HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date of Decision:	25 November 2011
Decision Title:	Budget Monitoring - 2011/12 Quarter 2
Decision Reference:	3465
Report From:	County Treasurer and Director of Adult Services

Contact name: Erica Meadus

Tel: 01962 846195 **Email:** erica.meadus@hants.gov.uk

1. Executive Summary

1.1. This report outlines the budget monitoring position as at the end of quarter 2 (30 September 2011). Whilst this position reflects a forecast budget pressure, the department will achieve the majority of the 8% savings target for 2011/12 with any shortfall delivered through further management action, and final expenditure for the year is expected to be contained within the available budget (after draw down from the corporate risk contingency). Risks to this position are highlighted within the report.

1.2. The projected outturn for 2011/12 is a net budget pressure of £6.977m (2.3%).The variance reported by each directorate is as follows:

	Current budget	Quarter 1 forecast variance	Quarter 2 forecast variance		Change
	£000	£000	£000	%	£000
Director	1,265	86	3	0.2	(83)
Commissioning and Partnerships	38,740	(26)	(454)	(1.2)	(428)
Older People / Physical Disabilities	121,695	785	355	0.3	(430)
Learning Disabilities / Mental Health and In-house services	146,036	6,490	7,232	5.0	742
Winter pressures and other department contingency	788	0	(159)	(20.2)	(159)
Total	**308,524**	**7,335**	**6,977**	**2.3**	**(358)**

1.3. The most significant budget pressure continues to relate to Learning Disability services (£6.3m of the £7.2m pressure forecast for Learning Disabilities, Mental Health and In-house services directorate). This pressure is mainly in respect of high-cost residential care placements and Direct Payments support, and is due to a number of factors including:

- a higher numbers of transitional clients than budgeted (approximately £2m mainly impacting on residential care budgets)
- increased complexity of clients needs as reflected in the increased cost of support packages being provided since last year (approximately a further £2m within residential care)
- higher average weekly costs than budgeted (including approximately £1.3m for Direct Payments)
- lower attrition levels than in previous years.

1.4. Budget pressures across all client groups (in particular within Older People services) have been offset to an extent by higher levels of income and client contributions than previously estimated when the budget was set, particularly on Nursing and Residential care for which client charging is governed by CRAG (Charging for Residential Accommodation Guidance). There are also higher than budget numbers of clients receiving Nursing care which has lead to an increase in the amount of income received.

1.5. This position reflects increased levels of safeguarding activity across services, in the main relating to institutional safeguarding. This is over and above the increased activity within safeguarding we have seen in recent years, and is in line with increasing numbers and complexity of people we support.

1.6. The overall department position incorporates (for all service areas) an assumption that further demographic growth will be in line with the departments budget provision (just under £13.9m). Assumptions for the remainder of the financial year have been adjusted to reflect the actual number and cost of packages that have been provided during the first six months.

1.7. As noted in the previous report, the £13.9m assessment of demographic and complexity pressures did not include all of the possible impacts associated with demographic trends, and a corporate contingency fund was created to manage the risks surrounding these. Detailed work has been undertaken to examine the impact of some of the more previously uncertain areas of pressure (e.g. the extent of increased numbers of transitional and ordinary residence cases, increased complexity in Learning Disability clients needs and the level of winter pressures). The findings of this work are expected to enable the department to draw down up to £8m from the corporate risk contingency (subject to approval by Cabinet), which would offset the current financial pressure. However, management will continue to seek to achieve additional efficiency savings (both one-off and ongoing) during the remainder of the year.

1.8. Although there are significant overspends against Direct Payments (£1.710m for PD and £1,340m in LD) this type of provision is not costing more to provide services than alternatives would. The pressures are linked to the demographic and complexity work that is being undertaken as outlined above.

1.9. Significant variations for the end of quarter 2 are summarised as follows:

	Forecast variance this period £000	Change since quarter 1 £000	Para ref
Commissioning and Partnerships	**(454)**	**(428)**	**2.1 to 2.4**

A number of variations account for the overall net underspend of £454,000 (and the movement since quarter 1), the most significant of which relates to one-off savings achieved against strategic commissioning budgets for mental health services where contracts that have ended this year and will not be replaced. This budget will be redirected next year toward meeting the cost of the proposed Wellbeing Centres which are planned to open in August or September 2012.

