

TO: Social Care & Public Health Cabinet Committee –
11th January 2013

BY: Graham Gibbens, Cabinet Member for Adult Social Care and
Public Health
Jenny Whittle, Cabinet Member for Specialist Children’s Services
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SUBJECT: Families & Social Care Directorate (Adult Social Care & Public Health
Portfolio & Specialist Children’s Services Portfolio) Financial
Monitoring 2012/13

Classification: Unrestricted

Summary:

Members of the Cabinet Committee are asked to note the second quarter’s full budget monitoring report for 2012/13, reported to Cabinet on 3 December 2012.

FOR INFORMATION

1. Introduction:

1.1 This is a regular report to this Committee on the forecast outturn for Families & Social Care Directorate (Adult Social Care & Public Health Portfolio & Specialist Children’s Services Portfolio).

2. Background:

2.1 A detailed quarterly monitoring report is presented to Cabinet, usually in September, December and March and a draft final outturn report in either June or July. These reports outline the full financial position for each portfolio and will be reported to Cabinet Committees after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report. The Families & Social Care directorate annexes (one for Children’s Services and one for Adult Services) from the second quarter’s monitoring report for 2012/13 are attached.

3. Families & Social Care Directorate/Portfolio 2012/13 Financial Forecast - Revenue

3.1 There are no exceptional revenue changes since the writing of the attached quarter 2 report.

3.2. The table below shows a summary of the overall forecast position for the FSC directorate at the end of the second quarter of 2012-13:

Portfolio	Forecast Variance £m
Specialist Children’s Services (excl EY)*	+8.283
Adult Social Care & Public Health	-2.697
Directorate Total	+5.586

* The Early Years and Childcare budget line is within the remit of the Education Cabinet Committee and not the Social Care & Public Health Cabinet Committee

3.3. The table below summarise the forecast variances for Specialist Children's Services.

	<u>Variance</u> <u>£m</u>
Looked After - Residential Care	+2.269
- Fostering	+3.307
- Legal Costs	+0.285
Adoption	+0.432
Children's Staffing	+0.156
Safeguarding	+0.143
Preventative Services	-1.507
Leaving Care	-0.078
Directorate Mgt & Support	-0.084
Asylum	+3.000
Children's Centres	+0.360
Specialist Children's Service Total	+8.283

The detail and reasons of these variances can be found in the full monitoring report (Annex 2) attached, between pages 4 and 20.

3.4 The table below summarise the forecast variance for Adult Social Care and Public Health.

	<u>Variance</u> <u>£m</u>
Older People	-0.619
Physical Disability	-1.350
Learning Disability	-0.455
Mental Health	-0.113
Assessment of Vulnerable Adults	-0.452
Safeguarding	-0.054
Directorate & Management Support	+0.346
Public Health	0.000
Adult Social Care & Public Health Total	-2.697

The detail and reasons of these variances can be found in the full monitoring report (Annex 3) attached, between pages 21 and 49.

4. Families & Social Care Directorate/Portfolio 2012/13 Financial Forecast - Capital

4.1 There are no capital movements from the attached quarter 2 report.

4.2 The table below shows a summary of the overall forecast position for the FSC directorate at the end of the second quarter of 2012-13:

	Portfolio		TOTAL £m
	Adult Social Care & Public Health £m	Specialist Children's Services £m	
Unfunded variance	0.000	+1.118	+1.118
Funded variance	+0.030	0.000	+0.030
Variance to be funded from revenue	0.000	+0.066	+0.066
Project underspend	0.000	0.000	0.000
Re-phasing (beyond 2012/15)	-1.418	0.000	-1.418
Total variance	-1.388	+1.184	-0.204

5. Social Care Debt Monitoring

5.1 The latest position on social care debt can be seen in Annex 3 attached (Pages 48 – 49)

6. Recommendations

6.1 Members of the Social Care & Public Health Cabinet Committee are asked to note the revenue and capital forecast variances from budget for 2012/13 for the Families & Social Care Directorate (Adult Social Care & Public Health and Specialist Children's Services Portfolios) based on the second quarter's full monitoring to Cabinet.

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Background documents: *none*

**FAMILIES & SOCIAL CARE DIRECTORATE SUMMARY
CHILDREN'S SERVICES SUMMARY
SEPTEMBER 2012-13 FULL MONITORING REPORT**

1. FINANCE**1.1 REVENUE**

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered "technical adjustments" ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits for the A-Z service analysis have been adjusted since the quarter 1 report to reflect the agreed split of the Early Years and Childcare budget, with a transfer of -£3.192m from the SCS portfolio within this directorate to the ELS portfolio/directorate reported in annex 1, leaving only the budget for 'Children's Centre Development' within the SCS portfolio within this directorate. There have also been a number of other technical adjustments to budget.
- The inclusion of a number of 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 to the executive summary.

1.1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Specialist Children's Services portfolio							
Strategic Management & Directorate Support Budgets	4,436	-175	4,261	-84		-84	
<u>Children's Services:</u>							
- Education & Personal							
- Children's Centres	17,630	0	17,630	475	-115	360	Various
- Early Years & Childcare	533	0	533	-300		-300	release of uncommitted budget
- Virtual School Kent	2,641	-704	1,937	56	-6	50	
	20,804	-704	20,100	231	-121	110	
- Social Services							
- Adoption	8,321	-49	8,272	432		432	Increase in placements, SGO
- Asylum Seekers	14,901	-14,621	280	123	2,877	3,000	forecast shortfall in funding, awaiting resolution with Govt
- Children's Support Services	2,480	-1,043	1,437	107	55	162	OOH team staffing
- Fostering	34,320	-237	34,083	3,312	-5	3,307	Increase in demand reduced unit cost, enhanced payments, related reward payment, increase in staffing
- Leaving Care (formerly 16+)	5,127	0	5,127	-78		-78	
- Legal Charges	6,315	0	6,315	285		285	Increased demand
- Preventative Children's Services	19,537	-4,370	15,167	-1,507		-1,507	reduction in S17 payments, MASH lease, delay in investment in prevention strategy spend
- Residential Children's Services	13,750	-2,144	11,606	2,307	-38	2,269	Increase in weeks/lower unit cost, high cost placements

The Early Years and Childcare line is shaded out as this is within the remit of the Education Cabinet Committee and not the Social Care & Public Health Cabinet Committee.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Safeguarding	4,637	-316	4,321	178	-35	143	Staffing
	109,388	-22,780	86,608	5,159	2,854	8,013	
<u>Assessment Services</u>							
- Children's Social Care Staffing	39,172	-819	38,353	-73	17	-56	
Total SCS portfolio	173,800	-24,478	149,322	5,233	2,750	7,983	
Assumed Management Action							
- SCS portfolio						0	
Forecast after Mgmt Action				5,233	2,750	7,983	

1.1.3 Major Reasons for Variance: *[provides an explanation of the 'headings' in table 2]*

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

Specialist Children's Services portfolio:

Specialist Children's Services is currently going through a restructure and cash limits will need to be realigned later in the year once the new structure is finalised and in place. This will impact on the variances reflected within this report against the individual budget lines of the SCS Portfolio, but not on the overall position for the portfolio.

1.1.3.1 Children's Centres: Net +£360k (+£475k Gross, -£115k Income)

There is a forecast gross pressure on Children's Centres of +£360k, this is due to various small variances spread over the 97 centres. We are in the process of reviewing this pressure. There is also a further gross pressure of +£115k which has a corresponding income variance -£115k, which relates to where the centres receive income for shared costs, rental of rooms, activities etc, all of which also incur expenditure.

1.1.3.2 Early Years & Childcare: Gross -£300k

An underspend of -£300k has been forecast on the Early Years, Children's centre development team from the release of uncommitted budget to offset pressures elsewhere within SCS.

1.1.3.3 Adoption: Gross +£432k

The current forecast variance of +£432k includes a pressure of +£168k for an increase in the cost of placements. In addition, there is a pressure of +£264k relating to special guardianship orders (SGO), this is due to the need to secure a permanent placement for a child where adoption is not suitable or required.

1.1.3.4 Asylum Seekers – Net +£3,000k (+£123k gross, +£2,877k income)

We are now forecasting a potential net pressure of £3,000k against the Asylum Service. This pressure is in respect of both unaccompanied asylum seeking children and those eligible under the care leaving legislation.

At this stage Kent is still to receive notification of the Gateway Grant, but this reported position assumes the same level of funding as we received in 2011-12.

Kent, along with Hillingdon and Solihull Councils, have jointly written to the Minister of State for Immigration expressing their continued frustration of not being able to agree a resolution that ensures adequate funding levels.

Until there is more certainty around a resolution it is prudent to report this pressure, but at time of writing no response had been received from the Minister. The council will continue to press the government vigorously, along with other key affected councils, to agree a means of funding which enables the Council to meet its obligations to the young people affected, but which is also fair to local residents.

1.1.3.5 Children's Support Services: Net +£162k (+£107k Gross, +£55k Income)

There is a forecast pressure on staffing of +£150k which is for the Out of Hours team, there are also other small gross variances of -£43k, and a small income variance of +£55k.

1.1.3.6 Fostering: Net +£3,307k (+£3,312k Gross, -£5k Income)

Non-related fostering (in house) is forecasting a gross pressure of +£656k, as a result of the forecast number of weeks of service being 1,065 higher than the affordable level of 54,872, this generates £402k of current pressure. Additionally the unit cost being -£2.57 lower than previously estimated when setting the cash limit has reduced the pressure by -£150k. There are also provisions within this forecast of +£186k for the potential implications of enhanced payments for carers of disabled children and +£235k of costs which were originally included within the Section 17 budget, but have been re-classified as fostering costs (see section 1.1.3.9). There are also various small underspends totalling -£17k, and a small income variance of -£5k.

Independent fostering is forecasting a gross pressure of +£2,328k. Again this is as a result of an increase in weeks support, which is 3,176 higher than the affordable level of 6,152 and results in a pressure of +£2,897k. However, the average weekly cost is £92.71 lower than budgeted, and this reduces the total pressure by -£569k

A gross underspend of -£577k is forecast on Kinship non LAC which is due to reduced demand. This reduction in spend has resulted in an increase in the SGO forecast of +£264k (in section 1.1.3.3 above) and +£320k on related foster payments (see below), and other small variances of -£7k.

There is a forecast gross pressure on Related foster payments of +£757k, of which +£437k is due to new legislation that came into effect on the 1st April 2011 which requires Local Authorities to pay reward payments to related foster carers. Kent's policy was that related carers only receive the maintenance element, whereas non-related carers receive both a maintenance and a fee element. At the time of calculating pressures for the 2012-13 budget Kent felt that this legislation was ambiguous, and sought legal advice to clarify our position. We have since had confirmation that we must apply this. The remaining +£320k is due to an increase in demand resulting from the drive to move children from Kinship to Related foster payments (and SGO see section 1.1.3.3).

The county fostering team is forecasting a gross pressure of +£148k, due to an increase in the number of staff following the restructure.

1.1.3.7 Leaving Care (formerly 16+): Gross -£78k

An underspend of -£477k is forecast on leaving care/Section 24. This is partly due to fewer than anticipated 16-18 year olds using this service as they are remaining in foster care, and also stricter controls around S24 payments (*assistance provided to a child aged 16+ who leaves local authority care*). There is also a forecast pressure of +£295k due to a VAT liability dating back to 2009 relating to the contract with Catch 22. In addition there are other small variances totalling +£104k.

1.1.3.8 Legal Charges: Gross +£285k

There is a pressure forecast on the legal budget of +£285k, of which +£135k is due to demand being greater than that budgeted for and +£150k is spend which has moved from the Section 17 budget (see section 1.1.3.9)

1.1.3.9 Preventative Children's Services: Gross -£1,507k

There is a forecast underspend of -£929k on the Section 17 (*Provision of services for children in need, their families and others*) budget. -£235k of this is due to spend being re-classified as fostering costs and a further -£150k has been re-classified as legal costs, both of which had previously been classified as Section 17. These costs are now included in sections 1.1.3.6 and 1.1.3.8 respectively. Please note that budgets will be realigned as part of the SCS restructure to reflect this change in classification. A further underspend has been forecast of -£565k due to management action and more detailed guidance being issued to district teams on when they can make Section 17 payments. There are also other small gross variances of +£21k on the section 17 budget.

There is a forecast underspend of -£140k on Independent sector day care and short breaks as a result of renegotiated day care costs.

Independent sector day care and short breaks for disabled children has a forecast underspend of -£358k, of which there is an underspend of -£500k on core activity as a result of a shift to providing direct payments instead (see below). In addition there is a forecast pressure of +£188k due to lease charges on the MASH (Multi Agency Specialist Hubs). There are other small variances totalling -£46k on independent sector day care for disabled children.

There is a forecast underspend of -£500k on the investment in prevention strategy budget allocated in the 12-15 MTFP due to a delay in the business cases and projects.

Direct payments has a forecast pressure of +£492k, this is due to the number of forecast weeks being 5,845 higher than budgeted, and the forecast rate being £7.25 higher than the budgeted rate.

There are also other small variances totalling -£72k

1.1.3.10 Residential Children's Services: Net +£2,269k (+£2,307k Gross, -£38k Income)

Of the pressure within residential services, +£2,022k (+£1,875k Gross, +£147k Income) relates to non disabled independent sector residential provision. The forecast number of weeks of service is 796 higher than the affordable level of 1,892, which generates +£2,369k of current pressure. Additionally the unit cost being -£261.30 lower than previously estimated when setting the cash limit has reduced this pressure by -£494k. The income variance of +£147k is due to a reduction in income for placements from health.

The budget for independent residential care for disabled children is showing a pressure of +£321k (+£297k Gross, +£24k Income). This is due to an increase in high cost placements of +£425k, and an underspend of -£128k due to a reduction in the overall number of placements. There is also a small income variance of +£24k.

KCC residential care for disabled children shows a forecast underspend of -£230k. Of this, -£211k is due to an increase in income from District Health Authorities for an increased number of children attracting external income. The expenditure related to the DHA income is offset by lower than expected expenditure generally. There are other small gross variances totalling -£19k

There is a further forecast gross variance on Residential care for Non-LAC of +£81k due to an increase in placements, and a small income variance of +£2k.

There is also a small gross pressure forecast on secure accommodation of +£73k

1.1.3.11 Safeguarding: Gross Net +£143k (+£178k Gross, -£35k Income)

The safeguarding service is projecting a pressure of +£178k on staffing, this will be resolved as part of the SCS restructure. There is also a small income variance of -£35k

1.1.3.12 Assessment Services – Children's social care staffing – -£56k (-£73k Gross, +£17k income)

There is currently a forecast pressure on this budget of +£1,279k for the new county referral unit which has been set up in advance of the main restructure. However this is now being offset by a forecast underspend of -£1,352k on other staffing, which will be resolved as part of the SCS restructure. There is also a small income variance of +£17k.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER

(shading denotes that a pressure has an offsetting saving, which is directly related, or vice versa)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
SCS	Asylum - forecast shortfall in funding, awaiting resolution with Government	+3,000	SCS	Children's social care staffing - Gross - Staffing	-1,352
SCS	Fostering - Gross - Independent - forecast weeks higher than budgeted	+2,897	SCS	Fostering - Gross - Independent - forecast unit cost lower than budgeted	-569
SCS	Residential - Gross - Non Dis Independent Sector - forecast weeks higher than budgeted	+2,369	SCS	Preventative Children's services - Gross - management action and more detailed guidance on Section 17 payments	-565
SCS	Children's social care staffing - Gross - New County Referral Unit	+1,279	SCS	Preventative Children's services - Gross - Independent sector day care dis - reduction in core activity due to a shift to direct payments	-500
SCS	Preventative Children's services - Gross - Direct Payments - Forecast weeks/unit costs higher than budgeted (shift from Ind day care disability)	+492	SCS	Preventative Children's services - Gross - delay in investment in prevention strategy spend	-500
SCS	Fostering - Gross - Related foster payments - increase in reward payments	+437	SCS	Residential - Gross - Non Dis Independent Sector - forecast unit cost lower than budgeted	-494
SCS	Residential - Gross - Dis Independent Sector - Increase in high cost placements	+425	SCS	Leaving care - Gross - decrease in demand as 16-18 yr olds remaining in foster care, stricter controls around S24 payments	-477
SCS	Fostering - Gross - Non-related in house - forecast weeks higher than budgeted	+402	SCS	Fostering - Gross - Kinship non LAC - move to related fostering	-320
SCS	Children's centres - Gross - Various small overspends	+360	SCS	Early Years - Gross - Children's centre development team - release of uncommitted budget	-300
SCS	Fostering - Gross - Related foster payments - drive to move children from Kinship to Related Fostering	+320	SCS	Fostering - Gross - Kinship non LAC - move to SGO	-264
SCS	Leaving care - Gross - VAT liability	+295	SCS	Preventative Children's services - Gross - Costs re-classified as fostering	-235
SCS	Adoption - Gross - Increase in Special Guardianship Orders	+264	SCS	Residential - Gross - KCC residential - increase in income from District Health Authorities	-211
SCS	Fostering - Gross - Non-related in house - fostering costs moved from S.17	+235	SCS	Preventative Children's services - Gross - Costs re-classified as legal costs	-150
SCS	Preventative Children's services - Gross - increased cost of MASH due to lease changes	+188	SCS	Fostering - Gross - Non-related in house - forecast unit cost lower than budgeted	-150
SCS	Fostering - Gross - Non-related in house - enhanced payments for carers of disabled children	+186	SCS	Preventative Children's services - Gross - Independent sector day care non dis- renegotiated day care rate	-140
SCS	Safeguarding - Gross - staffing	+178	SCS	Residential - Gross - Dis Independent Sector - reduction in the overall number of placements	-128

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
SCS	Adoption - Gross - Increase in cost of placements	+168	SCS	Children's centres - Income - Various income for utilities, activities etc	-115
SCS	Children's Support Services - Gross - Staffing (Out of Hours Team)	+150			
SCS	Legal Charges - Gross - costs moved from S.17	+150			
SCS	Fostering - Gross - County fostering team - increase in number of staff	+148			
SCS	Residential - Income - Non Dis Independent Sector - reduction in income for placements from Health	+147			
SCS	Legal Charges - Gross - increased demand	+135			
SCS	Children's centres - Gross - Various spend on utilities, activities etc	+115			
		+14,340			-6,470

1.1.4 Actions required to achieve this position:

Although there was a continued increase of looked after children between April and June, it is anticipated that a number of control measures and early intervention services which have been put in place should mean that costs overall will begin to reduce, as well as a new staffing structure. There is evidence that the looked after children numbers of children in care have begun to reduce in the second quarter as illustrated in section 2.1, however it is too early to confirm whether this trend will continue.

