

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1	Meeting:	Cabinet Member for Adult Social Care
2	Date:	Monday 9 July 2012
3	Title:	Adult Services Revenue Budget Monitoring Report 2012-13
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 2013 based on actual income and expenditure for the period ending May 2012.

The forecast for the financial year 2012/13 at this stage is a balanced budget, against an approved net revenue budget of £74.567m.

6 Recommendations

That the Cabinet Member receives and notes the latest financial projection against budget for 2012/13.

7 Proposals and Details

7.1 The Current Position

The approved net revenue budget for Adult Services for 2012/13 is £74.567m. Included in the approved budget was additional funding for demographic and existing budget pressures (£2.294m) together with a number of savings (£6.258m) identified through the 2012/13 budget setting process.

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

Division of Service	Net Budget	Forecast Outturn	Variation	Variation
	£000	£000	£000	%
Adults General	3,792	3,767	-25	-0.66
Older People	33,732	33,694	-38	-0.11
Learning Disabilities	17,290	17,651	361	2.08
Mental Health	5,466	5,465	-1	-0.01
Physical & Sensory Disabilities	6,308	6,146	-162	-2.57
Adults Safeguarding	698	696	-2	-0.29
Supporting People	7,281	7,148	-133	-1.83
Total Adult Services	74,567	74,567	0	0

7.1.2 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 variations to budget can be summarised as follows:

Adults General, Management & Training (£-25k)

This includes the cross cutting budgets (Workforce planning and training, RBT and corporate charges) are forecasting an underspend mainly due savings on charges for postages, telephones and printing.

Older People (-£38k)

- Overspend on In-House Residential Care (+£266k) due to recurrent budget pressure on Part III income.
- Further increase in demand for Direct Payments over budget (+£868k), this includes 65 new clients from independent sector domiciliary care who have requested to remain with their current service provider who were unsuccessful in the recent tendering of the independent home care service.

- Overspend on In House Transport (+£71k) due to the approved budget savings reduction partially reduced by additional income.
- Forecast underspend on Enabling Care (-£477k) based on current budget and level of service which is under review.
- An underspend on Independent sector home care (-£258k) after a reduction of £660k commissioning and contract savings achieved as part of the new framework agreement. However, these budgets require review in order to compensate for the shift in service provision to Direct payments as mentioned above.
- An underspend on independent residential and nursing care (-£221k) due to 23 less clients than budgeted plus additional income from health and property charges.
- Forecast underspend in respect of slippage in developing dementia services within Community Mental Health budgets (-£233k) plus an underspend on carers services due to vacancies and slippage in carers breaks (-£53k).

Learning Disabilities (+£361k)

- Overspend on residential care budgets due to loss of income from health for 5 clients plus 3 new clients transferred from health (+£92k).
- Recurrent budget pressure on Day Care transport (+£297k) including shortfall in income from charges.
- Additional high costs placements receiving independent sector day care provision (+£58k).
- Increase in demand for Direct Payments over and above approved budget (+£41k).
- Underspend within independent sector supported living schemes due to additional income from health plus use of grant funding (-£128k).

Mental Health (-£1k)

- Projected slight underspend on residential care budget (-£9k).
- Budget pressure on Direct Payments (+£165k) reduced by slippage in developing supported accommodation within Community Support Services (-£159k).

Physical & Sensory Disabilities (-£162k)

- Continued Pressure on Independent Sector domiciliary care (+£69k) due to continue increase in demand (76 new clients in April and May).
- Loss of health funding for one client at Rig Drive (+£33k).
- Increase in demand for Direct Payments (+ 10 clients), forecast overspend (+£174k).
- Underspend on Community Support contracts (-£60k) as clients move to a direct payment.
- Initial forecast overspend on Residential and Nursing care due to additional placements and less than anticipated income from Health.

This is offset by slippage in developing alternatives to residential provision (-£389k).

Adults Safeguarding (-£2k)

- Slight underspend on employee budgets.

Supporting People (£-133k)

- Efficiency savings on subsidy contracts due to a reduction in activity plus outcome of contract negotiations.

7.1.3 Agency and Consultancy

Total expenditure on Agency staff for Adult Services for the period ending May 2012 was £40,376 (none of which was off contract). This compares with an actual cost of £40,050 for the same period last year (of which £1,750 was off contract). Primarily, these costs were in respect of assessment and care management staff to cover vacancies and sickness.

There has been no expenditure on consultancy to-date.

7.1.4 Non contractual Overtime

Actual expenditure to the end of May 2012 on non-contractual overtime for Adult Services was £40,580 compared with expenditure of £49,884 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 22 February 2012 –Proposed Revenue Budget and Council Tax for 2012/13.
- The Council's Medium Term Financial Strategy (MTFS) 2011-2014.

This report has been discussed with the Strategic Director of Neighbourhoods and Adult Services, the Director of Health and Well Being and the Director of Financial Services.

Contact Name: Mark Scarrott – Finance Manager (Neighbourhoods and Adult Services), *Financial Services x 22007, email Mark.Scarrott@rotherham.gov.uk.*