



HEALTH, SOCIAL CARE AND WELLBEING SCRUTINY COMMITTEE - 11TH SEPTEMBER 2012

SUBJECT: BUDGET MONITORING REPORT (MONTH 3)

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES

1. PURPOSE OF REPORT

1.1 To inform Members of projected expenditure for the Directorate for the 2012/13 financial year.

2. SUMMARY

2.1 The report summarises the projected financial position for the Social Services Directorate based on information available as at month 3 of the 2012/13 financial year. Full details are attached at Appendix 1.

3. LINKS TO STRATEGY

3.1 The expenditure of the Directorate is linked directly to its ability to shape and deliver its strategic objectives, which in turn assists the achievement of the Authority's stated aims.

4. THE REPORT

4.1 The 2012/13 month 3 position, detailed in Appendix 1, shows a projected Directorate underspend of £300k. However, there is a potential overspend of £222k on Social Services transport provision through the Integrated Transport Unit (ITU) which is charged directly to service reserves. This results in a net projected overall underspend of £78k.

Division	2012/13 Current Budget (£000's)	2012/13 Projection/ Commitment (£000's)	2012/13 Over/(Under) Spend (£000's)	2012/13 Transport Overspend £000's	Net Over/(Under) Spend £000's
Children's Services	19,504	19,417	(87)	77	(10)
Adult Services	48,112	47,960	(152)	145	(7)
Service Strategy & Business Support	2,962	2,901	(61)	0	(61)
Totals: -	70,578	70,278	(300)	222	(78)

4.2 The projected transport overspend is based on actual expenditure in the 2011/12 financial year. An updated position for 2012/13 will shortly be available from the ITU and this will be reflected in the month 5 budget monitoring report that will be presented to this Scrutiny Committee at its October meeting. Regular meetings are taking place between nominated leads in the Directorate of Social Services and staff in the ITU to monitor transport provision and deliver efficiencies wherever possible. It is anticipated that this will result in a reduction in the level of the current projected transport overspend.

4.3 Full details of the month 3 budgets and projections are provided in Appendix 1 and the following paragraphs summarise the key issues arising.

4.4 **Children's Services**

4.4.1 The projected position for the Children's Services Division is summarised in the table below: -

	2012/13 Current Budget (£000's)	2012/13 Projection/ Commitment (£000's)	2012/13 Over/(Under) Spend (£000's)
Management, Fieldwork & Administration	8,347	7,997	(350)
External Residential Care	801	1,012	211
Fostering & Adoption	7,412	7,391	(21)
Youth Offending	421	352	(69)
Other Costs	2,523	2,665	142
Total: -	19,504	19,417	(87)
Projected Transport Overspend	-	77	77
Adjusted Projection: -	19,504	19,494	(10)

Management, Fieldwork and Administration

4.4.2 An underspend of £350k is projected in Management, Fieldwork and Administration. Actual vacancies within the Division were higher than the budgeted level during the first quarter of the financial year and the current projections assume that vacancies will remain at this level for a further 3 months. The projections for the remaining 6 months of the year assume vacancies will be at the budgeted level. An element of the projected underspend is also due to the Children's Services Assistant Director posts in both Caerphilly CBC and Blaenau Gwent CBC being covered by the current Blaenau Gwent Assistant Director from 1st September 2012.

External Residential Care

4.4.3 Members will be aware that this is a highly volatile budget area and significant variations against budget often occur. The projected overspend of £211k reflects current committed placements and is net of financial contributions from Health and Education.

4.4.4 The Divisional Management Team will closely monitor the External Residential Care budget throughout the financial year to ensure that appropriate action is taken to manage the financial impact of fluctuations in demand.

Fostering and Adoption

4.4.5 The projected underspend of £21k reflects current commitments and includes a contingency to meet anticipated future pressures on placement budgets.

Youth Offending

4.4.6 This budget reflects Caerphilly Social Services' contribution to the Caerphilly and Blaenau Gwent Youth Offending Team and shows a projected underspend of £69k from the budgeted level. This is a one-off underspend arising from the Local Management Board's decision to release surpluses accumulated by the Youth Offending Service. This decision was made following the most recent review of the YOS three-year financial plan.