1.1.5 Implications for MTFP:

The 2013-14 budget proposals that went out for consultation had significant savings targets associated with the Looked After Children Strategy and a fundamental transformation of procedures in Children's Services. Those targets assume that the 2012-13 budget for Specialist Children's Services does not overspend.

However, as the quarter 2 position, excluding Asylum, has only improved slightly from the position reported in quarter 1, with a £4.983m pressure still reported (and a further £3m pressure reported for Asylum), there must be concern that the savings targets in the 2013-14 budget proposals that went for consultation are not achievable in full. This position is being closely monitored in order that the final proposed budget reflects a realistic forecast of spending in 2013-14.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 Details of proposals for residual variance:

Controls have been put in place which we believe will help to reduce some of this financial pressure during the year, these include:

- *Access to Resource Panels chaired by Assistant Directors, to ensure that there is consistent decision making with regard to new placements for children in care.*
- *Placement Panels to review the status and placement of current children in care.*
- *New guidance and expenditure limits applied to Section 17 expenditure and transport costs.*
- *New commissioning framework being drawn up to reduce the costs of Independent Fostering placements.*
- *Recruitment of more in-house foster carers and potential adopters.*
- *Better contract management.*
- *Improved joint working with Legal through a Service Level Agreement.*

Structural changes are being implemented which will ensure that there are smaller teams with better management oversight, and clearer delineated accountability for case work decisions. New Access to Resources Team is being established, which will help maximise commissioning potential, and ensure best value.

In addition to the above, new commissioning frameworks have been developed for Early Intervention Services and Disabled Children’s Services which will enhance early intervention, and therefore reduce the need for ongoing higher costs.

1.2 CAPITAL

1.2.1. All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

1.2.2 The Specialist Childrens Services portfolio has an approved budget for 2012-15 of £0.769m (see table 1 below). The forecast outturn against this budget is £1.953m, giving a variance of £1.184m. After adjustments for funded variances and reductions in funding, the revised variance comes to £1.118m (see table 3).

1.2.3 Tables 1 to 3 summaries the portfolio’s approved budget and forecast.

1.2.4 Table 1 – Revised approved budget

	£m
Approved budget last reported to Cabinet	0.769
Approvals made since last reported to Cabinet	0.000
Revised approved budget	0.769

1.2.5 Table 2 – Funded and Revenue Funded Variances

Scheme	Amount £m	Reason
Cabinet to approve cash limit changes		
No cash limit changes to be made		
Ashford, Thanet & Swale MASH	0.006	Revenue contribution
Self Funded Projects - Quarry fields	0.060	Revenue contribution
Total	0.066	

1.2.6 Table 3 – Summary of Variance

	Amount £m
Unfunded variance	1.118
Funded variance (from table 2)	0.000
Variance to be funded from revenue (from table 2)	0.066
Rephasing (beyond 2012-15)	0.000
Total variance	1.184

Main reasons for variance

- 1.2.7 Table 4 below, details each scheme indicating all variances and the status of the scheme. Each scheme with a Red or Amber status will be explained including what is being done to get the scheme back to budget/on time.

1.2.8 Table 4 – Scheme Progress

Scheme Name	Total approved budget	Previous Spend	2012-15 approved budget	Later Years approved budget	2012-15 Forecast Spend	Later Years Forecast Spend	2012-15 Variance	Total Project Variance	Status Red/Amber/Green
	£m	£m	£m	£m	£m	£m	£m	£m	
	(a) = b+c+d	(b)	(c)	(d)	(e)	(f)	(g) = e-c	(h) = b+e+f-a	
Ashford, Thanet & Swale MASH	15.826	15.843	-0.017	0.000	1.107	0.000	1.124	1.124	Amber - Overspend
TSB2 Short Breals Pathfinder Programme	0.532	0.117	0.415	0.000	0.415	0.000	0.000	0.000	Green
Early Years & Childrens Centres	41.955	41.901	0.054	0.000	0.054	0.000	0.000	0.000	Green
Self Funded Projects (Quarryfields)	0.264	0.198	0.066	0.000	0.126	0.000	0.060	0.060	Green
Service Redesign	0.251	0.000	0.251	0.000	0.251	0.000	0.000	0.000	Green
TOTAL Specialist Childrens Services	58.828	58.059	0.769	0.000	1.953	0.000	1.184	1.184	

1.2.8 Status:

Green – Projects on time and budget

Amber – Projects either delayed or over budget

Red – Projects both delayed and over budget

1.2.9 Assignment of Green/Amber/Red Status

1.2.10 Projects with variances to budget will only show as amber if the variance is unfunded, i.e. there is no additional grant, external or other funding available to fund.

1.2.11 Projects are deemed to be delayed if the forecast completion date is later than what is in the current project plan.

Amber and Red Projects – variances to cost/delivery date and why

1.2.12 MASH - Latest MASH estimates show a forecast variance of £1.124m in 2012-13. This reflects a continuing pressure and has increased by £0.024m since last reported to Cabinet mainly due to additional consultancy fees. £0.006m of the overspend is to be funded from a revenue contribution, and there is anticipated external funding of £0.800m which is awaiting confirmation from the NHS. If this is forthcoming there remains an unfunded variance of £0.318m, the funding of which is yet to be resolved.

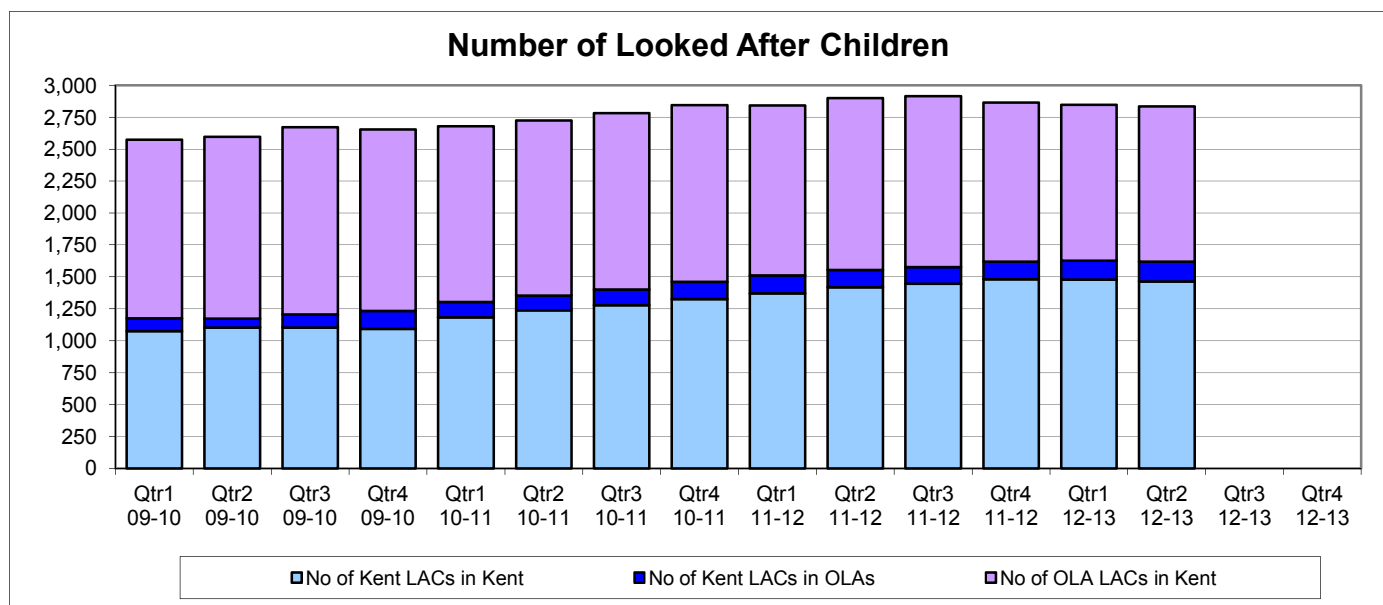
Key issues and Risks

1.2.13 MASH – until the funding of £0.800m is confirmed from the NHS there is a risk around this.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Numbers of Looked After Children (LAC) (excluding Asylum Seekers):

	No of Kent LAC placed in Kent	No of Kent LAC placed in OLAs	TOTAL NO OF KENT LAC	No of OLA LAC placed in Kent	TOTAL No of LAC in Kent
2009-10					
Apr – Jun	1,076	100	1,176	1,399	2,575
Jul – Sep	1,104	70	1,174	1,423	2,597
Oct – Dec	1,104	102	1,206	1,465	2,671
Jan – Mar	1,094	139	1,233	1,421	2,654
2010-11					
Apr – Jun	1,184	119	1,303	1,377	2,680
Jul – Sep	1,237	116	1,353	1,372	2,725
Oct – Dec	1,277	123	1,400	1,383	2,783
Jan – Mar	1,326	135	1,461	1,385	2,846
2011-12					
Apr – Jun	1,371	141	1,512	1,330	2,842
Jul – Sep	1,419	135	1,554	1,347	2,901
Oct – Dec	1,446	131	1,577	1,337	2,914
Jan – Mar	1,480	138	1,618	1,248	2,866
2012-13					
Apr – Jun	1,478	149	1,627	1,221	2,848
Jul – Sep	1,463	155	1,618	1,216	2,834
Oct – Dec					
Jan – Mar					



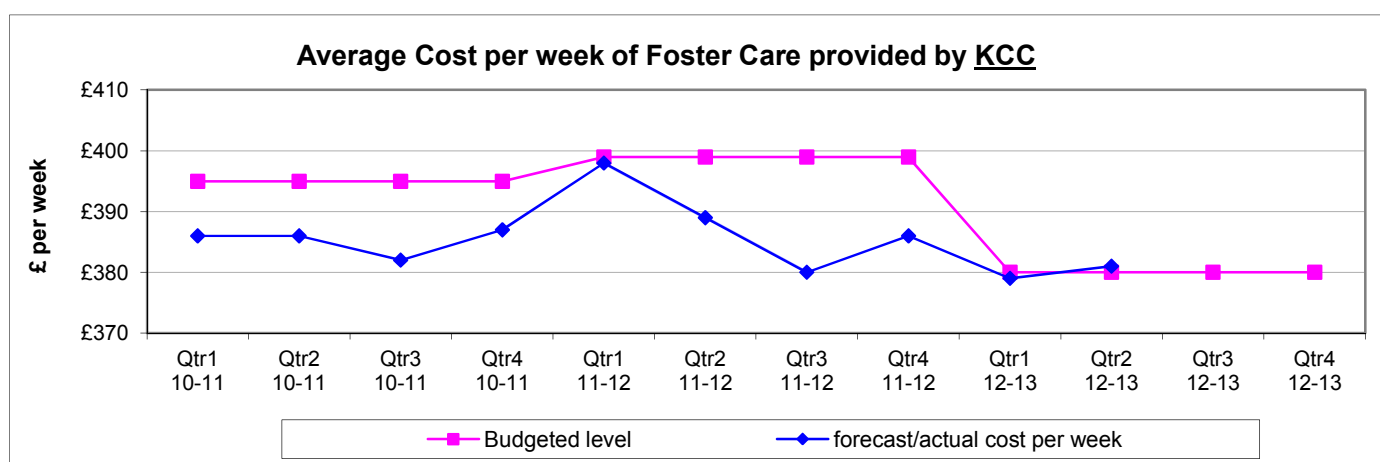
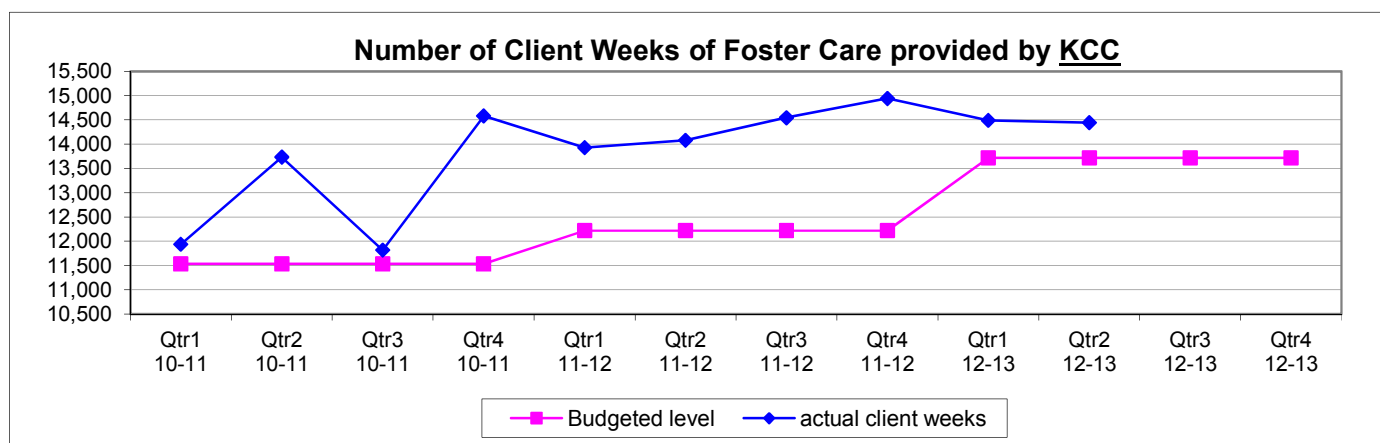
Comments:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken.
- The number of looked after children for each quarter represents a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore although the number of Kent looked after children has reduced by 9 this quarter, there could have been more (or less) during the period.
- The increase in the number of looked after children since the 12-13 budget was set has placed additional pressure on the services for looked after children, including fostering and residential care.

- The OLA LAC information has a confidence rating of 75% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.

