

**BUDGET MONITOR TO 30 SEPTEMBER 2003**

Author: Mike Curtis – Assistant Director Resources  
Telephone 01992 556365

Executive Member: Jane Pitman

**1. Purpose of the Report**

To update the Scrutiny Committee on the current budgetary position of Adult Care Services and to enable the Committee to identify any issues which they wish to scrutinise.

**2. Background**

- 2.1 Attached is the quarterly budget monitor to 30 September 2003. This is submitted to Corporate Finance and used as the basis for the Cabinet Budget Monitor. It includes details of the main variances within the Adult Care Services budget.

**3. Rural Implications**

There are no direct rural implications arising out of this report.

**4. Revenue Monitor**

- 4.1 The largest variance shown on the monitor is an underspend of £2.45m on elderly, residential and nursing care. This must be seen in the context of the additional resources in the budget and a difficulty in finding immediate market capacity to place people who are waiting for care. It has also resulted, to some extent, from the department's policy of seeking to maintain people at home and from a lower than usual increase in the care level required by existing clients.
- 4.2 The most serious concern relates to the capacity issue. It is clearly a problem if money exists to place clients, they are waiting for care but there is no available places which meet their needs. Extra work is currently underway to analyse actions that can be taken to ensure that those on the waiting list are placed wherever possible in the care they need. This work is identifying a number of options and it is anticipated that the underspend will not recur in the future as a consequence.

- 4.3 Corresponding with the underspend on residential care is a large overspend of £1.2m on Home Care. There have been over 500 extra placements in home care due to a number of factors. These include the Fairer Access to Care legislation, our policy of maintaining people at home, and also, inevitably, a consequence of lack of capacity in the residential care market. If the capacity issue for residential care is addressed, the spend on home care will be reduced, as people who are needing to go into residential care will generally be in receipt of significant home care packages.
- 4.4 Adult Care Services also has a significant overspend on area and specialist teams. This is social work teams who are responsible for care management and assessment. This overspend results from a deliberate policy of reducing assessment waiting lists and will result in a halving of these waiting lists by March 2004. A review of staffing within the EPD teams is also underway to ensure that the teams are best placed to continue to reduce and minimise waiting lists for assessment in the future.
- 4.5 There is also a significant underspend on the strategic centre and support services of £450,000. However, £350,000 of this overspend is planned and relates to budgets set aside for the implementation of the Oracle Client Management package and the SHARP procurement financial and HR system. It is essential that the £350,000 identified is carried forward into next year to implement these essential new systems.
- 4.6 There is also a £200,000 overspend on income relating to learning disability clients. This budget is outside the JCPB as it is not possible to charge for services inside the JCPB structure, due to restrictions on charging for health care. Most of this overspend relates to a decline in income from continuing care. This is due to new criteria and ongoing discussions are taking place with health colleagues to seek to address this issue.
- 4.7 Finally, there is a significant and large overspend on placements in learning disability care homes. This will be reported as part of the pooled budget to the next meeting of the JCPB. However, as ACS is the exclusive provider of these services in Hertfordshire, the overspend will have to be met by the County Council. The overspend results from the placing of several high dependency clients in excess of the budget.
- 4.8 Overall, the Adult Care Services budget is underspent by £780,000 of which £350,000 will be requested as a carry forward into 2004/2005, leaving a net underspend of £430,000. Some of this underspend may be spent in this financial year as a result of the review of residential care capacity. It is appreciated that the net position is the result of a number of significant over and underspends, but in all cases action is being taken to ameliorate the position. These over and underspends also have to be seen in the context of the very significant budgets which are identified on the attached report.

## **5. Capital Budget**

- 5.1 There is a limited amount of slippage on the department's capital budget relating from two schemes, the Manor House Scheme in Bushey and the Cole Green Lane Scheme in Welwyn Garden City. The total slippage is £155,000. There is also fairly slow progress on the department's annual Minor Works Programme, although the Service has been assured that this will be completed by the end of financial year.