

# Adult Social Care Committee

Item No .....

<b>Report title:</b>	<b>Adult Social Care Finance Monitoring Report Period 2 (May) 2018-19</b>
<b>Date of meeting:</b>	<b>2 July 2018</b>
<b>Responsible Chief Officer:</b>	<b>James Bullion, Executive Director of Adult Social Services</b>

## Strategic impact

This report provides Adult Social Care Committee (the Committee) with financial monitoring information, based on information to the end of May 2018. The report sets out variations from the budget, progress against planned savings and details the use of the improved better care fund.

## Executive summary

As at the end of May 2018 (Period 2), Adult Social Services is forecasting that it will achieve an overspend position of £1.990m at the end of the financial year, which is a 0.8% variance on the total net budget. This is after taking into account financial risks and expected achievement of savings.

<b>Expenditure Area</b>	<b>Budget 2018/19 £m</b>	<b>Forecast Outturn £m</b>	<b>Variance £m</b>
<b>Total Net Expenditure</b>	252.466	254.455	1.990

The key points for Committee to consider about the financial position for Adult Social Care are:

- a) There is no underlying additional pressure affecting the 2018-19 budget. The outturn position for 2017-18 was a £3.696m underspend and commitments between setting the budget in January 2018 and the start of the financial year remained largely stable and therefore have not placed additional pressures on the budget from the outset
- b) As part of the 2017-18 financial position the Committee was able to set up a business risk reserve of £4.500m. This was in addition to the business risk reserve agreed by Policy and Resource Committee of £2.600m through the use of the Adult Social Services Grant announced in January 2018. At this stage it is not proposed that this funding is used, but could be used to enable invest to save proposals or support the budget if additional savings cannot be delivered in full or the financial risks (set out in Section 4) not included in the budget materialise
- c) Plans for the use of the additional one-off social care grant, known as the improved better care fund grant (iBCF) were agreed with health partners in July 2017. As the funding was announced following the budget setting process and plans were agreed part year, not all the grant was spent in year and a reserve was set up to enable the plans to still be implemented, but with spending in both 2018-19 and 2019-20. Interventions such as accommodation based reablement, trusted assessors, enhanced home support and social prescribing have been implemented and projects will be closely tracked to establish the benefits to the health and social care system and whether these are financially sustainable longer term. This year the iBCF is supporting the cost of care and national living wage increases faced by care providers, as well as protection of social care budgets
- d) This year, Adult Social Services needs to deliver £27m savings to deliver a balanced budget. The savings programme is not without risk and this paper provides detail of specific projects,

where there could be variance to the budgeted savings able to be delivered by 31<sup>st</sup> March 2019. The forecast is based on delivery of £22.184m of the 2018-19 savings target (see Section 2.8) The service will aim to manage any variances through alternative measures. Due to the scale of the programme this year, one of purposes of the business risk reserve is to support shortfall due to slippage that cannot be mitigated during the year through alternative savings

Adult Social Services reserves at 1 April 2018 stood at £27.221m. The reserves at the beginning of the year included committed expenditure, which was carried forward in 2017/18. The reserves position is set out in Section 2.10 and Appendix D. In total the forecast includes the planned use of £7.246m of reserves in this financial year, of which £6.841m were already planned and agreed as part of the budget setting process. The variation is predominately due to the carry forward of some funding at year end for earmarked purposes.

The 2018-19 forecast outturn position for reserves is £19.975m. Provisions totalled £6.454m at 1 April 2018, mainly for the provision for bad debts.

### **Recommendations:**

#### **Members are asked to agree:**

- a) **The forecast outturn position at Period 2 for the 2018-19 Revenue Budget of a £1.990m overspend**
- b) **The planned use of reserves of a net £0.405m above the level agreed when setting the budget**

**Appendix A** – Table setting out the monitoring position at Period 2 for key budgets for the service (Page 36)

**Appendix B** – Explanation of key variances for each budget (Page 37)

**Appendix C** – 2018-21 Savings Programme (Page 38)

**Appendix D** – Reserves and Provisions (Page 40)

**Appendix E** – Capital Programme 2018-19 (Page 42)

## **1. Introduction**

- 1.1 The Adult Social Care Committee has a key role in overseeing the financial position of the department including reviewing the revenue budget, reserves and capital programme.
- 1.2 This monitoring report is based on the Period 2 (May 2018) forecast including assumptions about the implementation and achievement of savings before the end of the financial year.

## **2. Detailed Information**

- 2.1 The table below summarises the forecast outturn position as at the end of May (Period 2).

2017/18			2018/19		
Actual net spend 2017/18 £m	Over/ Underspend compared to budget £m	Expenditure Area	Budget 2018/19 £m	Forecast Outturn at 31 <sup>st</sup> March 2019 £m	Variance @ P2 £m
10.392	(0.471)	Business Development	10.683	10.497	(0.186)
69.600	0.123	Commissioned Services	62.238	62.195	(0.043)
5.492	(0.727)	Early Help & Prevention	5.796	5.799	0.003
168.243	12.971	Services to Users (net)	198.404	201.242	2.838
1.064	(7.497)	Management, Finance & HR	(246.656)	(25.277)	(0.621)
<b>254.791</b>	<b>4.399</b>	<b>Total Net Expenditure</b>	<b>252.466</b>	<b>254.455</b>	<b>1.990</b>