2.2.1 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC:

	2010-11				2011-12				2012-13			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget Level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	forecast
Apr - June	11,532	11,937	£395	£386	12,219	13,926	£399	£398	13,718	14,487	£380	£379
July - Sep	11,532	13,732	£395	£386	12,219	14,078	£399	£389	13,718	14,440	£380	£377
Oct - Dec	11,532	11,818	£395	£382	12,219	14,542	£399	£380	13,718		£380	
Jan - Mar	11,532	14,580	£395	£387	12,219	14,938	£399	£386	13,718		£380	
	46,128	52,067	£395	£387	48,876	57,484	£399	£386	54,872	28,927	£380	£377



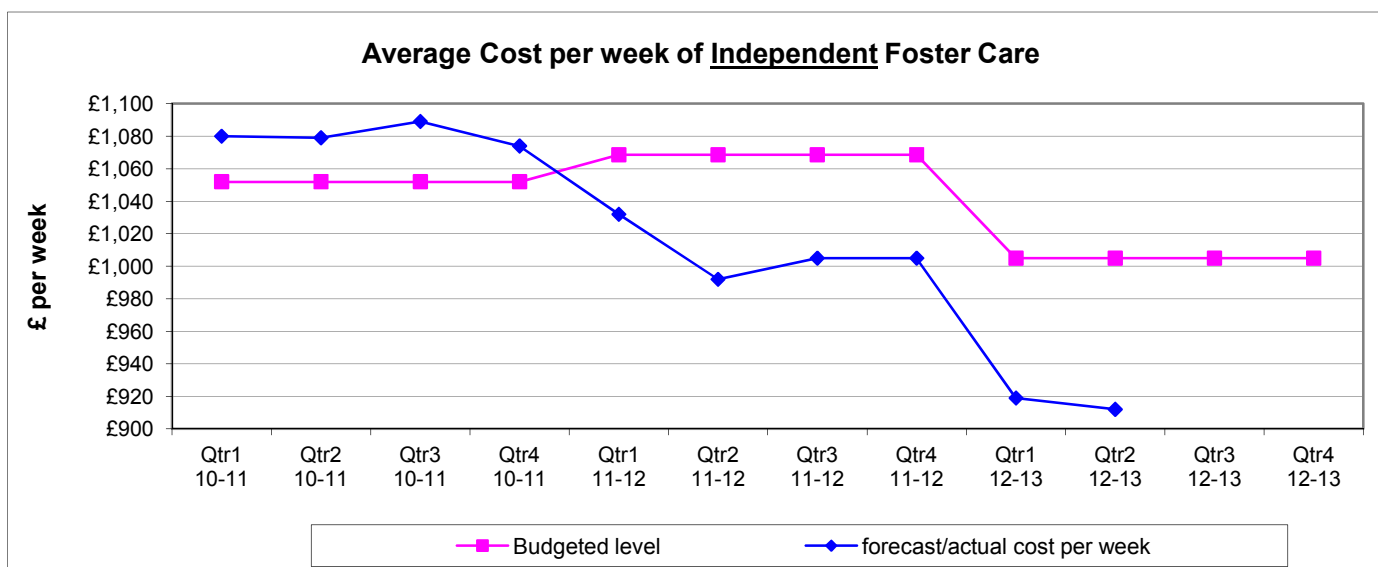
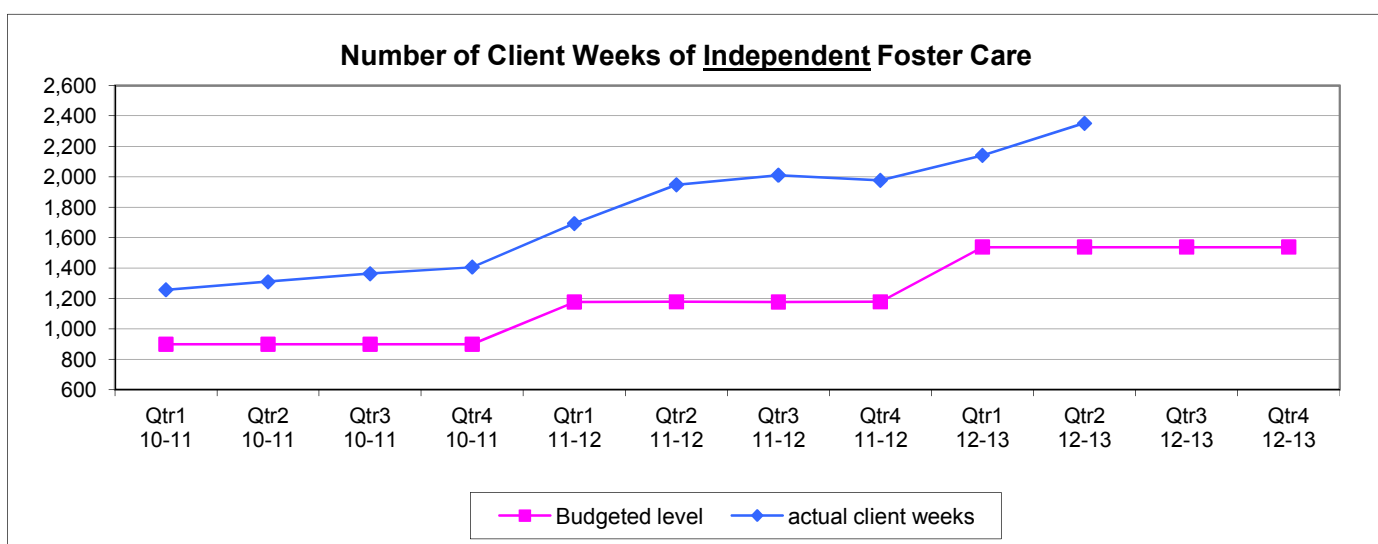
Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- In addition, the 2012-13 budgeted level represents the level of demand as at the 2011-12 3rd quarter's full monitoring report, which is the time at which the 2012-13 budget was set and approved. However, since that time, the service has experienced continued demand on this service.

- The forecast number of weeks is 55,937 (excluding asylum), which is 1,065 weeks above the affordable level. This forecast number of weeks is lower than the YTD activity would suggest due to an anticipated reduction in the number of children in in-house fostering for the remainder of the year in response to the controls put in place to help reduce the pressures on the SCS budgets (see section 1.1.7), and problems finding suitable in-house placements. At the forecast unit cost of £377.25 per week, this increase in activity gives a pressure of £402k.
- The forecast unit cost of £377.25 is -£2.75 below the budgeted level and when multiplied by the budgeted number of weeks, gives an underspend of -£150k.
- Overall therefore, the combined gross pressure on this service for both under and over 16's (and those with a disability) is +£252k (£402k - £150k), as reported in sections 1.1.3.6.

2.2.2 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care:

	2010-11				2011-12				2012-13			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget Level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	forecast
Apr - June	900	1,257	£1,052	£1,080	1,177	1,693	£1,068.60	£1,032	1,538	2,141	£1,005	£919
July - Sep	900	1,310	£1,052	£1,079	1,178	1,948	£1,068.60	£992	1,538	2,352	£1,005	£912
Oct - Dec	900	1,363	£1,052	£1,089	1,177	2,011	£1,068.60	£1,005	1,538		£1,005	
Jan - Mar	900	1,406	£1,052	£1,074	1,178	1,977	£1,068.60	£1,005	1,538		£1,005	
	3,600	5,336	£1,052	£1,074	4,710	7,629	£1,068.60	£1,005	6,152	4,493	£1,005	£912

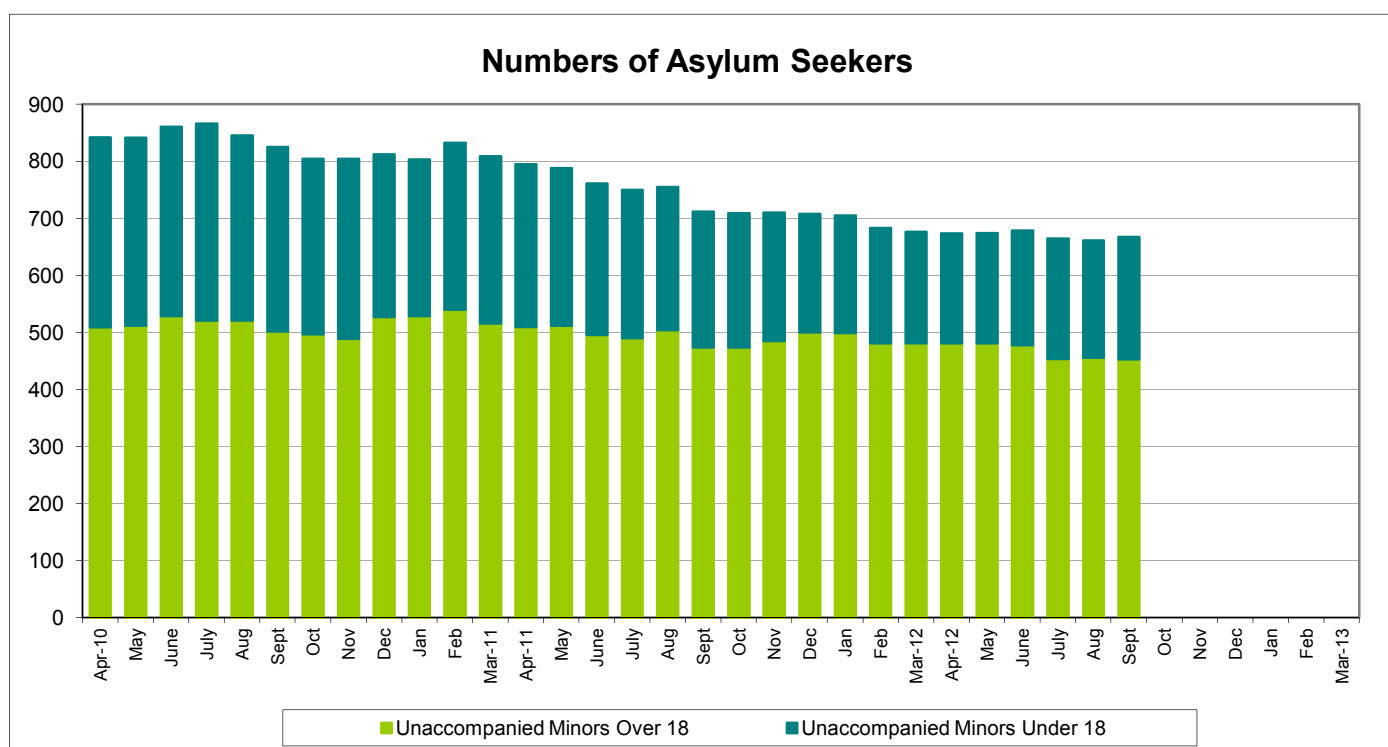


Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- For the 2012-13 budget further significant funding has been made available based on the actual level of demand at the 3rd quarter's monitoring position for 2011-12, the time at which the 2012-13 budget was set and approved. However, since that date the service has experienced continued demand on this service.
- The forecast number of weeks is 9,328 (excluding asylum), which is 3,176 weeks above the affordable level. The forecast number of weeks is higher than the YTD activity would suggest due to an increase in the number of IFA placements reflecting the difficulty in finding in-house placements. At the forecast unit cost of £912.29, this increase in activity give a pressure of £2,897k.
- The forecast unit cost of £912.29 is an average and is -£92.71 below the budgeted level and when multiplied by the budgeted number of weeks gives a saving of -£569k
- Overall therefore, the combined forecast gross pressure on this service and is +£2,328k (+£2,897k increased demand and -£569k lower unit cost), as reported in sections 1.1.3.6.

2.3 Numbers of Unaccompanied Asylum Seeking Children (UASC):

	2010-11			2011-12			2012-13		
	Under 18	Over 18	Total Clients	Under 18	Over 18	Total Clients	Under 18	Over 18	Total Clients
April	333	509	842	285	510	795	192	481	673
May	329	512	841	276	512	788	193	481	674
June	331	529	860	265	496	761	200	478	678
July	345	521	866	260	490	750	210	454	664
August	324	521	845	251	504	755	205	456	661
September	323	502	825	238	474	712	214	453	667
October	307	497	804	235	474	709			
November	315	489	804	225	485	710			
December	285	527	812	208	500	708			
January	274	529	803	206	499	705			
February	292	540	932	202	481	683			
March	293	516	809	195	481	676			

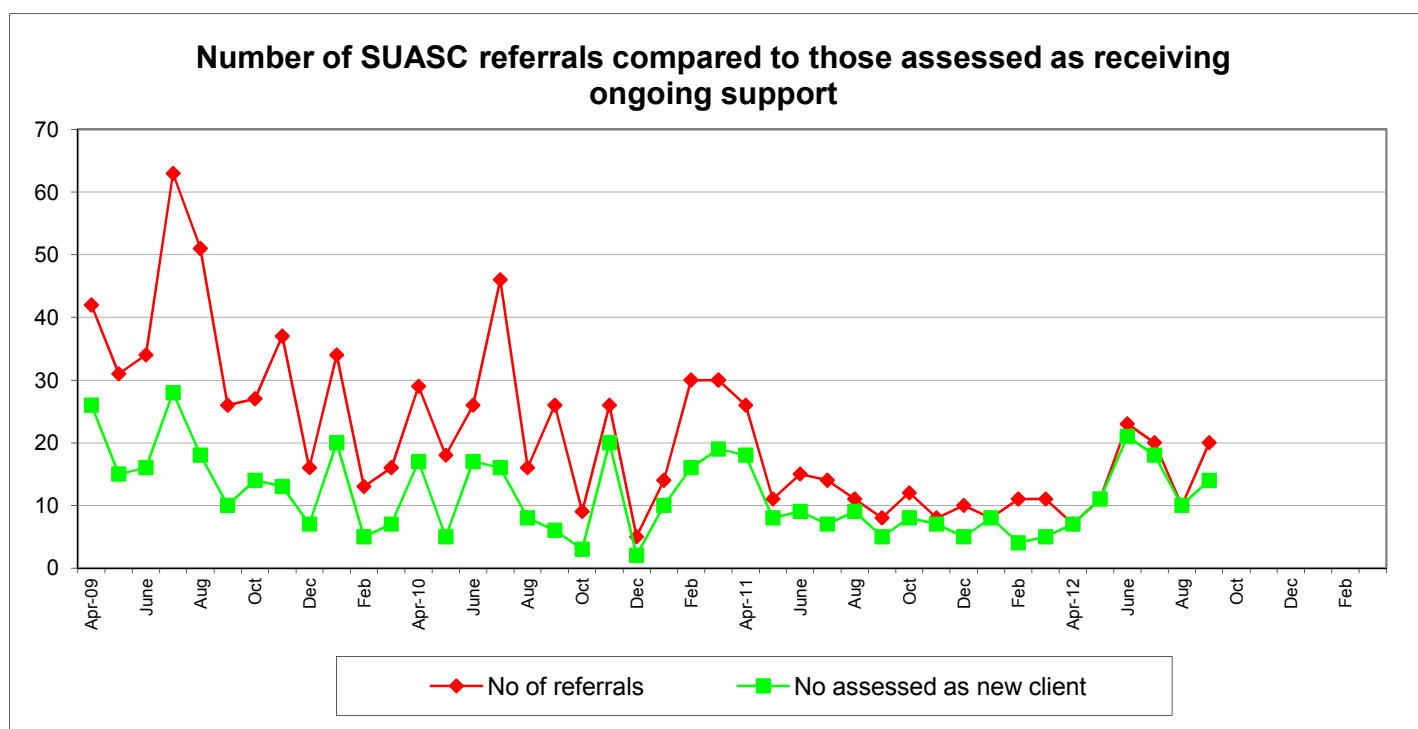


Comment:

- The overall number of children has remained fairly static so far this year. The current number of clients supported is below the budgeted level of 690.
- The budgeted number of referrals for 2012-13 is 15 per month, with 9 (60%) being assessed as under 18.
- Despite improved partnership working with the UKBA, the numbers of over 18's who are All Rights of appeal Exhausted (ARE) have not been removed as quickly as originally planned.
- In general, the age profile suggests the proportion of over 18s is decreasing slightly and, in addition, the age profile of the under 18 children has increased
- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim but once their assessment has been completed, or when successfully appealed, their category may change.

2.4 Numbers of Asylum Seeker referrals compared with the number assessed as qualifying for on-going support from Service for Unaccompanied Asylum Seeking Children (SUASC) ie new clients:

	2009-10			2010-11			2011-12			2012-13		
	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%
April	42	26	62%	29	17	59%	26	18	69%	7	7	100%
May	31	15	48%	18	5	28%	11	8	73%	11	11	100%
June	34	16	47%	26	17	65%	15	9	60%	23	21	91%
July	63	28	44%	46	16	35%	14	7	50%	20	18	90%
Aug	51	18	35%	16	8	50%	11	9	82%	10	10	100%
Sept	26	10	38%	26	6	23%	8	5	62%	20	14	70%
Oct	27	14	52%	9	3	33%	12	8	67%			
Nov	37	13	35%	26	20	77%	8	7	88%			
Dec	16	7	44%	5	2	40%	10	5	50%			
Jan	34	20	59%	14	10	71%	8	8	100%			
Feb	13	5	38%	30	16	53%	11	4	36%			
Mar	16	7	44%	30	19	63%	11	5	45%			
	390	179	46%	275	139	51%	145	93	64%	91	81	89%

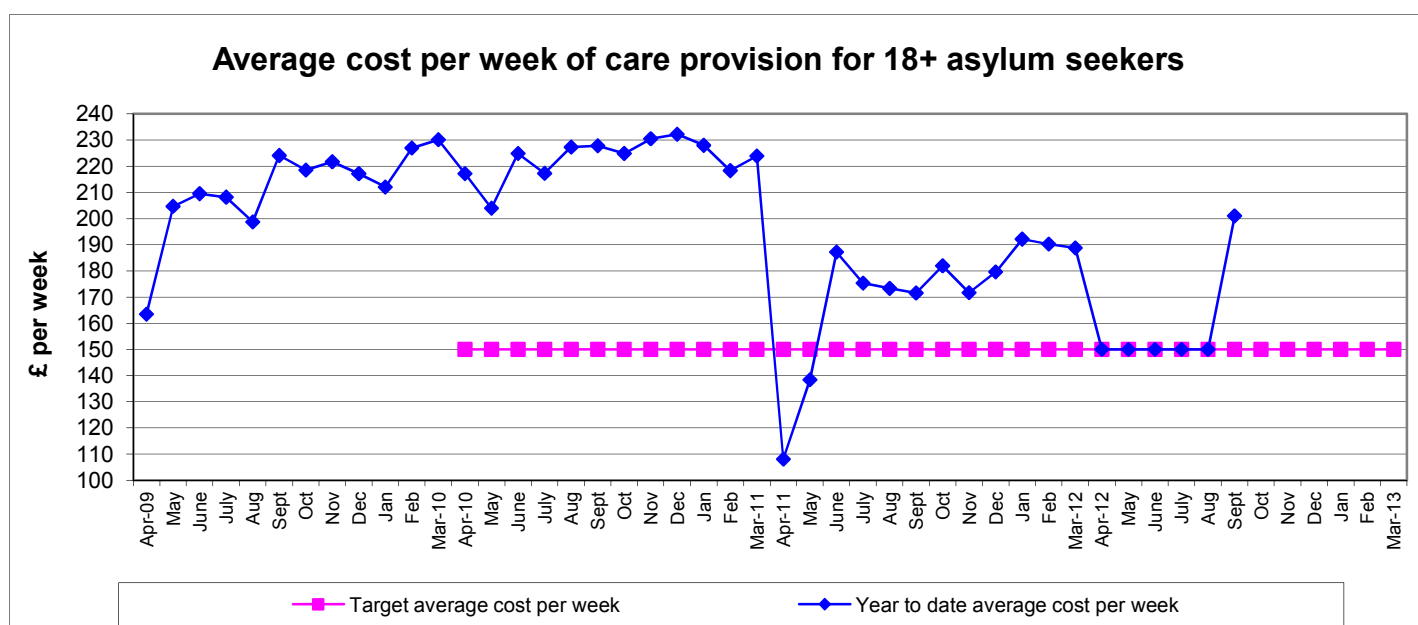


Comments:

- In general, referral rates have been lower since September 2009 which coincides with the French Government's action to clear asylum seeker camps around Calais. The average number of referrals per month is now 15, which equals the budgeted number of 15 referrals per month.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average number assessed as new clients is now 89%.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is currently 13.5 i.e a 50% increase.

