

**FINANCE AND PERFORMANCE REPORT – AUGUST 2017**

**To: Adults Committee**

**Meeting Date: 12 October 2017**

**From: Executive Director: People and Communities  
Chief Finance Officer**

**Electoral division(s): All**

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

**Purpose: To provide the Committee with the August 2017 Finance and Performance report for People and Communities Services (P&C), formerly Children's, Families and Adults Services (CFA).**

**The report is presented to provide the Committee with the opportunity to comment on the financial and performance position as at the end of August 2017.**

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

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## 1.0 BACKGROUND

- 1.1 A Finance & Performance Report for People and Communities (P&C), formerly Children, Families and Adults Directorates (CFA) is produced monthly and the most recent available report is presented to the Committee when it meets.
- 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 detailed in Annex A, whilst the table below provides a summary of the budget totals relating to Adults Committee:

Forecast Variance Outturn (July) £000	Directorate	Current Budget 2017/18 £000	Actual to end of August £000	Current Variance £000	Forecast Variance Outturn (August) £000
247	Adults & Safeguarding	146,094	63,093	898	462
-95	Adults Commissioning (including Local Assistance Scheme)	10,603	5,609	-47	-111
-1	Communities & Safety – Safer Communities Partnership	1,589	553	13	0
<b>151</b>	<b>Total Expenditure</b>	<b>158,286</b>	<b>69,255</b>	<b>865</b>	<b>351</b>
0	Grant Funding (including Better Care Fund, Social Care in Prisons Grant etc.)	-15,025	-3,761	0	0
<b>151</b>	<b>Total</b>	<b>143,262</b>	<b>65,494</b>	<b>865</b>	<b>351</b>

**Please note:** Strategic Management – Commissioning, Executive Director and Central Financing budgets cover all of P&C and are therefore not included in the table above.

### 1.4 Financial Context

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 required savings for CFA in the 2017/18 financial year total £20,658k.

## 2.0 MAIN ISSUES IN THE AUGUST 2017 P&C FINANCE & PERFORMANCE REPORT

- 2.1 The August 2017 Finance and Performance report is attached at Annex B. At the end of August, P&C forecast an overspend of £3,843k. This is a worsening position from the previous month when the forecast overspend was £3,091k.

### 2.2 Revenue

The main changes to the revenue forecast variances within Adults Committees areas of responsibility since the previous report are as follows:

- In Adults and Safeguarding, the forecast pressure on the Learning Disability Partnership increased by £380k. Reflecting client needs and numbers predominantly, the Huntingdonshire and Fenland teams report increased care costs, and the Young Adults Team continues to have a higher than expected demand pressure for the year. A further £3m of savings is expected in LD before year-end, with good progress during August to make fuller use of in-county provision instead of more costly placements elsewhere.
- In Adults and Safeguarding, the forecast underspend in the Physical Disabilities team has increased by £264k. Care spending is decreasing compared to the first part of the year, as savings plans take effect, and there is an increase in the level of unspent direct payments that are being clawed-back.

2.3 The table below identifies the key areas of pressures and underspends within Adults services alongside potential mitigating actions and future risks or issues.

<p><b>Learning Disability Services (LD)</b></p> <p>Forecast year-end variance: <b>+£628k</b></p>	<p>The key reason for the pressure in this area is:</p> <ul style="list-style-type: none"> <li>• Increased levels of care and support required to meet needs and the sustainability of these arrangements through the year. The circumstances of the young people as they reach 18 years old is monitored closely to confirm the level of funding required to meet their needs and to try to anticipate the sustainability of the arrangements. This includes both the home circumstances and the educational arrangements for the young person.</li> <li>• Demand pressures are higher than expected, and there is continued expenditure on high-cost out of county in-patient placements due to the level of need of the people concerned. New package costs and increases in the costs of existing packages were higher than expected in the final months of 2016/17 and have continued to be high in the first part of 2017/18. This has also resulted in revised projections of demand pressures for the remainder of the year.</li> </ul> <p>Mitigating actions include:</p> <ul style="list-style-type: none"> <li>• The dedicated reassessment and brokerage capacity funded by the Transformation Fund is continuing to explore additional workstreams to deliver further savings, and is providing key expertise in negotiating with providers to avoid increases in costs and to rationalise existing arrangements.</li> <li>• Restrictions on price uplifts for providers are being targeted.</li> <li>• Underspending on staff where vacancies cannot be, or have not been, filled.</li> <li>• Reviewing the utilisation of staff to reduce reliance on agency staff and overtime working in the in-house provider services.</li> <li>• Ongoing work with colleagues in Children's services to ensure that packages are cost effective leading up to each person's 18th birthday.</li> <li>• The Young Adults Team are working to try to mitigate the potential of increased costs if individual circumstances are not sustainable.</li> </ul>
<p><b>Physical Disabilities (PD)</b></p> <p>Forecast year-end variance: <b>-£284k</b></p>	<p>The key reason for the underspend in this area is:</p> <ul style="list-style-type: none"> <li>• Revised projections of costs for the remaining part of the year as a result of lower than expected demand and higher than expected clawbacks of unused direct payments.</li> </ul>

