

Quarterly budget monitor report for:	
Adult Care Services	Details as at – 30 September 2003
1. Revenue Budget	£'000
Original budget	£ 176,278
Latest Approved Budget	£ 173,849
Forecast outturn	£ 173,069
Variance – overspend/(underspend) including carry forward of £350,000.	£ (780)
The above includes Capital Charges amounting to -	£ 4,193
Details of main variances:-	
<p>1. Elderly Residential, Nursing care homes and Extra Care Sheltered Housing</p> <p>One of the main reasons for the underspend relates to lack of capacity both in terms of total places available and providers agreeing to Hertfordshire's maximum weekly rates. These issues are being addressed currently.</p> <p>The budget should be considered alongside the home care budget (see 2. below). The department's policy (in line with government policy) is to support clients in their own home to avoid or delay admission to a residential or nursing home. Hence, the projected underspend within this budget should be considered with the projected overspend of £1.2m for home care. Based on commitments as at 30 September 2003 and allowing for various adjustments, including an allowance for dependency levels increasing for current clients, this budget is projected to underspend by £2.45m (5.2% on £47.379m).</p> <p>This is a large and very volatile budget and adjustments have had to be made for the impact of residential care allowances not being payable to new clients from 1 April 2002 and being phased out completely from 1 October 2003.</p> <p>£600,000 was included in this year's budget to reflect the fact that in previous years new placements tended to cost more on average than previous clients. However, based on the 600 clients placed in the first six months of this financial year the average cost of a new placement is the same as previous clients. The upward trend in average costs per client therefore appears to have levelled off.</p> <p>The projected underspend has reduced by £50,000 since last month when an underspend of £2.5m was reported.</p>	£ 2,450 (underspend)
<p>2. Home Care (for EPD client group)</p> <p>As above, this is a large and very volatile budget and based on commitments as at 30 September 2003 this budget is projected to overspend by £1.2m – a reduction</p>	£ 1,200 (overspend)

<p>of £150,000 compared with last month. By the year-end every effort will have been made to ensure that the projected outturn has not increased significantly. A home care action plan, that was introduced in 2001/02, is still being implemented and this will ensure that the overspend is kept under control over the next six months.</p> <p>£1.2m. equates to a 4.1% overspend on a budget of £29.178m. This amount includes the Health & Social Care budget of £666,000.</p>	
<p>3. Physical Disability Residential and Nursing care homes This budget is projected currently to underspend by just over £200,000, however, as new clients are placed throughout the remainder of this financial year the budget is expected to be in balance by the year end. A balanced budget was reported last month. The nil projected variance is on a budget of £7.227m.</p>	<p>£ Nil</p>
<p>4. Day Care for clients with a Physical Disability The number and average cost of clients receiving day care is higher than estimated. If the current rate of expenditure continues throughout the remainder of this financial year a £90,000 overspend will occur. Every effort is being made to ensure the current projected overspend doesn't increase. This is a 7.2% overspend on a budget of £1.256m. A projected overspend of £63,000 was reported last month.</p>	<p>£ 90 (overspend)</p>
<p>5. EPD Area and Specialist Teams As a consequence of concentrating on reducing the waiting lists within the EPD Areas with the objective of halving them by March 2004, the staffing budgets are projected currently to overspend by £350,000. This projection is based on both permanent staff and agency staff. The level of agency payments continues to be closely monitored. This is a £50,000 increase on the figure reported in last month's monitor. This projected overspend equates to 2.5% on a budget of £13.94m.</p>	<p>£ 350 (overspend)</p>
<p>6. Strategic Centre and Support Services A one off budget in 2003/04 of £600,000 was established to meet the additional costs falling on ACS to develop and implement both the Oracle and SAP systems. The Oracle system now won't become fully operational until 2004/05 and hence certain costs that were planned to be incurred in 2003/04 will now fall in 2004/05. A carry forward of £350,000 has therefore been requested to reflect the delay in the implementation of Oracle. This is the same amount as</p>	<p>£ 450 (underspend)</p>

<p>was reported last month.</p> <p>There is also a projected underspend of £100,000, mainly as a result of staff vacancies within various support services sections. This equates to an underspend of 0.7% on a credit budget of £14.339m including specific grants.</p>	
<p>7. Learning Disability Income Budgets (outside JCPB)</p> <p>There are two main reasons for the projected overspend (shortfall in income) of £200,000. Firstly, the number of clients being partly funded from continuing care is lower than estimated. Secondly, the average client contribution in residential care, hostels and groups homes is less than included in the budget. This is a 2.5% overspend on a budget of £7.918m. An overspend (a decrease in income) of £6,000 was reported last month.</p>	<p>£ 200 (overspend)</p>
<p>Net projected underspend excluding Pooled budgets</p>	<p>£ 1,060 (underspend)</p>
<p>Pooled Budgets</p> <p>Services Commissioned by JCPB from ACS</p>	
<p>8. Learning Disability Residential care homes</p> <p>As a result of placing several high dependency (high cost) clients over the last few months and planned placements of clients in the next few months, the gross budget for independent sector learning disability residential homes is projected to overspend by £300,000. This is a 0.8% projected overspend on £35.573m. This is the same amount as was reported last month.</p>	<p>£ 300 (overspend)</p>
<p>9. Learning Disability Care Management</p> <p>As a result of delays in filling a number of vacancies, the care management budget is projected to underspend by £20,000, which equates to 0.5% on £3.914m. A projected underspend of £48,000 was reported last month.</p>	<p>£ 20 (underspend)</p>
<p>Net projected variance including Pooled budgets</p>	<p>£ 780 (underspend)</p>
<p>2. Capital Budget</p>	
Original budget	£ 5,035
Latest Approved Budget	£ 7,994
Forecast outturn	£ 7,839
Variance – overspend/(slippage)	£ (155)
<p>There are two reasons for the variance –</p>	
<p>1. The Manor House scheme in Bushey was planned originally to be a three month contract. The contract will now be extended to five months and this will result</p>	<p>£ 80 (slippage)</p>

<p>in £80,000 of payments being made in 2004/05 i.e. there will be slippage into next year.</p> <p>2. The Cole Green Lane scheme in Welwyn Garden City is now estimated to start one month later than originally planned and this will result in £75,000 of payments being made in 2004/05 i.e. there will be slippage into next year.</p> <p>Total variances</p>	<p>£ 75 (slippage)</p> <p>£ 155 (slippage)</p>
<p>Prepared by Ralph Paddock</p>	<p>Date 7 November 2003</p>
<p>Approved by Mike Curtis</p>	<p>Date 7 November 2003</p>