



# Report to Scrutiny Commission

Adult Social Care

Date of Commission meeting: 4<sup>th</sup> August 2015

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Adult Social Care Revenue Budget Monitoring –

Out-turn, 2014/15

(Extract from Council Out-turn report taken to OSC  
on 9 July 2015)

Report of the Interim Strategic Director of Adult Social  
Care – Andy Keeling

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## **Useful information**

- Ward(s) affected: All
- Report author: Martin Judson
- Author contact details: Ext 37 4101

### **1. Summary**

The purpose of this report is to update the Adult Social Care Scrutiny Commission on the Department's financial performance against its revenue budget in the financial year 2014/15.

Appendices A-C contain extracts from the Executive Report 'Revenue Budget Monitoring – Out-turn 2014/15' (taken to the Overview Select Committee on 9 July) which relate to Adult Social Care.

### **2. Recommendations**

2.1 The Adult Social Care Scrutiny Commission is recommended to note the report.

### **3. Supporting information**

The General Fund budget set for the financial year 2014/15 for Adult Social Care was £89.5m.

Appendix A details the performance of General Fund services against the final budget including Adult Social Care.

Appendix B provides a more detailed commentary on Adult Social Care.

Appendix C provides background detail on the Adult Social Care related earmarked reserves.

### **4. Financial, legal and other implications**

#### **4.1 Financial & Legal implications**

4.1.1 This report is solely concerned with financial issues. Martin Judson Head of Finance

4.1.2 There are no direct legal implications associated with this report. Kamal Adatia City Barrister.

## 4.2 Climate Change and Carbon Reduction implications

4.2.1 Awaiting climate/carbon implications

## 4.3 Equality Impact Assessment

4.3.1 No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report. Separate EIA's have been or will be completed for any service area affected by the budget proposals.

## 4.4 Other Implications

4.4.1 No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

## **5. Background information and other papers.**

Revenue Budget Monitoring –Out-turn, 2014/15 presented to the Overview Select Committee on 9 July 2015

## **6. Summary of appendices:**

Appendix A details the performance of General Fund services against the final budget including Adult Social Care.

Appendix B provides a more detailed commentary on Adult Social Care.

Appendix C provides background detail on the Adult Social Care related earmarked reserves.

## **7. Is this a private report?**

No

**GENERAL FUND REVENUE BUDGET  
BUDGET MONITORING SUMMARY 2014/15 - OUTTURN**

	Current Budget for Year	Actuals at Outturn	Variance over (under) spend
	£000	£000	£000
Local Services and Enforcement	27,087.1	27,085.1	(2.0)
Culture & Neighbourhood Services	15,674.1	15,674.7	0.6
Planning, Transportation & Economic Development	19,433.3	19,431.4	(1.9)
City Centre	518.3	517.7	(0.6)
Property Services	9,148.7	9,132.9	(15.8)
Departmental Overheads	686.8	685.1	(1.7)
<b>City Development and Neighbourhoods</b>	<b>72,548.3</b>	<b>72,526.9</b>	<b>(21.4)</b>
Adult Social Care & Safeguarding	68,856.5	71,623.4	2,766.9
Care Services & Commissioning	20,599.5	21,714.0	1,114.5
Health Improvement & Wellbeing	13,453.0	12,304.2	(1,148.8)
<b>Adult Social Care &amp; Health</b>	<b>102,909.0</b>	<b>105,641.6</b>	<b>2,732.6</b>
<b>Housing Services</b>	<b>5,220.9</b>	<b>5,150.4</b>	<b>(70.5)</b>
Strategic Commissioning & Business Development	626.5	626.5	0.0
Learning Quality & Performance Services	9,302.3	9,302.3	0.0
Children, Young People & Families	50,511.1	50,511.1	0.0
Departmental Resources	(6,758.1)	(6,758.1)	0.0
<b>Education &amp; Children's Services</b>	<b>53,681.8</b>	<b>53,681.8</b>	<b>0.0</b>
Delivery Communications & Political Governance	7,042.6	6,356.7	(685.9)
Financial Services	10,993.0	10,254.6	(738.4)
Human Resources	2,885.9	2,672.3	(213.6)
Information Services	8,752.4	9,333.5	581.1
Legal Coronial & Registrars	2,258.9	2,170.6	(88.3)
<b>Corporate Resources and Support</b>	<b>31,932.8</b>	<b>30,787.7</b>	<b>(1,145.1)</b>
<b>Housing Benefits (Client Payments)</b>	<b>527.6</b>	<b>519.3</b>	<b>(8.3)</b>
<b>Total Operational</b>	<b>266,820.4</b>	<b>268,307.7</b>	<b>1,487.3</b>
Corporate Budgets	13,814.6	6,967.0	(6,847.6)
Capital Financing	14,537.4	14,246.0	(291.4)
<b>Total Corporate &amp; Capital Financing</b>	<b>28,352.0</b>	<b>21,213.0</b>	<b>(7,139.0)</b>
<b>TOTAL GENERAL FUND</b>	<b>295,172.4</b>	<b>289,520.7</b>	<b>(5,651.7)</b>

