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To: Adult Social Services Policy Overview Committee –  
22 September 2009

Subject: **ADULT SOCIAL SERVICES BUDGET MONITORING 2009/10  
– FIRST QUARTERLY REPORT**

Classification: Unrestricted

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Summary: A report on the July 2009 Full Monitoring report for Kent Adult Social Services.

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## **Introduction**

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

## **Background**

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

a) **Budget Monitoring reports**

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

b) **Performance data**

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

c) **Outturn report**

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

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

(3) If required a special Budget IMG can be arranged as happened last year to discuss the future Budget and MTP proposals in more detail.

## July 2009 Full Monitoring report

3. (1) The July 2009 Full Monitoring report for Adult Social Services as presented to Cabinet on 14 September is attached at Appendix 1 and this indicates an overall revenue pressure of £0.496m. Appropriate 'Guidelines for Good Management Practice' will be implemented to ensure that the Directorate achieves a balanced position by the end of the year.

(2) The main areas to note within the latest position are:

- All savings identified within the Medium Term Plan will be achieved.
- The Directorate has reviewed all cash limits and affordable levels of activity in light of the 2008/09 out-turn and any changing trends in activity that have become apparent since the budget was set. A number of requests for virement and other changes to cash limits are included as part of the report submitted to Cabinet.
- Older People is forecasting a net underspend of £1.402m. Within this is a net underspend of £0.692m against residential care which assumes a reduction in the number of clients based on trends. The number of clients in permanent residential care has reduced from 2,832 in March to 2,817 in April and stood at 2,733 in June, although the number of clients with dementia is increasing. Nursing care is forecasting a small net pressure of £0.078m as the number of clients with dementia is expected to increase even though the number of Older People who are frail is expected to remain fairly stable. The number of clients in permanent nursing care has increased marginally from 1,332 in March to 1,340 in June. Domiciliary care remains the most volatile and difficult line to forecast with great accuracy. This line is reporting a net underspend of £0.823m as the number of clients remains below the affordable level, with the June figure of 6,422 showing a drop of 68 clients since March.
- Services for People with a Learning Difficulty is showing an overall pressure of £1.558m as both demographic and price placement pressures continue. These primarily relate to young adults with very complex needs transferring from Children's Services, clients with ageing parents cared for at home but requiring more support, and the numbers of people placed by other authorities but being classed as 'ordinarily resident' (deemed as living in the county rather than in a residential placement) and therefore our responsibility. Although the number of residential placements has decreased from 640 in March to 632 in June this is still well above the affordable level and this line is showing a net pressure of £1.569m. The forecast also assumes that, where appropriate, clients transfer to supported accommodation as the Directorate tries to support clients within the community. As with residential the activity is in excess of the affordable level with the number of clients increasing from 233 in March to 276 in June. The overall forecast pressure has also been reduced by £600k following release of the contingency held by the Managing Director.

- Services for People with a Physical Disability have similar pressures to Services for People with a Learning Difficulty and as a result the overall position is a pressure of £0.290m. Although the number of residential placements has reduced from 222 in March to 217 in April and again to 213 in June this is still well above the affordable level and this line is showing a net pressure of £0.652m. The overall forecast pressure has also been reduced by £200k following release of the contingency held by the Managing Director
  - The position for Mental Health is a net pressure of £0.249m. Within this is a gross pressure of £0.585m against residential care as the number of clients is expected to remain above the level afforded in the budget. It should be noted that the budgets were realigned in 2008-09 to reflect the changed priorities in the Directorate to keep clients, wherever possible, within a community based setting such as supported accommodation or via direct payments, rather than residential care, however this change has not happened as quickly as anticipated. This has resulted in an underspend of £0.357m against direct payments. The forecast for residential care also assumes an under-recovery in income of £0.276m as there is an increasing proportion of clients who fall under Section 117 meaning that they do not contribute to the cost of their care.
- (3) The Capital budget is showing a real variance of £0.025m after requesting for £4.962m to be re-phased. Of this £2.600 relates to Dartford Town Centre and £1.530m to the Broadmeadow extension. Dartford Town Centre is largely dependent upon a retail and residential development, the start of which has been delayed by the developer due to the present economic climate. The earliest anticipated start date is now in next financial year. Submission of planning permission for the Broadmeadow extension will now take place in September meaning that completion of the project will be four months later than originally thought, which will be in December 2010.
- (4) The outstanding debt that was due for payment as at July was £13.9m of which £12.0m related to client debt with £1.9m of sundry debt. This compared with total due debt as at June of £12.6m of which £11.4m was client debt and £1.2m of sundry debt.

## **Recommendations**

4. (1) Members of the Policy Overview Committee are asked to note the projected outturn figures for the Directorate as at the September Cabinet report.

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