

By: Graham Gibbens, Cabinet Member Adult Social Services
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To: Adult Social Services Policy Overview & Scrutiny Committee –
25 June 2010

Subject: **ADULT SERVICES BUDGET OUT-TURN REPORT 2009/10**

Classification: Unrestricted

Summary: A report on the final outturn expenditure against budget for
Kent Adult Social Services.

Introduction

1. (1) This is the final report for 2009-10 to this Committee on the outturn against budget for the Adult Social Services Department.

Background

2. (1) Policy Overview and Scrutiny Committees consider the draft Medium Term Financial Plan at their November and January meetings. To enable a more informed discussion, three reports will be presented to the Committee on a regular basis:

a) **Budget Monitoring reports**

A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. A report for each directorate is annexed to the summary report, and the annex for the Adult Social Services Directorate will be presented to this Committee at the meetings following those Cabinet meetings. This will help inform this POSC about current trends, pressures and management actions in advance of the next year's budget setting

b) **Performance data**

This will be reported at least half-yearly to this Committee.

c) **Outturn report**

Effectively an amalgam of the above two, the outturn report will summarise both the financial and performance information for the whole of the preceding year

(2) Informed by these reports, the POSCs will be in a stronger position to question and comment on the future budget and medium term proposals, as they will be asked to do at the November and January meetings.

(3) A special Budget IMG was arranged for November to discuss the future Budget and MTP proposals in more detail. At its April meeting the Scrutiny

Board recommended that all POSCs need to formulate their arrangements for contributing to the development of the budget so that they are able to have an input at an earlier stage than previous years. In particular POSCs should consider whether the Informal Member Groups set up following the November 2009 meeting should meet regularly between now and December when the draft budget needs to be finalised for formal consultation. This was re-affirmed at a recent training session for all Overview and Scrutiny members.

Kent Adult Social Services 2009/10 Financial Outturn - Revenue

3. (1) The revenue outturn was reported to Cabinet on 14th June and an extract of this report is attached. The overall position for the Directorate was a net overspend of £0.182m.

(2) Table 1 sets out the original budget, final approved cash limit and spending for each budget line within the Kent Adult Social Services Directorate. The changes between the original budget and final approved cash limit are all within KCC's "virement" rules as set out in Financial Regulations.

Table 1

Budget Book Heading	Original Published Budget (Net)	Approved Cash Limit (Net)	Final Outturn (Net)	Variance from Cash Limit (Net)
	N	N	N	N
	£'000s	£'000s	£'000s	£'000s
Adult Services portfolio				
Older People:				
- Residential Care	54,854	55,049	54,477	-572
- Nursing Care	23,828	24,140	24,886	746
- Domiciliary Care	38,732	36,689	35,280	-1,409
- Direct Payments	3,917	4,202	4,262	60
- Other Services	16,979	17,007	16,640	-367
Total Older People	138,310	137,087	135,545	-1,542
People with a Learning Difficulty:				
- Residential Care	55,341	52,790	55,069	2,279
- Domiciliary Care	6,506	6,054	5,486	-568
- Direct Payments	5,890	5,381	6,681	1,300
- Supported Accommodation	6,503	8,431	8,531	100
- Other Services	18,137	18,249	17,368	-881
Total People with a LD	92,377	90,905	93,135	2,230
People with a Physical Disability				
- Residential Care	10,479	10,267	10,981	714
- Domiciliary Care	7,109	6,878	7,193	315
- Direct Payments	6,121	6,447	6,604	157
- Supported Accommodation	405	386	371	-15
- Other Services	4,903	5,293	4,567	-726
Total People with a PD	29,017	29,271	29,716	445

Budget Book Heading	Original Published Budget (Net)	Approved Cash Limit (Net)	Final Outturn (Net)	Variance from Cash Limit (Net)
	N	N	N	N
	£'000s	£'000s	£'000s	£'000s
Adult Services portfolio				
All Adults Assessment & Related	34,414	35,234	34,396	-838
Mental Health Service				
- Residential Care	5,618	5,482	6,563	1,081
- Domiciliary Care	903	627	651	24
- Direct Payments	386	602	317	-285
- Supported Accommodation	292	435	484	49
- Assessment & Related	9,184	9,106	8,811	-295
- Other Services	5,641	5,832	5,484	-348
Total Mental Health Service	22,024	22,084	22,310	226
Supporting People	32,882	0	0	0
Gypsy & Traveller Unit	341	341	425	84
Strategic Management	1,303	1,325	1,212	-113
Strategic Business Support	21,325	19,110	17,812	-1,298
Support Services purchased from CED	7,462	7,301	7,294	-7
Specific Grants	-38,637	-7,636	-6,651	985
Adult Services controllable	340,918	335,122	335,304	182

(3) Although the over spend of £0.182m is a decrease of £0.013m from the figure reported last month, the Directorate was unable to achieve all of the management action required to reach a balanced outturn position. The risk of this happening has been highlighted in previous reports to Cabinet. Within the small reduction overall are some larger compensating movements as follows:

- +£0.403m Older People Residential Care – almost half of the increase relates to the final adjustments to the bad debt provision. Alongside this was an increase in clients from 2,729 in January to 2,740 in February and again to 2,751 by the end of March, as well as small increases against preserved rights costs, in-house provision and integrated care centres as well as a decrease in the actual income against what was expected.
- +£0.421m Older People Nursing Care – this is mainly because an additional £0.134m is required for the bad debt provision and there have also been increases in the number of clients in permanent nursing care and the amount of non permanent weeks of care required. The amount of income is approximately £200k less than previously expected.
- -£0.225 Older People Domiciliary Care – this line reduced following release of the balance of the creditor provision made in 2008-09 in respect of the Transaction Data Matching (TDM) system. As agreed with the external auditors, the provision was made last year following a

detailed review of payments to suppliers against the number of hours ordered through Swift (the client activity system), which suggested that additional costs could be invoiced for. During 2009/10 this position has been monitored and discussed with providers with the result that some of the creditor has proved not to be needed and has therefore been released to reduce the revenue position.

- +£0.180m Learning Disability Residential Care – this is primarily due to income being lower than expected.
- -£0.421m Learning Disability Domiciliary Care – just under £0.100m relates to the TDM issue already referred to within Older People Domiciliary Care, and a further £0.060m relates to re-phasing of expenditure against the Social Care Reform Grant.
- -£0.446m Learning Disability Supported Accommodation – £0.227m of this reduction relates to additional continuing healthcare funding for a placement following arbitration. The number of clients is also less than anticipated with a number of placements not now expected to start until the new financial year.
- -£0.114m Physical Disability Domiciliary Care – this is primarily as a result of releasing the balance of the creditor provision made in 2008-09 in respect of the TDM issue referred to above.
- -£0.161m All Adults Assessment & Related – this is mainly due to further slippage in posts funded through the Social Care Reform and the Learning Disability Campus Grant.
- -£0.115m Strategic Business Support – this is mainly due to further slippage in posts funded through the Social Care Reform and the Learning Disability Campus Grant.
- +£0.300m Specific Grant Income – this is because more grant income is being rolled forward as a receipt in advance to cover the costs that have re-phased in to 2010-11, as referred to above. Of this £0.170m relates to the Learning Disability Campus Grant and £0.130m relates to the Social Care Reform Grant.

Kent Adult Social Services 2009/10 Financial Outturn - Capital

4. (1) Table 2 identifies the planned and actual spend on all capital projects in 2009/10. Appendix 1 includes an extract from the report which went to Cabinet on 14 June 2010.

Table 2

Project Description	2009-10 Outturn			
	Original Published Budget	Approved Budget	Final Outturn	Variance from Budget
	£'000	£'000	£'000	£'000
<u>Rolling Programme</u>				
Asset Maintenance	691	532	377	-155
Home Support Fund	970	1,015	1,045	30
Rolling Programme Total	1,661	1,547	1,422	-125
<u>Approval To Spend</u>				
Learning Disability Development Fund	123	154	163	9
Edenbridge Community & Leisure Centre	209	23	24	1
Princess Christian Farm	614	614	549	-65
Crispe House-Refurbishment & Provision	94	52	2	-50
FAME	1,876	235	183	-52
Gypsy site Modernisation	0	43	43	0
Trinity Foyer	0	60	60	0
PFI Excellent Homes	1,200	0	0	0
Modernisation of Day Services for Physically Disabled People in NW Kent	0	109	51	-58
Beaney Centre	300	0	0	0
Broadmeadow Build	0	7	7	0
Community Care Centre Thameside-The Bridge	0	32	19	-13
Bower Mount Project	0	2	3	1
Public Access Development	282	159	106	-53
Rusthall	0	0	1	1
Approval To Spend-Total	4,698	1,490	1,211	-279
<u>Approval To Plan</u>				
Mental Health Single Capital Pot	100	3	-1	-4
Social & Healthcare Centre in Dartford	2,620	10	1	-9
IT Infrastructure Grant	388	388	291	-97
Approval To Plan-Total	3,108	401	291	-110
<u>Projects At Initial Planning Stage</u>				
Broadmeadow Extension	1,800	270	224	-46
Projects At Initial Planning Stage-Total	1,800	270	224	-46
PFI Lifecycle Costs	0	0	250	250
Overall Total	11,267	3,708	3,398	-310
Total Should be (Exc Big PFI) & as per June Cabinet	11,267	3,708	3,398	-310

(2) The movements from the original budget and the approved cash limit have been reported in monitoring during the year and the cash limits were changed when the capital programme in 2010/13 medium term plan was approved in February.

Kent Adult Social Services 2009/10 Debt

5. (1) The outstanding debt as at the end of March was £14.157m compared with January's figure of £15.054m (reported to Cabinet in March) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £1.643m of sundry debt compared to £2.521m in January. Also within the outstanding debt is £12.514m relating to Social Care (client) debt which is a small reduction of £0.019m from the last reported position. More detail is attached in Appendix 1 which shows an extract from the report which went to Cabinet on 14 June 2010.

Recommendations

6. (1) Members of the Policy Overview and Scrutiny Committee are asked to:
- a) NOTE the revenue and capital financial for outturn for 2009/10
 - b) Members are asked to consider how the POSC should contribute to the development of the 2011/12 budget and to agree that an Informal Member Group be asked to meet on a regular basis in order to get a fuller understanding of the implications of potential budget reductions and to report back to the full POSC.

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Background documents: None