OPPD purchased services	**355**	**(430)**	**3.1 to 3.8**

The forecast budget pressure for this area is £355,000. This includes £2.1m in respect of direct payments, £1m on nursing care and £466,000 on domiciliary care. This is largely offset by a £2.8m underspend on residential care, in part reflecting the continuing trend of clients remaining in their homes for longer and lower re-provisioning costs than budgeted, and also changes in the previously planned closure of some in-house residential homes.

The reduction in forecast outturn since the end of quarter 1 mainly relates to lower forecast spend on domiciliary care as a result of a reduction in the number of packages being provided. This has been partially offset by an increase in forecast salary costs (which assumes that all remaining vacancies following completion of the restructure will be recruited to from 1 December), and nursing care reflecting an increase in the number of clients receiving this type of care.

Learning Disabilities, Mental Health and In-house services	**7,232**	**742**	**4.1 to 4.8**

The forecast budget pressure for these services is £7.2m. This includes £6.3m against Learning Disability Services (an increase of £378,000 since quarter 1) and £823,000 against Mental Health Services (an increase of £179,000 since quarter 1).

Learning Disabilities	**6,276**	**378**	

The forecast budget pressure for this area is £6.3m. This includes pressures of £4.1m on residential services, £1.3m in relation to direct payments, and £741,000 on Other services (e.g. transport for clients), offset by an underspend of £211,000 against domiciliary care. The budget assumes some clients will transfer from residential to domiciliary care over the year in accordance with the strategy to increase client independence, so the position reported may change over the remaining months of the year to reflect this.

The increase since quarter 1 mainly relates to residential services and reflects an increase in the number of packages expected to be provided during the year. Other changes include an increase on Other services mainly due to higher transport costs, offset by a reduction on forecast staffing costs and purchased domiciliary care

	Forecast variance this period £000	Change since quarter 1 £000	Para ref

packages.

The complexity of clients supported by this service as well as higher number of transitional clients contribute significantly toward the forecast pressure reported.

Mental Health	**823**	**179**	

The forecast budget pressure for this area is £823,000. This includes £152,000 against nursing care, £826,000 in respect of residential care and £324,000 for domiciliary care. The pressures in these areas are partially offset by £411,000 underspend against management and support.

This is an increase of £179,000 since quarter 1 mainly due to higher forecast nursing and residential costs as a result of an increase in the number of packages provided and estimated average weekly costs since quarter 1.

In-house services	**(20)**	**218**	

The forecast underspend for in-house services is £20,000, representing an increase in forecast expenditure of £218,000 since quarter 1. The overall position includes under spends of £633,000 against nursing care, and £674,000 for day care, which are partially offset by budget pressures of £1.2m in respect of residential care.

1.10. Specific service area issues are highlighted in the following sections of this report. In addition the following information is shown as appendices to this report:

1. Forecast outturn across services

2011/12 Revenue Budget

2. Commissioning and Partnerships Directorate

2.1. The current position for the Commissioning and Partnerships Directorate is a forecast underspend of £454,000 (1.2%), an increase in underspend of £428,000 since the end of quarter 1. The variance by team is as follows:

	Current budget	Quarter 1 forecast variance	Quarter 2 forecast variance		Change
	£000	£000	£000	%	£000
Deputy Director Commissioning and Partnerships	517	289	68	13.1	(221)
Head of Contracts	1,003	178	(99)	(9.8)	(278)
Strategic Commissioning (LD)	2,063	(106)	(40)	(1.9)	66
Strategic Commissioning (OPPD)	1,075	168	(35)	(3.2)	(203)
Strategic Commissioning (MH)	2,072	(372)	(439)	(21.2)	(67)
Strategic Commissioning Wellbeing & Partnerships	30,945	(89)	180	0.6	269
Business Management Services	1,065	(94)	(89)	(8.3)	6
Total	**38,740**	**(26)**	**(454)**	**(1.2)**	**(428)**

2.2. As shown in the table above, a number of variations account for the overall net underspend of £454,000, the most significant of which is an underspend of £439,000 in relation to Strategic Commissioning for Mental Health services. This is due to one off savings from contracts which have now ended but which will not be replaced. The budget will be redirected next year to fund the proposed Wellbeing Centres which are planned to open in Autumn 2012.

2.3. Other significant variances include an overspend of £180,000 against ‘Wellbeing and Partnerships’ budgets due to only a proportion of staff savings being achieved during the current year, offset by underspends of £99,000 and £89,000 against ‘Head of Contracts’ and ‘Business Management Services’ budgets respectively mainly due to additional staff savings being achieved.