<b>Mental Health Central</b>  Forecast year-end variance: <b>-£127k</b>	The key reason for the underspend in this area is: <ul style="list-style-type: none"> <li>• The Section 75 contract value with CPFT (who host the mental health workforce) has been updated in line with the restructure of Mental Health Services undertaken during 2016/17.</li> </ul>
<b>Older People Mental Health</b>  Forecast year-end variance: <b>+£369k</b>	The key reasons for the pressure in this area is: <ul style="list-style-type: none"> <li>• Increases in care commitments in the last quarter of 2016/17 resulted in a £360k pressure on the budget at the start of the year. The underlying cost of care commitments increased further since July as a result of increased demand for residential and nursing care, impacting on delivery of savings.</li> </ul> <p>Mitigating actions include:</p> <ul style="list-style-type: none"> <li>• Identification of underspends elsewhere across Mental Health Services, notably efficiencies achieved on the Section 75 contract, as reported under Mental Health Central, and from retendering of supported accommodation block contracts, as included in the forecast position for Mental Health Voluntary Organisations.</li> </ul>

## 2.4 Performance

Of the twenty-one P&C service performance indicators ten are shown as green, four as amber and seven are red.

Of the Adults Performance Indicators, four are green, one is amber and three are red. The three red performance indicators are:

1. Proportion of adults with learning disabilities in paid employment
2. BCF Average number of bed-day delays, per 100,000 of population per month (aged 18+)
3. Average number of ASC attributable bed-day delays per 100,000 population per month (aged 18+)

## 2.5 P&C Portfolio

The major change programmes and projects underway across P&C are detailed in Appendix 8 of the report – none of these is currently assessed as red.

## 3.0 2017-18 SAVINGS TRACKER

- 3.1 As previously reported the “tracker” report – a tool for summarising delivery of savings – will be made available for Members on a quarterly basis.

## 4.0 ALIGNMENT WITH CORPORATE PRIORITIES

### 4.1 Developing the local economy for the benefit of all

- 4.1.1 There are no significant implications for this priority.

### 4.2 Helping people live healthy and independent lives

- 4.2.1 There are no significant implications for this priority

#### **4.3 Supporting and protecting vulnerable people**

4.3.1 There are no significant implications for this priority

### **5.0 SIGNIFICANT IMPLICATIONS**

#### **5.1 Resource Implications**

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

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

5.2.1 There are no significant implications within this category.

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

5.3.1 There are no significant implications within this category.

#### **5.4 Equality and Diversity Implications**

5.4.1 There are no significant implications within this category.

#### **5.5 Engagement and Consultation Implications**

5.5.1 There are no significant implications within this category.

#### **5.6 Localism and Local Member Involvement**

5.6.1 There are no significant implications within this category.

#### **5.7 Public Health Implications**

5.7.1 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>

## **Annex A**

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

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

Strategic Management – Adults

Principal Social Worker, Practice and Safeguarding

#### **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's Services**

OP - City & South Locality

OP - East Cambs Locality

OP - Fenland Locality

OP - Hunts Locality

Discharge Planning Teams

Shorter Term Support and Maximising Independence

#### **Adult Disability Services**

PD Head of Services

Physical Disabilities

Autism and Adult Support Carers

#### **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

#### **Community & Safety Directorate**

Safer Communities Partnership

#### **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*