2.5 Average monthly cost of Asylum Seekers Care Provision for 18+ Care Leavers:

	2009-10		2010-11		2011-12		2012-13	
	Target average weekly cost £p	Year to date average weekly cost £p	Target average weekly cost £p	Year to date average weekly cost £p	Target average weekly cost £p	Year to date average weekly cost £p	Target average weekly cost £p	Year to date average weekly cost £p
April		163.50	150.00	217.14	150.00	108.10	150.00	150.00
May		204.63	150.00	203.90	150.00	138.42	150.00	150.00
June		209.50	150.00	224.86	150.00	187.17	150.00	150.00
July		208.17	150.00	217.22	150.00	175.33	150.00	150.00
August		198.69	150.00	227.24	150.00	173.32	150.00	150.00
September		224.06	150.00	227.79	150.00	171.58	150.00	200.97
October		218.53	150.00	224.83	150.00	181.94	150.00	
November		221.64	150.00	230.47	150.00	171.64	150.00	
December		217.10	150.00	232.17	150.00	179.58	150.00	
January		211.99	150.00	227.96	150.00	192.14	150.00	
February		226.96	150.00	218.30	150.00	190.25	150.00	
March		230.11	150.00	223.87	150.00	188.78	150.00	



Comments:

- The local authority has agreed that the funding levels for the unaccompanied Asylum Seeking childrens Service 18+ grant Asylum Service agreed with the Government rely on us achieving an average cost per week of £150, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The LA has continued to meet the cost of the care leavers in order that it can meet it statutory obligations to those young people under the Leaving Care Act until the point of removal.
- As part of our partnership working with UKBA, most UASC in Kent are now required to report to UKBA offices on a regular basis, in most cases weekly. The aim is to ensure that UKBA have regular contact and can work with the young people to encourage them to make use of the voluntary methods of return rather than forced removal or deportation. As part of this arrangement any young person who does not report as required may have their Essential living allowance discontinued. As yet this has not resulted in an increase in the number of AREs being removed. The number of AREs supported has continued to remain steady, but high. Moving clients on to the pilot housing scheme was slower than originally anticipated, however all our young people, who it was appropriate to move to lower cost accommodation, were moved by the end of 2010-11. However there remain a number of issues:

Annex 2

- For various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs.
 - We are currently experiencing higher than anticipated level of voids, properties not being fully occupied. Following the incident in Folkestone in January 2011, teams are exercising a greater caution when making new placements into existing properties. This is currently being addressed by the Accommodation Team.
 - We are still receiving damages claims relating to closed properties.
- As part of our strive to achieve a net unit cost of £150 or below, we will be insisting on take-up of state benefits for those entitled.

FAMILIES & SOCIAL CARE DIRECTORATE SUMMARY

ADULTS SERVICES SUMMARY

SEPTEMBER 2012-13 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits for the A-Z service analysis have been adjusted since the quarter 1 monitoring report to reflect a number of technical adjustments to budget including the centralisation of training budgets and room hire budgets.
- The inclusion of a number of 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

1.1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Adult Social Care & Public Health portfolio							
Strategic Management & Directorate Support Budgets	9,968	-1,069	8,899	369	-23	346	Estimated legal charge pressure; staffing pressure
<u>Adults & Older People:</u>							
- Direct Payments							
- Learning Disability	12,769	-547	12,222	-973	272	-701	Activity below budget level; income unit charge lower than budget
- Mental Health	710	0	710	4	0	4	
- Older People	6,924	-787	6,137	-625	-7	-632	Activity & unit cost below budget level
- Physical Disability	9,580	-374	9,206	-384	-73	-457	Activity below budget level
Total Direct Payments	29,983	-1,708	28,275	-1,978	192	-1,786	
- Domiciliary Care							
- Learning Disability	5,268	-1,532	3,736	480	-67	413	Unit cost above budget level & activity below budget level; additional pressure on extra care housing clients
- Mental Health	532	-114	418	-43	2	-41	
- Older People	44,431	-12,405	32,026	-1,417	1,493	76	Activity for P&V & in-house below budget level; saving on block contracts; income charge higher than budget level
- Physical Disability	7,403	-595	6,808	-94	-62	-156	Activity higher than budget level and unit cost below budget level
Total Domiciliary Care	57,634	-14,646	42,988	-1,074	1,366	292	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Nursing & Residential Care							
- Learning Disability	75,668	-6,456	69,212	173	59	232	Activity above affordable level & Unit cost below budget level for IS; activity below budget level for preserved rights. Delay in review of in-house units
- Mental Health	7,243	-692	6,551	201	-66	135	Unit cost higher than budget level
- Older People - Nursing	46,473	-24,335	22,138	1,794	-960	834	Activity & unit cost above budget level; income charge higher than budget level
- Older People - Residential	84,618	-35,644	48,974	-2,403	1,407	-996	Activity lower than budget level; higher unit cost; in-house staffing pressure; release of contingency; income activity & unit charge lower than budget level
- Physical Disability	13,813	-1,969	11,844	-627	187	-440	Activity lower than budget level; higher unit cost
Total Nursing & Residential Care	227,815	-69,096	158,719	-862	627	-235	
- Supported Accommodation							
- Learning Disability	33,370	-3,645	29,725	-424	728	304	Activity above affordable level & Unit cost below budget level; transfer from reserve; income charge lower than budget
- Physical Disability/Mental Health	2,802	-279	2,523	-90	-141	-231	Income charge higher than budget level
Total Supported Accommodation	36,172	-3,924	32,248	-514	587	73	
- Other Services for Adults & Older People							
- Contributions to Vol Orgs	15,708	-1,793	13,915	111	72	183	Investment in new services
- Day Care							
- Learning Disability	13,187	-237	12,950	-208	52	-156	Staffing savings due to In-house modernisation strategy & reduction in activity; Independent sector saving
- Older People	3,354	-100	3,254	-645	13	-632	re-commissioning strategies
- Physical Disability/Mental Health	1,320	-5	1,315	-80	-2	-82	
Total Day Care	17,861	-342	17,519	-933	63	-870	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Other Adult Services	12,692	-16,990	-4,298	-175	-19	-194	Learning disability development fund staffing & commissioning underspend
- Safeguarding	1,075	-196	879	-46	-8	-54	
Total Other Services for A&OP	47,336	-19,321	28,015	-1,043	108	-935	
- Assessment Services							
- Adult's Social Care Staffing	41,454	-3,940	37,514	-584	132	-452	vacancies: minor income pressures
<u>Community Services:</u>							
- Public Health Management & Support	376	0	376	97	-97	0	
- Public Health	106	-57	49	0	0	0	
Total ASC&PH portfolio	450,844	-113,761	337,083	-5,589	2,892	-2,697	
Business Strategy, Performance & Health Reform portfolio							
- Public Health (LINK, Local Healthwatch & Health Reform)	758	-60	698	16	-16	0	
Total FSC ADULTS controllable	451,602	-113,821	337,781	-5,573	2,876	-2,697	
Assumed Management Action							
- ASC&PH portfolio						0	
- BSP&HR portfolio						0	
Forecast after Mgmt Action				-5,573	2,876	-2,697	

1.1.3 Major Reasons for Variance: *[provides an explanation of the 'headings' in table 2]*

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

Adult Social Care & Public Health portfolio:

From the 1st October, the Supporting Independence Service contract has been introduced and the forecast reported within this monitoring report includes the estimated effect of this contract on all client groups except mental health (where the impact on this service is still being reviewed). The Supporting Independence Service contract is a new purchasing method covering the purchase of community support services, supported accommodation and supported living services. Cash limits have been transferred to reflect the service lines that the current clients have been transferred to, which include a transfer from domiciliary care and supported accommodation to either the supporting independence service (reported within the Supported Accommodation A-Z budget heading) or direct payments (where clients have chosen this option instead, in order to remain with their existing service providers).

1.1.3.1 Strategic Management & Directorate Support Budgets +£346k (+£369K Gross, -£23k Income)

The gross pressure of £369k relates to the estimated pressure from legal charges assuming a similar level of activity as in 2011-12 (+£133k), along with staffing pressures in both Strategic Commissioning Services (+£110k) and the Operational Support Unit (+£125k). Both units were allocated staff savings as part of the 2012-15 MTP, which they hope to achieve via their recent restructures but the full impact of the saving will not be achieved until 2013-14.

1.1.3.2 **Direct Payments -£1,786k (-£1,978k Gross, +£192k Income):**

The significant under spend on this service primarily relates to slower than budgeted increase in activity funded through the 2012-15 MTP. As can be seen from the activity in section 2.1, the number of clients continues to grow at a lower rate than had been budgeted.

a. **Learning Disability -£701k (-£973k Gross, +£272k Income)**

The forecast underspend against the gross service line of £973k is generated as a result of the forecast activity weeks being 4,211 (-£1,037k) lower than the affordable level, partially offset by the forecast unit cost being higher than the affordable by £1.91 (+£100k). The remaining variance of -£36k relates primarily to under spending on payments to carers.

This service is forecasting an under recovery of income of +£272k, as the actual average unit income being charged is £4.75 lower than the budgeted level resulting in a shortfall of +£248k plus a minor variance due to the reduced level of activity (+£24k).

b. **Older People -£632k (-£625k Gross, -£7k Income)**

The budget is forecast to under spend by £625k on gross expenditure. The number of weeks is forecast to be 9,242 fewer than budgeted, generating a saving of -£1,337k, which is partially offset by the unit cost being higher than budgeted by £12.83 and therefore generating a pressure of +£674k. The balance of the variance relates to minor pressures on one-off payments and payments to carers (+£38k).

The lower than budgeted number of weeks leads to a shortfall in income of +£170k, however this is more than offset by unit income being £3.37 higher than budgeted resulting in a saving of -£177k.

d. **Physical Disability -£457k (-£384k Gross, -£73k income)**

The forecast number of weeks of care provided is 3,215 lower than anticipated generating a forecast under spend of -£580k, along with additional savings achieved through a marginally lower than budgeted unit cost (-£22k). These savings are partially offset, predominately by the number of one-off payments being in excess of the budgeted level (+£216k) along with minor pressure on payments to carers (+£2k).

The lower than budgeted number of weeks leads to a shortfall in income of +£28k however this is more than offset by a £1.91 higher than budgeted unit income resulting in a saving of -£101k.

1.1.3.3 **Domiciliary Care +£292k (-£1,074k Gross, +£1,366k Income):**

a. **Learning Disability +£413k (+£480k Gross, -£67k Income)**

The overall forecast is a pressure against the gross of £480k, coupled with an over recovery of income by £67k. The number of hours is forecast to be 58,869 lower than the affordable level, generating a -£815k forecast under spend. The forecast unit cost is £4.35 higher than the affordable level, increasing the forecast by +£1,051k. The remaining variance of +£244k against gross, is comprised of a pressure on Extra Care Sheltered Housing of +£172k and other minor variances less than £100k each.

The income variance of -£68k reflects an over-recovery of client income of -£420k for community services partly resulting from the re-assessment of clients contributions, partially offset by an under-recovery of income of +£352k within the Independent Living Service due to the placing of fewer clients where income is received from the supporting people service and Health.

b. **Older People +£76k (-£1,417k Gross, +£1,493k Income)**

The overall forecast is an under spend against gross of -£1,417k, coupled with an under recovery of income of £1,493k. The number of hours is forecast to be 64,487 lower than the affordable hours generating a -£962k forecast under spend. The forecast unit cost is £0.16 higher than the affordable level, partially offsetting this initial forecast underspend by +£380k.

The Kent Enablement at Home (KEAH) in house service is forecasting a gross under spend of -£574k, which is the cumulative effect of less hours of service than budgeted being forecast, and resultant savings in staffing costs. This is in contrast to the purchase of externally provided enablement services where a pressure of +£122k is currently being forecast. A saving of -£356k is also forecast against block domiciliary contracts, as a result of savings on non-care related costs, and where negotiations to have an element of unused hours refunded have been successful, along with a underspend of -£138k for those clients in Sheltered Accommodation.

The remaining gross variance of +£111k relates to the estimated contribution to the bad debt provision resulting from the increase in outstanding client debt this financial year reported in section 3.

The income variance of +£1,493k reflects the under-recovery of client income of +£1,525k which is largely due to the reduced activity, marginally offset by minor variances of -£32k.

d. Physical Disability -£156k (-£94k Gross, -£62k Income)

The gross variance is caused by a forecast of 49,028 hours below the affordable level, creating a -£692k saving, which is offset by a unit cost variance of £1.10 greater than affordable level, causing a pressure of +£571k. The remaining gross pressure (+£27k), and income variance (-£62k) are due to variances on a number of other budgets within this heading, all below £100k.

This forecast is based on actual client activity for the first half year and an assumed reduction for the remainder of the year of approximately 10,000 hours of domiciliary care, based on previous trends.

1.1.3.4 Nursing & Residential Care -£235k (-£862k Gross, +£627k Income):

a. Learning Disability +£232k (+£173k Gross, +£59k Income)

A gross pressure of +£173k, coupled with an under recovery of income of £59k generates the above net forecast variance. The forecast level of client weeks is 615 higher than the affordable level generating a +£755k forecast pressure. The gross unit cost is currently forecast to be £3.79 lower than the affordable level, which generates a -£150k forecast under spend. The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.

There are variances on the preserved rights budgets where activity is forecast to be 1,457 weeks lower than affordable creating a saving of -£1,282k offset by a unit cost variance totalling +£646k. In addition, a further saving of -£85k has been generated from a release of a provision no longer required.

There is a +£269k pressure resulting from delays in the review of in-house units and a consequential delay in delivering the budgeted savings. The balance of the gross pressure relates to additional nursing care to be recharged to health (Registered Nursing Care Contribution - RNCC) (+£20k).

The forecast income variance of +£59k is due to a number of compensating variances within residential care. The additional forecast client weeks for residential care add -£55k of income, and the actual income per week is higher than the expected level by £9.74 which generates a further over-recovery in income of -£419k.

The reduction in client weeks compared to the affordable level for preserved rights residential care creates a loss of +£141k of income, coupled with a lower actual income per week than the expected level of £13.27 which generates an under-recovery in income of +£403k.

The remaining income variance of -£11k relates to in house provision and RNCC.

b. Mental Health +£135k (+£201k Gross, -£66k Income)

The forecast gross pressure of £201k is primarily due to the residential care gross unit cost being £19.29 higher than the budgeted level creating a pressure of £199k.

c. Older People- Nursing +£834k (+£1,794k Gross, -£960k Income)

There is a forecast pressure of +£1,794k on gross and an over recovery of income of -£960k, leaving a net pressure of +£834k. The forecast client weeks is 2,254 higher than the affordable level, which generates a pressure of +£1,069k coupled with the unit cost forecast to be £7.93 higher than budget, which gives a gross pressure of +£646k. The remaining gross variance of +£79k relates to additional nursing care to be recharged to health (RNCC) of +£149k partially offset by minor variances on preserved rights and unrealised creditors (-£70k).

The increased activity in nursing care has resulted in a -£456k over-recovery of income, along with an increase in the average unit income being recouped from clients totalling -£390k. Forecast reimbursement from health for RNCC of -£149k along with minor variances on preserved rights (+£35k) form the balance of the income variance.

d. Older People- Residential -£996k (-£2,403k Gross, +£1,407k Income)

This service is reporting a gross under spend of £2,403k, along with an under recovery of income of £1,407k. The forecast level of client weeks is 2,865 lower than the affordable levels, which generates a forecast under spend of -£1,131k. This under spend is partially offset by the unit cost being £1.03 higher than the affordable levels creating a +£155k pressure.

A gross underspend is also forecast for Preserved Rights of -£394k mainly due to a lower than affordable level of activity of 948 weeks creating a -£405k under spend, offset by a +£11k minor pricing pressure.

A gross variance of +£392k is forecast against the In-house provisions, including Integrated Care centres (ICC). The pressure on this service is mainly due to the use of agency staff to cover staff absences and vacancies (+152k), along with costs associated with the integrated care centres which are due to be recharged to the PCT (+£240k, see below for compensating income variance).

Contingency funding was held against this service to help compensate for possible volatility in the forecast for both residential and nursing care because of the impact of the Modernisation agenda. This funding has now been released, resulting in a -£1,345k underspend, to help offset the increases seen in nursing care, as detailed above. The balance of the underspend relates to unrealised creditors totalling -£80k.

