+£215k) reduced by savings on VCS contracts as clients take up a direct payment (-£196k) & reclassification of over 65yrs to older people.</p>
5	<p><u>Physical and Sensory Disabilities (-£227k)</u></p> <p>Continued Pressure on Independent Sector domiciliary care (+£290K) due to continue increase in demand (110 new clients = 1260 hours since April) Vacancies with In-House Supported Living schemes plus increase in income from fees and charges (-£69k), reduced by loss of Continuing Health Care funding for client in Independent Supported Living scheme (+£39k). Further demand and increased hours for existing clients forecast overspend on Direct Payments (+£55K). Underspend on Crossroads SLA (-£77k) as clients move to a Direct Payment. Forecast overspend on Residential and Nursing Care (+£112k) offset by slippage on developing shared lives schemes (-£173k) & (-£250K) slippage on developing specialist residential care. Additional Winter Pressures funding for health (-£150k) for equipment and adaptations.</p>
6	<p><u>Safeguarding (-£78k)</u></p> <p>Use of agency staff to cover difficulties in recruiting to vacant posts in order to meet service demands.</p>
7	<p><u>Supporting People (-£237k)</u></p> <p>Forecast underspend due to further efficiency savings on contracts required in order to meet 2012-13 budget savings target plus savings on vacant posts within team.</p>
	<p><u>Proposed Actions to Address Variance</u></p> <p>Budget performance clinics continue to meet monthly to monitor financial performance against approved budget.</p>

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