- 2.2 As at the end of Period 2 (May 2018) the forecast revenue outturn position for 2018-19 is £254.455m, which is an overspend of £1.990m.
- 2.3 The detailed position for each service area is shown at **Appendix A**, with further explanation of over and underspends at **Appendix B**.
- 2.4 The forecast position does not take into account all the potential budget risks and opportunities for the service during 2018-19. These are set out in more detail at Section 4 of this paper.
- 2.5 **Additional Social Care Funding**
- 2.5.1 The Chancellor's Budget in March 2017 announced £2bn additional non-recurrent funding for social care, of which Norfolk received £18.561m in 2017/18, followed by £11.901m in 2018/19 and £5.903m in 2019/20. The funding is paid as a direct grant to councils by the government and as a condition of the grant, councils are required to pool the funding into their Better Care Fund. This fund is governed by the Health and Wellbeing Board and monitored by NHS England and the Ministry of Housing, Communities and Local Government through national and local assurance and quarterly returns.
- 2.5.2 The guidance received from the government requires that the funding is used by local authorities to provide stability and extra capacity in the local care system. Specifically, the grant conditions require that the funding is used for the purposes of:
- Meeting social care needs
  - Reducing pressure on the NHS supporting people to be discharged from hospital when they are ready
  - Ensuring that the local social care provider market is stabilised
- 2.5.3 Plans for the use of the funding were reported to Committee in July 2017 and were subsequently agreed with Norfolk's Clinical Commissioning Groups.
- 2.5.4 Norfolk County Council (the Council), in setting this year's budget, reflected the delivery of these plans, including the carried forward of unspent grant from 2017-18 to 2018-19 and expected use of reserves in this financial year.
- 2.5.5 Actions were undertaken during 2017-18 to implement the agreed plans, which in addition to funding to protect social care and support price uplifts for the care market, has led to the

following projects. Progress will be reported during 2018-19, including evaluation of the impact of the investment.

- a) Increased social work capacity
- b) Implementation of social prescribing schemes
- c) Implementation of accommodation based reablement schemes, including beds in the East, West Norfolk and at Benjamin Court in Central Norfolk.
- d) Enhanced home support service covering both an acute referral pathway and community referral pathway (including flexible dementia respite service and carer support)
- e) Establishment of trusted assessment facilitators
- f) Developing discharge to assess pathways to reduce delayed transfer of care from hospital
- g) Step down accommodation for people discharged from hospital with mental health needs
- h) Additional out of hours capacity for mental health act assessment

2.5.6 Sustainability of the actions arising from this additional investment is key. Where investment in social care is evidenced to provide wider system benefits the expectation is that financial support will be sought from across health and social care to enable new ways of working to continue beyond the project timescales. Where benefits cannot be evidenced or wider financial support from the health sector is not available, it is expected that the interventions will need to be stopped at the end of the projects. The plans have therefore been careful to ensure that actions providing support to the market through funding cost of care and price increases is ongoing.

## 2.6 Services to Users

2.6.1 The table below provides more detail on services to users, which is the largest budget within Adult Social Services:

2017/18			2018/19		
Actual net spend 2017/18 £m	Over/ Underspend compared to budget £m	Expenditure Area	Budget 2018/19 £m	Forecast Outturn at 31 <sup>st</sup> March 2019 £m	Variance @ P2 £m
114.650	3.481	Older People	124.328	124.190	(0.086)
24.095	0.866	Physical Disabilities	25.055	26.278	1.306
100.865	1.663	Learning Disabilities	100.730	102.600	1.929
14.616	0.500	Mental Health	14.547	15.958	1.419
5.859	(0.813)	Hired Transport	6.105	6.106	0.001
10.181	(1.571)	Care & Assessment & Other staff costs	14.584	14.425	(0.430)
<b>270.266</b>	<b>4.125</b>	<b>Total Expenditure</b>	<b>285.618</b>	<b>289.756</b>	<b>3.939</b>
(84.002)	(9.148)	Service User, NHS and other local authority income	(85.653)	(86.753)	(1.100)
(4.566)	(2.550)	Other Income	(1.561)	(1.561)	0.000
<b>181.698</b>	<b>(7.573)</b>	<b>Revised Net Expenditure</b>	<b>198.404</b>	<b>201.242</b>	<b>2.838</b>

## 2.6.2 Key points:

- a) The number of placements within Purchase of Care continues to show small reductions across the service. However, the rate of reduction is insufficient to meet the savings applied for 2018/19. While work is ongoing to remedy this, the service is currently showing an overspend
- b) Permanent admissions to residential care – those without a planned end date – have been consistently reducing for the last three years in both 18-64 and 65+ age groups. Rate of admissions reduced significantly from a rate of 724 admissions per 100k population in 2014/15 to 611.9 per 100k population in 2016/17. Reductions have slowed over the last two years, but continue to fall. Over the last six months permanent admissions to residential and nursing care for older people has seen a general reduction, despite a one-off increase in March 2018. In particular, admissions are reducing for the over 85 age group. More exploration of the data for the last quarter is being undertaken to evaluate this reduction alongside new short-term interventions for people leaving hospital, but the trend suggests a reduction in monthly admissions of 20 during the last year. Whilst the trend for people aged 65+ has continued to reduce, there has been an increasing trend for people aged 18-64. Total numbers had reduced over the previous two years, but rose slightly during 2017/18, however the numbers are small and the 12 month rolling trend is suggesting a static position. However, those that do go into residential care tend to be people with higher levels of need that require longer lengths of stay and more expensive care packages
- c) The forecast expenditure for purchase of care, excluding care and assessment is £14.770m more than the 2017/18 outturn, this is mainly due to the higher cost of care. The forecast reflects some readjustment for savings that are at high risk of non-delivery

## 2.7 Commissioned Services

### 2.7.1

2017/18		Expenditure Area	2018/19		
Actual net spend 2017/18 £m	Over/ Underspend compared to budget £m		Budget 2018/19 £m	Forecast Outturn at 31 <sup>st</sup> March 2019 £m	Variance @ P2 £m
4.193	(0.105)	Commissioning Team	3.041	2.900	(0.140)
12.444	(0.315)	Service Level Agreements	11.825	11.828	0.003
2.102	(0.294)	Integrated Community Equipment Service	0.145	0.182	0.038
33.266	0.672	NorseCare	33.134	33.572	0.438
5.817	0.000	Housing related support	2.564	2.168	(0.396)
13.077	0.220	Independence Matters	10.175	10.175	0.000
1.304	(0.087)	Other Commissioning	1.356	1.371	0.015
<b>72.203</b>	<b>0.092</b>	<b>Total Expenditure</b>	<b>62.238</b>	<b>62.195</b>	<b>(0.043)</b>

