

**FINANCE AND PERFORMANCE REPORT – JANUARY 2018**

*To:* **Adults Committee**

*Meeting Date:* **21 March 2019**

*From:* **Chief Finance Officer**

**Executive Director: People and Communities**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      Key decision: **No**

*Purpose:* **To provide the Committee with the January 2018 Finance and Performance report for People And Communities Services (P&C).**

**The report is presented to provide the Committee with the opportunity to comment on the financial and performance position as at the end of January 2018.**

*Recommendations:* **The Committee is asked to review and comment on the report.**

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|--------------------------------|--|
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## 1.0 BACKGROUND

- 1.1 A Finance & Performance Report for People and Communities (P&C) is produced monthly and the most recent available report is presented to the Committee when it meets – the latest is provided in Appendix B.
- 1.2 The report is presented to provide the Committee with the opportunity to comment on the financial and performance position of the services for which the Committee has responsibility.
- 1.3 This report is for the whole of the P&C Service, and as such, not all of the budgets contained within it are the responsibility of this Committee. Members are requested to restrict their attention to the budget lines for which this Committee is responsible, which are detailed in Appendix A, whilst the table below provides a summary of the budget totals relating to Adults Committee: The table below details changes compared to the previous report presented to Committee (December), whereas the main report details month-to-month changes.

| <b>Forecast<br/>Variance<br/>Outturn<br/>(Previous)<br/>£000</b> | <b>Directorate</b>  | <b>Budget<br/>2018/19<br/>£000</b> | <b>Actual<br/>Jan 2019<br/>£000</b> | <b>Forecast<br/>Outturn<br/>Variance<br/>£000</b> |
|--|---|------------------------------------|-------------------------------------|---|
| 132  | Adults & Safeguarding   | 153,106                            | 126,525                             | 130   |
| 332  | Adults Commissioning (including Local Assistance Scheme)                      | 11,345                             | 15,239                              | 332   |
| <b>464</b>   | <b>Total Expenditure</b>  | <b>164,451</b>                     | <b>141,764</b>                      | <b>462</b>  |
| 0  | Grant Funding (including Better Care Fund, Social Care in Prisons Grant etc.) | -39,664                            | -35,162                             | 0   |
| <b>464</b>   | <b>Total</b>  | <b>124,787</b>                     | <b>106,602</b>                      | <b>462</b>  |

**Please note:** Strategic Management – Commissioning covers all of P&C and is therefore not included in the table above. The Executive Director and Central Financing budgets are now reported to CYP Committee as they contain items material to services under the oversight of that committee.

## 1.4 Financial Context

- 1.4.1 As previously discussed at Adults Committee the major savings agenda continues with £99.2m of savings required across the Council between 2017 and 2022. The planned savings for P&C in the 2018/19 financial year total £21.3m.
- 1.4.2 Although significant savings are expected to be made in 2018/19 across the directorate, Adults services continue to face demand and price pressures, particularly:
- In Older People's services where prices are rising above inflation for residential and nursing care
  - Through increased demand in the NHS and improved performance in reducing delays in transfers of care
  - In Learning Disability services, where the needs of a relatively static number of service-users is increasing

- 1.4.3 Central government has recognised pressures in the social care system through a number of temporary ring-fenced grants given to local authorities and these are able to be used to offset pressures, make investments into social work to bolster the social care market or reduce demand on health and social care services. Further funding has recently been announced and the Council has drawn up plans to spend this funding addressing the above pressures mainly with a focus on providing additional domiciliary care.

## **2.0 MAIN ISSUES IN THE JANUARY 2019 P&C FINANCE & PERFORMANCE REPORT**

### **2.1 Revenue**

- 2.1.1 At the end of January, People & Communities overall is forecasting an overspend of £4.8m, which is around 2% of budget.
- 2.1.2 Within that, services relating to Adults Committee are forecasting overall in January an overspend of £462k for the year – around 0.4% of budget. This is a marginal change compared to the November forecast position.
- 2.1.3 The causes of the forecast overspend position remain unchanged, principally being pressures on care spend within Learning Disability and Older People's services as well as slower than anticipated delivery of certain savings programmes with an expectation that work will continue into 2019/20 and deliver over a revised timescale. Additional savings have been identified in-year as part of the 'funnel' process reported to Committee periodically in the Savings Tracker to partially offset this.
- 2.1.4 In January we are reporting around a £350k increase in the forecast for Older People's Services, as unit costs of the most expensive types of care have continued to rise over the winter period, as well as additional investment having taken place to ensure the discharge from hospital process continues to improve. Where this expenditure is part of planned investment over winter, it is offset by funding from the 'Winter Pressures Grant' from central government which offsets this increase in forecast.
- 2.1.5 The key activity data for Older People in section 2.5.5 of the main report shows how unit costs in January continue to be at a high level compared to last year and are on a general upward trajectory. Plans are being developed, and some are in place, to try to manage this increase such as the development of new block residential and nursing capacity. In addition, funding in 2019/20 will again see an increase to reflect increasing costs from demand and legislative pressures as in the current and previous years.
- 2.1.6 Pressures overall in Adults Services are partially mitigated by underspends identified and held in other parts of the service, and grant funding from central government noted above and in section 1.4 has been applied for one of its intended purposes of addressing the pressures faced by the care system. This results in the overall position in January not materially changing compared to the previous report.