2.4. In addition to the variance reported for this directorate, savings of £590,000 have been identified against the Learning Disabilities (LD) transfer commissioning budgets. These savings have been badged against the £3m LD transfer savings target which is currently assumed will be achieved in full.

3. Older Persons and Physical Disabilities (OPPD) – purchased services

3.1. The current position for Older People and Physical Disabilities is a forecast budget pressure of £355,000 (0.5%). The variance by client group is as follows:

By client group	Current budget	Quarter 1 forecast variance	Quarter 2 forecast variance		Change
	£000	£000	£000	%	£000
Older People (OP)	98,520	(1,929)	(2,362)	(2.4)	(433)
Physical Disabilities (PD)	23,175	2,714	2,717	11.7	3
Total	**121,695**	**785**	**355**	**0.3**	**(430)**

3.2. Appendix 1 provides a breakdown of this pressure by type of care. This shows that the net pressure of £355,000 includes £2.059m in respect of direct payments, £993,000 on purchased nursing £466,000 on purchased domiciliary care and £372,000 against management and support. These are largely offset by a £504,000 underspend on Assessment and Care Management, £187,000 against Other care and a £2.827m underspend on residential care.

3.3. This partly reflects the success in avoiding residential care admissions and enabling clients to remain in their own homes for longer. It also reflects changes in the previously planned approach to close some in-house residential units, therefore reducing the anticipated reprovisioning costs.

3.4. There are 10,204 purchased packages for OP clients and 1,878 for PD clients at the end of quarter 2 compared to budgeted packages of 10,977 and 1,878 respectively. The variance in OPPD packages reflects the high number of deaths at the end of the last financial year and during the early part of this year, although these have been partially offset by expected demographic growth.

3.5. The forecast includes an adjustment of £1.5m for ‘Electronic Domiciliary Care Monitoring’ and ‘reviewing the offer’ efficiency savings planned to be made over the remaining months of the year. During quarter 2 the actual savings arising from the staff restructure (fully implemented from 1st October), and the preferred provider panel framework (implemented from 1st July) have been included within the operational forecasts.

3.6. The forecast pressure also incorporates an assumption that a further £3m of expenditure will be incurred in relation to new packages during the remainder of the year, mainly due to emerging demographic pressures and recruitment to staffing vacancies. If this growth does not occur, or the rate of client deaths continues at present levels, then this forecast would be reviewed resulting in a reduction to the pressure currently forecast.

3.7. Expenditure budgets are forecast to be overspent by approximately £2.4m, largely as a result of the demographic pressure brought forward from 2010/11 with unit costs generally being above budgeted levels. This has been offset by a £2.1m overachievement against income budgets to give the £355,000 net pressure (see section 7 for further information on income)*.*

3.8. The £430,000 reduction in variance since quarter 1 primarily relates to:

- a reduction of £1.372m against purchased domiciliary care budgets, which includes the release of £854,000 of contingency held by the Assistant Director for unbudgeted domiciliary care costs as well as changes in both savings and future expenditure assumptions
- an increased pressure on nursing care of £403,000 due to higher placement costs and increased activity than previously forecast
- an increase of £494,000 in respect of Assessment and Care Management budgets, mainly due to revisions being made to the forecast outturn in respect of anticipated recruitment to vacant positions following completion of the restructure. The forecast now assumes that all vacant posts will be filled from 1 December 2011, and this position may change once actual recruitment to these positions is clearer.

4. Learning Disabilities (purchased services), Mental Health and In-house services

4.1. The current position for Learning Disabilities (LD) and Mental Health (MH) and In-house services is a forecast budget pressure of £7.232m (5%). The variance for each area of service is broken down in the following table:

	Current budget[1]	**Quarter 1 forecast variance**	**Quarter 2 forecast variance**		**Change**
	£000	**£000**	**£000**	**%**	**£000**
Assistant Director	191	70	90	47.1	20
Learning Disabilities	90,403	5,898	6,276	6.9	378
Mental Health	10,137	644	823	8.1	179
In-house provider services	34,629	(238)	(20)	0.1	218
Non-operational services (various)	10,676	116	63	(0.6)	(53)
Total	**146,036**	**6,490**	**7,232**	**5.0**	**742**

4.2. The most significant areas of pressure relate to purchased residential services (£4.087m for LD clients and £826,000 for MH clients), Direct Payments (£1.340m for LD) and In-house residential services (£886,000 for OP). A number of factors contribute toward the overall pressure of £6.276m for LD, including higher numbers of transitional clients than budgeted for (partly due to a greater number of children and middle aged adults who have complex needs living longer), as well as higher numbers of clients with Aspergers and Ordinary Residence status and those aged 65 or over continuing to receive support. Higher than budgeted package costs (in particular for nursing and residential care and Direct Payments) further impact on the budget pressure forecast. The increased needs and cost of LD clients is due to a number of reasons, including carer breakdowns, emergency placements, high level of safeguarding, respite for college holidays and more support for family carers.