## 2.7.2 Key points:

### NorseCare

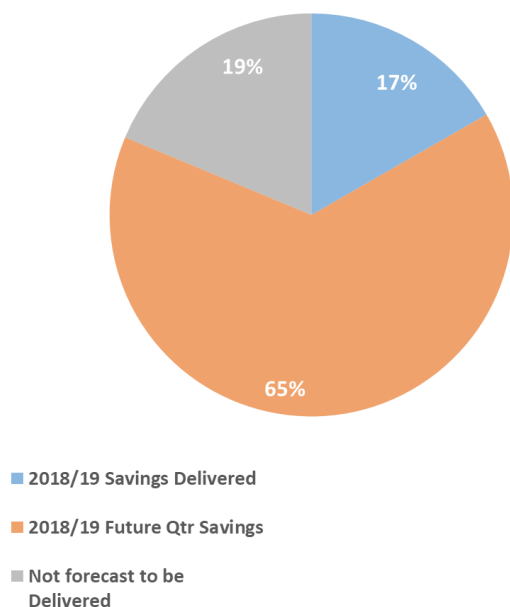
- a) Despite on-going reductions in the real-terms contract costs there remains a variation between the approved budget and the contract price. This is predominately due to increased inflation above budget assumptions. Work is ongoing to reduce this gap

## 2.8 Savings Forecast

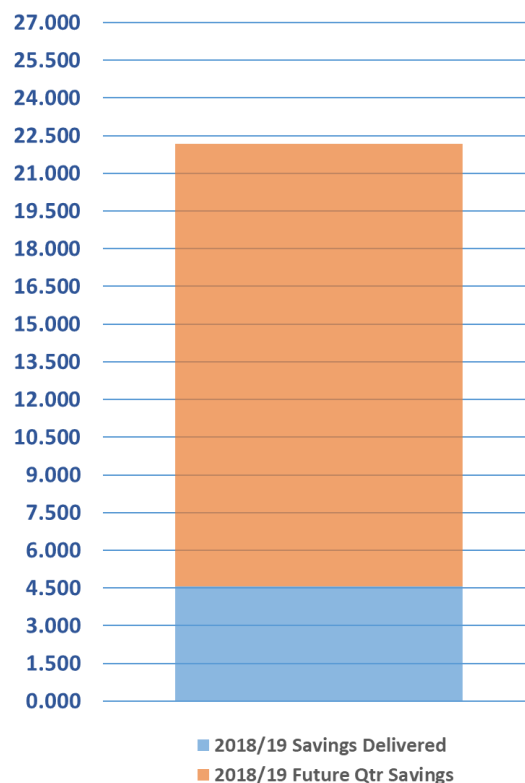
- 2.8.1 The department's budget for 2018/19 includes savings of £27.290m. The savings are predominately planned through the delivery programme for the Promoting Independence strategy.
- 2.8.2 The savings include £17m of demand management savings, which will be delivered through various projects to help prevent, reduce and delay the need for formal social care. Some £9.2m of the savings are related to the strategy for younger adults, and as reported elsewhere on this agenda £7.4m relates to projects aligned to people with learning disabilities. Some of these savings remain high risk, predominately because it requires significant changes to the social care offer, as well as helping people who currently receive services to, where appropriate, gain a higher level of independence. For some people it will enable them to live more independently and move from residential based care. Therefore, at Period 2 it is forecast that some savings will take longer to deliver and will not be achieved in full in this financial year. The programme of work will still work to deliver these in full.
- 2.8.3 After two months the forecast is that £5.106m of savings will not be achieved by 31<sup>st</sup> March 2018. The budget position therefore reflects achievement of £22.184m in this financial year. **Appendix C** sets out the delivery status of the programme by workstream and project.

Savings	Saving 2018/19	Forecast	Variance	
	£m	£m	£m	%
Savings off target (explanation below)	-15.145	-10.039	5.106	-34%
Savings on target	-12.145	-12.145	0.000	0%
<b>Total Savings</b>	<b>-27.290</b>	<b>-22.184</b>	<b>5.106</b>	<b>-19%</b>

### ASC Savings as a % of the requirement



### ASC Savings 2018/19 – Period 2



2.8.4 A brief explanation is provided below of the key variances and, where applicable, planned recovery actions.

**Promoting Independence for younger adults (target £6.794m; forecast £4.076m; variance £2.718m).** The department has a structured programme of work to focus on our service offer for people with a Learning Disability, which is held to account by an LD Steering Group and LD Partnership Board. This will underpin the work required to implement the new LD Strategy. The variance in savings delivery is the direct result of the time it takes to support and promote a person’s independence when they previously been receiving care services. Many of the people who access our services, may well have been in receipt of these services for a significant period. With people who are currently not receiving adult services, but may well indeed be being supported by Children’s or Education services, we are working with our colleagues in Children’s services to develop a new Preparing for Adulthood service.

