

ADULTS & HEALTH, PUBLIC HEALTH**1. Financial Outturn**

The table below shows an overspend of £9.140m broken down by service areas, which represents 6.6% of the net budget (excluding Public Health).

Service	Total budget approvals	2016/17 Outturn	Variance Saving (-) / Overspend	Grants / Earmarked Reserves	Underspend (-) / Overspend
	£m	£m	£m	£m	£m
Adult and Health – Operations	93.544	102.948	9.404	(0.253)	9.151
Learning Disabilities – Operations	28.402	28.638	0.236	0	0.236
Adults and Health – Commissioner	16.391	17.004	0.613	(0.860)	(0.247)
Adults and Health Total	138.337	148.590	10.253	(1.113)	9.140
Public Health *	1.239	0.716	(0.523)	0.523	0.000

*Public Health services are mainly funded by Government grant, the total of this grant for 2016/17 was £21.800m.

Summary by Service

- **Adults and Health Operations: £9.151m overspend**

The above position was supported by the use of £3.675m one-off funding in quarter 3, which effectively means that the Adults and Health Operations budget had an underlying pressure of £12.826m.

The Adult Social Care element of the budget was overspent by £6.194m which is an increase of £0.715m from what was reported at quarter three. The effect of potential capital drop placement costs (those service users whose ability to pay for care has been exhausted) have been included when assessments are completed.

The two main areas of pressure continue to be Residential/Nursing placements and Direct Payments. Growth in these areas has seen costs increase by £3.354m since 2016/17 and although £2.524m was funded through the Adult Social Care Council Tax precept, the extra cost has still generated a pressure on the budget.

Growth in Direct Payments continued throughout the first six months of the year. However, during the second half of the year this growth was significantly reduced by changes to placement panel process. In the first six months of the year, packages rose by 13% (127) from 986 to 1,113. However, since October packages fell to 987, a net increase of just one package this financial year. When the full year effect of this change is taken into account the service expects to see a reduction in cost for 2017/18.

As with Direct Payments the change in panel process has had an effect on both Residential and Nursing placements. The number of placements that are above the published rate for which SCC commissions care have reduced significantly. This will have an impact on full year costs for 2017/18 and a reduction in cost is anticipated as a result.

There was an overspend of £2.956m within the purchased Learning Disabilities service. This was a reduction of £0.576m from the figure reported at quarter three.

Total spend on this budget increased by £3.231m from 2016/17 with £1.225m of this being funded from the Adults Social care Council Tax precept. As with the Adult Social Care budget the main areas of increase were Residential placements and Direct Payments.

The announcement of additional Better Care Fund from the Government will see an increase in available budget for 2017/18 of £12.084m, as will the Adult Social care Council Tax Precept of £4.169m.

This position follows the drawdown of the remaining balance of £0.253m from the Better Care Fund earmarked reserve and £3.000m allocated from general reserves.

The overspend of £9.151m is requested to be written off.

- **Learning Disability Provider Service: £0.236m overspend**

The Learning Disability Provider Service finished with a small overspend of £0.236m, after the allocation of £3.000m one-off funding in quarter 3 from general reserves.

The final variation was roughly in line with what has been predicted throughout the year. Pressures were seen across the service and were as a result of increasing costs (pay award, national insurance, and increased placement numbers) and reducing budget (MTFP). The delay in converting six Residential Homes to Supported Living created a pressure against the MTFP saving anticipated for 2016/17. These conversions will be a priority for 2017/18.

The overspend of £0.236m is requested to be written off.

This service will be delivered through the Discovery Social Enterprise with effect from April 1st 2017.

- **Commissioning Adult Care and Support: £0.247m underspend**

There was an overspend against the Mental Health budget of £0.522m. Savings against the contract with Somerset Partnership were only partially achieved in 2016/17. This is expected to be fully achieved in 2017/18. There was **also** an overspend within Mental Health Operations mainly against Residential placements where the final position was a pressure of £0.506m. This was due to a number of new and increased cost placements. This was offset slightly by an underspend against staffing costs of £0.218m.

The remainder of the Commissioning budgets were within budget with the exception of Housing Support Service where savings against two contracts resulted in an underspend of £0.060m.

A transfer from the Public Health earmarked reserve of £0.523m supporting related spend within these budgets, brought the overall position to an underspend of £0.247m.

This position follows a transfer from earmarked reserve of £0.026m for the Carers pooled budget. This was a planned drawdown to fund the Carers Support Project Officer. There was also an approval at quarter three to fund £0.151m of the Local Assistance Scheme from contingency, along with an approval of £0.115m from the capital fund to pay for reinstatement of property costs at Huntworth, following closure of premises used to provide supported employment services.

- **Public Health: Balanced**

The Public Health underspend has been utilised in year to support related activity in Adult Services.

The Somerset Drug and Alcohol Partnership budget finished overspent by £0.211 and this amount has been drawn down from their reserve to balance the final position.

General Reserves issues (Annex A)

The service requests the write off of the following balances:
Adults Social Care Operations and Commissioning £5.968m
Learning Disabilities £3.172m

£0.247m is available to return to general reserve from Commissioning Adult Social Care and Support

Drawdown from and transfer to Reserves (Annex B)

The Adults and Health Operations overspend of £9.151 is net of £0.253m drawn down from the Better Care Fund earmarked reserve.

An overspend of £0.026m against the ring fenced carers pooled budget resulted in a drawdown from the earmarked reserve.

A drawdown of £0.211m was made from the Somerset Drug and Alcohol Partnership earmarked reserve to fund their overspend.

Debts

Debts owed to the services at 31 March 2017 are summarised below:

Aged Debt Analysis:

31 March 2016 £m	Age of Debt	31 March 2017 £m
0.192	Not Overdue	0.206
2.927	0-30 days	2.086
0.419	1-3 months	0.345
0.767	3-12 months	0.572
0.294	Over 12 months	0.218
4.599	TOTAL	3.427
(0.075)	Unassigned Cash	

Explanation

61% of the total outstanding debt is less than 30 days old and of this the majority are invoices raised to partner health and other government agencies (CCG, Other councils) which we expect full payment of within the agreed terms.

There are currently 300 clients with an instalment plan repaying £0.206m in total. The services wrote off a combined £0.082m during 2016/17.

Significant Debts Outstanding over 12 months

Residential Arrears - £0.018m - Awaiting probate to be granted.

Residential Arrears - £0.013m - Awaiting property to be sold.

Deferred Payment - £0.030m - Unilateral charge on the property by SCC. Capital all tied up in multiple properties.

Residential Arrears - £0.024m - Currently with Legal services, monthly repayments have been agreed.

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