**HOUSING REVENUE ACCOUNT  
BUDGET MONITORING SUMMARY 2014/15 - OUTTURN**

	Current Budget for Year	Actuals at Outturn	Variance over (under) spend
	£000	£000	£000
HRA Expenditure	85,064.0	83,439.0	(1,625.0)
HRA Income	(85,141.0)	(84,871.0)	270.0
<b>Total HRA</b>	<b>(77.0)</b>	<b>(1,432.0)</b>	<b>(1,355.0)</b>

**Outturn Divisional Narrative – Explanation of Variances**

**Adult Social Care & Health**

**1. Summary**

1.1. Overall, the portfolio area has overspent by £2.7m during the course of the year. This overspend can be managed through a contribution of £1.2m from departmental reserves and the use of the corporate contingency fund to meet the remaining £1.5m pressure.

**2. Adult Social Care**

2.1. As previously reported, the divisions have been under significant pressure during the year. These include:

- 2.1.1. Costs associated with a significant increase in assessments relating to Deprivation of Liberty Safeguards. This follows the Cheshire West Supreme Court judgement in March 2014 on Deprivation of Liberty safeguards (DoLs). The impact on the Council has been an increase in the number of cases of over 370% so far and this is continuing to increase rapidly with national figures suggesting the eventual increase could be as much as ten-fold.
- 2.1.2. Additional costs incurred as a consequence of the Council's recent review of fees paid to residential care homes, and which apply retrospectively.
- 2.1.3. There were a number of previous budget reductions where implementation was delayed compared to the assumptions made in the budget. The largest area of delayed savings relates to the programme of closure and sales of the Council's Elderly Persons Homes. The judicial review of this decision significantly delayed the closure of one home and required considerable management capacity, creating delays in the programme overall, but has now been resolved in the Council's favour.
- 2.1.4. Demand for services increased above the levels forecast when the budget was set.

**3. Health Improvement and Wellbeing**

3.1. There have been delays in national implementation of NHS health checks resulting in less demand than expected, lower than anticipated demand for sexual health services and extensive re-procurement of contracts. Demand is expected to catch up in 2015/16.

3.2. It is proposed to use £0.7m of the Division's budget to fund an earmarked reserve which will be used for the continued provision of outdoor gym equipment in the City's parks and recreational spaces to promote healthy lifestyles. This is reflected in the reported figures.

3.3. It is also proposed to carry forward £50k for a contribution to Crisis House and £43k to contribute to the Food Growing Hubs initiative, also reflected in the reported underspend.

**Earmarked Reserves – year end summary**

**1. General**

- 1.1. Earmarked reserves represent sums of money set aside for specific future purposes. This is contrast to the General Fund which exists to support the Council's day to day operations.

**2. Existing Earmarked Reserves**

- 2.1. This section of the report provides an overview of other significant sums of revenue money, which are held in reserves. These reserves are earmarked for specific purposes, and are separate from the Council's 'uncommitted' balances. In general these reserves have decreased overall by £3.3m during 2014/15 from £152.5m to £149.2m.
- 2.2. The reserves relevant to Adult Social care are set out below:

**Ring-fenced reserves**

**a) NHS Joint Working Projects**

This balance in this reserve has decreased significantly in 2014/15 from £13.5m to £5.8m. The Government has provided funding for joint working between adult social care and the NHS. The Council has undertaken to agree the use of these funds with the NHS and allocate them to projects benefitting the delivery of health and social care. All funds directed in this way are subject to section 256 agreements which are signed by both parties.

**Other reserves**

**b) Adult Social Care Budget Pressures**

This reserve (approved in period 4) was set-up to collate the department's reserves and manage the budget pressures the department faces whilst work is carried out to deliver the required savings. The reserve stands at £2m which will be available to fund pressures in 2015/16.