

By: Angela Slaven. Director of Service Improvement Customer and Communities

To: Supporting People Commissioning Body 17 October 2011
re Strategy Group 20 March 2012

Subject: Finance Outturn – January 2011/12

Classification: Unrestricted

Summary

To report to members of the Supporting People Commissioning Body the projected financial outturn and the balance held on reserves for 2011/12 as at January 2012.

The forecast net expenditure to March 2012 has decreased significantly by £540k mainly as a result of receiving a formal challenge to the floating support tendering process. The service is currently forecasting an under-spend of £766k as follows:

	<u>Budget</u>	<u>Forecast</u>	<u>Variance</u>
	<u>£k</u>	<u>£k</u>	<u>£k</u>
Commissioned Services	30,976.7	30,316.0	(660.7)
Admin- Support Team	659.0	553.8	(105.2)
Total	31,635.7	30,869.8	(765.9)

1. Report

The following report and attached appendices provide a summary overview of the projected expenditure and drawdown on reserves for KCC – Supporting People as at January 2011/12.

2. Commissioned Services,

- (1) The forecast contracted expenditure to March 2012 has decreased £496k in January to £30.3m as a result of:
 - I. KCC receiving a formal challenge on the process of retendering of floating support services - £556k. The new contracts were due to commence beginning of February 2012 but will now be retendered from October 2012.

II. Provision for back payment to a service provider 777 alarm units (£60k) from April 2011.

(2) A summary of the forecast outturn by service type is provided in Appendix (1).

3. Supporting People Team

(1) The support team forecast outturn has also decreased this month by £45k to £554k following a revision of agency and finance support costs.

4. Reserve Balances.

(1) Appendix (1) provides a summary overview of the reserve balances for 2011/12. KCC core budget for 2011/12 is £29.8m and with net forecast expenditure totalling £30.8m the estimated drawdown on reserves is £0.95m. This leaves an estimated £2.2m on account at yearend of which £0.5m has been allocated to support the HIA contracts in 2012/13.

5. Recommendations

- (1) The Supporting People Commissioning Body is asked to note:
- The above report and Appendix (1)
 - Forecast expenditure to March 2012 of £30.8m with an estimated drawdown on reserves for 2011/12 of £0.95m
 - Estimated balance on reserves at year end is £2.2m of which £0.5m is committed in 2012/13

Contact details:

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1.) Commissioned Services - Forecast Outturn as at January 2012

Data	Community Alarms	Extra Care	Floating Support Service	HIA	Long Term	Sheltered	Short Term Accomodation	Grand Total
Budget	871.0	470.5	5,893.7	1,578.7	5,675.1	3,538.4	12,949.3	30,976.7
Forecast Outturn	878.8	470.5	6,399.5	1,578.7	5,518.7	3,700.6	11,769.3	30,316.0
Variance - £k	7.8	0.0	505.8	0.0	(156.3)	162.1	(1,180.1)	(660.6)

2.) Finance Summary**2.1) Summary Outturn 2011/12**

	Commissioned Services £k	Commissioning Team £k	Total £k
Gross Expenditure (January)	30,316.0	553.8	30,870
<i>Income</i>			
KCC Area Base Grant	(29,821)		(29,821)
Prior year repayment	(96)		(96)
			0
Drawdown From Reserves	398.6	553.8	952.4

2.2) Reserves Balances

	2011/12 £k
Opening Balance	3,178
Drawdown 2011/12	
<i>Estimated commitments:</i>	
Commissioned Services	(952)
Locator contribution (to be confirmed)	(11)
Forecast Closing Balance	2,214.8