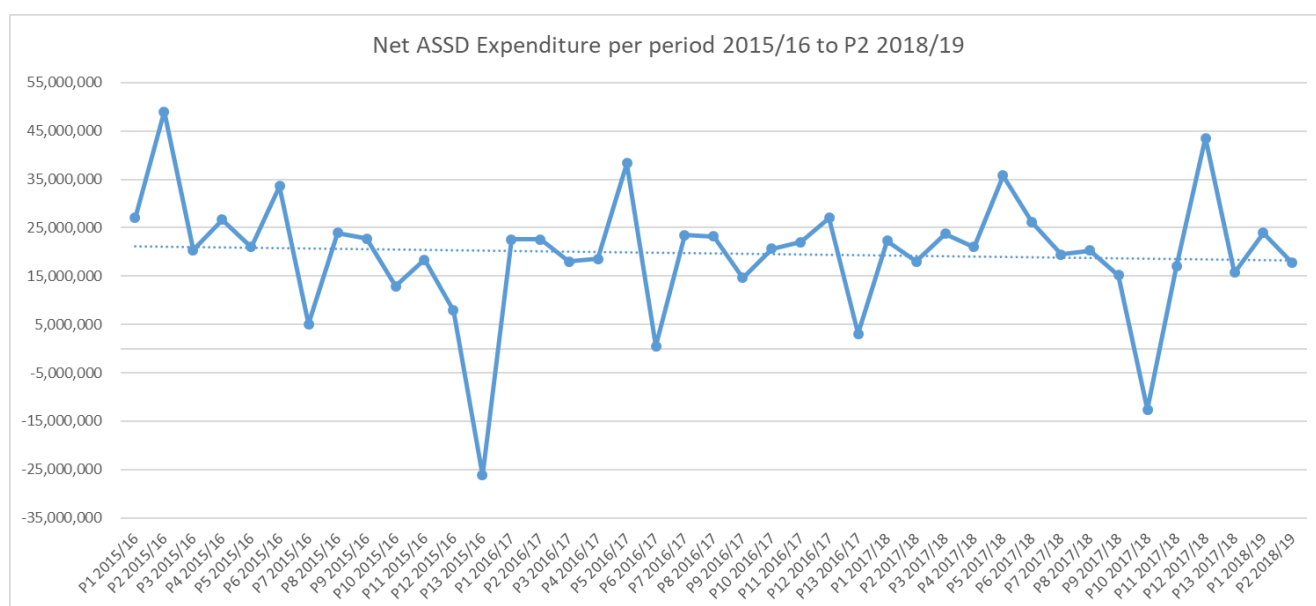
**Promoting independence for older adults (target £4.665m; forecast £4.099m; variance £0.566m).** The department will shortly begin to reformulate its social work offer, starting with its Community Care teams, by implementing a roll-out of the Living Well: 3 Conversations model of social work. The initial Community Innovation sites have seen promising results in terms of outcomes for people and delaying the need for formal care. The variance in savings delivery is the direct result of the time it takes to fully imbed this model and begin to realise the fully benefits of the new ways of working.

**Review of day services (target £2.500m; forecast £1.265m; variance £1.235m).** As part of the LD strategy, the department will have a revised Day Services offer for people with a Learning Disability. The focus will be on community participation, targeted support (with a skills and employment focus) and locality hubs for those with complex needs. To

begin this transformation 5 providers will begin pilots lasting for the next 12 months to reshape the offer. The variance in savings delivery is the direct result of the time it takes to evolve these services and support and enable existing people accessing the services.