On the income side, the reduction in activity results in a +£614k shortfall in client income, along with a lower than budgeted average unit income being charged which has increased this shortfall by +£566k. In addition, there is a forecast under recovery of client income of +£653k for the In-house service, mainly due to less permanent clients being placed in the homes because of the OP Modernisation Strategy, which is partially offset by -£113k additional contributions from other local authorities. The remaining income variance predominately relates to the recharge of costs associated with the integrated care centres to the PCT (-£240k) along with other smaller variances each below £100k (-£73k).

e. Physical Disability -£440k (-£627k Gross, +£187k Income)

A gross under spend of £627k, along with an under recovery of income of £187k, is reported for this budget. The forecast level of client weeks of service is 992 lower than the affordable level, giving a forecast under spend of -£860k. The forecast unit cost is currently £13.58 higher than the affordable level, which reduces that under spend by +£192k. The under spend is further offset by other minor pressures totalling +£41k relating the Preserved Rights service, RNCC clients and unrealised creditors.

The reduced activity is forecast to lower income by +£110k, along other minor pressures totalling +£77k.

1.1.3.5 **Supported Accommodation +£73k (-£514k Gross, +£587k Income):**

a. Learning Disability +£304k (-£424k Gross, +£728k Income)

A gross underspend of -£424k, offset with an under recovery of income of £728k generates the above net variance. The forecast level of client weeks is 830 higher than the affordable level generating a forecast pressure of +£752k. The gross unit cost is currently forecast to be -£20.07 lower than the affordable level, which generates a saving of -£541k. The forecast also includes an expected draw down of -£444k from the Social Care costs reserve for potential liabilities relating to ordinary residence and the remaining gross variances, totalling -£191k are each less than £100k, across other services including group homes, link placements and resource centres.

The increased activity creates a minor over recovery of income (-£52k); however the average unit income is forecast to be +£29.21 lower than budgeted so creating a +£787k under recovery of income. The reduction in unit income is partly due to a reduction in expected income from continuing health care i.e. those clients funded by health. The remaining income variance (-£7k) is on several services under this heading, each below £100k.

b. Physical Disability / Mental Health -£231k (-£90k Gross, -£141k Income)

There is a small over recovery of income of -£141k forecast for both Physical Disability and Mental Health primarily due to a higher than budgeted weekly income per client.

1.1.3.6 **Other Services for Adults & Older People -£935k (-£1,043k Gross, +£108k Income):**

a. Contributions to Voluntary Organisations +£183k (+£111k Gross, +£72k Income)

Various contracts with voluntary organisations are currently being reviewed/re-negotiated or re-commissioned along with investment in new services to support the transformation agenda (including expansion of care navigators programme, a service to explore options with older people to enable them to live independently within their community). The current effect of this is an anticipated pressure of +£111k. The income variance of +£72k is because the profile of payments to voluntary organisations in the current year is more focused on social care rather than health, resulting in reduced contributions from PCTs.

b. Day Care -£870k (-£933k Gross, +£63k Income)

A reduction in staffing levels due to the continued non-recruitment and re-deployment to posts in preparation for modernisation and a reduction in client numbers results in an under spend of -£343k for Learning Disability in-house provision. This is partially offset by a pressure on the commissioning of external learning disability day care services (+£135k). The balance of the gross under spend is mainly due to a number of re-commissioning strategies for in-house and independently provided services across the Older People client group (-£645k) and other minor variances across the other client groups (-£80k). The income pressure of +£63k results from a reduction in health contributions based on the current client profile.

c. Other Adult Services -£194k (-£175k Gross, -£19k Income)

The learning disability development fund is currently forecasting a gross under spend of -£192k due to contracts with organisations being reviewed or renegotiated along with the redeployment of staff following the recent FSC restructure of strategic commissioning and operational support. The balance of the gross variance (+£17k) relates to a number of minor variances on other budget lines.

1.1.3.7 **Assessment Services – Adult’s Social Care staffing -£452k (-£584k Gross, +£132k Income):**

The gross underspend of -£584k reflects the current staffing forecast, representing 1.4% of the overall budget for assessment staffing services, and results from the delay in recruitment of known vacancies. The forecast reduction in income of +£132k is due to many minor variances all individually less than £100k.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER
(shading denotes that a pressure has an offsetting saving, which is directly related, or vice versa)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Domiciliary Care - Older People Income: under-recovery of community service income due to reduced activity	+1,525	ASCPH	Residential Care - Older People Gross: release of contingency to help fund pressures on nursing care	-1,345
ASCPH	Nursing Care - Older People Gross: forecast number of weeks higher than affordable level	+1,069	ASCPH	Direct Payments - Older People Gross: forecast number of weeks lower than affordable level	-1,337
ASCPH	Domiciliary Care - Learning Disability Gross: forecast unit cost higher than affordable level	+1,051	ASCPH	Residential Care - Learning Disability Gross: preserved rights number of weeks forecast to be lower than affordable level	-1,282
ASCPH	Supported Accommodation - Learning Disability Income: forecast unit charge lower than affordable level	+787	ASCPH	Residential Care - Older People Gross: forecast number of weeks lower than affordable level	-1,131
ASCPH	Residential Care - Learning Disability Gross: forecast number of weeks greater than affordable level	+755	ASCPH	Direct Payments - Learning Disability Gross: forecast number of weeks lower than affordable level	-1,037
ASCPH	Supported Accommodation - Learning Disability Gross: forecast number of weeks higher than affordable level	+752	ASCPH	Domiciliary Care - Older People Gross: forecast number of hours lower than affordable level	-962
ASCPH	Direct Payments - Older People Gross: forecast unit cost higher than affordable level	+674	ASCPH	Residential Care - Physical Disability Gross: forecast number of weeks lower than affordable level	-860
ASCPH	Residential Care - Older People Income: lower income resulting from the placing of less permanent clients in in-house units	+653	ASCPH	Domiciliary Care - Learning Disability Gross: forecast number of hours lower than affordable level	-815
ASCPH	Residential Care - Learning Disability Gross: preserved rights unit cost forecast to be higher than affordable level	+646	ASCPH	Domiciliary Care - Physical Disability Gross: forecast number of hours lower than affordable level	-692
ASCPH	Nursing Care - Older People Gross: forecast unit cost higher than affordable level	+646	ASCPH	Day Care - Older People Gross: savings from re-commissioning strategies in both in-house & external services	-645
ASCPH	Residential Care - Older People Income: forecast number of weeks lower than affordable level	+614	ASCPH	Assessment Adult's Social Care Staffing Gross: delay in recruitment of known vacancies	-584
ASCPH	Domiciliary Care - Physical Disability Gross: forecast unit cost higher than affordable level	+571	ASCPH	Direct Payments - Physical Disability Gross: forecast number of weeks lower than affordable level	-580
ASCPH	Residential Care - Older People Income: forecast unit charge lower than affordable level	+566	ASCPH	Domiciliary Care - Older People Gross: Savings from the Kent Enablement at Home service as a result of forecast activity below budgeted level	-574

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Residential Care - Learning Disability Income: preserved rights unit charge forecast is lower than affordable level	+403	ASCPH	Supported Accommodation - Learning Disability Gross: forecast unit cost lower than budgeted level	-541
ASCPH	Domiciliary Care - Older People Gross: forecast unit charge higher than affordable level	+380	ASCPH	Nursing Care - Older People Income: forecast number of weeks higher than affordable level	-456
ASCPH	Domiciliary Care - Learning Disability Income: changing client profile in the Independent Living Service leading to reduced levels of support for those clients in receipt of external funding	+352	ASCPH	Supported Accommodation - Learning Disability Gross: expected drawdown from social care costs reserve	-444
ASCPH	Residential Care - Learning Disability Gross: delay in the review of in-house units	+269	ASCPH	Domiciliary Care - Learning Disability Income: over-recovery of community service income compared to budgeted level	-420
ASCPH	Direct Payments - Learning Disability Income: forecast unit charge lower than affordable level	+248	ASCPH	Residential Care - Learning Disability Income: forecast unit charge greater than affordable level	-419
ASCPH	Residential Care - Older People Gross: integrated care centre health costs to be recharged to the PCT	+240	ASCPH	Residential Care - Older People Gross: preserved rights forecast number of weeks lower than affordable level	-405
ASCPH	Direct Payments - Physical Disability Gross: one-off payments in excess of budgeted level	+216	ASCPH	Nursing Care - Older People Income: forecast unit charge higher than affordable level	-390
ASCPH	Residential Care - Mental Health Gross: unit cost forecast to be higher than affordable level	+199	ASCPH	Domiciliary Care - Older People Gross: savings on block contracts	-356
ASCPH	Residential Care - Physical Disability Gross: forecast unit cost is higher than affordable level	+192	ASCPH	Day Care - Learning Disability Gross: staffing savings on in-house service from modernisation strategy & reduced client numbers	-343
ASCPH	Domiciliary Care - Learning Disability Gross: pressure on Extra Care Sheltered Housing	+172	ASCPH	Residential Care - Older People Income: integrated care centre health costs to be recharged to the PCT	-240
ASCPH	Direct Payments - Older People Income: forecast number of weeks lower than affordable level	+170	ASCPH	Other Adult Services Gross: Learning Disability Development Fund underspend resulting from review of payments to organisations and redeployment of staff	-192
ASCPH	Residential Care - Older People Gross: forecast unit cost higher than affordable level	+155	ASCPH	Direct Payments - Older People Income: forecast unit charge higher than affordable level	-177
ASCPH	Residential Care - Older People Gross: staffing pressure on in-house units due to absences and vacancy cover	+152	ASCPH	Residential Care - Learning Disability Gross: forecast unit cost lower than affordable level	-150
ASCPH	Nursing Care - Older People Gross: additional nursing care to be recharged to health (RNCC)	+149	ASCPH	Nursing Care - Older People Income: additional nursing care to be recharged to health (RNCC)	-149

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Residential Care - Learning Disability Income: preserved rights number of weeks forecast to be lower than affordable level	+141	ASCPH	Supported Accommodation - Physical Disability/Mental Health Income: forecast unit charge higher than affordable level	-141
ASCPH	Day Care - Learning Disability Gross: pressure on the commissioning of external day care services	+135	ASCPH	Domiciliary Care - Older People Gross: savings on the provision of domi care to clients within sheltered accommodation	-138
ASCPH	Strategic Management & Directorate Support Gross: estimated legal charges pressure based on 11-12 outturn.	+133	ASCPH	Residential Care - Older People Income: additional income received from other local authorities for in-house units	-113
ASCPH	Strategic Management & Directorate Support Gross: staffing pressure on Operational Support Unit.	+125	ASCPH	Direct Payments - Physical Disability Income: forecast unit charge higher than affordable level	-101
ASCPH	Domiciliary Care - Older People Gross: pressure on the provision of enablement services by external providers	+122			
ASCPH	Domiciliary Care - Older People Gross: estimated contribution to the bad debt provision to cover rising client debt levels	+111			
ASCPH	Contributions to Voluntary Organisations Gross: review and commissioning of new services to support transformation agenda	+111			
ASCPH	Strategic Management & Directorate Support Gross: staffing pressure on Strategic Commissioning.	+110			
ASCPH	Residential Care - Physical Disability Income: forecast number of weeks lower than affordable level	+110			
ASCPH	Direct Payments - Learning Disability Gross: forecast unit cost higher than affordable level	+100			
		+14,804			-17,019

1.1.4 Actions required to achieve this position:

None

1.1.5 Implications for MTFP:

Work is currently underway to establish how the current forecast £2.697m under spend contributes towards the delivery of the transformation programme savings already built into the MTFP.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 **Details of proposals for residual variance:** [eg roll forward proposals; mgmt action outstanding]

Not applicable

1.2 **CAPITAL**

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

1.2.2 The Adult Social Care and Public Health portfolio has an approved budget for 2012-15 of £88.268m, reduced to £21.468m excluding PFI (see table 1 below). The forecast outturn against this budget is £20.080m, giving a variance of -£1.388m. After adjustments for funded variances and reductions in funding, the revised variance comes to -£1.418m (see table 3 below).

1.2.3 Tables 1 to 3 summaries the portfolio's approved budget and forecast.

1.2.4 Table 1 – Revised approved budget

	£m
Approved budget last reported to Cabinet excl PFI	21.468
Approvals made since last reported to Cabinet	0.000
Revised approved budget	21.468

1.2.5 Table 2 – Funded and Revenue Funded Variances

Scheme	Amount £m	Reason
Cabinet to approve cash limit changes		
Shepway Sports Centre-LD Strategy	0.030	Minor overspend to be covered by dev conts
No cash limit changes to be made		
Total	0.030	

1.2.6 Table 3 – Summary of Variance

	£m
Unfunded variance	0.000
Funded variance (from table 2)	0.030
Variance to be funded from revenue	0.000
Rephasing (beyond 2012-15)	-1.418
Total variance	-1.388

Main reasons for variance

1.2.7 Table 4 below, details each scheme indicating all variances and the status of the scheme. Each scheme with a Red or Amber status will be explained including what is being done to get the scheme back to budget/on time.

Table 4 – Scheme Progress

Scheme name	Total cost	Previous spend	2012-15 approved budget	Later Years approved budget	2012-15 Forecast spend	Later Years Forecast spend	2012-15 Variance	Total project variance	Status Red /amber /green
	£m	£m	£m	£m	£m	£m	£m	£m	
	(a) = b+c+d	(b)	(c)	(d)	(e)	(f)	(g) = (e-c)	(h)=(b+e+f)-a	
Modernisation of Assets (Adults)	0.810	0.437	0.373	0.000	0.373	0.000	0.000	0.000	Green
Home Support Fund	9.456	4.312	3.532	1.612	3.532	1.612	0.000	0.000	Green
Tunbridge Wells Respite (formerly Rusthall Site)	0.217	0.167	0.050	0.000	0.050	0.000	0.000	0.000	Green
Bower Mount Project	0.060	0.048	0.012	0.000	0.007	0.000	-0.005	-0.005	Green
MH Strategy	0.547	0.283	0.264	0.000	0.264	0.000	0.000	0.000	Green
Public Access	1.700	0.516	1.184	0.000	1.184	0.000	0.000	0.000	Green
Bearsted Dementia Project	0.025	0.025	0.000	0.000	0.000	0.000	0.000	0.000	Green
Folkestone Activities, Respite & Rehabilitation Care Centre	0.031	0.001	0.030	0.000	0.030	0.000	0.000	0.000	Green
IT Strategy (Formerly IT Infrastructure Grant - IT Related Projects)	3.121	0.924	2.197	0.000	2.197	0.000	0.000	0.000	Amber - Phasing
Dartford TC - OP Strategy - Trinity Centre, Dartford	1.121	0.122	0.999	0.000	0.999	0.000	0.000	0.000	Green
OP Strategy - Specialist Care Facilities (Formerly Int Care Ctre & Dorothy Lucy Ctre)	5.088	0.000	5.088	0.000	5.088	0.000	0.000	0.000	Green
PFI Excellent Homes for all - Development of new Social Housing	66.800	0.000	66.800	0.000	66.800	0.000	0.000	0.000	Green
LD Modernisation-Good Day Programme	6.749	0.427	6.322	0.000	6.357	0.000	0.035	0.035	Green
Community Care Centre - Thameside Eastern Quarry/Ebbsfleet	1.418	0.000	1.418	0.000	0.000	1.097	-1.418	-0.321	Amber - Phasing
TOTAL Adults Social Care and Public Health	97.142	7.262	88.269	1.612	86.881	2.709	-1.388	-0.291	

- 1.2.8 Status:
Green – Projects on time and budget
Amber – Projects either delayed or over budget
Red – Projects both delayed and over budget

1.2.9 Assignment of Green/Amber/Red Status

- 1.2.10 Projects with variances to budget will only show as amber if the variance is unfunded, i.e. there is no additional grant, external or other funding available to fund.
- 1.2.11 Projects are deemed to be delayed if the forecast completion date is later than what is in the current project plan.

