

Appendix A - Adult Services

Lead Member for Adult Services: Cllr Sarah Wakefield

Executive Director: Mel Lock

Service Directors

- Adult Social Care Operations: Emily Fulbrook
- Adult Social Care Commissioning: Paul Coles

Adult Services Finance Oversight Board update

The Adults Services Finance Oversight Board meet on a monthly basis. The board members include senior management from both Finance and Adults Services, a representative from the Integrated Care Board also attends. The board is chaired by the Section 151 Officer.

The purpose of the board is to highlight and discuss current Adults Service financial issues, mitigations and high-risk areas, in particular where there are overspends or risk of overspends. The board also monitor progress on key projects such as My Life My Future and MTFP savings progress.

Where there are overspends, mitigations are agreed to balance the allocated budget.

Table 1: 2024/25 Adult Services as at the end of September 2024 (Quarter 2)

- 2024/25 net budget £239.532m, forecasting an underspend of £3.496m, an increase of £0.687m from Month 5
- 2023/24 net budget £190.8m, outturn overspend £17.5m

| Service Area | Current Expenditure Budget £m | Current Income Budget £m | Current Net Budget £m | Full Year Projection £m | Month 6 Variance £m | Overspend / (Underspend) | RAG Status | Ongoing Pressure £m | One-off Pressures £m | Movement From Month 5 £m |
|---|----------------------------------|-----------------------------|--------------------------|----------------------------|------------------------|--------------------------|--------------|------------------------|-------------------------|-----------------------------|
| Adult Social Care Operations | | | | | | | | | | |
| Physical Disability/Sensory Loss/65 Plus | | | | | | | | | | |
| PD/SU/65P Residential & Nursing | 95.763 | (21.831) | 73.932 | 64.750 | (9.182) | Underspend | Green | - | - | 0.057 |
| Home Care | 29.816 | (2.263) | 27.553 | 33.925 | 6.372 | Overspend | Red | - | 6.372 | (0.049) |
| Direct Payments | 19.134 | (2.096) | 17.038 | 15.365 | (1.673) | Underspend | Green | - | - | (0.895) |
| Staffing Costs | 16.605 | (0.366) | 16.239 | 15.487 | (0.752) | Underspend | Green | - | - | (0.365) |
| Transport, Daycare & Other | 4.790 | (1.317) | 3.473 | 5.457 | 1.984 | Overspend | Red | - | 1.984 | 0.897 |
| sub total | 166.108 | (27.873) | 138.235 | 134.984 | (3.251) | Underspend | Green | - | 8.356 | (0.355) |
| Mental Health | | | | | | | | | | |
| MH Residential & Nursing | 27.625 | (4.218) | 23.407 | 22.096 | (1.311) | Underspend | Green | - | - | 0.020 |
| Home Care/Supported Living | 10.210 | (1.894) | 8.316 | 7.880 | (0.436) | Underspend | Green | - | - | 0.005 |
| Staffing/Deprivation of Liberty, Safeguards | 3.141 | (0.011) | 3.130 | 3.254 | 0.124 | Overspend | Red | - | 0.124 | 0.097 |
| Direct Payments, Day Care & Transport | 2.391 | (0.225) | 2.166 | 2.959 | 0.793 | Overspend | Red | - | 0.793 | (0.109) |
| sub total | 43.367 | (6.348) | 37.019 | 36.189 | (0.830) | Underspend | Green | - | 0.917 | 0.013 |
| Learning Disabilities | | | | | | | | | | |
| LD Residential & Nursing | 36.213 | (2.200) | 34.013 | 29.119 | (4.894) | Underspend | Green | - | - | (1.661) |
| Supported Living/Home Care | 46.077 | (2.003) | 44.074 | 45.688 | 1.614 | Overspend | Red | - | 1.614 | (0.024) |
| Direct Payments/In Control | 13.423 | (1.317) | 12.106 | 13.924 | 1.818 | Overspend | Red | - | 1.818 | 1.122 |
| Day Care | 8.107 | (0.124) | 7.983 | 8.238 | 0.255 | Overspend | Red | - | 0.255 | 0.009 |
| Discovery | 35.140 | (1.118) | 34.022 | 32.419 | (1.603) | Underspend | Green | - | - | (0.615) |
| Transport, Shared Lives & Other | 4.032 | (1.040) | 2.992 | 2.426 | (0.566) | Underspend | Green | - | - | (0.224) |
| Central & Salaries | 2.393 | - | 2.393 | 3.155 | 0.762 | Overspend | Red | - | 0.762 | 0.338 |
| sub total | 145.385 | (7.802) | 137.583 | 134.969 | (2.614) | Underspend | Green | - | 4.449 | (1.055) |
| Adult Social Care - Commissioning | | | | | | | | | | |
| ASC Commissioning | 6.115 | (0.351) | 5.764 | 5.753 | (0.011) | Underspend | Green | - | - | (0.400) |
| Intermediate Care | 8.805 | (2.849) | 5.956 | 8.508 | 2.552 | Overspend | Red | - | 2.552 | 0.453 |
| Staffing Costs | 3.106 | (0.192) | 2.914 | 2.919 | 0.005 | Overspend | Amber | - | 0.005 | 0.004 |
| Grants & Pooled Budget Income | 3.569 | (91.508) | (87.939) | (87.286) | 0.653 | Underachievement | Red | - | 0.653 | 0.653 |
| sub total | 21.595 | (94.900) | (73.305) | (70.106) | 3.199 | Underachievement | Red | - | 3.210 | 0.710 |
| Total | 376.455 | (136.923) | 239.532 | 236.036 | (3.496) | Underspend | Green | - | 16.932 | (0.687) |