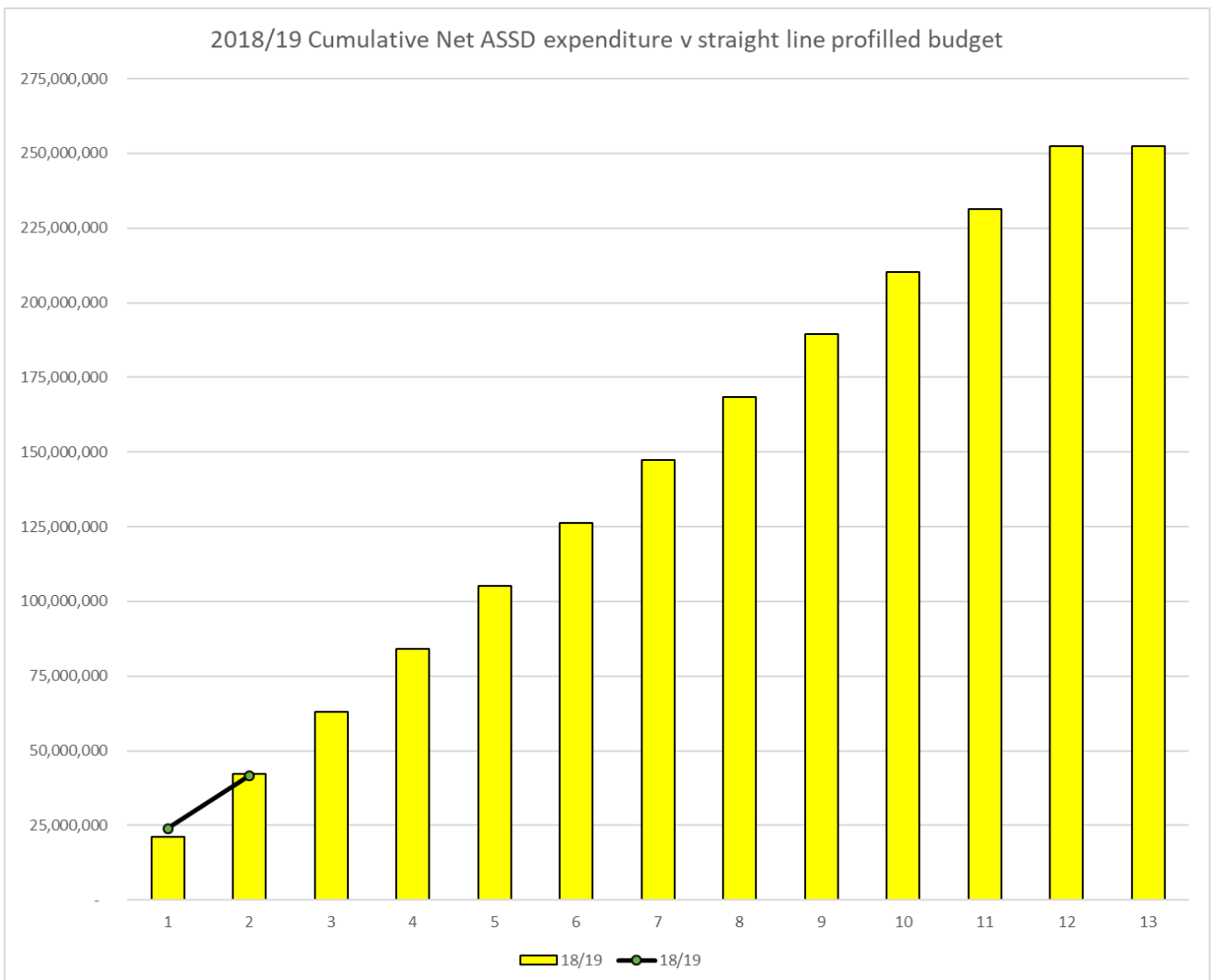
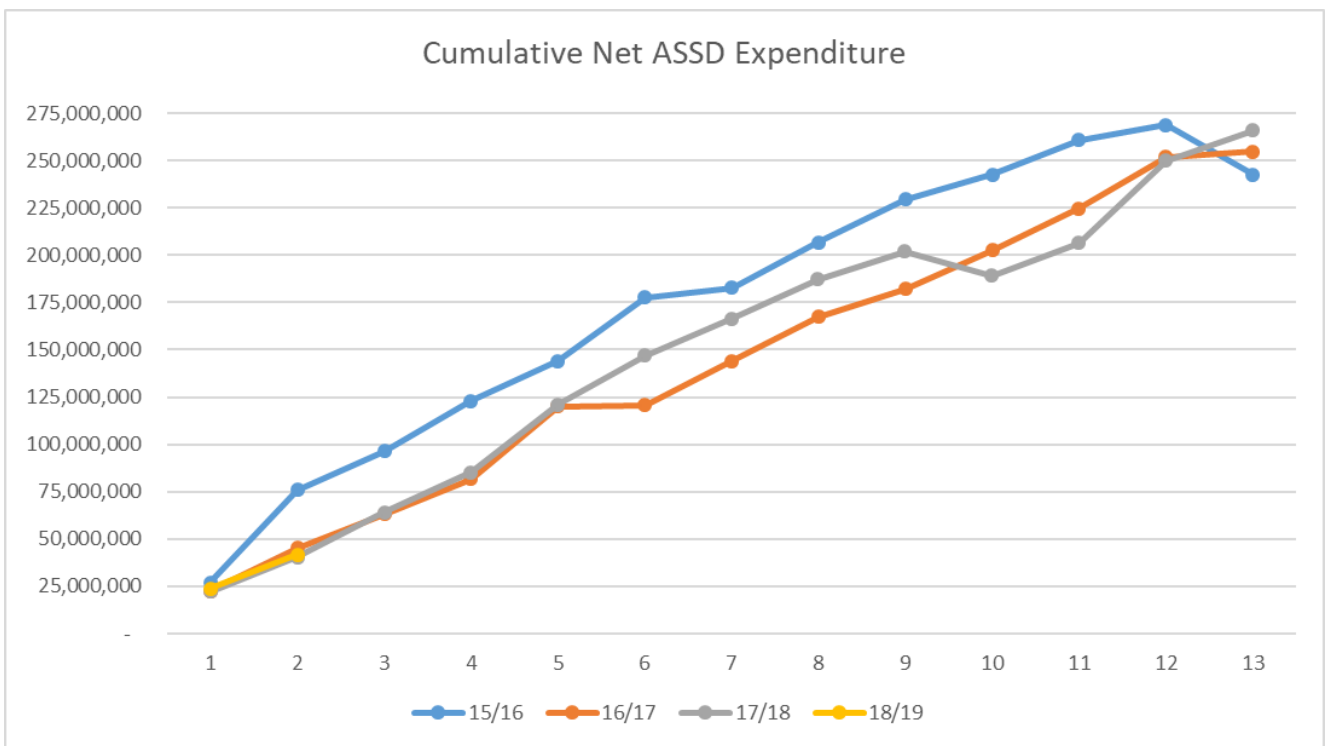
**Promoting Independence - Housing with Care (target £0.500m; forecast £0.050m; variance £0.450m).** The department is currently developing a robust business case and revenue model as part of the work of its newly formed Older People Housing Board. Through work between internal officers, consultants and external partners, such as the district and borough councils, we will look to develop a number of new units within Norfolk. This will provide older people in Norfolk a more independent alternative to residential care. The variance in savings delivery is again the direct result of the time it takes to develop and build these new units.

2.8.5. The department's net expenditure each period is prone to fluctuations, as evidenced by the below graphic, however, it continues to display a downward trajectory when compared to 2015/16.



Whilst early in the financial year our level of net spend is on a par with 2017/18 and below that of 2015/16 and 2016/17. Whilst we are updating our budget profile, when we initially compare our spend to date to a straight line profiled budget, we are approximately in line with our forecast.





## 2.9 Finance and Performance monitoring and recovery actions

2.9.1 Monthly performance and finance data is reviewed by senior management team in order to highlight key areas of focus for monthly finance and performance board meetings. This is also a forum, which enables escalation by teams of blockages to progress and priority actions for the service. In addition, quarterly accountability meetings are held, enabling scrutiny of performance and financial issues at team level and are led by the Executive

Director of Adult Social Services. Teams continue to develop actions and follow up work to scrutinise variation to forecast. Potential actions to mitigate the current forecast overspend will continue to be considered through the above monitoring process and through the Promoting Independence Programme Board.