[1] Current budget is net of income (e.g. Health)

4.3. Forecast demographic pressures were funded as part of the 2011/12 budget strategy. However, in line with the initial expectation that more clients would be supported through either domiciliary care packages or direct payments, this additional budget was allocated against these service areas rather than residential care where the main pressure has emerged.

4.4. The position reported also incorporates an assumption that a further £3m of savings will be achieved in relation to the LD transfer. Whilst a proportion of this has already been achieved, due to delays in clients actually transferring from health there is a risk to delivery of this savings target. This will be monitored closely over the coming months and an update provided in the next report.

4.5. As at the end of quarter 2 the actual number of LD packages was 26 above the number budgeted for. However, this excludes approximately 63 further packages for transitional clients which are expected to be provided during the remainder of the year (October to March). The estimated cost of these further packages has been included in the forecast outturn, representing a total of approximately 3,164 LD packages expecting to be provided as at the end of September (i.e. approximately 89 above budget, of which approximately 39 relates to unbudgeted transitional clients).

4.6. The average weekly cost of purchased packages (except LD Day Care) remain significantly higher than the budgeted weekly costs, although costs for Domiciliary Care, Day Care, and Direct Payments across both LD and MH have all reduced slightly since quarter 1.

4.7. The increase in forecast outturn for the in-house service since quarter 1 of £218,000 is due in part to a review of the expected staff costs. Use of agency staff will continue to be monitored and the development of a ‘casual staff bank’ is hoped to reduce the usage and current estimated cost of agency staff this year.

4.8. The increase of £742,000 for Learning Disabilities, Mental Health and In-house services since quarter 1 primarily relates to:

- a reduction of £346,000 across LD and MH Assessment and Care Management following a further review of salary forecasts and expected recruitment to vacancies
- an increase in residential care across both LD and MH of £447,000, mainly due to slippage on anticipated procurement savings for LD and the inclusion of four additional high cost places for MH
- a net reduction on Domiciliary Care for LD services of £90,000. This incorporates a reduction in anticipated procurement savings following implementation of the new preferred providers panel from 1st July (£425,000) offset by a reduction in the estimated cost of packages for the year
- an increase of £443,000 in LD Other services, primarily due to the realignment of the LD transfer contingency budget to other LD care types
- an increase in forecast outturn against In-house services of £218,000, mainly in relation to higher levels of anticipated agency staff spend due to a high number of vacancies across In-house provider services following implementation of the planned restructure.

5. Department contingency (including winter pressures funding)

5.1. The department's central contingency as at the end of quarter 2 amounted to £788,000 and includes:

	Current budget	Quarter 1 forecast variance	Quarter 2 forecast variance		Change
	£000	£000	£000	%	£000
Winter pressures	657	0	(300)	(45.7)	(300)
Bad debt provision	152	0	141	92.8	141
Other contingencies[2]	(21)	0	0	0	0
Total	**788**	**0**	**(159)**	**(20.2)**	**(159)**

5.2. The budget has reduced by £597,000 since quarter 1 to reflect confirmed adjustments the Safer Communities funding agreed for 2011/12 (which has now been allocated to the Commissioning and Partnerships directorate), and removal of an inflation allocation previously provided to the department.

5.3. Since the end of quarter 1, the forecast outturn against the winter pressures contingency has been reduced by £300,000 to release funding that that had previously been earmarked to meet new pressures in the area teams. Potential future commitments against this budget will continue to be reviewed through the remainder of the year and the outturn forecast reduced accordingly.

5.4. In addition, the likely cost of bad debts in 2011/12 has been reviewed and the forecast outturn increased by £141,000 to reflect an increased value of debts that are likely to be written off. Details of debts recommended for write-off are provided in section 6.

5.5. In addition to the department contingency, there are a number of other contingencies held within service areas (excluding demography). It is currently assumed that they will be fully spent this year, or are offsetting pressures forecast against operational budgets.