### **2.2 Savings Tracker**

- 2.2.1 The savings tracker up to the end of quarter 3 is included as Appendix C. It shows that, of £21.3m of planned savings in P&C included in 2018/19's business plan, £18.9m is forecast to be delivered (of which £17.5m has been delivered to the end of quarter 3).

2.2.2 In addition to the delivery of those savings, there are a further £2.4m of savings forecast to be delivered within the 'funnel' – a pipeline of additional savings plans drawn up in year to mitigate the risk of non- or delayed-delivery of planned savings. These savings include:

- a programme to scrutinise requests for annual uplifts for care packages,
- a piece of work to further roll-out assistive technology within the Learning Disability Partnership,
- the retendering of some care contracts that have over-delivered on planned savings
- the recruitment of up to four occupational therapists to work in Reablement and Adult Early Help to better help people maintain independence for longer

2.2.3 The savings tracker is colour-rated to show the level of variance against target. Along with the standard RAG ratings, a black rating highlights where a saving has not been made in its entirety, and a blue rating highlights where the savings is expected to over-deliver.

## 2.3 **Performance**

2.3.1 There are three red indicators in the performance information relating to Adults Committee:

1. Average monthly number of bed day delays (social care attributable) per 100,000 18+ population
2. Proportion of Adults with Learning Disabilities in paid employment
3. Proportion of adults receiving Direct Payments

2.3.2 Committee has been updated previously on work to improve the positions of 1 and 2 which is ongoing, and work is underway to investigate why uptake of direct payments has reduced and to put steps in place to address any issues as we would hope to increase use of direct payments as part of the move towards a more personalised approach.

### **3.0 ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 A good quality of life for everyone**

3.1.1 There are no significant implications for this priority.

#### **3.2 Thriving place for people to live**

3.2.1 There are no significant implications for this priority

#### **3.3 The best start for Cambridgeshire's Children**

3.3.1 There are no significant implications for this priority

### **4.0 SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

4.1.1 This report sets out details of the overall financial position of the P&C Service.

#### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

4.2.1 There are no significant implications within this category.

#### **4.3 Statutory, Risk and Legal Implications**

4.3.1 There are no significant implications within this category.

#### **4.4 Equality and Diversity Implications**

4.4.1 There are no significant implications within this category.

#### **4.5 Engagement and Consultation Implications**

4.5.1 There are no significant implications within this category.

#### **4.6 Localism and Local Member Involvement**

4.6.1 There are no significant implications within this category.

#### **4.7 Public Health Implications**

4.7.1 There are no significant implications within this category.

| <b>Source Documents</b>   | <b>Location</b>   |
|---|---|
| As well as presentation of the F&PR to the Committee when it meets, the report is made available online each month. | <a href="https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&amp;-performance-reports/">https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&amp;-performance-reports/</a> |

## **Appendix A**

### **Adults Committee Revenue Budgets within the Finance & Performance report**

#### **Adults & Safeguarding Directorate**

Strategic Management – Adults  
Principal Social Worker, Practice and Safeguarding  
Autism and Adult Support  
Carers

#### **Learning Disability Services**

LD Head of Services  
LD - City, South and East Localities  
LD - Hunts & Fenland Localities  
LD – Young Adults  
In House Provider Services  
NHS Contribution to Pooled Budget

#### **Older People and Physical Disability Services**

OP - City & South Locality  
OP - East Cambs Locality  
OP - Fenland Locality  
OP - Hunts Locality  
Neighbourhood Cares  
Discharge Planning Teams  
Shorter Term Support and Maximising Independence  
Physical Disabilities

#### **Mental Health**

Mental Health Central  
Adult Mental Health Localities  
Older People Mental Health

#### **Commissioning Directorate**

Strategic Management – Commissioning – *covers all of P&C*  
Local Assistance Scheme

#### **Adults Commissioning**

Central Commissioning - Adults  
Integrated Community Equipment Service  
Mental Health Voluntary Organisations

#### **Executive Director**

Executive Director - *covers all of P&C*  
Central Financing - *covers all of P&C*

#### **Grant Funding**

Non Baselined Grants - *covers all of P&C*