## 2.10 Reserves

- 2.10.1 The department's reserves and provisions at 1 April 2018 were £33.675m. Reserves totalled £27.221m.
- 2.10.2 The reserves at the beginning of the year included committed expenditure, which was carried forward in 2017/18. At period 2 the forecast includes the planned use of £7.246m of reserves in this financial year. This mainly relates to the improved Better Care Fund (IBCF) and planned projects that will be delivered during the next two years.
- 2.10.3 The forecast reserve position at 31 March 2019 is £19.975m.
- 2.10.4 Provisions totalled £6.454m at 1 April 2018, mainly for the provision for bad debts. The projected use of reserves and provisions is shown at **Appendix D**.
- 2.10.5 As set out in section 2.6 of this report, a planned reserve is approved to enable ring fenced additional social care funding to be carried forward. This will ensure that the plans agreed as part of the Better Care Fund can be used for the agreed purposes and invest to save projects can be managed across an agreed timeframe. Plans for the use of the additional social care funding were agreed at the end of July 2017.
- 2.10.6 The outturn position for Adult Social Services in 2017/18, combined with the £2.612m ASC Support Grant, enabled a business risk reserve to be set up totalling £7.112m. This was set up to enable opportunity for investment to support the savings target and to mitigate some of the expected budget risks facing the service in future years, including delivery of a significant savings and unfunded potential risks facing the service, as set out in Section 4. The current forecast for the service at Period 2 is for an overspend of £1.990m. Potential actions to reduce the overspend will be reviewed across the service. At this early stage in the financial year there is no formal recommendation to members for use of reserves and members are asked to note the current position.

## 2.11 Capital Programme

- 2.11.1 The new capital programme for 2018-19 agreed within the 2018-19 budget is £4.740m. This was made up of £2.334m for Capitalisation of Equipment and £2.406m for the Social Care and Finance Information system. Subsequent to this being agreed, there was slippage on the Social Care and Finance Information system which meant that the amount brought forward into 2018-19 increased.
- 2.11.2 The remaining elements relate to slippage from the 2017-18 programme which are expected to be completed in the current financial year. Funding was brought forward for these and do not create an additional pressure.
- 2.11.3 The department's total capital programme is £17.469m. The capital programme includes £3.876m for the social care and finance replacement system. The priority for use of capital is development of alternative housing models for young adults. In addition to this, there is also £7.480m relating to Department of Health capital grant for Better Care Fund (BCF) Disabled Facilities Grant (DFG), which is passported to District Councils within the BCF. Work continues with district councils as part of the BCF programme of work, to monitor progress, use and benefits from this funding. Details of the current capital programme are shown in **Appendix E**.

### **3. Financial Implications**

- 3.1 The forecast outturn for Adult Social Services is set out within the paper and appendices.
- 3.2 As part of the 2018/19 budget planning process, the Committee proposed a robust budget plan for the service, which was agreed by County Council. The 2017-18 outturn position for the service was an underspend of £3.696m after setting up a business risk reserve of £4.5m. This is in addition to the adult social care grant received by the Council, earmarked for adult social care business risk, totalling £2.6m. Approximately £2.1m of that underspend is considered to be ongoing, which will help manage additional budget pressures this financial year.
- 3.3 The planned use of the one-off funding through the improved Better Care Fund was agreed with health partners last year and reflected a three-year position.

### **4. Issues, risks and innovation**

- 4.1 This report provides financial performance information on a wide range of services monitored by the Adult Social Care Committee. Many of these services have a potential impact on residents or staff from one or more protected groups. The Council pays due regard to the need to eliminate unlawful discrimination, promote equality of opportunity and foster good relations.
- 4.2 This report outlines a number of risks that impact on the ability of Adult Social Services to deliver services within the budget available. Financial estimates of the level of unfunded risk at Period 2 are £3.1m, this is based on risk assessment, including potential impact, likelihood and mitigating factors. These risks include the following:
- a) Pressure on services from a needs led service where number of service users continues to increase. In particular the number of older people age 85+ is increasing at a greater rate compared to other age bands, with the same group becoming increasingly frail and suffering from multiple health conditions. A key part of transformation is about managing demand to reduce the impact of this risk through helping to meet people's needs in other ways where possible
  - b) The ability to deliver the forecast savings, particularly in relation to the demand led element of savings, which will also be affected by wider health and social care system changes
  - c) The cost of transition cases, those service users moving into adulthood, might vary due to additional cases that have not previously been identified, particularly where cases are out of county. Increased focus on transition will help mitigate this risk
  - d) The impact of pressures within the health system, through both increased levels of demand from acute hospitals and the impact of increased savings and current financial deficits in health provider and commissioning organisations. This risk is recognised within the service's risk register and the Council's involvement in the change agenda of the system and operational groups such as Accident and Emergency Delivery Boards and Local Delivery Groups will support the joint and proactive management of these risks
  - e) The Council has outstanding debt in relation to health organisations, which could lead to increased pressures if the debt is not recovered
  - f) Increasing waiting lists and delays in recording could result in additional packages and placements incurring costs that have not been included in the forecast
  - g) In any forecast there are assumptions made about the risk and future patterns of expenditure. These risks reduce and the patterns of expenditure become more defined as the financial year progresses and as a result of the reduced risk the forecast becomes more accurate
  - h) The ability to be able to commission appropriate home support packages due to market provision, resulting in additional costs through the need to purchase increased individual spot contracts rather than blocks

- i) The continuing pressure from the provider market to review prices and risk of challenge. In addition, the Council has seen some care home closures in the first part of the year, which can lead to increased costs especially during transition
- j) The impact of health and social care integration including Transforming Care Plans, which aims to move people with learning disabilities, who are currently inpatients within the health service, to community settings
- k) Impact of legislation, particularly in relation to national living wage

## 5 Recommendations

### 5.1 Members are asked to agree:

- a) The forecast outturn position at Period 2 for the 2018-19 Revenue Budget of a £1.990m overspend
- b) The planned use of reserves of a net £0.405m above the level agreed in setting the budget

## 6. Background

6.1 The following background papers are relevant to the preparation of this report.

[Finance Outturn Report – Adult Social Care Committee May 2018](#) (p87)

[Norfolk County Council Revenue Budget and Capital Budget 2018-21 - County Council February 2018](#) (p49)

## Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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Susanne Baldwin	01603 228843	<a href="mailto:susanne.baldwin@norfolk.gov.uk">susanne.baldwin@norfolk.gov.uk</a>



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

## Adult Social Care 2018-19: Budget Monitoring Period 2 (May 2018)

Please see table 2.1 in the main report for the departmental summary.