Adult Services - key explanations, actions & mitigating controls

Overall, Adult Services are forecasting an underspend of £3.496m. This is mainly due to the commissioning work carried out within the market to reduce residential and nursing weekly fees. This links to international recruitment and the change in use of costly agency staff, and CPI/energy costs coming down. The service is also seeing a reduction in residential care placements in line with our promoting independence transformation programme, and an increase in domiciliary care, supporting individuals to live in their own homes.

Adult Social Care - Physical Disability/Sensory Loss/65 Plus

This area of Adult Services is currently projected to be £3.251m underspent. During Quarter 2 the service has seen a higher return on direct payment surplus than originally anticipated and therefore the projected outturn for this area has increased to £1.673m and change of £0.895m during the month. The service has seen an increase of costs associated with transport and daycare of £0.897m but this has offset with an underspend against staffing due to vacancies of £0.365m during Quarter 2.

Since April 2024 the service started to see new placements within residential and nursing homes coming either just below or around the budgeting figure built into the budget as part of the MTFP process. As people move services or services cease, the service will start to see the overall average cost of placements reduce across the year.

Mental Health

This budget includes individuals who have a diagnosis of dementia. Residential and nursing have a reduction of £0.480m during Quarter 2, due to demand being less than originally anticipated during the year to date.

The budget continues to be an area of growth for the past few years, and this has been recognised in the MTFP for 2024/25 with an increase of £11.700m. Currently Mental Health is forecasting to be £0.830m underspent. Homecare and Supported Living continues to be an area of growth, this is in line with enabling people to remain in their homes.

Learning Disabilities

Overall, the cost of Learning Disabilities is forecasting an underspend of £2.614m. However, this is a pooled budget 75/25 and therefore any underspend will be split with Integrated Care Board (ICB). The pressure of this split is reported within Commissioning. The change since Month 5 is due to the growth being less than originally anticipated, and the service will continue to monitor this throughout the financial year.