6. Debts over £5,000 recommended for write-off

6.1. For the first two quarters of the year there are eight debts totalling £61,771.95 (0.2% of the income budget) that are recommended for write-off by the Executive Member. The table below details the total debts under and over £5,000 for the year to date compared to previous years:

	Total write-off		% of Income	Write-offs over £5,000		Write-offs under £5,000	
Year	Value	Number	budget	Value	Number	Value	Number
	£000			£000		£000	
2008/09	193	458	0.2	103	11	91	447
2009/10	235	504	0.3	59	8	176	496
2010/11	324	603	0.4	162	18	162	585
2011/12	161	253	0.2	61	8	99	245

[2] Other contingencies includes a recharge budget of £40,000 to Health to recover the cost of LGPS charges.

6.2. The majority of these debts have arisen due to non-payment of client contributions where support has been provided by family members to help them manage their finances. The business processes surrounding these cases, including escalation of any outstanding debts for consideration by the department's 'Bad Debt panel', are currently being reviewed to ensure that these are investigated as quickly as possible, and that the potential financial impact for both the department and clients is minimised.

7. Income

7.1. Income (including contributions expected to be received from clients) is forecast to exceed the budget by £3.019m (excluding internal recharges) as at the end of quarter 2, an increase of £1.282m since quarter 1. The variance by type of income and is shown in the following table:

Source of income	Current budget	Quarter 1 forecast variance	Quarter 2 forecast variance		Change
	£000	£000	£000	%	£000
Non residential charging (NRC)	(10,250)	(321)	(744)	(7.3)	(423)
Client contributions to residential and nursing care	(60,609)	(930)	(2,478)	(4.1)	(1,548)
Health, Partnerships and Other Local Authorities	(17,118)	(493)	196	1.1	689
Other income	(34)	7	7	21.2	0
Total income [3]	**(88,011)**	**(1,737)**	**(3,019)**	**(3.4)**	**(1,282)**

Non residential charging (NRC) and client contributions to nursing and residential care

7.2. The NRC and nursing and residential client contributions are forecast to exceed the budget by £744,000 and £2.478m respectively, a net increase of £1.971m since the end of quarter 1.

7.3. A significant proportion of this increase relates to OPPD services (approximately £1m), and includes the unbudgeted increase in clients placed within nursing care as noted in section 3 of the report (an increase of £325,000). Other changes within OPPD include an increase of £435,000 in relation to purchased domiciliary care (NRC) as a result of adjusting forecasts to reflect actual income received, and £122,000 within residential care, partly due to a review of the forecast contributions

[3] Excludes recharges within and to/from other department's.

that will be received from clients who are on the deferred payments scheme. Other significant changes in variance include an increase in contributions for in-house services (£655,000), where the outturn had previously been set lower in anticipation of the refurbishment of some of the homes which is no longer expected to happen.

7.4. The new contributions policy was implemented with effect from 1 August and it is expected that this will have a significant impact on the level of contributions collected by the department. The additional contributions expected to be generated following implementation of the policy is not currently factored in to the forecast outturn or cash limited budget and further information on expected the amount of contributions for this year will be provided in the report for quarter 3.

Income from Health, Partnerships and Other Local Authorities

7.5. As at the end of quarter 2, income from Health, partnerships and other local authorities is forecast to be £196,000 less than the budgeted amount. This is an overall reduction of £689,000 since quarter 1. The main reasons for this change include:

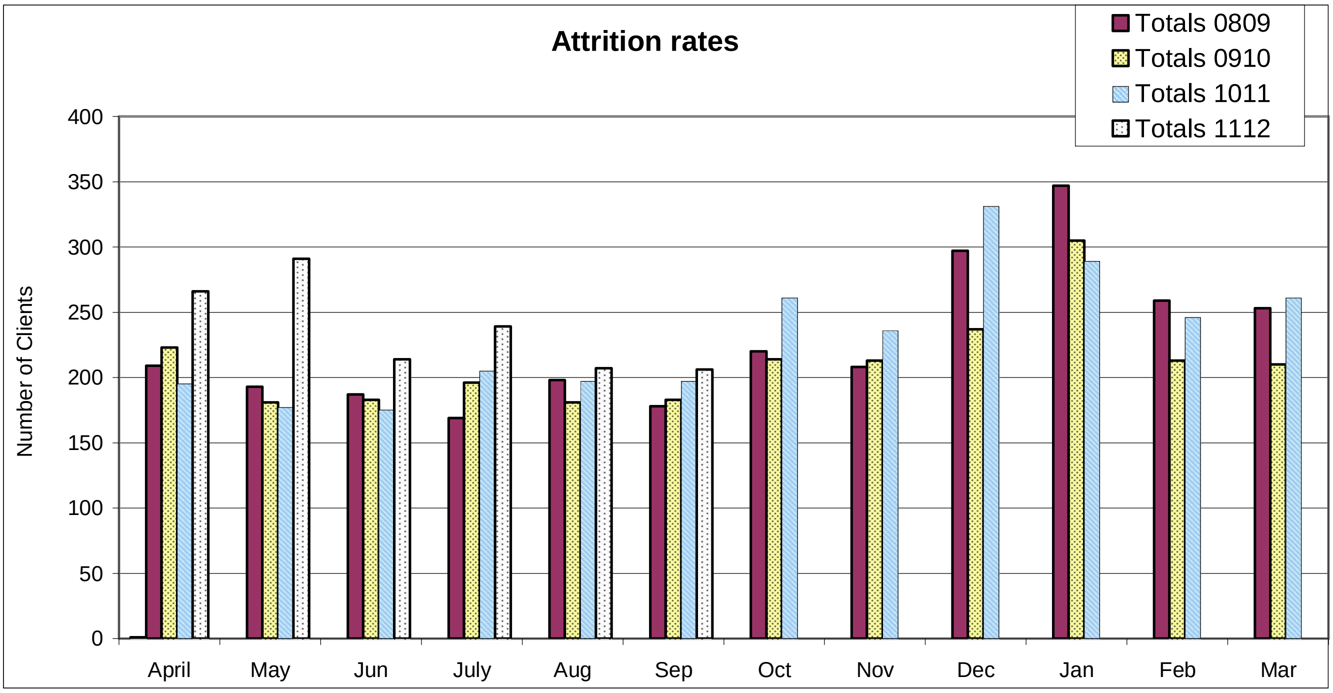
- Drugs and Alcohol Action Team (DAAT) – a significant proportion of the movement in variance since quarter 1 relates to an increase to the income budget for the DAAT to reflect the actual partnership income anticipated to be received during 2011/12 (approximately £650,000). In addition, forecast income has increased by £25,000
- In-house services – the forecast income from Health for in-house services has reduced by £113,000, moving from a pressure of £515,000 to £628,000. This is mainly due to lower numbers of Health funded clients being forecast (based on actuals as at quarter 2) than had been budgeted for
- Older People - the income forecast has increased by £49,000 as the result of income which was previously incorrectly coded to an expenditure code being transferred to an income budget.

8. Client care packages and average weekly cost

8.1. As at the end quarter 2, the total number of client care packages was 18,253, compared with budgeted packages of 19,810 (i.e. 1,557 less than budgeted). This excludes a further 63 client packages (estimated) for transitional clients for the remainder of the year and the effects of demography activity for OPPD clients (around 234 further packages). The budget included funding for an additional 776 purchased packages compared with the previous years revised budget, allowing for some demographic growth and where appropriate this has been committed in full within the outturn on the expectation that the number of packages will increase throughout the remainder of the year. However, the average weekly cost of packages is significantly higher than budgeted in places, contributing toward the underlying budget pressure forecast (for LD in particular). Any significant issues are outlined within the main service explanations in sections 2, 3 and 4 of the report.

9. Attrition rates

9.1. Attrition rates for Adult Services for the start of the year are higher than during 2010/11, and this is mainly in OP services. This increase will also have had the effect of reducing some client package numbers as noted in section 8 of the report.



10. 2011/12 Efficiency savings

10.1. The majority of the 8% efficiency savings target for 2011/12 will be achieved this year (95% of the £25.410m target, of which 72% has either already been secured or is considered to be high confidence), and these assumptions are reflected fully within the forecast outturn across the relevant services.

10.2. However, one particular area presenting a risk is the £3m target against the LD funding transfer from Health. This target was based on all clients transferring from Health at the start of the year and the department being able to reduce the cost of clients packages. Whilst it is currently assumed in the forecast outturn that this will be achieved in full, approximately £900,000 of this saving has been reflected as already being achieved in the corporate reporting for September (end of quarter 2). A number of these LD clients have not yet been transferred to the department, reducing the opportunity to achieve savings against packages.

10.3. Delays implementing Electronic Domiciliary Care Monitoring system could also impact on the timing of the delivery of the savings, potentially reducing the amount generated during the current financial year. This is currently being reviewed and an update will be provided in the next report.

10.4. The underachievement against the 8% target relates to previously planned in-house closures which have either slipped or will no longer occur. These planned closures had a corresponding re-provisioning budgeted pressure which is now not required and is therefore fully offsetting this underachievement. Further information is provided within the relevant service areas of the main report (sections 2, 3 and 4).