Summary	Budget	Forecast Outturn	Variance to Budget	
	£m	£m	£m	%
<b>Services to users</b>				
Purchase of Care				
Older People	124.328	124.190	(0.137)	-0.011%
People with Physical Disabilities	25.055	26.278	1.224	4.88%
People with Learning Disabilities	100.730	102.600	1.870	1.86%
Mental Health, Drugs & Alcohol	14.547	15.958	1.411	9.70%
<b>Total Purchase of Care</b>	<b>264.658</b>	<b>269.026</b>	<b>4.367</b>	<b>1.65%</b>
Hired Transport	6.105	6.106	0.001	0.01%
Staffing and support costs	14.854	14.425	(0.430)	-2.89%
<b>Total Cost of Services to Users</b>	<b>285.618</b>	<b>289.756</b>	<b>3.939</b>	<b>1.45%</b>
Service User Income	(85.653)	(86.753)	(1.100)	1.28%
Other Income	(1.561)	(1.561)	0.000	0.00%
<b>Net Expenditure</b>	<b>198.404</b>	<b>201.242</b>	<b>2.838</b>	<b>1.43%</b>
<b>Commissioned Services</b>				
Commissioning	3.041	2.900	(0.140)	-4.62%
Service Level Agreements	11.825	11.828	0.003	0.02%
ICES	0.145	0.182	0.038	26.04%
NorseCare	33.134	33.572	0.438	1.32%
Housing Related Support	2.564	2.168	(0.396)	-15.45%
Independence Matters	10.175	10.175	0.000	0.00%
Other	1.356	1.371	0.015	1.10%
<b>Commissioning Total</b>	<b>62.238</b>	<b>62.195</b>	<b>(0.043)</b>	<b>-0.07%</b>
<b>Early Help &amp; Prevention</b>				
Norfolk Reablement First Support	1.577	1.570	(0.007)	-0.45%
Service Development	1.155	1.142	(0.013)	-1.14%
Other	3.065	3.088	0.023	0.75%
<b>Prevention Total</b>	<b>5.796</b>	<b>5.799</b>	<b>0.002</b>	<b>0.04%</b>

## Adult Social Care 2018-19 Budget Monitoring Forecast Outturn Period 2 Explanation of variances

### 1. Business Development, forecast underspend (£0.186m)

The forecast underspend is from vacancies and secondments in some teams, with roles currently being reviewed.

### 2. Commissioned Services forecast underspend (£0.043m)

The main variances are:

**NorseCare**, overspend of £0.438m. Despite on-going reductions in the real-terms contract costs there remains a variation between the approved budget and the contract price. This is largely due to inflationary pressure higher than the Council's original budget assumptions.

**Commissioning team**, underspend of (£0.140m). The underspend is due to staff vacancies.

**Housing Related Support**, underspend of (£0.396m). The underspend comes from contract review.

### 3. Services to Users, forecast overspend £2.838m

The main variances are:

**Purchase of Care (PoC) expenditure**, overspend of £4.367m. While numbers of service users are consistent with those in place at the time the budgets were set, not all savings are expected to be delivered.

**Purchase of Care (PoC) income**, over recovery of (£1.100m). This is due to additional income forecast above the original budget assumptions for charges from contributions towards care costs.

**Staffing and Support**, underspend of (£0.430m). The underspend comes from vacancies and delays in recruitment.

### 4. Early Help and Prevention, forecast overspend £0.003m

A pressure within Housing with Care Tenant Meals of £0.039m in Other Services is offset by underspends elsewhere.

### 5. Management, Finance and HR, forecast underspend (£0.621m)

The main variances are:

**Management and Finance**, underspend of (£0.627m). Recovery of secondment costs combines with additional deputyship income and review of previously committed costs to deliver an underspend.

## 2018-21 Savings Programme

The overall revised savings programme is now structured as follows:

Saving reference	Saving	2018-19	2019-20	2020-21	2018-19 forecast	2018-19 forecast variance (shortfall) / over delivery	RAG status
		£m	£m		£m	£m	
COM040 /ASC003	Service users to pay for transport out of personal budgets, reducing any subsidy paid by the Council	-0.700	-1.000		-0.700	0.000	Green
YA ASC006 /ASC011 /ASC015	Promoting Independence for Younger Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting	-6.794	-5.307	-5.000	-4.076	-2.718	Amber
OP ASC006 /ASC011 /ASC015	Promoting Independence for Older Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting	-4.665	-3.393	-5.000	-4.099	-0.566	Amber
ASC007	Promoting Independence - Reablement - net reduction - expand Reablement Service to deal with 100% of demand and develop service for working age adults	-0.500			-0.500	0.000	Green
ASC008	Promoting Independence - Housing with Care - develop non-residential community based care solutions	-0.500	-0.500		-0.050	-0.450	Red
ASC009	Promoting Independence - Integrated Community Equipment Service - expand service so through increased availability and access to equipment care costs will be reduced	-0.250			-0.250	0.000	Green
ASC013	Radical review of daycare services	-2.500			-1.265	-1.235	Red
ASC016-019	Building resilient lives: reshaping our work with people of all ages requiring housing related support to keep them independent	-3.400			-3.400	0.000	Green
ASC020	Remodel contracts for support to mental health recovery	-0.275			-0.275	0.000	Green