Commissioning

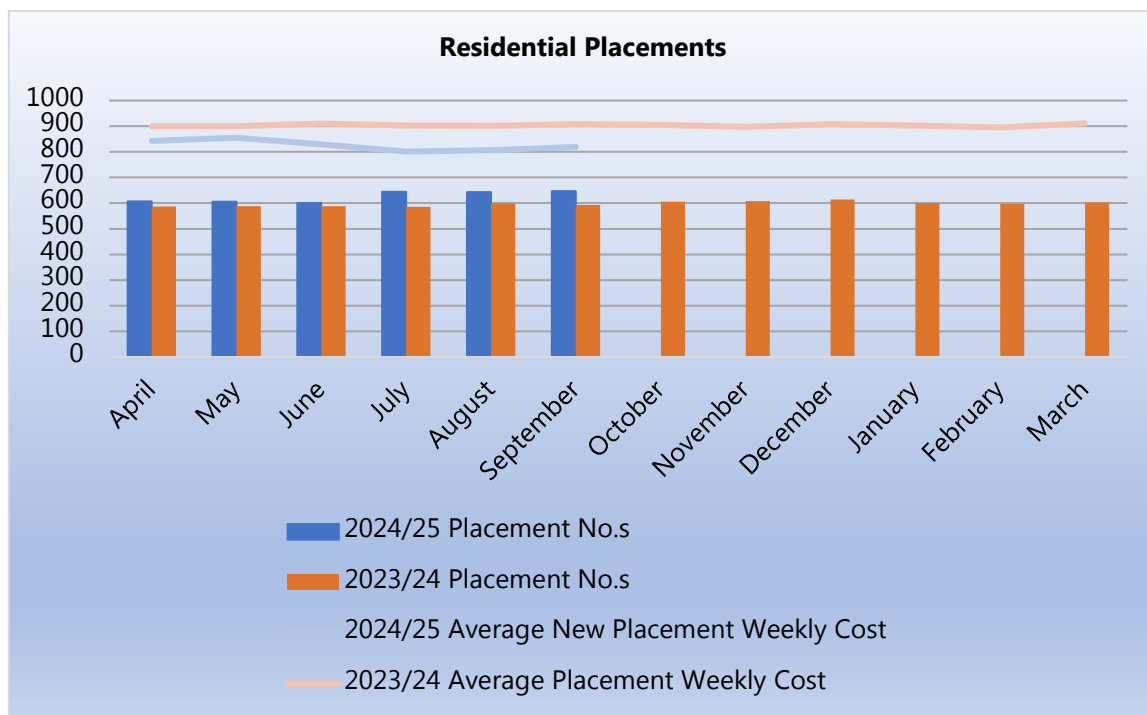
Commissioning is forecasting an overspend of £3.199m, due to continued demand with intermediate care and the LD pooled budget. The change since Month 5 is due to an increase in intermediate care due to the extension of bedded pathways and the

pooled budget projection being updated in line with the LD underspend as reported against the LD operations line while the cost 25% return to the ICB shows within Commissioning.

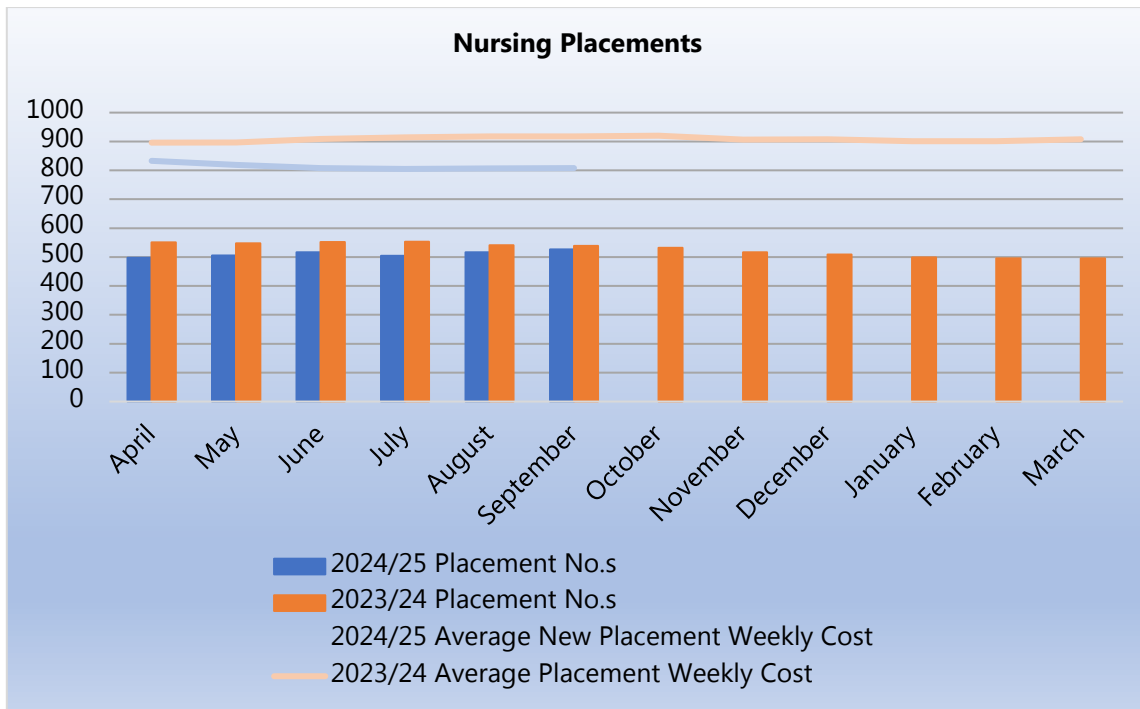
Adult Social Care (ASC) commissioning is working with system partners over the design of intermediate care services and delivery. As part of this process, the service will be focussing on optimising pathway one (reablement at home) delivery to reduce the need for bedded capacity, this in turn will reduce the spend on beds, enabling the current forecasted overspend to be brought back into financial tolerance. The Service is in the process of closing several pathway 2 beds which will reduce the overspend.

