
Report to Housing, Health & Care Committee

Date of Meeting: 28 January 2016

Subject: Social Services Finance Report 01/04/15 to 30/11/15

Report by: Head of Social Services

1.0 Purpose

- 1.1. As a result of the budget challenge within social services it has been agreed that the service will report financial performance to each committee. This will ensure that Housing Health and Care Committee are aware of the service demands and budget pressures on a regular basis.
- 1.2. This paper is a report to the Committee on the Social Services budget performance from 1 April 2015 to 30 November 2015. The purpose of the report is to identify key variances, reasons for these and specific actions to improve the services overspend position.

2.0 Recommendations

- 2.1. It is recommended that the Committee:
 - a) note the report, comment on and challenge as appropriate;
 - b) note the demand on services and the budget to fulfil its duties to implement and resource decisions
 - c) note the recovery action to address the overspend and Action Plan (Appendix 1)
 - d) request that the Resources and Audit Committee undertakes a scrutiny review of the circumstances impacting on the social services budget position and reports its findings to Council (ref paragraphs 3.21-3.23 of this report).

3.0 Considerations

- 3.1. The service is projecting a Revenue budget overspend of £1,894K and a Capital underspend of £315k. (see Table 1).
- 3.2. This report to the Housing, Health and Care Committee is to update the committee in relation to the social services budget. The report identifies details in relation to the spend and costs for the service and local authority.

The report also identifies the service actions to address the spend and budget challenge.

- 3.3. As well as the above the report will highlight the savings to date under Making Clackmannanshire Better.
- 3.4. **Child Care:** Child Care is forecasting an overspend of £1,676K. This is an increase of £526K from the last report to committee. The main area of overspend is Residential Schools £1,549K, which is an increase of £180K due to an additional three residential school placements since the last report. There is a projected underspend of £161k due to staff vacancies at Alloa Family Centre. These vacancies are currently being reviewed as part of Making Clackmannanshire Better. Appendix 2 details the spend by area.
- 3.5. Following the last committee the service along with Education have initiated a review of the Authority Girfec Group (AGG) and the residential school placements. There has been an increased demand in residential placements since April 2015. The review will look at the national trends and the local trends over the past three years. The review is due to be concluded in January 2016.
- 3.6. The above is being led by the Service Manager and Principal Education Psychologist responsible for the AGG and will be reported to the Assistant Head of Service for Education and the Assistant Head of Service Social Services. This will inform us on the integrity of our decision making as a council and a partnership and whether we need to change any aspect of our current practice and interventions. On conclusion of this work the service will report back the findings to a future committee and how we compare with the national trends.
- 3.7. In gaining an understanding of the trends and decision making the aim is to reflect on our processes and practice to improve the outcomes for Clackmannanshire's children whilst reducing our overall costs for residential placements.
- 3.8. The service through the Service Managers is also reviewing all the residential schools placements and high cost placements to identify young people who can move to less expensive resources. Early exit strategies for young people nearing school leaving age are also being explored where appropriate. Any recommended move of placement will however have to be agreed on a multi agency basis and ratified through the Children's Hearing who have ultimate decision making responsibility in relation to a child's residence.
- 3.9. Work is also identified with stakeholders and partners in decision making about accommodation of children and the cost implications for the local authority. This work will challenge partners and stakeholders expectations about managing risk in the community and financial implications of the service and local authority. The service and partners are being challenged to look at alternatives to accommodations particularly to bring young people back to their communities. This work will also involve briefings with children's hearing panel members.
- 3.10. Capital of £250k was identified for a new children's residential service as a spend to save option for the council. A full Business case has been submitted

as part of Making Clackmannanshire Better in September 2015. Council agreement to pursue this for full implementation will be decided as part of the MCB process however early identification of sites is underway.

- 3.11. Fostering and Adoption is forecasting an overspend of £113k. This is an increase of £16K from last committee. This is as a result of fifteen children currently placed internally with Stirling Council foster carers. The use of Stirling carers is maintaining children closer to their communities and has resulted in significantly reduced costs compared to external purchased placements.
- 3.12. Transport of clients in Child Care is projecting a £42k overspend. This is a reflection of the number of children accommodated in Foster Care placements out with the Local Authority. The overspend relates to the cost of transporting children to school by taxi as well as extensive contact arrangements for children following decisions from children's hearings.
- 3.13. Eligibility criteria has been introduced for social services for children with disability entitled to a mobility allowance. This is specific to respite and activities provided by social services and transport arrangements and costs now to be met by the carers.
- 3.14. Current activity in relation to child care services is highlighted below as at 30th of November 2015 with a comparison for November 2014 and end of financial year March 2015. The table highlights significant increases in two areas that impact on budgets. The LAAC external foster care has increased and following the Zero Based Budgeting exercise in 2014/15 this budget was increased to reflect demand. As a service as stated in 3.11 we are able to keep these costs down by using Stirling Foster Carers for Clackmannanshire children. The residential school placements have however significantly increased. This increase is resulting in the current overspend of £1,549K.