## Appendix C

ASC029	Align charging policy to more closely reflect actual disability related expenditure incurred by service users	-0.230			-0.630	0.000	Green
ASC032	Review charging policy to align to actual disability related expenses	-0.400					Green
ASC033	Accommodation based reablement	-0.550			-0.550	0.000	Green
ASC034	Prevent carer breakdown by better targeted respite	-0.686			-0.549	-0.137	Amber
ASC035	Investment and development of Assistive Technology approaches		-0.300	-0.500	0.000	0.000	
ASC036	Maximising potential through digital solutions	-0.049	-0.951	-2.000	-0.049	0.000	Green
ASC037	Strengthened contract management function	-0.300	-0.300	-0.200	-0.300	0.000	Green
ASC038	Procurement of current capacity through NorseCare at market value		-0.600	-1.000	0.000	0.000	
ASC039	Capitalisation of equipment spend	-2.300			-2.300	0.000	Green
ASC040	Reduction in funding for invest to save	-0.191			-0.191	0.000	Green
ASC041	One-off underspends in 2017-18 to be used to part fund 2018-19 growth pressures on a one-off basis	-3.000	3.000		-3.000	0.000	Green

<b>Adult Social Care net total</b>	<b>-27.290</b>	<b>-9.351</b>	<b>-13.700</b>	<b>-22.184</b>	<b>-5.106</b>
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## Adult Social Services - Reserves and Provisions

			2018/19 Period 2 (May)	
	Balance	Usage agreed by Feb County Council	Planned Usage	Balance
	01-Apr-18		2018/19	31-Mar- 19
	£m	£m	£m	£m
Doubtful Debts provision	6.454	0.000	0.061	6.515
<b>Total Adult Social Care Provisions</b>	<b>6.454</b>	<b>0.000</b>	<b>0.061</b>	<b>6.515</b>
Prevention Fund – General - As part of the 2012-13 budget planning Members set up a Prevention Fund of £2.5m to mitigate the risks in delivering the prevention savings in 2012-13 and 2013-14, particularly around Reablement, Service Level Agreements, and the need to build capacity in the independent sector. £0.067m remains of the funding, and is being used for prevention projects: Ageing Well and Making it Real. 2013-14 funding for Strong and Well was carried forward within this reserve as agreed by Members. £0.015m remains of the funding, all of which has been allocated to external projects and will be paid upon achievement of milestones.	0.082	0.000	-0.034	0.048
Repairs and renewals	0.043	0.000	0.000	0.043
Adult Social Care Workforce Grant – forecast to be used in full	0.269	0.000	-0.269	0.000
HR Recruitment Costs – earmarked at year end for specific need	0.020	0.000	-0.020	0.000
ICES Training post for 2 years – earmarked at year end for specific post	0.080	0.000	-0.040	0.040
Change Implementation - Commissioning Manager post – earmarked funding at year end for specific post	0.025	0.000	-0.025	0.000
Unspent Grants and Contributions - Mainly the Social Care Reform Grant which is being used to fund Transformation in Adult Social Care – projection based on transformation programme at Period 2	1.309	0.000	-0.628	0.681

**Appendix D**

Public Health grant to support the Social Prescribing project	0.400	-0.400	-0.400	0.000
Transformation	0.475	0.000	0.000	0.475
Supporting People (MEAM and Community Model)	0.251	0.000	0.000	0.251
Information Technology - Additional funds to be placed into reserve required for project in 2019/20	0.734	0.000	0.672	1.406
Adults Business Risk Reserve	7.112	0.000	0.000	7.112
Improved Better Care Fund - requirement to carry forward grant to 2019/20 for committed projects	15.670	-6.340	-6.300	9.370
Vulnerable People Resettlement Programme - £0.520m relates to the Controlling Migration Fund Domestic Abuse Support scheme and £0.029m required for repatriation support	0.433	-0.101	0.116	0.549
Mental Health Underspend to be used to recruit 5 Assistant Practitioners for mental health reviews – earmarked at year end for specific purpose	0.159	0.000	-0.159	0.000
Carry forward to be used for NIPE team increased cohort to 15 students – earmarked at year end for specific purpose	0.150	0.000	-0.150	0.000
AMPH Backfill Carry forward for use in 2018/19	0.009	0.000	-0.009	0.000
<b>Total Adult Social Care Reserves</b>	<b>27.221</b>	<b>-6.841</b>	<b>-7.246</b>	<b>19.975</b>
<b>Total Reserves &amp; Provisions</b>	<b>33.675</b>	<b>-6.841</b>	<b>-7.185</b>	<b>26.489</b>

## Adult Social Services Capital Programme 2018/19

Summary	2018/19		2019/20
Scheme Name	Current Capital Budget	Forecast outturn at Year end	Draft Capital Budget
	£m	£m	£m
Supported Living for people with Learning Difficulties	0.015	0.002	0.000
Adult Care - Unallocated Capital Grant	5.265	5.265	0.000
Strong and Well Partnership - Contribution to Capital Programme	0.047	0.047	0.000
Winterbourne Project	0.050	0.050	0.000
Care Act Implementation	0.871	0.871	0.000
Social Care and Finance Information System	3.876	1.969	1.907
Teaching Partnership IT Equipment	0.022	0.022	0.000
Netherwood Green	0.681	0.681	0.000
Miscellaneous capital projects (not greater than £5000)	0.011	0.023	0.000
Wifi Upgrade Integrated Sites	0.010	0.010	0.000
Integrated Community Equipment (ICES)	2.334	1.872	2.380
<b>TOTAL</b>	<b>13.182</b>	<b>10.812</b>	<b>4.287</b>
<i>Better Care Fund Disabled Facilities Grant and Social Care Capital Grant – passported to District Councils</i>	<i>7.480</i>	<i>7.480</i>	<i>tbc</i>

The agreed Capital programme for 2018-19 was agreed at £4.740m. This was made up of £2.334m for Capitalisation of Equipment and £2.406m for the Social Care and Finance Information system. Subsequent to this being agreed, there was slippage on the Social Care and Finance Information system which meant that the amount brought forward into 2018-19 increased.

The remaining elements relate to slippage from the 2017-18 programme which are expected to be completed in the current financial year. Funding was brought forward for these and do not create an additional pressure.