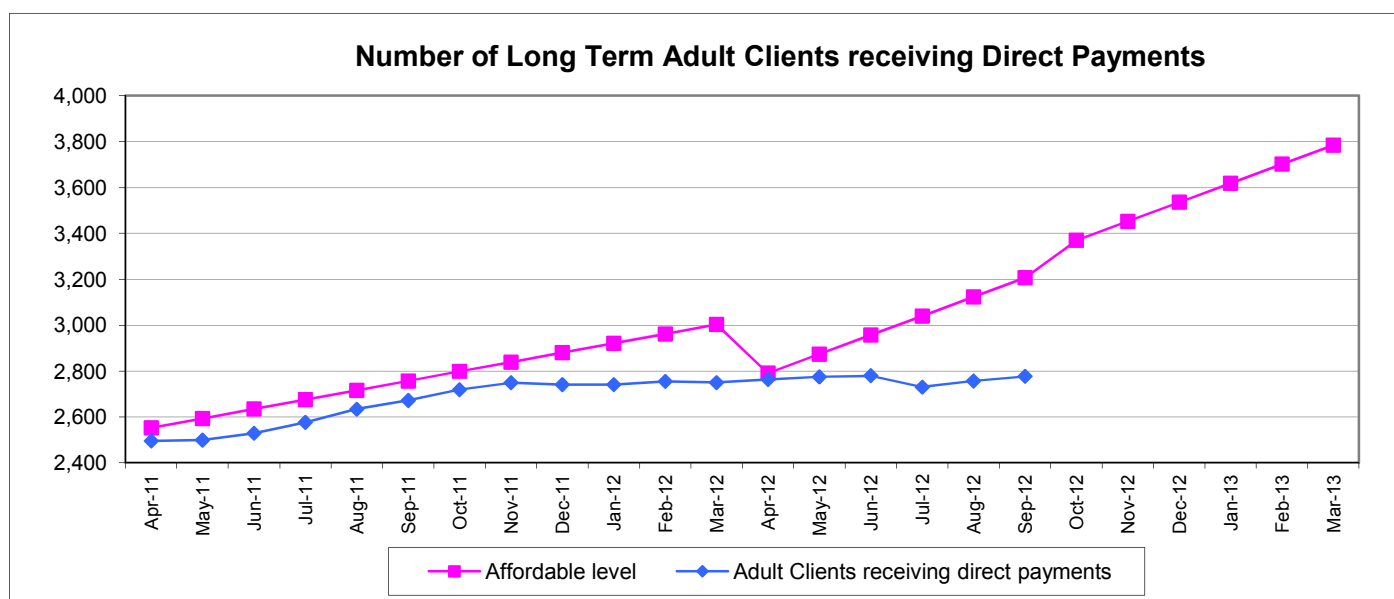
Amber and Red Projects – variances to cost/delivery date and why.

- 1.2.12 Even though the projects listed below have no overall variances to cost, they have been deemed Amber as a result of the expected delivery date slipping from what was previously scheduled to happen as part of the medium term plan process.
- 1.2.13 Information Technology Strategy/Modernisation of Assets - As a result of the decision to postpone the implementation of the Adults Integration Solution (AIS) workstream to all localities, pending further conclusive outcomes, coupled with an over-arching strategic review scheduled to be carried out by the Authority's Director of ICT, the Directorate has decided to show prudence and delay elements of this project into 2013/14.
- 1.2.14 Community Care Centre – Thameside Eastern Quarry/Ebbsfleet - There is re-phasing of £1.418m to 2015/16. This is due to the housing development relating to this project not progressing at the expected rate. There has also been a budget refreshment to the Ebbsfleet project resulting in a reduction of £0.321m to the cash limit in 2015-16.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Direct Payments – Number of Adult Social Services Clients receiving Direct Payments:

	2011-12			2012-13		
	Affordable Level for long term clients	Snapshot of long term adult clients receiving Direct Payments	Number of one-off payments made during the month	Affordable Level for long term clients	Snapshot of long term adult clients receiving Direct Payments	Number of one-off payments made during the month
April	2,553	2,495	137	2,791	2,759	165
May	2,593	2,499	89	2,874	2,772	145
June	2,635	2,529	90	2,957	2,778	129
July	2,675	2,576	125	3,040	2,728	145
August	2,716	2,634	141	3,123	2,756	149
September	2,757	2,672	126	3,207	2,777	117*
October	2,799	2,719	134	3,370		
November	2,839	2,749	122	3,453		
December	2,881	2,741	111	3,536		
January	2,921	2,741	130	3,619		
February	2,962	2,755	137	3,702		
March	3,003	2,750	117	3,785		
			1,459			850



Comments:

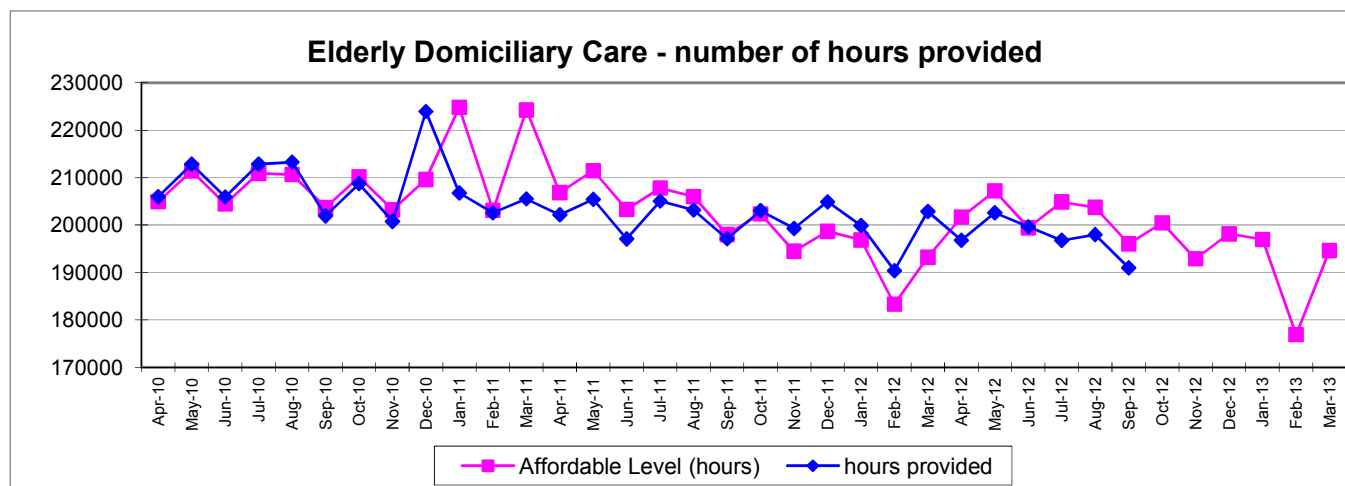
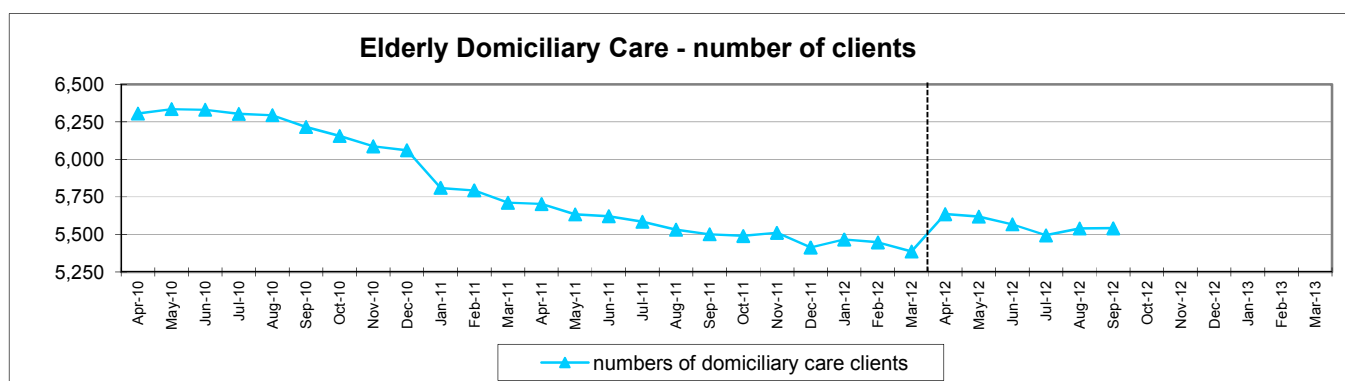
- The presentation of activity being reported for direct payments has changed from previous reports in order to separately identify long term clients in receipt of direct payments as at the end of the month plus the number of one-off payments made during the month. Please note a long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- *Please note the low number of one-off payments in September may be due to delays in recording payments and will be updated in the quarter 3 full monitoring return to be reported to Cabinet in March.
- The drive to implement personalisation and allocate personal budgets has seen continued increases in direct payments over the years. There will be other means by which people can use their personal budgets and this may impact on the take up of direct payments. Whilst the overall numbers of Direct Payments are gradually increasing this is at a slower rate than the budget can afford, leading to a forecast gross under spend of -£1.978m as shown in section 1.1.3.2. It is important to note, the current forecast is based on known clients only and does not factor in future growth in this service.

This service received a significant amount of monies in the 2012-13 Budget (£3.5m) for the predicted growth in this service.

- The affordable levels have been corrected to reflect the number of long term clients the budget can afford. The previous affordable levels represented the number of long term clients plus an estimate for the number of one payments to be made during the year. This was incorrect as there is no budget for one-off payments as these are expected to be covered by the recovery of surplus funds from existing direct payment clients and therefore any pressures resulting from one-off payments are detailed separately within section 1.1.3.2 of the report.

2.2.1 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

	2010-11			2011-12			2012-13		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
April	204,948	205,989	6,305	206,859	202,177	5,703	201,708	196,796	5,635
May	211,437	212,877	6,335	211,484	205,436	5,634	207,244	202,594	5,619
June	204,452	205,937	6,331	203,326	197,085	5,622	199,445	199,657	5,567
July	210,924	212,866	6,303	207,832	205,077	5,584	204,905	196,791	5,494
August	210,668	213,294	6,294	206,007	203,173	5,532	203,736	197,994	5,540
September	203,708	201,951	6,216	198,025	197,127	5,501	196,050	190,996	5,541
October	210,155	208,735	6,156	202,356	203,055	5,490	200,490		
November	203,212	200,789	6,087	194,492	199,297	5,511	192,910		
December	209,643	223,961	6,061	198,704	204,915	5,413	198,151		
January	224,841	206,772	5,810	196,879	199,897	5,466	196,982		
February	203,103	202,568	5,794	183,330	190,394	5,447	176,918		
March	224,285	205,535	5,711	193,222	202,889	5,386	194,644		
TOTAL	2,521,376	2,501,274		2,402,516	2,410,522		2,373,183	1,184,828	



Comment:

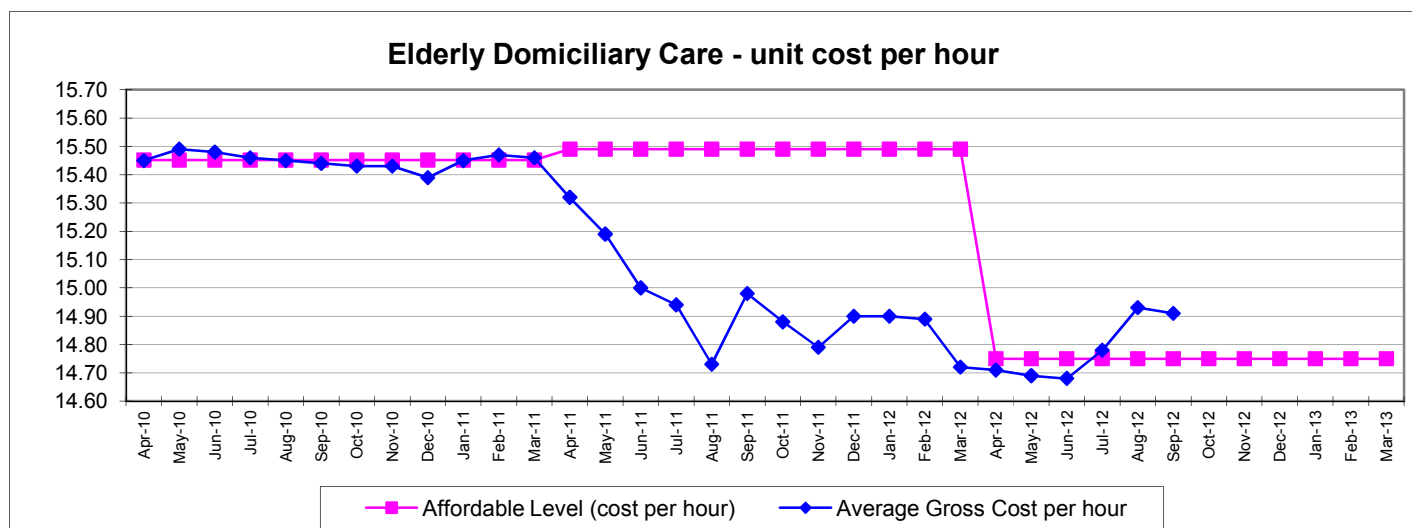
- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The current forecast is 2,308,699 hours of care against an affordable level of 2,373,183, a difference of -64,487 hours. Using the forecast unit cost of £14.91 this reduction in activity reduces the forecast by -£962k, as highlighted in section 1.1.3.3.b.
- To the end of September 1,184,828 hours of care have been delivered against an affordable level of 1,213,088 a difference of -28,260 hours. Current activity suggests that the forecast hours should be higher on this service, however further reductions in the number of hours provided have been forecast for the remainder of the year as the forecast is based on actual client activity for the first half year and

an assumed reduction for the remainder of the year of approximately 13,000 hours of domiciliary care, based on the budgeted unit cost, to deliver outstanding MTP domiciliary procurement savings of £198k.

- Please note, from April 2012 there has been a change in the method of counting clients to align with current Department of Health guidance, which states that suspended clients e.g those who may be in hospital and not receiving a current service should still be counted. This has resulted in an increase in the number of clients being recorded. For comparison purposes, using the new counting methodology, the equivalent number of clients in March 2012 would have been 5,641. **A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.**
- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service.
- Please note the affordable level of client hours has been updated from 2,368,339 included in the Q1 monitoring report to Cabinet in September to 2,373,183 to reflect the allocation of health monies for domiciliary care and the transfer of clients to the new Supporting Independence Service, as explained in section 1.1.3.

2.2.2 Average gross cost per hour of older people domiciliary care compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour
April	15.452	15.45	15.49	15.32	14.75	14.71
May	15.452	15.49	15.49	15.19	14.75	14.69
June	15.452	15.48	15.49	15.00	14.75	14.68
July	15.452	15.46	15.49	14.94	14.75	14.78
August	15.452	15.45	15.49	14.73	14.75	14.93
September	15.452	15.44	15.49	14.98	14.75	14.91
October	15.452	15.43	15.49	14.88	14.75	
November	15.452	15.43	15.49	14.79	14.75	
December	15.452	15.39	15.49	14.90	14.75	
January	15.452	15.45	15.49	14.90	14.75	
February	15.452	15.47	15.49	14.89	14.75	
March	15.452	15.46	15.49	14.72	14.75	

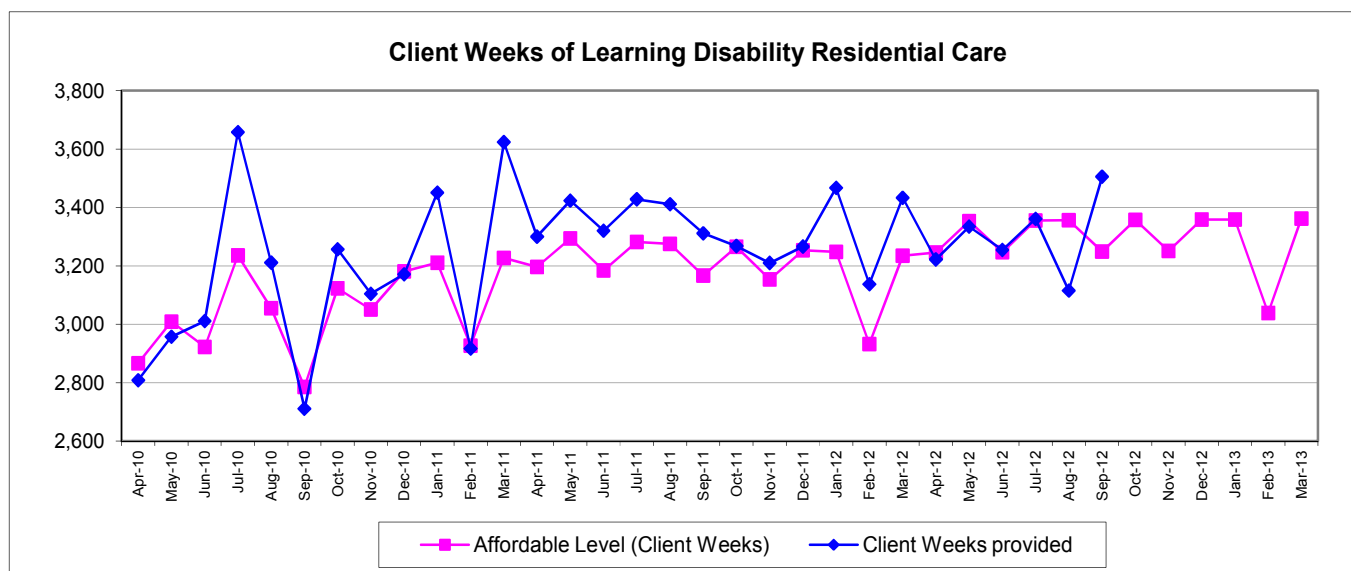


Comments:

- The unit cost has been showing an overall general reducing trend due to current work with providers to achieve savings however, the cost is also dependent on the intensity of the packages required.
- The forecast unit cost of £14.91 is higher than the affordable cost of £14.75 and this difference of +£0.16 increases the forecast by £380k when multiplied by the affordable hours, as highlighted in section 1.1.3.3.b.

