

TO: Social Care & Public Health Cabinet Committee – 9th November 2012

**BY: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Jenny Whittle, Cabinet Member for Specialist Children’s Services
Andrew Ireland, Corporate Director – Families and Social Care**

**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 first quarter’s full budget monitoring report for 2012/13 was reported to Cabinet on 17 September 2012. Members of the Cabinet Committee are also asked to note the subsequent update to this position which was reported in the monitoring exception report to Cabinet on 15 October 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 and 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 first quarter’s monitoring report for 2012/13 was reported to Cabinet Committees in September. An update to this position was reported in the monitoring exception report to Cabinet on 15 October. The relevant extracts from this exception report are included in the revenue and capital sections below.

3. Families & Social Care Directorate (Adult Social Care & Public Health Portfolio and Specialist Children’s Services Portfolio) 2012/13 Financial Forecast – Revenue

3.1 **Table 1** shows the movements reported in the exception report following the quarter 1 report provided to Cabinet Committees in September.

Portfolio	Forecast Variance £000s	Movement from Qtr 1 report £000s
Adult Social Care & Public Health Portfolio	-2,805	+669
Children's Specialist Services	+5,453	+158
Directorate Total	+2,648	+827

The main reasons for this movement are detailed below:

3.2 **Adult Social Care & Public Health Portfolio:**

The forecast underspend on this portfolio has reduced by £0.669m this month from -£3.474m to -£2.805m. The movements over £0.1m this month are:

- 3.2.1 +£0.176m Learning Disability Direct Payments – a reduction in the underspend from -£1.373m to -£1.197m, reflecting a reduction in the gross underspend of +£0.185k due to a net increase of 44 clients and minor increases in one-off direct payments, partially offset by a minor increase in income expected of -£0.009m.
- 3.2.2 +£0.113m Older People Direct Payments – a reduction in the underspend from -£1.014m to -£0.901m resulting from a small increase in activity and a minor shortfall in income.
- 3.2.3 +£0.119m Physical Disability Domiciliary Care – an increase in the position from an underspend of -£0.101m to a small pressure of +£0.018m as a result of an increase in externally purchased domiciliary care creating an additional pressure of +£0.160m. This is slightly offset by minor movements on other domiciliary services and an increase in income, totalling -£0.041m.
- 3.2.4 +£0.762m Learning Disability Residential Care – a reduction in the underspend from -£0.928m to -£0.166m representing an increase in gross costs of +£1.128m partially offset by -£0.366m increase in income contributions. A net increase of 10 clients, in addition to changes to services for existing clients, have increased gross costs by +£0.344m, along with the reclassification of costs from Supported Accommodation to Residential Care associated with a block contract, totalling +£0.709m (a similar reduction is shown within Supported Accommodation in section 2.8.6 below). The remainder of the increase in gross cost of +£0.075m relates to minor increases in both residential care preserved rights budgets and in-house services.
- 3.2.5 +£0.103m Older People Residential Care – an increase in the pressure from +£0.825m to +£0.928m resulting from an increase in gross costs associated with the in-house residential care services, totalling +£0.622m, mainly due to a review of forecast staffing commitments, partially offset by -£0.444m expected PCT contributions to help fund additional costs and -£0.008m other contributions. The balance of -£0.067m relates to an increase in expected contributions for those clients in receipt of externally purchased residential care.

Indications suggest that the forecast activity for both externally purchased residential care and nursing care is increasing, however this goes against the trend that we would expect and therefore an increased pressure is not being reported at this point in time, whilst we await the outcome of an exercise being undertaken to provide further clarity on

this current activity profile. The results of this will be presented in the next monitoring report to Cabinet in December.

- 3.2.6 -£0.420m Learning Disability Supported Accommodation – a reduction in the pressure from +£2.289m to +£1.869m as a result of the reclassification of costs from Supported Accommodation to Residential Care associated with a block contract, as reported in section 2.8.4 above, totalling -£0.709m. This is partially offset by a net increase of ten clients, along with the effect of changes to services for existing clients, contributing a +£0.348m pressure. Minor changes to the position for both group homes and additional client contributions account for the balance of -£0.059m.
- 3.2.7 -£0.177m Other Adult Services – an increase in the underspend from -£0.081m to -£0.258m, which is mainly due to a forecast underspend of -£0.110m for Telehealth and Telecare services and minor changes to other services including increased client contributions for the meals service, totalling -£0.067m.

3.3 **Children’s Specialist Services Portfolio:**

The pressure on this portfolio has increased by £0.158m this month from +£5.295m to +£5.453m. This is due to:

- 3.3.1 +£0.080m Fostering – an increase in the pressure from +£3.235m to +£3.315m, which is due to an increase in Independent Fostering (IFA) placements, resulting in further pressure of £0.150m, along with a small decrease in In-house fostering placements of -£0.070m.
- 3.3.2 +£0.378m Preventative Children’s Services – a reduction in the underspend from -£0.950m to -£0.572m due to:
- +£0.510m forecast pressure on direct payments. This forecast is based on year to date spend. Further work is being undertaken to validate this position and an update will be provided in the quarter 2 report.
 - +£0.188m forecast pressure due to a shortfall of income from Health regarding the MASH (Multi Agency Specialist Hubs) buildings lease. This shortfall is being pursued with Health.
 - -£0.320m forecast underspend on short breaks for disabled children. Once again this forecast has been based on spend to date and further work is being undertaken to validate this position in time for the quarter 2 report.
- 3.3.3 -£0.300m Early Years & Childcare – an underspend of -£0.300m is forecast for the Early Years, Children’s Centre Development Team from the release of uncommitted budget to offset pressures elsewhere within Specialist Children’s Services.

4. **Families & Social Care Directorate (Adult Social Care & Public Health Portfolio and Specialist Children’s Services Portfolio) 2012/13 Financial Forecast - Capital**

- 4.1 **Table 2** shows the summary of variance from cash limit, as reported in the exception report to Cabinet on 15th October 2012.

Portfolio	Total	Adults Social Care & Public Health	Specialist Childrens Services
	Amount £000s	Amount £000s	Amount £000s
Unfunded variance	1,100		1,100
Funded variance	125	125	
Variance to be funded from revenue	60		60
Project underspend			
Rephasing (to/from beyond 2012-15)	-1,418	-1,418	
Total variance	-133	-1,293	1,160

Movements from the quarter 1 report are detailed below:

4.2 Movements in unfunded variance

There is a movement of -£0.773m against previously reported unfunded variance. The movement is on the MASH project within the **Specialist Childrens Services Portfolio**. The previous monitoring report included in error a £0.718m overspend that related to spend in 2011-12. The latest forecast identifies a true reflection of the current year's spend, with a minor movement of £0.055m from last month.

4.3 Movements in re-phasing (to/from beyond 2012-15)

There have been no movements in re-phasing since the quarter 1 report.

4.4 Other Movements

There have been no other movements since the quarter 1 report.

5. Recommendations

- 5.1 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 Adult Social Care & Public Health and Specialist Children's Services Portfolios based on the first quarter's full monitoring to Cabinet and the subsequent exception report.

Michelle Goldsmith
Families and Social Care Finance Business Partner
Tel 01622 221770
Email michelle.goldsmith@kent.gov.uk

Background Documents: none