

## 2.7 Kent Adult Social Services portfolio:

The latest forecast indicates a pressure of £1.619m, which is a small reduction of £0.044m since last month, however within this there are some larger offsetting movements which are detailed below. The forecast assumes that the savings identified in the MTP will be achieved, however in the future the forecast may need to be adjusted on a monthly basis to reflect any savings that are not achieved as predicted, although at this stage it is expected that these savings will be achieved. The Guidelines for Good Financial Practice, previously referred to as Management Action Plans were reported to Cabinet last month. Through these guidelines, the KASS directorate is wholly committed to delivering a balanced outturn position by the end of the financial year. The range of innovations implemented by the Directorate will also help to achieve this, for example telehealth and telecare, through the successful investment of the 'Whole Systems Demonstrator Programme', and extra care sheltered housing in the latter part of the year.

The movements over £0.1m this month are:

2.7.1 Older People -£0.323m – an increase in the underspend from £0.852m to £1.175m. The main movements are:

2.7.1.1 +£0.370m Residential Care – this has moved from an underspend of £0.042m to a pressure of £0.328m. Although the number of clients in a permanent placement has increased by 18 to 2,919, what is more significant is that normal residential placements have decreased by 10 but Older People Mental Health placements have increased by 28. These placements are more expensive so the impact on the financial forecast is exaggerated. The increasing number of people with higher needs or dementia is also impacting on the domiciliary budget as these clients are less likely to be able to remain at home.

2.7.1.2 -£0.257m Nursing Care – an increase in the underspend from £0.220m to £0.477m following a reduction of 14 permanent placements since last month and a minor reduction in the average cost per week.

2.7.1.3 -£0.331m Domiciliary Care – an increase in the underspend from -£0.142m to -£0.473m following review of actual costs and activity to date. Although the number of clients receiving packages of care from an independent sector provider has marginally increased from 6,696 to 6,708 the forecast remains well below the level afforded within the cash limit thus giving rise to the underspend. It was estimated that the number of clients in residential care would fall, with clients instead remaining in their own homes and receiving a domiciliary package, and as a consequence budget was transferred from residential care to domiciliary. However it may be the case that increasing numbers of clients with higher levels of need, particularly those with dementia, have no option but to go into residential care. The Domiciliary Care service remains the most volatile and difficult to monitor.

2.7.2 Learning Disability Care +£0.417m – an increase in the pressure from £1.759m to £2.176m. The main movements are:

2.7.2.1 +£0.204m Residential Care – an increase in the pressure from £1.624m to £1.828m. This includes estimates of costs for clients known to be coming into residential placements during the year ahead. The increase in the pressure this month is due to three new clients being forecast as well as increases in non-permanent/respite care and the average cost per week. Alongside demographic growth within this client group, there is increasing pressure relating to new and existing clients whose needs are becoming more complex. This is particularly true for those clients coming through transition from childhood. It should be noted that a significant amount of savings are still anticipated against this service line, predicated on clients moving to supported accommodation. This target will be monitored closely each month through the monitoring process.

2.7.2.2 +£0.178m Direct Payments – an increase in the pressure from £0.067m to £0.245m as the number of clients in receipt of a direct payment has increased from 365 last month to 388, which has had a very significant impact on the overall variance.

- 2.7.2.3 -£0.138m Supported Accommodation – this has moved from a pressure of £0.054m to an underspend of £0.084m. There continues to be discussion at a national level on what constitutes supported accommodation as there are many similarities with domiciliary care. This reduction should therefore be offset against an increase of £0.053m in Learning Disability domiciliary care. The reduction in the forecast is also related to the increase in Direct Payments as clients opt for a Direct Payment instead.
- 2.7.2.4 +£0.120m Other Services – this has moved from an underspend of £0.103m to a small pressure of £0.017m and results from revised estimates for daycare, supported employment and payments to voluntary organisations.
- 2.7.3 Physical Disability -£0.020m – a small overall reduction in the pressure from £0.548m to £0.528m but there are some larger offsetting movements:
- 2.7.3.1 +£0.208m Residential Care – an increase in the pressure from £0.711m to £0.919m following an increase to the forecast for non-permanent/respice care weeks. As reported to Cabinet last month, the residential budget has been adjusted with funding transferred to domiciliary, direct payments and supported accommodation to support current levels of clients and/or expected growth in these services.
- 2.7.3.2 -£0.142m Domiciliary Care – an increase in the underspend from -£0.068m to -£0.210m. This budget remains very difficult to forecast with great accuracy as it remains the most volatile activity line within the Directorate. As with Older People the forecast has been revised following a review of actual costs and activity to date. The adjusted budget gives an affordable level of activity which is currently in excess of actual demand. It is expected that this underspend will reduce over the course of the year as the Directorate tries to keep clients out of residential care.
- 2.7.4 Adults Assessment & Related (excluding Mental Health) -£0.108m – a reduction in the pressure from £0.607m to £0.499m following further savings through vacancy management.