2.3.1 Number of client weeks of learning disability residential care provided compared with affordable level (non preserved rights clients):

	2010-11		2011-12		2012-13	
	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided
April	2,866	2,808	3,196	3,300	3,246	3,222
May	3,009	2,957	3,294	3,423	3,353	3,334
June	2,922	3,011	3,184	3,320	3,247	3,254
July	3,236	3,658	3,282	3,428	3,355	3,361
August	3,055	3,211	3,275	3,411	3,356	3,115
September	2,785	2,711	3,167	3,311	3,249	3,505
October	3,123	3,257	3,265	3,268	3,357	
November	3,051	3,104	3,154	3,210	3,251	
December	3,181	3,171	3,253	3,266	3,359	
January	3,211	3,451	3,248	3,467	3,359	
February	2,927	2,917	2,932	3,137	3,039	
March	3,227	3,624	3,235	3,433	3,362	
TOTAL	36,593	37,880	38,485	39,974	39,533	19,791

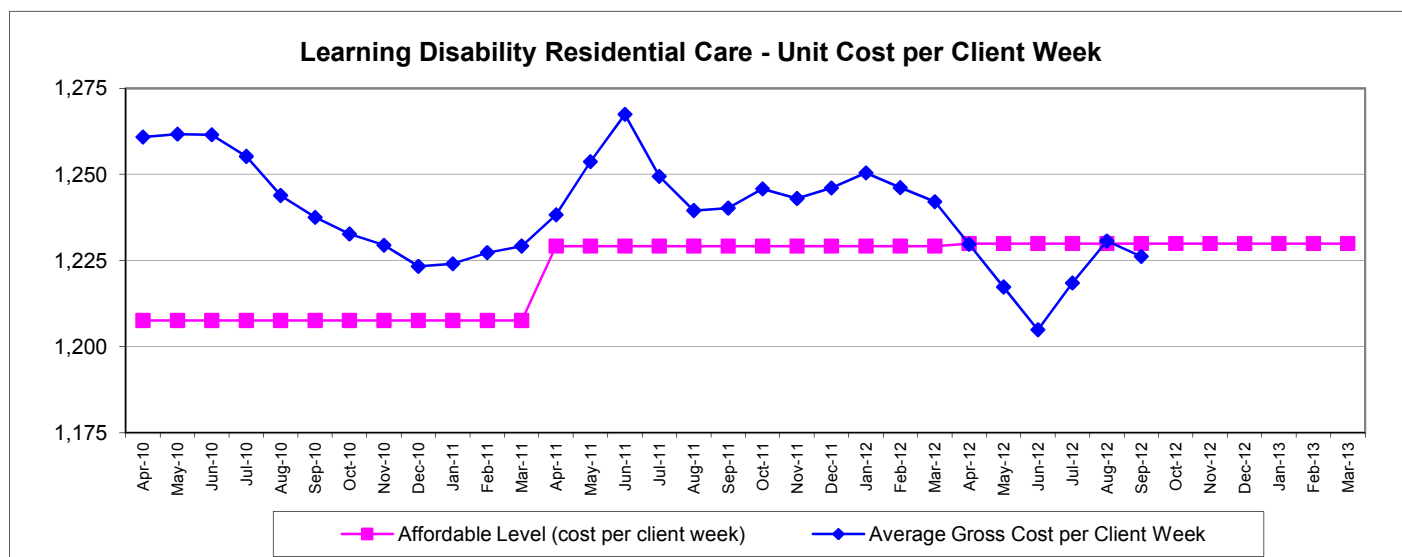


Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care at the end of 2010-11 was 713, at the end of 2011-12 it was 746 and at the end of September 2012 it was 750. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and Ordinary Residence.
- The current forecast is 40,148 weeks of care against an affordable level of 39,533, a difference of +615 weeks. Using the forecast unit cost of £1,226.14 this additional activity adds £755k to the forecast, as highlighted in section 1.1.3.4.a.
- To the end of September 19,791 weeks of care have been delivered against an affordable level of 19,806, a difference of -15 weeks. The current year to date activity suggests only a minor variance however the forecast also includes 358 additional weeks of transition and provision clients (as described in section 1.1.3.4.a) i.e. clients expected to transfer to this service during this financial year and the forecast also includes approximately 300 weeks of non-permanent care services for the remainder of the year.

2.3.2 Average gross cost per client week of learning disability residential care compared with affordable level (non preserved rights clients):

	2010-11		2011-12		2012-13	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	1,207.58	1,260.82	1,229.19	1,238.24	1,229.93	1,229.69
May	1,207.58	1,261.67	1,229.19	1,253.68	1,229.93	1,217.30
June	1,207.58	1,261.46	1,229.19	1,267.40	1,229.93	1,204.91
July	1,207.58	1,255.21	1,229.19	1,249.41	1,229.93	1,218.46
August	1,207.58	1,243.87	1,229.19	1,239.50	1,229.93	1,230.65
September	1,207.58	1,237.49	1,229.19	1,240.17	1,229.93	1,226.14
October	1,207.58	1,232.68	1,229.19	1,245.76	1,229.93	
November	1,207.58	1,229.44	1,229.19	1,242.97	1,229.93	
December	1,207.58	1,223.31	1,229.19	1,246.05	1,229.93	
January	1,207.58	1,224.03	1,229.19	1,250.44	1,229.93	
February	1,207.58	1,227.26	1,229.19	1,246.11	1,229.93	
March	1,207.58	1,229.19	1,229.19	1,242.08	1,229.93	

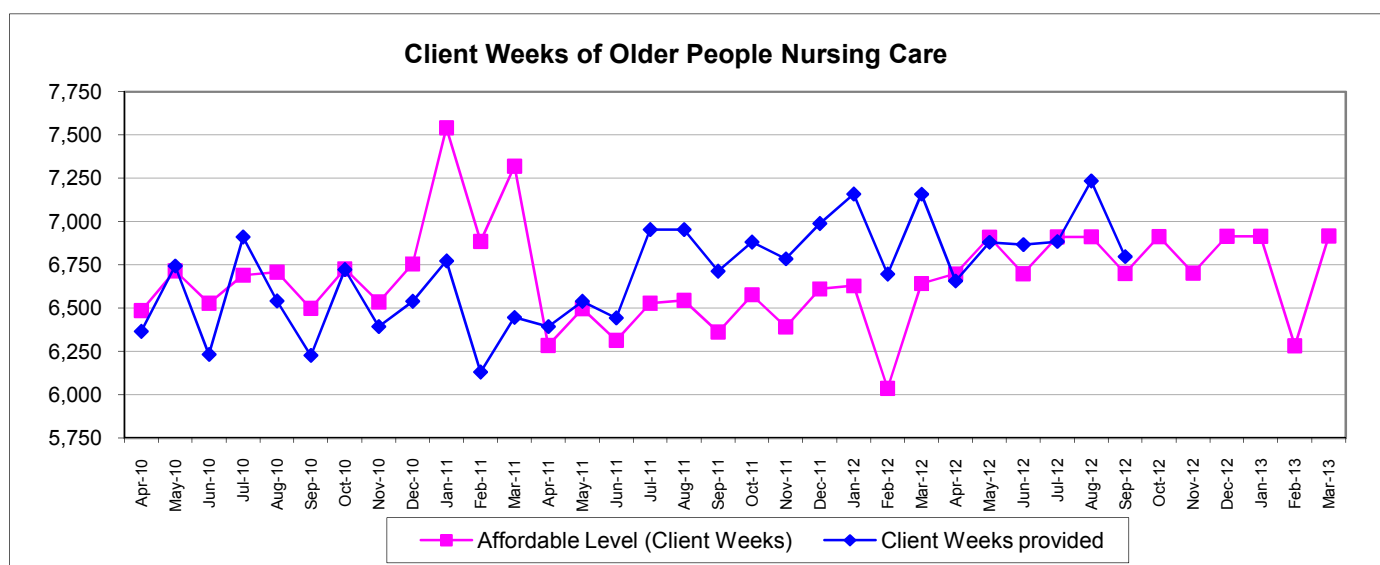


Comments:

- Clients being placed in residential care are those with very complex and individual needs which makes it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,200 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high cost – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases. The general increase in the average cost per week due to the complexity of clients has been offset this financial year by the price savings forecast to be achieved as part of the 2012-13 budget.
- The forecast unit cost of £1,226.14 is higher/lower than the affordable cost of £1,229.93 and this difference of -£3.79 adds/saves £150k to the position when multiplied by the affordable weeks, as highlighted in section 1.1.3.4.a.
- The rise in the forecast unit cost between June and September reflects the current assumption that the service will not be able to make all of the budgeted procurement savings, with a shortfall of approx. £370k currently anticipated.

2.4.1 Number of client weeks of older people nursing care provided compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided
April	6,485	6,365	6,283	6,393	6,698	6,656
May	6,715	6,743	6,495	6,538	6,909	6,880
June	6,527	6,231	6,313	6,442	6,699	6,867
July	6,689	6,911	6,527	6,953	6,911	6,884
August	6,708	6,541	6,544	6,954	6,912	7,235
September	6,497	6,225	6,361	6,713	6,701	6,797
October	6,726	6,722	6,576	6,881	6,913	
November	6,535	6,393	6,391	6,784	6,703	
December	6,755	6,539	6,610	6,988	6,915	
January	7,541	6,772	6,628	7,159	6,915	
February	6,885	6,129	6,036	6,696	6,281	
March	7,319	6,445	6,641	7,158	6,917	
TOTAL	81,382	78,016	77,405	81,659	81,474	41,319

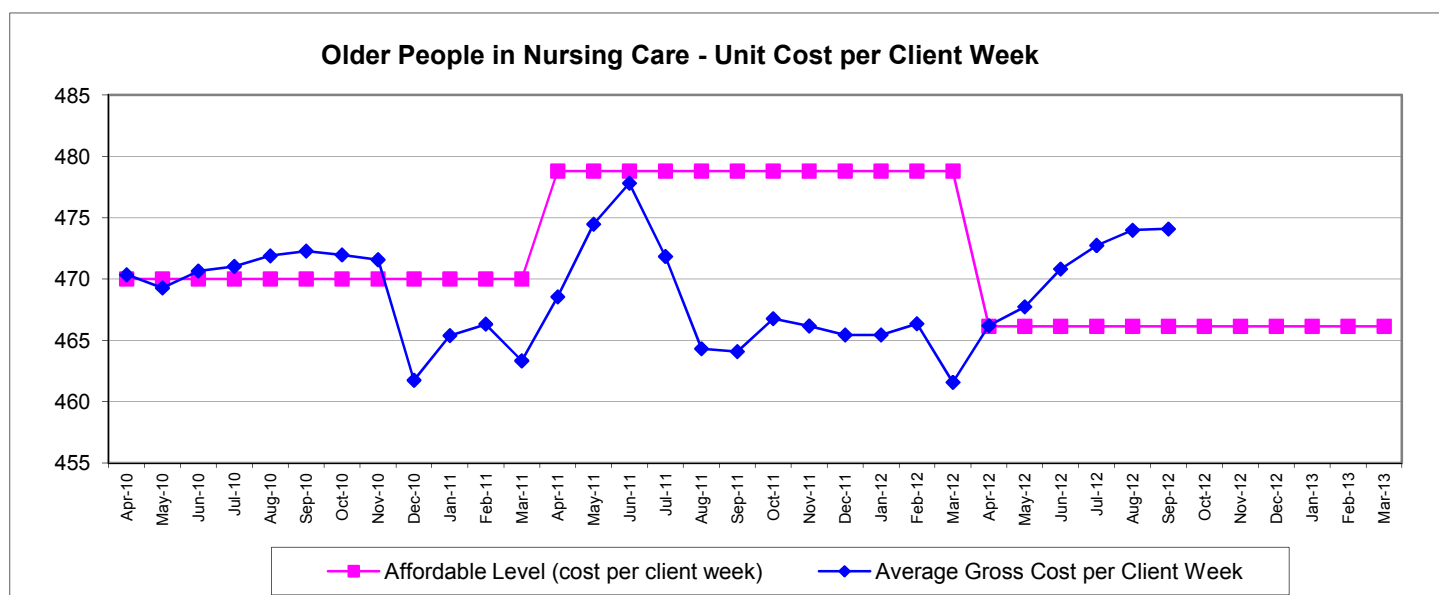


Comment:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2010-11 was 1,379, at the end of 2011-12 it was 1,479 and at the end of September 2012 it was 1,514.
- The current forecast is 83,728 weeks of care against an affordable level of 81,474, a difference of +2,254 weeks. Using the actual unit cost of £474.09, this additional activity adds +£1,069k to the forecast, as highlighted in section 1.1.3.4.c.
- To the end of September 41,319 weeks of care have been delivered against an affordable level of 40,830, a difference of +489 weeks. Current year to date activity suggests the forecast should be lower for this service however, the number of clients receiving nursing care has increased since the start of the financial year and the full year effect of these clients is forecast throughout the remainder of the financial year plus those in receipt of non-permanent care services.

2.4.2 Average gross cost per client week of older people nursing care compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	470.01	470.36	478.80	468.54	466.16	466.20
May	470.01	469.27	478.80	474.48	466.16	467.74
June	470.01	470.67	478.80	477.82	466.16	470.82
July	470.01	471.03	478.80	471.84	466.16	472.74
August	470.01	471.90	478.80	464.32	466.16	473.99
September	470.01	472.28	478.80	464.09	466.16	474.09
October	470.01	471.97	478.80	466.78	466.16	
November	470.01	471.58	478.80	466.17	466.16	
December	470.01	461.75	478.80	465.44	466.16	
January	470.01	465.40	478.80	465.44	466.16	
February	470.01	466.32	478.80	466.36	466.16	
March	470.01	463.34	478.80	461.58	466.16	

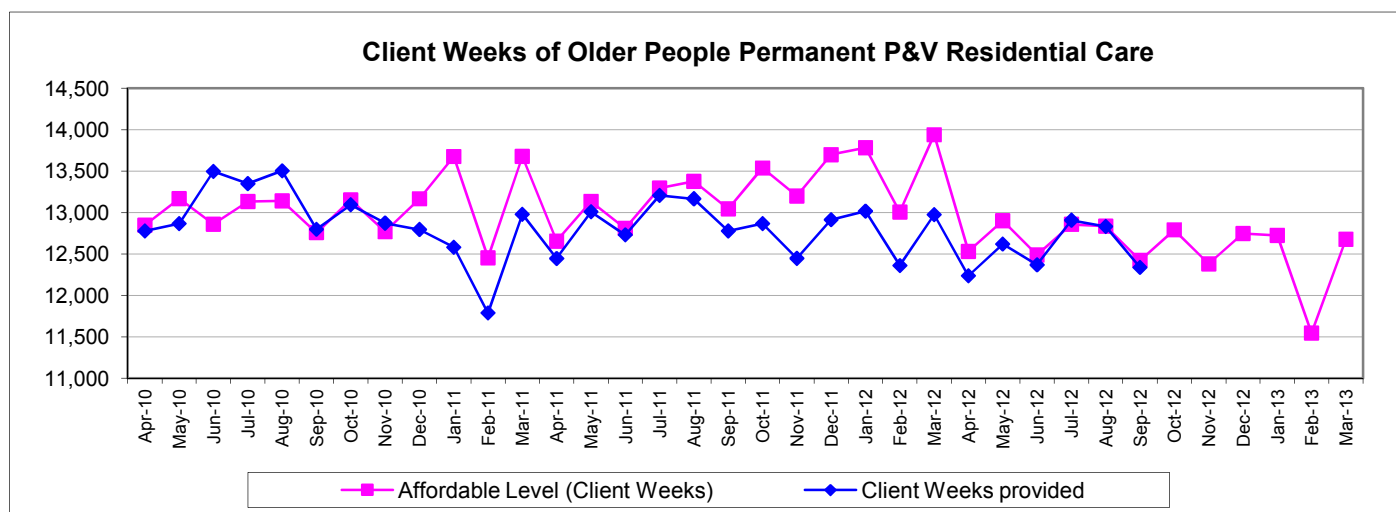


Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The forecast unit cost of £474.09 is higher than the affordable cost of £466.16 and this difference of +£7.93 adds £646k to the position when multiplied by the affordable weeks, as highlighted in section 1.1.3.4.c.

