

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1	Meeting:	Cabinet Member for Adult Social Care
2	Date:	Monday, 11th July, 2011
3	Title:	Adult Services Revenue Budget Monitoring Report 2011/12.
4	Directorate :	Neighbourhoods and Adult 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 May 2011.

The forecast for the financial year 2011/12 at this stage is a balanced budget, against an approved net revenue budget of £77.6m.

6 Recommendations

Members are asked to note the latest financial projection against budget for the year based on actual income and expenditure to the end of May 2011 for Adult Services.

7 Proposals and Details

7.1 The Current Position

7.1.1 The approved net revenue budget for Adult Services for 2011/12 was £77.6m. Included in the approved budget was additional funding for demographic and existing budget pressures together with a number of new investments and savings identified through the 2011/12 budget setting process. This budget will be subject to change once a number directorate wide reviews have been concluded and the apportionment of a number of cross cutting savings targets have been finalised.

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	4,106	4,106	0	0
Older People	35,142	35,562	420	1.2
Learning Disabilities	17,302	16,645	-657	-3.8
Mental Health	5,366	5,404	38	0.7
Physical & Sensory Disabilities	7,300	7,499	199	2.7
Safeguarding	745	745	0	0
Supporting People	7,703	7,703	0	0
Total Adult Services	77,664	77,664	0	0

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 underlying budget pressures include:

- An overall forecast overspend within Older Peoples' Home Care Service (+£453k) mainly due to increased demand for maintenance care within independent sector.
- There is also a pressure on independent home care within Physical and Sensory Disability Services (+£165k) due to a continued increase in demand. An additional increase of 229 hours on service since April.
- Shortfall in respect of income from charges within in-house residential care (+£175k).

- Additional employee costs to cover vacancies and sickness within older people in-house residential care (+£277k).
- An overall forecast overspend on Direct Payments (+£209k) mainly within mental health and physical and sensory disability services.
- Recurrent budget pressure on Learning Disabilities Day Care transport (+£298k) 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, additional continuing health care funding and income from property charges. (-£192k).
- Underspend on employee costs within Transport Unit plus additional income from contracts (-£146k).
- Forecast underspend within Learning Disabilities residential and nursing care due to slippage on transitions from Children's Services. (-£520k).
- Additional Continuing Health Care Income plus a underspend on Supported Living Schemes within Physical and Sensory Disabilities (-£150k).
- One off slippage on vacant posts as part of restructure/reviews and voluntary early retirements (-£187k).
- Additional income from health and reduction in care packages after reviews within supported living (-£176k).
- Underspend on Rothercare Direct (-£106k) due to a reduction in leasing costs.

7.1.5 For the first two months total expenditure on Agency staff for Adult Services was £40,057 (of which £1,750 was off contract). This compares with an actual cost of £59,042 for the same period last year (of which £1,364 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 Actual expenditure to the end of May 2011 on non-contractual overtime for Adult Services was £49,884..

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.

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.

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

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