

Budget Monitoring Position – September 2016

Adult & Community Services

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	39,219	39,219	39,219	39,219	39,189	39,326	39,326	39,326	39,326	39,326	39,326	39,326
Forecast (£'000)	40,402	40,402	40,402	40,121	40,009	39,995	39,995	39,995	39,995	39,995	39,995	39,995
Variance (£'000)	1,183	1,183	1,183	902	820	669	669	669	669	669	669	669

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	12,247	12,247	12,247	12,247	12,218	12,239	12,239	12,239	12,239	12,239	12,239	12,239
Forecast (£'000)	12,383	12,383	12,383	12,328	12,349	12,340	12,340	12,340	12,340	12,340	12,340	12,340
Variance (£'000)	136	136	136	81	131	102	102	102	102	102	102	102

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712
Forecast Savings (£'000)	1,712	1,654	1,774	1,771	1,781	2,005	2,005	2,005	2,005	2,005	2,005	2,005
Variance (£'000)	0	58	-62	-59	-69	-293	-293	-293	-293	-293	-293	-293
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Community Care	27,629	28,649	1,020	R	Majority of overspend due to the following: £150k under delivery of Double Handling Saving, £178k reduction in SPG grant, £143k unachievable inflationary increase on income, £400k historic budget deficit, £50k loss of respite income


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SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Community Care Packages			956	660	578	575						
External Residential & Non Resi income			328	521	524	445						
Integrated Community Equipment			-84	-78	-89	-89						
Staffing Budgets			136	81	131	102						
Transport Savings (mainly Homecare)			-113	-105	-109	-108						
Supplies & Services			0	-113	-138	-134						
Other			-40	-64	-77	-122						
Variance (£'000)	0	0	1,183	902	820	669	0	0	0	0	0	0

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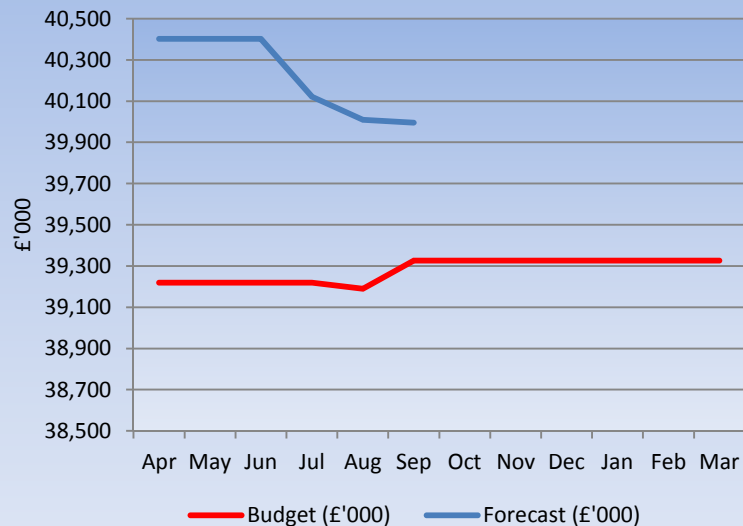
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Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>The £1.020m overspend on community care budgets has reduced by £82k since last month. Despite an increase in overall client numbers forecasts now include an additional £150k SPG funding due to an agreement that funding will be identified for core expenditure by March 2017.</p> <p>The main reasons for the £1.02m overspend is as follows:</p> <ul style="list-style-type: none">• £178k reduction is SPG with no corresponding reduction to package cost• £143k unachievable income inflation added to 16/17 budget• £150k undeliverable Double Handling saving (full target of £300k)• £400k inherent pressure from prior years (pressure now added in 17-18 MTRP)• £50k loss of respite income due to fairer charging policy
	<p>Integrated Community Equipment Budget £89k u/spend – This is due to the NCC budget allocation being higher than the agreed pooled contribution. This budget can be re-allocated to areas of pressure.</p>
	<p>Staffing budgets £102k overspend – Decrease compared to last month. Previous years have tended to underspend overall based on early achievement of savings projects as a result of redundancies. There are significantly less staff in adult services that in prior years as a result of outsourcing services and therefore less scope to make savings in this area. Currently, the vacancy turnover target is not being achieved.</p>
	<p>Transport savings currently being forecasted are as a result of lower car allowances being claimed for homecare staff however there is a planned restructure of extra-care and homecare staff that may need reconfiguring of budgets.</p>
	<p>Supplies – The forecasts against these budgets have been reduced significantly in light of the recent messages regarding reducing spend where possible.</p>

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2016/17 Forecast History



BMS Submission Data

% of cost centres submitted by budget holder deadline

%

94.12

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- Review of income predictions to understand shortfall
- The reduction in Supporting People contribution to care and support packages has been reprofiled. More detailed work is also underway to forecast of Learning Disability demand develop an accommodation strategy. This will include a transitions worker funded by SPG.
- Managers are reviewing rotas to reduce costs .
- Oversight of new packages is robust and the AMHP's deployed to address increase in Section 117.

Non Delivery of MTRP Savings

- A detailed review of double handing project has been done and further potential packages flagged . A dedicated resource has been identified to carry out this work leading to an improved position.
- Maintaining resource and focus on savings achieved through reviewing care packages remains a challenge as the service as circa £1million of current MTFP projects

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Head of Service Commentary

Head of Service comments/ summary:

The position continues to improve with strict oversight of placements by service managers and by contesting CHC decisions where appropriate. Further work is also in development in the form of an invest to save bid to review people who may be eligible for CHC, however this remains a key area of risk. We have reopened residential beds at Blaen Y Pant and admissions are progressing and the step down beds in Parklands are full. The changes in the WG charging policy highlighted previously has resulted in a £50k loss of respite income and increase in referrals from individuals who were previously self funding their respite care. The Supporting People Grant reduction in pressure is due to re-profiling of impact across 3 years as per the WG regional agreement. The number of people under a Section 117 is increasing and managers are deploying AMPH social workers into the hospital wards so ensure people are discharged at an earlier point. A review of staffing rotas in provider services is taking to ensure more effective use of staff resources across the 24 hour period.

Strategic Director Commentary

Strategic Director comments:

The net position has improved again this month by £151k and a total of £233k over the past 2 months, this is mainly a result of a reduction of the Supporting People grant pressure. There is an overspend due to an inflation increase in the income target in the base budget of £143k – this is un-achievable

Most other key budget projections are similar to last month

Budget performance is reviewed in Leadership and Performance Boards as well as the Portfolio Boards and extensive work has been undertaken to analyse the reasons for the cost pressures and to attempt to manage down the projected overspend.

Last year we managed to out turn at just £91k overspend – but – Community Care Budgets were £1,298k overspent. We also had an under achievement for income of £457k. This overspend was balanced out by in year savings underspends in Homecare and extra-care due to service restructure (£598k) and Frailty underspend (£327k).

It is important to note that around 70% of budget is taken up by 3rd party payments and 20% by employees with just 14% for supplies and services.