Adult Services - key performance cost drivers

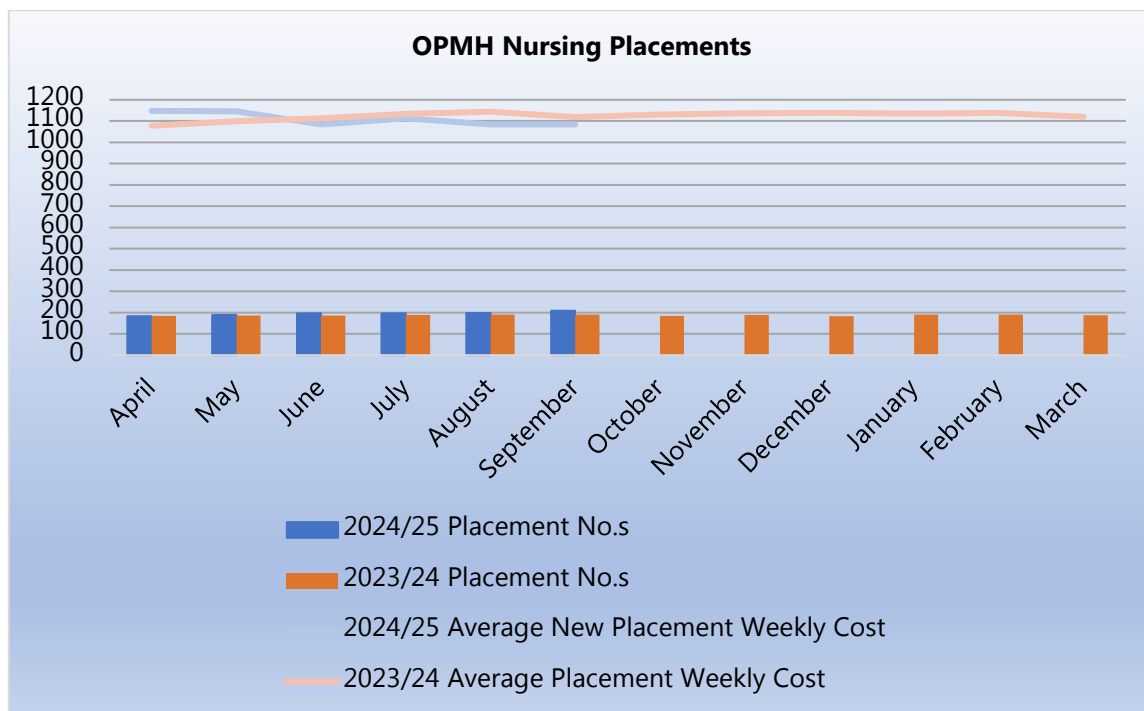
The Service has a target of 52 placements per month, across residential and nursing over 65's. The are below our current target taking into consideration those that leave the service. The savings attached to this is reported as part of the My Life, My Future transformation programme.



Since the beginning of the 2024/25 financial year, the Council has seen the number of people placed within a residential setting increase by 40 from 607 to 647. The current weekly average cost of a residential placement is £819 per week.



Nursing placements increased by 29 since April 2024 from 498 to 527. The current new placement cost for Nursing is £808 per placement.



The number of Older People Mental Health (OPMH) Nursing placements has increased by 25 placements from 183 to 208 placements since April 2024. The current weekly average cost for OPMH Nursing is £1,084 per placement.

Adult Services - key risks, future issues & opportunities

90% of the ASC budget is spent on individual care and support needs. Therefore, there is a risk that expenditure could increase. The international recruitment impact of this is yet to be seen both locally and nationally, this could influence the market cost.

Performance of agreed savings proposals

There are 11 agreed savings proposals for 2024/25 across Adult Services totalling £9.808m, with an additional £3.900m carried forward from 2023/24 in relation to My Life, My Future. As at Quarter 2 Adults £8.908m or 61% of the savings reported have been achieved. With £4.800m or 35% of the savings reported are on track to be achieved.

In-Year Mitigations

Adults Commissioning is overspending by £3.199m; however, the Executive Director for Adults has directed that the other services in the Directorate hold their underspends to cover this, therefore overall Adults has an underspend of £3.496m. Mitigations will continue to be sought for Adults Commissioning and fed into future budget monitoring reports as applicable.