11. Cost of change

11.1. During 2010/11 the department underspent against its revenue budget by £6.762m. This has been carried forward in full to 2011/12 and is available to the department to offset any costs associated with implementation of the transformation programme required to achieve the full extent of efficiency savings for this year and next (e.g. the cost of redundancy payments and project implementation costs).

11.2. This funding is currently held outside of the department's budget until such time as expenditure is incurred. Currently £832,000 of expenditure in relation to cost of change has been reflected in the forecast outturn, and for the purposes of this report, has been excluded from the forecast variance on the assumption that it will be funded from the available carry-forward. A significant amount of the remaining carry-forward will be used to meet the cost of redundancy payments, and the proposed use of the carry-forward has been reviewed to take in to account updated (increased) estimates of these costs.

11.3. All remaining costs will be reflected in the outturn as they are incurred but will continue to be excluded from the position reported for the department until the carry-forward is brought in to the cash limit.

12. Recommendations

12.1. Note the early forecast position for the revenue budget as at the end of quarter 2 (30 September 2011).

12.2. Note the risks highlighted in the report.

12.3. Note the current commitments included in the forecast outturn against the department and service contingencies.

12.4. Note the achievements to date around delivery of the efficiency savings targets.

12.5. Agree the write-off of eight outstanding debts totalling £61,771.95 as outlined in section 6 of the report.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	No
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:

	Reference	Date
Adult Services Department Revenue Budget 2011/12	2502	28 January 2011
Budget Monitoring, Performance and Workforce - 2011/12 Quarter 1	3202	23 September 2011

Direct links to specific legislation or Government Directives

Title	Date
None	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document	Location
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1. The departments budget and performance strategies are developed in accordance with the Councils Equalities Policy and target the most vulnerable in society.

1.2. How budgets are used have a significant impact on the most excluded. The operational Directors have lead responsibility to ensure that impact assessments take account of the needs of these groups. The Head of Finance is a member of the Departmental Management Team, and part of her role is to contribute to these impact assessments. This budget monitoring report provides information on the progress of spending plans of the Directorate and will contribute to better outcomes for all.

2. Impact on Crime and Disorder:

2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no proven impact on the prevention of crime.

3. Climate Change:

a. How does what is being proposed impact on our carbon footprint / energy consumption?

All relevant developments within the revenue budget and capital programme are subject to specific, detailed assessments. Energy conservation, and where applicable enhancing biodiversity, are priorities for all major building schemes and the revenue budget includes an allocation to specifically encourage sustainability initiatives.

b. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Where appropriate capital schemes are planned with adaptation to climate change in mind, such as the inclusion of passive cooling through building design, rain-water and grey-water harvesting, drought resistant planting etc.

Where appropriate revenue efficiencies have been identified with climate change in mind, this includes travel, food wastage in in-house homes.

Appendix 1 Client groups movements across care types as at quarter 2

Directorate	Current Budget £000	Qtr 1 Forecast variance £000	Qtr 2 Forecast Variance £000	Qtr 2 Forecast Variance %	Change £000
Director					
Management & Support	1,265	86	3	0.2	(83)
Total	**1,265**	**86**	**3**	**0.2**	**(83)**
Commissioning and Partnerships					
Assessment & Care Management	1,632	161	(122)	(7.5)	(283)
Purchased residential	403	(60)	(36)	(8.9)	24
Purchased day care	751	11	(8)	(1.1)	(19)
Purchased dom care	45	(45)	(45)	(100.0)	0
Management & Support	4,207	51	372	8.9	321
Other	31,702	(144)	(615)	(1.9)	(471)
Total	**38,740**	**(26)**	**(454)**	**(1.2)**	**(428)**
Older People and Physical Disabilities					
Older People					
Assessment & Care Management	15,414	(1,319)	(624)	(4.0)	695
Purchased nursing	22,287	544	856	3.8	312
Purchased residential	23,115	(2,124)	(2,177)	(9.4)	(53)
Direct payments	2,640	433	349	13.2	(84)
Purchased day care (and In-house)	3,040	(186)	(274)	(9.0)	(88)
In-house dom care	2,763	(52)	(3)	(0.1)	49
Purchased dom care	25,874	660	(624)	(2.4)	(1,284)
Management & Support	2,212	386	372	16.8	(14)
Other	1,175	(271)	(237)	(20.2)	34
Total Older People	**98,520**	**(1,929)**	**(2,362)**	**(2.4)**	**(433)**
Physical Disabilities					
Assessment & Care Management	3,856	321	120	3.1	(201)
Purchased nursing	1,927	46	137	7.1	91
Purchased residential	3,902	(654)	(650)	(16.7)	4
Direct payments	5,442	1,571	1,710	31.4	139