	30TH NOVEMBER 2014	31ST MARCH 2015	30TH NOVEMBER 2015
CP REGISTRATIONS	36	37	35
LAC AT HOME	27	31	49
LAAC INTERNAL FOSTER CARE	24	26	28
LAAC EXTERNAL FOSTER CARE	33	38	58
RESIDENTIAL SCHOOL	5	9	13
INTERNAL CHILDREN UNIT	3	4	4
EXTERNAL CHILDREN UNIT	4	4	8
SECURE	0	0	0
KINSHIP	48	50	26

- 3.15. **Adult Care.** Elderly & Physical Disability Care Management is showing an overspend of £292K. This is primarily due to an overspend of £314k against the Nursing Home budget. Demand for Nursing Home placements normally

peaks in the summer months, based on the previous years demand profile, placements may reduce over the remainder of the year by up to 7%.

- 3.16. The service are undertaking a review of the above in partnership with colleagues from finance to do more analysis of the spend and the client pathway resulting in a residential placement. There is also an increased scrutiny of screening at Panel as well as care plans to ensure decision making and plans are robust.
- 3.17. Social Services Management Support is projecting a £67k underspend which relates to staff vacancies.
- 3.18. Adult Provision. The Integrated Care Fund is projecting an overspend of £113k. This is due to an increase in relief staff hours to support the Reablement strategy.
- 3.19. Disability Day Care is projecting an underspend of (£173k). This is due to staffing vacancies as a result in the downturn of demand for day care services following the introduction of the charging policy for this service. Resourcing of this service is being reviewed as part of Making Clackmannanshire Better with a review of all Adult Day Service Provision to re-shape older people's/adult services. This programme will establish a project team incorporating health and social care colleagues to consider transformational changes to Adult Day Services - scoping workshop will be held in October.
- 3.20 *Appendix 2* to this paper contains a detailed analysis of variances in respect of each service area.
- 3.21 Social Services management has discussed the increasing revenue overspend with the Convenor of Housing, Health and Care Committee. Given the extent of the projected overspend and its implications for the Council's overall budget, it has been concluded that a wider review of the situation would be beneficial to examine all the circumstances impacting on the service's financial position.
- 3.22 This wider review would examine the current profile of social services expenditure and consider the anticipated budget requirement for the future to ensure that sustainable resourcing of social services is possible for the Council. It is expected that the review would take into account a wide range of factors including:
 - a) demographics
 - b) statutory requirements
 - c) benchmarking spend, provision and policy against those of other councils
 - d) the financial control environment.
- 3.23 Given the wide-ranging nature of some of these matters and the corporate impact of increasing spend in social services, it is proposed that the review takes the form of a Scrutiny Review of the Resources & Audit Committee, the findings of which should be reported to Council.

Table 1

Service	Annual Budget 2015/16	Actual Spend to 30/11/15	Projected Outturn to 31/03/16	Variance Outturn V Budget
	£000	£000	£000	£000
Revenue				
Mental Health & Learning Disability	5,878	3,906	5,896	18
Elderly & Physical Disability Care Management	4,963	3,511	5,254	292
Adult - Provision	4,674	2,892	4,649	(25)
Child Care - Clacks Locality	2,174	1,414	2,320	145
Child Care - Resourcing, Disability, TCAC	6,415	3,757	6,398	(18)
Residential Schools	2,583	2,412	4,131	1,549
Criminal & Youth Justice Services	239	936	249	11
Strategy	563	118	553	(11)
Social Services Management Support	368	299	301	(67)
Total Revenue	27,857	19,245	29,751	1,894
Capital				
Social Work Integrated System	145	30	30	(115)
Telecare	75	25	75	0
Child Care Residential Unit	250	0	50	(200)
Total Capital	470	55	155	(315)

Table 2

Progress in Delivering Planned Budget Savings in 2015/16

Description of Saving	Saving 2015-16	Progress	Comment
Review of equipment and adaptation	11	0	Discussions ongoing to establish how this will be achieved
Reprovision of day care across shared service	20	0	Discussions ongoing with Stirling Council
Review of Transport of Clients across Adults and Children Services	10	0	This saving won't be achieved due to the overspend projected for this expenditure
Increase in MECs Charges	14	14	Income projected as being achieved
Cease Intensive Support Contract	150	150	Termination of Includem contract in April 2015
Child Care Respite	20	20	Reduction in respite projected
Total 15/16 Savings	275	184	