2.5.1 Number of client weeks of older people permanent P&V residential care provided compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided
April	12,848	12,778	12,655	12,446	12,532	12,237
May	13,168	12,867	13,136	13,009	12,903	12,621
June	12,860	13,497	12,811	12,731	12,489	12,369
July	13,135	13,349	13,297	13,208	12,858	12,908
August	13,141	13,505	13,377	13,167	12,836	12,832
September	12,758	12,799	13,044	12,779	12,424	12,339
October	13,154	13,094	13,538	12,868	12,792	
November	12,771	12,873	13,200	12,448	12,382	
December	13,167	12,796	13,700	12,914	12,748	
January	13,677	12,581	13,782	13,019	12,726	
February	12,455	11,790	13,007	12,361	11,545	
March	13,678	12,980	13,940	12,975	12,679	
TOTAL	156,812	154,909	159,487	153,925	150,914	75,306

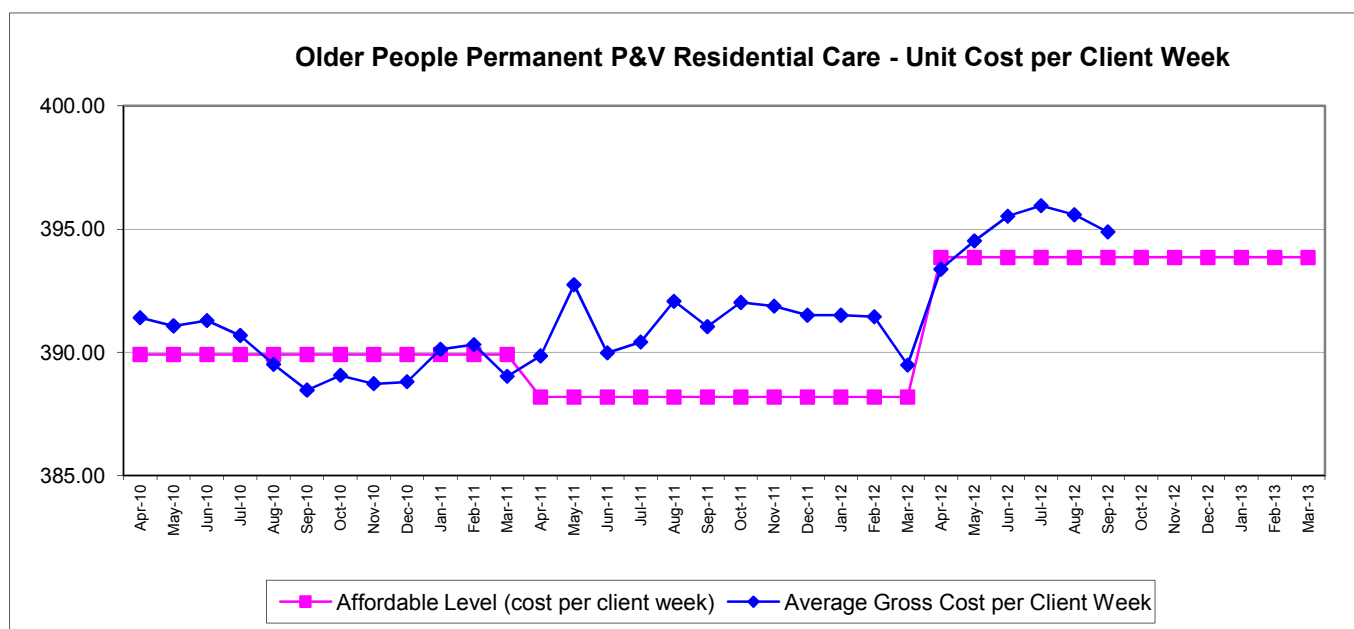


Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2010-11 it was 2,787, at the end of 2011-12 it was 2,736 and by the end of September 2012 it was 2,726. It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.
- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.
- The current forecast is 148,049 weeks of care against an affordable level of 150,914, a difference of -2,865 weeks. Using the forecast unit cost of £394.88 this reduced activity saves -£1,131k from the forecast, as highlighted in section 1.1.3.4.d.
- To the end of September 75,306 weeks of care have been delivered against an affordable level of 76,042, a difference of -736 weeks. The current year to date activity suggests the forecast should be higher, however the number of clients receiving residential care is expected to continue to reduce in the later part of the year, therefore the forecast number of weeks reflects this further anticipated reduction in client numbers during the remainder of the financial year.

2.5.2 Average gross cost per client week of older people permanent P&V residential care compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	389.91	391.40	388.18	389.85	393.85	393.37
May	389.91	391.07	388.18	392.74	393.85	394.52
June	389.91	391.29	388.18	389.97	393.85	395.52
July	389.91	390.68	388.18	390.41	393.85	395.95
August	389.91	389.51	388.18	392.07	393.85	395.58
September	389.91	388.46	388.18	391.04	393.85	394.88
October	389.91	389.06	388.18	392.02	393.85	
November	389.91	388.72	388.18	391.87	393.85	
December	389.91	388.80	388.18	391.50	393.85	
January	389.91	390.12	388.18	391.50	393.85	
February	389.91	390.31	388.18	391.44	393.85	
March	389.91	389.02	388.18	389.48	393.85	

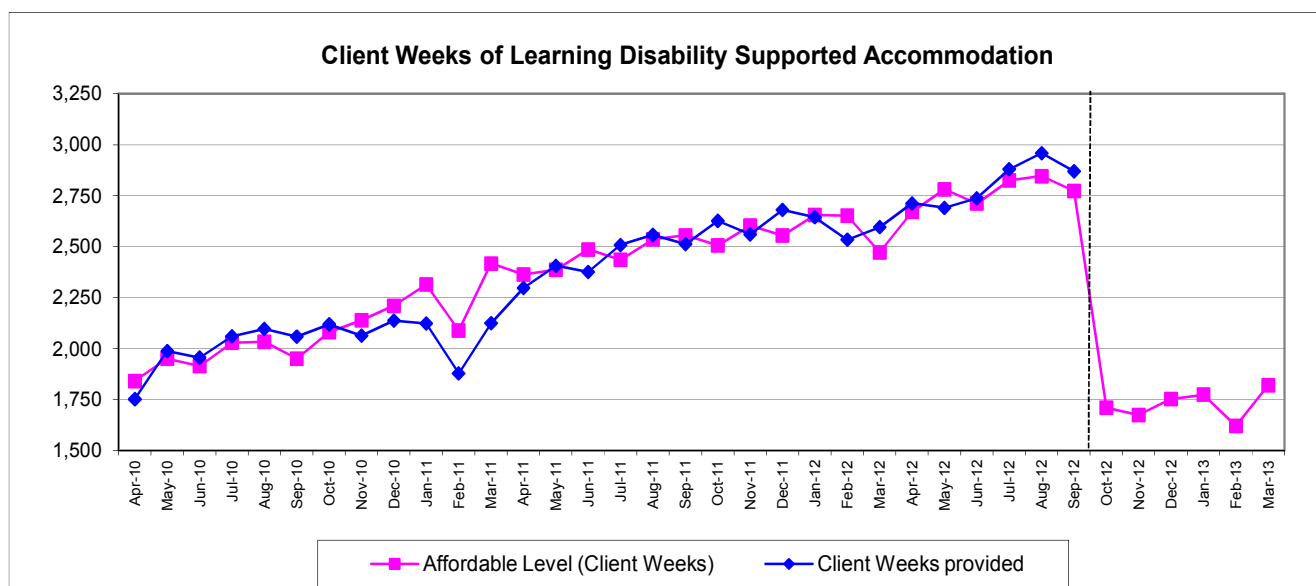


Comments:

- The forecast unit cost of £394.88 is higher than the affordable cost of £393.85 and this difference of +£1.03 adds +£155k to the position when multiplied by the affordable weeks, as highlighted in section 1.1.3.4.d. This higher average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above.

2.6.1 Number of client weeks of learning disability supported accommodation provided compared with affordable level:

	2010-11		2011-12		2012-13	
	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided
April	1,841	1,752	2,363	2,297	2,670	2,712
May	1,951	1,988	2,387	2,406	2,781	2,690
June	1,914	1,956	2,486	2,376	2,711	2,737
July	2,029	2,060	2,435	2,508	2,824	2,879
August	2,034	2,096	2,536	2,557	2,845	2,958
September	1,951	2,059	2,555	2,512	2,773	2,869
October	2,080	2,119	2,506	2,626	1,710	
November	2,138	2,063	2,603	2,560	1,675	
December	2,210	2,137	2,554	2,680	1,753	
January	2,314	2,123	2,655	2,644	1,774	
February	2,088	1,878	2,652	2,534	1,621	
March	2,417	2,125	2,472	2,595	1,820	
TOTAL	24,967	24,356	30,204	30,295	26,957	16,845



Comments:

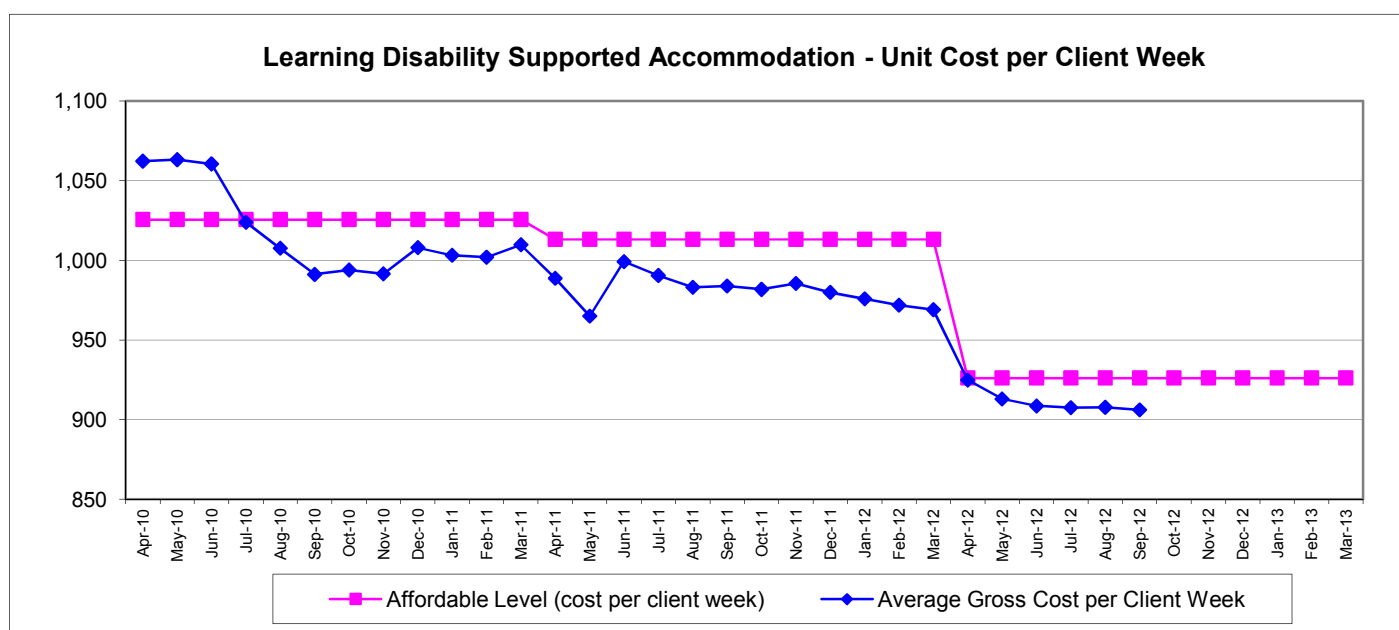
- The affordable level for 2012-13 has been amended for this quarter because from 1st October 2012 the Supporting Independence Service is being introduced and as a result a significant number of clients currently receiving supported accommodation services will be transferring to this new arrangement and will no longer be forecast under this activity indicator. This is represented by the significant drop in budgeted level from October 2012 onwards. The Supporting Independence Service clients will be reported separately within the Supported Accommodation A-Z budget and are not recorded as part of the activity above. We will be reviewing the way we report supported accommodation for next year to see whether it is possible to combine both services within a single measure. **A dotted line has been added to the graph to illustrate the introduction of the new Supporting Independence Service, and the consequent transfer of clients from Supported Accommodation, as the data presented either side of the dotted line is not on a consistent basis and is therefore not directly comparable.**

Annex 3

- The above graph reflects the number of client weeks of service provided. The actual number of clients in LD supported accommodation at the end of 2010-11 was 491 of which 131 were S256 clients, at the end of 2011-12 it was 607 of which 156 were S256 clients, and at the end of September 2012 it was 650 (of which 104 are S256).
- The current forecast is 27,787 weeks of care against an affordable level of 26,957, a difference of +830 weeks. Using the forecast unit cost of £906.09 this increase in activity provides a pressure of +£752k, as reflected in section 1.1.3.5.a.
- To the end of September 16,845 weeks of care have been delivered against an affordable level of 16,604, a difference of +241 weeks. Current year to date activity suggests the forecast should be lower for this service however, the forecast includes approximately 650 weeks of expected transition and provision clients above the budgeted level, therefore there is expected to be an increased pressure on this service in the coming months.
- Like residential care for people with a learning disability, every case is unique and varies in cost, depending on the individual circumstances. Although the quality of life will be better for these people, it is not always significantly cheaper. The focus to enable as many people as possible to move from residential care into supported accommodation means that more and increasingly complex and unique cases will be successfully supported to live independently.

2.6.2 Average gross cost per client week of learning disability supported accommodation compared with affordable level (non preserved rights clients):

	2010-11		2011-12		2012-13	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	1,025.67	1,062.38	1,013.18	988.73	926.16	924.87
May	1,025.67	1,063.22	1,013.18	964.95	926.16	912.93
June	1,025.67	1,060.59	1,013.18	999.24	926.16	908.53
July	1,025.67	1,023.90	1,013.18	990.45	926.16	907.44
August	1,025.67	1,007.58	1,013.18	983.09	926.16	907.63
September	1,025.67	991.20	1,013.18	983.85	926.16	906.09
October	1,025.67	993.92	1,013.18	981.78	926.16	
November	1,025.67	991.56	1,013.18	985.45	926.16	
December	1,025.67	1,007.95	1,013.18	979.83	926.16	
January	1,025.67	1,003.21	1,013.18	975.90	926.16	
February	1,025.67	1,001.98	1,013.18	971.85	926.16	
March	1,025.67	1,009.82	1,013.18	969.09	926.16	



Comments:

- The forecast unit cost of £906.09 is lower than the affordable cost of £926.16 and this difference of -£20.07 provides a saving of -£541k when multiplied by the affordable weeks. The forecast unit cost assumes £290k of the £854k procurement saving is still to be achieved before the end of the financial year.
- There are three distinct groups of clients: Section 256 clients, Ordinary Residence clients and other clients. Each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.
- Please note, from 2012-13 the unit cost has been recalculated to exclude spend associated with better homes active lives accommodation as these clients are not included in the client weeks reported in section 2.6.1 above. For comparison the revised March 2012 unit cost would have been £936.81 per client per week. In addition, the budgeted unit cost has been further lowered to reflect the procurement savings in the 2012-15 MTP.

3. SOCIAL CARE DEBT MONITORING

The outstanding debt as at the end of October was £16.747m compared with July's figure of £18.816m (reported to Cabinet in September) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £2.574m of sundry debt compared to £4.750m in July. The amount of sundry debt can fluctuate for large invoices to health. Also within the outstanding debt is £14.173m relating to Social Care (client) debt which is a small increase of £0.107m from the last reported position to Cabinet in September. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. The sundry debt figures are based on calendar months.

Debt Month	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Social Care Debt				
			Total Social Care Due Debt £000s	Debt Over 6 mths £000s	Debt Under 6 mths £000s	Secured £000s	Unsecured £000s
Apr-10	14,294	2,243	12,051	7,794	4,257	5,132	6,919
May-10	15,930	3,873	12,057	7,784	4,273	5,619	6,438
Jun-10	15,600	3,621	11,979	7,858	4,121	5,611	6,368
Jul-10	16,689	4,285	12,404	7,982	4,422	5,752	6,652
Aug-10	17,734	5,400	12,334	8,101	4,233	5,785	6,549
Sep-10	17,128	4,450	12,678	8,284	4,394	6,289	6,389
Oct-10	16,200	3,489	12,711	8,392	4,319	6,290	6,421
Nov-10	17,828	4,813	13,015	8,438	4,577	6,273	6,742
Dec-10	19,694	6,063	13,631	8,577	5,054	6,285	7,346
Jan-11	20,313	6,560	13,753	8,883	4,870	6,410	7,343
Feb-11	20,716	7,179	13,537	9,107	4,430	6,879	6,658
Mar-11	24,413	11,011	13,402	9,168	4,234	7,045	6,357
Apr-11	24,659	10,776	13,883	9,556	4,327	7,124	6,759
May-11	26,069	11,737	14,332	9,496	4,836	7,309	7,023
Jun-11	13,780	*	13,780	9,418	4,362	7,399	6,381
Jul-11	18,829	4,860	13,969	9,608	4,361	7,584	6,385
Aug-11	18,201	4,448	13,753	9,315	4,438	7,222	6,531
Sep-11	18,332	4,527	13,805	9,486	4,319	7,338	6,467
Oct-11	20,078	6,304	13,774	9,510	4,264	7,533	6,241
Nov-11	19,656	5,886	13,770	9,681	4,089	7,555	6,215
Dec-11	18,788	5,380	13,408	9,473	3,935	7,345	6,063
Jan-12	19,180	5,518	13,662	9,545	4,117	7,477	6,185
Feb-12	26,218	12,661	13,557	9,536	4,021	7,455	6,102
Mar-12	16,310	2,881	13,429	9,567	3,862	7,411	6,018
Apr-12	19,875	6,530	13,345	9,588	3,757	7,509	5,836
May-12	18,128	4,445	13,683	9,782	3,901	7,615	6,068
Jun-12	18,132	4,133	13,999	9,865	4,134	7,615	6,384
Jul-12	18,816	4,750	14,066	10,066	4,000	7,674	6,392
Aug-12	19,574	5,321	14,253	9,977	4,276	7,762	6,491
Sep-12	17,101	3,002	14,099	9,738	4,361	7,593	6,506
Oct-12	16,747	2,574	14,173	10,020	4,153	7,893	6,280
Nov-12	0		0				
Dec-12	0		0				
Jan-13	0		0				
Feb-13	0		0				
Mar-13	0		0				

* It should be noted that the Sundry debt reports were not successful in June 2011, and hence no figure can be reported, the problem was rectified in time for the July report, but reports are unable to be run retrospectively.

In addition the previously reported secured and unsecured debt figures for April 2012 to July 2012 have been amended slightly following a reassessment of some old debts between secured and unsecured.