Other Costs

4.4.7 The projected £142k overspend for 'Other Costs' is mainly due to a funding adjustment for the Immediate Response Team. One-off funding was received from the Welsh Government at the end of the 2010/11 financial year and this was set-aside and ring-fenced to meet the cost of this Team. When this funding is fully utilised additional funding will need to be identified to sustain the Team in the future. Due to the level of the current projected underspend in Management, Fieldwork and Administration budgets it is not currently planned to drawdown the ring-fenced funding for the Immediate Response Team in the current financial year and the cost will be absorbed within Children's Services core budgets.

4.5 Adult Services

4.5.1 The Adult Services Division is currently projected to underspend by £152k but this reduces to £7k after adjusting for the projected transport overspend of £145k. Whilst the current projected position is favourable there is no contingency within the Adult Services budget to meet anticipated additional demand during the remainder of the financial year. The Division will actively work to maintain expenditure within the allocated 2012/13 budget and the position will be regularly reviewed. The month 3 projections are summarised in the following table: -

	2012/13 Current Budget (£000's)	2012/13 Projection/ Commitment (£000's)	2012/13 Over/(Under) Spend (£000's)
Management, Fieldwork & Administration	8,024	8,005	(19)
Own Residential Care	5,892	5,852	(40)
External Residential Care	11,984	11,973	(11)
Own Day Care	4,336	4,258	(78)
External Day Care	784	872	88
Sheltered Employment	71	71	0
Aid and Adaptations	928	972	44
Home Assistance and Reablement	10,475	10,222	(253)
Other Domiciliary Care	7,162	7,385	223
Resettlement	(2,825)	(2,841)	(16)
Supporting People	223	0	(223)
Other Costs	1,058	1,191	133
Total: -	48,112	47,960	(152)
Projected Transport Overspend	-	145	145
Adjusted Projection: -	48,112	48,105	(7)

4.5.2 The most significant variations against budget are in Home Assistance & Reablement, Other Domiciliary Care, Supporting People and Other Costs.

Home Assistance & Reablement

4.5.3 The projected underspend of £253k reflects current actual hours being paid to in-house carers and committed costs with independent sector providers. Whilst the current projection is favourable demand on this budget can increase significantly, particularly during the winter months.

Other Domiciliary Care

4.5.4 The most significant element of the projected Other Domiciliary Care overspend of £223k is an overspend of £179k in Supported Living, which reflects both current and imminent new placements. The Adult Services Division has achieved significant efficiencies in this area by negotiating with independent sector providers to drive down the cost of placements. However, whilst a number of successes have been achieved the continuing demand on services has led to increased costs.

Supporting People

- 4.5.5 Current projections assume that the Supporting People grant will be fully utilised and that there are no commitments against the net revenue budget of £223k. There are a number of emerging pressures on this budget, which may result in this position being reviewed as we progress through the financial year.

Other Costs

- 4.5.6 The projected overspend of £133k in Other Costs is due in the main to a review of the timelines for delivering service reconfiguration proposals.

4.6 Service Strategy & Business Support

- 4.6.1 The projected position for Service Strategy & Business Support is summarised in the table below: -

	2012/13 Current Budget (£000's)	2012/13 Projection/ Commitment (£000's)	2012/13 Over/(Under) Spend (£000's)
Management and Administration	1,859	1,798	(61)
Office Accommodation	344	350	6
Office Expenses	210	210	0
Other Costs	549	543	(6)
Total: -	2,962	2,901	(61)

- 4.6.2 The projected underspend of £61k in Management & Administration is due to vacancies across Business Support Teams.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 As identified throughout the report.

7. PERSONNEL IMPLICATIONS

- 7.1 The personnel implications of agreed service reconfiguration proposals will be carefully managed and where relevant staff will be fully supported to identify appropriate redeployment opportunities.

8. CONSULTATIONS

- 8.1 There are no consultation responses that have not been reflected in this report.

9. RECOMMENDATION

9.1 Members are asked to note the contents of this report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure that the Directorate can deliver a balanced budget for 2012/13.

11. STATUTORY POWER

11.1 Local Government Acts 1972 and 2000.

Author: Stephen Harris, Financial Services Manager
E-mail: harrisr@caerphilly.gov.uk Tel: 01443 864660

Consultees: Social Services Senior Management Team
Cllr. R. Woodyatt, Cabinet Member for Social Services
Cllr. L. Ackerman, Chair of HSC&WB Scrutiny Committee
Cllr. B. Jones, Vice-Chair of HSC&WB Scrutiny Committee
Nicole Scammell, Head of Corporate Finance
Mike Jones, Group Accountant, Social Services

Appendices:

Appendix 1 – Social Services 2012/13 Budget Monitoring Report (Month 3)