4.0 Sustainability Implications

4.1. None.

5.0 Resource Implications

5.1. *Financial Details*

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. *Staffing*

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

- | | |
|--|-------------------------------------|
| The area has a positive image and attracts people and businesses | <input type="checkbox"/> |
| Our communities are more cohesive and inclusive | <input checked="" type="checkbox"/> |
| People are better skilled, trained and ready for learning and employment | <input type="checkbox"/> |
| Our communities are safer | <input checked="" type="checkbox"/> |
| Vulnerable people and families are supported | <input checked="" type="checkbox"/> |
| Substance misuse and its effects are reduced | <input type="checkbox"/> |
| Health is improving and health inequalities are reducing | <input type="checkbox"/> |
| The environment is protected and enhanced for all | <input type="checkbox"/> |
| The Council is effective, efficient and recognised for excellence | <input type="checkbox"/> |

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 Social Services Recovery Action Plan 2015

Appendix 2 Social Services Outturn Report November 2015

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

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Elaine McPherson	Chief Executive	452002

Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

Social Services Action Plan- Budget Action Plan

Cost Pressures	Lead	Timescale	Action
<p>1. Transitions 2015/16 - Further analysis of full year costs/effect has ensured a more accurate projection of spend during 15/16.</p>	<p>Service Manager Partnership</p>	<p>30th September 2015</p>	<p>Action Complete</p>
<p>2. Increase in Care Home placements since March 2015 from 144 to 161. This has led to an overspend of 376k since March 2015.</p>	<p>Service Accountants Assistant Head of Social Services (Adult Care)</p>	<p>31st March 2016</p>	<p>Reduce the number of care placements from 161 actual to 144 budgeted number during financial year 15/16. this is monitored through the weekly Resource Panel Action complete</p>
<p>3. Authority GIRFEC Group - £1.15million overspend. This budget is jointly managed between Social Services and Education.</p>	<p>Assistant Head of Social Services Children/Education Services</p>	<p>31st August 2015</p>	<p>Pre-screening for Resource allocation group has been introduced.</p>

Cost Pressures	Lead	Timescale	Action
		31st March 2016	Audit of high cost care packages to be undertaken. Target to reduce overspend by 500k . Analysis of Trends and residential schools underway report for end of December 2015
4. Increase recruitment by 5 Foster Carers to offset dependency on external placements (current number is18).	Assistant Head of Social Services (Child Care)	31st March 2016	This increase in Foster Carers will lead to a saving of 240k during financial year 16/17.
Income 5. Delayed Discharge Funding - Additional funding allocated for funding for 5 additional care beds with Health beds for 6 weeks rolling till the end of the financial year (income of £93k)	Service Manager Assessment Care Management Service Accountant	30th September	Action complete

Cost Pressures	Lead	Timescale	Action
<p>6. Business case under MCB- The review and evaluation of the current recovery policy, the processes and levels of performance in terms of maximising the retrieval of outstanding debt of £304,758</p>	<p>Service Manager Assessment Care Management Team Leader Business support Service Accountant</p>	<p>31st January 2016</p>	
<p>7. Review income levels for financial planning purposes based on expected income from; Integrated care fund National delayed discharge funding Scottish Government Residential Care inflationary uplift</p>	<p>Assistant Head of Service (Adult Care) Service Accountant</p>	<p>31st October 2015</p>	<p>Action Complete</p>
<p>Compliance 8. Review weekly resource panels to ensure robust financial and resource management Implement a weekly pre panel screening group for Adult Care and Children's Services (RAG)</p>	<p>Senior Management Team (Social Services)</p>	<p>30th September</p>	<p>Action Complete. Review indicates that staff are compliant with the process and take requests for packages to appropriate screening groups.</p>
<p>9. Review alignment of finance systems to service activity to ensure more accurate financial projections commissioning and budget planning assumptions.</p>	<p>Service Managers/ Team Manager Business support/ Service Accountant/ Assistant Head of Service (Adult Care) Assistant Head of Service (Children's</p>	<p>January 2016</p>	<p>Work in progress</p>

Cost Pressures	Lead	Timescale	Action
	Service)		
10. Rollout a training programme for financial monitoring for managers/budget holders.	Chief Finance Officer	30th June 2015	Action outstanding
11. Implement further financial restrictions/controls for front line staff to reduce spend.	Assistant Head of Service Service Managers Children's Services.	31st August 2015	Action Complete
12. Review financial Monitoring arrangements by the Senior management team on a monthly basis linked to performance reporting.	Assistant Head of Service Service Managers Children's Services	Monthly High Level Budget meetings	Work in progress
13. Implement Reviewing Officers posts (MCB spend to save) in Children's Services to target 10 high cost placements savings target of 500k.	Assistant Head of Social Services (Children) Service Managers Children's Services	31st March 2016	Work in progress
14. Review variation in cost of existing Scotland Excel National contracts	Service Manager/ Strategy Procurement Manager Assistant Head of Social Services (Children Services).	30th November 2015	Work in progress

