

Agenda Item: 4

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER

8 OCTOBER 2014

**Joint Report of the Strategic Director of Adult Care
and the Director of Finance**

**2014/15 REVENUE BUDGET MONITORING
ADULT CARE – PERIOD 3 (TO 30th JUNE 2014)**

1. Purpose of the Report

To provide the Cabinet Member with an update of the Adult Care Revenue Budget position for 2014-15 up to the end of June (period 3).

2. Information and Analysis

The Revenue Budget Monitoring Statement prepared at period 3 indicated that there was a projected year end overspend of £9.857m. Please see below for a further breakdown.

	Budget 2014/15	Actual to Period 3	Rest of Year Estimate	Full Year Forecast	Forecast (Under)/Over Spend Period 3
	£m	£m	£m	£m	£m
Strategic Director (See Note 1)	(11.212)	(9.010)	(6.227)	(15.237)	(4.025)
Purchased Services - including Fieldwork and Direct Care (See Note 2)	182.539	49.592	146.397	195.989	13.450
Strategy and Commissioning (See Note 3)	34.530	8.682	26.154	34.836	0.306
Miscellaneous	0.662	(0.260)	1.048	0.788	0.126
PROJECTED YEAR-END POSITION	206.519	49.004	167.372	216.376	9.857

- Note 1: This includes the additional £4m funding agreed as part of the 5 Year Financial Plan report on 15th July 2014.
- Note 2: Purchased Services are defined as 'Agreements for provision of services, primarily residential and nursing care, day care, home care, direct payments and other community services, for individuals by providers, both in-house and independent sector'.
- Note 3: This figure includes the transfer of £1.15m of Housing Related Support and Grants to Voluntary Organisations to Public Health

The projected year end overspend of £9.857m does not take into account the additional actions that are to be taken following cabinet approval. The revised projected outturn position based on the current estimated savings for these schemes would be:-

	£m
Current Projected Year-End Position	9.857
Increase to client's co-funding Contributions	(2.750)
Increase FACS to Substantial	(1.125)
Consistent Application of the Resource Allocation System	(1.500)
Revised Projected Year-End Position	4.482

The above figure does not reflect the additional costs to be incurred when the Extra Care and Residential Centres open over the next two. This is currently projected to be £757k in 2014/15, with a final cost of £3.7m per annum on completion of the scheme.

The Adult Care budget remains under pressure from increased demand and proposals have been put forward to reduce spending for future years. The savings target for 2014/15 is £11.945m. To date £4.121m of these approved savings have been achieved, with a further £5.375m identified above.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

4. Background Papers

None

5. Key Decision

No

6. Is It Required That Call-In Be Waived For Any Decision On This Report?

No

7. Officer Recommendation

That the Cabinet Member notes the position with the 2014/15 Revenue Budget.

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