Directorate	Current Budget £000	Qtr 1 Forecast variance £000	Qtr 2 Forecast Variance £000	%	Change £000
Purchased day care	938	189	247	26.3	58
In-house dom care	(14)	11	13	(88.6)	2
Purchased dom care	6,801	1,178	1,090	16.0	(88)
Management & Support	0	0	0	0	0
Other	323	52	50	15.6	(2)
Total Physical Disabilities	**23,175**	**2,714**	**2,717**	**11.7**	**3**
Total Older Persons/Physical Disabilities	**121,695**	**785**	**355**	**0.3**	**(430)**
Learning Disabilities/Mental Health and In House Services					
Assistant Director, Learning Disabilities and Mental Health					
In-house day care	0	0	20	-	20
Management & Support	191	70	70	36.7	0
Total	**191**	**70**	**90**	**47.1**	**20**
Learning Disabilities					
Assessment & Care Management	3,036	441	147	4.9	(294)
Purchased nursing	798	97	67	8.4	(30)
Purchased residential	40,474	3,734	4,087	10.1	353
Direct payments	4,372	1,256	1,340	30.7	84
Purchased day care	4,059	104	108	2.7	4
Purchased dom care	28,515	(121)	(211)	(0.7)	(90)
Management & Support	367	89	(3)	(1.0)	(92)
Other	8,782	298	741	8.4	443
Total	**90,403**	**5,898**	**6,276**	**6.9**	**378**
Mental Health					
Assessment & Care Management	4,729	29	(23)	(0.5)	(52)
Purchased nursing	357	95	152	42.5	57
Purchased residential	2,309	732	826	35.8	94
Direct payments	148	0	9	6.3	9
In-house Day Care	49	(16)	(34)	(66.8)	(18)
Purchased day care	261	(29)	(49)	(18.7)	(20)
Purchased dom care	750	257	324	43.2	67
Management & Support	1,053	(477)	(411)	(39.0)	66
Other	481	53	29	5.9	(24)
Total	**10,137**	**644**	**823**	**8.1**	**179**

Directorate	Current Budget £000	Qtr 1 Forecast variance £000	Qtr 2 Forecast Variance £000	Qtr 2 Forecast Variance %	Change £000
OPPD and LD In-house services					
Operations Director residential and nursing					
In-house Nursing	7,715	(682)	(633)	(8.2)	49
In-house Residential	10,706	657	977	9.1	320
In-house Day Care	2,317	(87)	(148)	(6.4)	(61)
Management & Support	849	59	(66)	(7.7)	(125)
Other	2,834	188	170	6.0	(18)
Sub total residential and nursing	**24,421**	**135**	**300**	**1.2**	**165**
Learning Disability residential and nursing					
In-house Residential	3,346	107	206	6.2	99
In-house Day Care	6,862	(480)	(526)	(7.7)	(46)
Sub total residential and nursing	**10,208**	**(373)**	**(320)**	**(3.1)**	**53**
Total	**34,629**	**(238)**	**(20)**	**(0.1)**	**218**
Non-Operational Services					
Assessment & Care Management	259	(89)	3	1.2	92
Purchased nursing	127	0	0	0.0	0
In-house residential	517	25	(49)	(9.5)	(74)
Direct payments	316	0	(97)	(30.7)	(97)
In-house day care	165	0	0	0.0	0
Purchased dom care	37	0	0	0.0	0
Management & Support	9,122	179	206	2.3	27
Other	133	1	(0)	(0.1)	(1)
Total	**10,676**	**116**	**63**	**0.6**	**(53)**
Total Learning Disabilities/Mental Health and In House Services	**146,036**	**6,490**	**7,232**	**5.0**	**742**

Directorate	Current Budget £000	Qtr 1 Forecast variance £000	Qtr 2 Forecast Variance £000	Qtr 2 Forecast Variance %	Change £000
Winter Pressures and other department contingency					
Winter Pressures	657	0	(300)	(45.7)	(300)
Bad Debt provision	152	0	141	92.8	141
Other contingencies	(21)	0	0	0	0
Total	**788**	**0**	**(159)**	**(20.2)**	**(159)**
Total Adult Services	**308,524**	**7,335**	**6,977**	**2.3**	**(358)**