Cost Pressures	Lead	Timescale	Action
15. Audit of the Commitment system in Social Services (CCIS) to ensure robust compliance of financial authorisation levels.	Assistant Head of Service Service Managers Adult Care.	31st January 2016	Work in progress
16. Implementation of Eligibility Criteria of high cost care packages in Mental Health and Learning Disability services linked to MCB. Savings target of 300k.	Service Accountant Service Manager Partnership	31st January 2016	Work in progress
Demographic Growth			
17. Undertake an analysis of demographic pressures based on demand and activity.	Service Manager Strategy	January 2016	Prepare a growth bid to reflect demographic pressures in the older Peoples Population.
18. Analysis of past and future demand linked to commissioning for care at home and long term care	Assistant Head of Social Services Service Manager Strategy		Prepare a growth bid to reflect demographic pressures in the older Peoples Population.
19. The identification of management savings and revised financial planning assumptions for 2015/16	Assistant Head of Social Services Service Managers		
20. Kinship Care -review of all Kinship Placements Projected growth in relation to Scottish Government Section 11 criteria for entitlement.	Service Managers Children's Services	31st January 2016	Work in progress

Social Services - Budget v Outturn

As at November 2015

	Budget 15-16 £'000	Outturn 15-16 £'000	Variance £'000
Social Services Variance	<u>27,857</u>	<u>29,751</u>	<u>1,894</u>
Mental Health & Learning Disability Care Management			
Carsebridge and IMH Mgmt- Post funded from Change Fund ; Vacancies ; Unbudgeted post			(46)
Mental Health Purchasing - two posts not in superann scheme ; one employee on long term sick pay ; purchasing growth pressures			11
Learning Disability Purchasing - growth pressures partly offset by surplus income			53
	<u>5,878</u>	<u>5,895</u>	<u>18</u>
Elderly & Physical Disability Care Management			
Staffing - Agency staff (no budget) and minor overspend in permanent staffing			43
CES - Equipment Purchases, assumed same activity level as last year. Demand led.			1
Shared Management Team - recharge under review			(73)
Clacks Elderly & Physical Disability - purchasing growth pressures.			291
Reception			(0)
Intermediate Care - unbudgeted post			16
Hospital - unbudgeted post			13
	<u>4,963</u>	<u>5,254</u>	<u>292</u>

Social Services - Budget v Outturn

As at November 2015

	Budget 15-16 £'000	Outturn 15-16 £'000	Variance £'000
Adult Provision			
Comms Centre - Shared costs greater than budget			6
Menstrie House - Staffing overspend due to balance between permanent and agency - offset by underspend in supplies			16
Homecare - Reablement posts funded by change fund.			(88)
MECS - Staffing overspend due to balance between permanent and agency			27
Eld Prov Mgt Unit - Overspend in Agency staff			15
Ludgate House - Staffing overspend in Agency staff due to problems recruiting relief - budget re-alignment in progress			(8)
MOW - saving on staffing and equipment			(24)
Disability Daycare Staffing - client numbers have reduced since charges introduced - posts not filled			(173)
Daycare Staffing			0
Sheltered Housing			(1)
CF - Support Team Resource			0
CF - Support Team Resource (2) - staffing costs partly funded by FV Health Board - review in progress			201
	<u>4,674</u>	<u>4,649</u>	<u>(25)</u>
Strategy			
Performance, Quality & Assurance - Performance & Quality Officer no funding for this post, ongoing at the moment			2
Appropriate Adults - Vacancy			(15)
Planning & Commissioning - Project OLA's exp at zero as no costs expected this year. Could be used to fund post in performance above			(1)
Substance Misuse- Forth Valley Health Board invoice not accrued			(14)
Various small overspends			17
	<u>563</u>	<u>553</u>	<u>(11)</u>
Child Care - Clacks Locality			
Safeguarders			(2)
Duty Intake Team - staffing underspend due to vacancies			(25)
Long Term Team - Staffing underspend due to vacancies £126k. Vacancies covered by Agency staff - projected cost £198k			72
Long Term Team - Legal Fees in respect of an ongoing court case			78
Long Term Team - Transport of Clients mainly due to taxi costs for contact and taking children from outside of the local authority area to school. These costs have trebled over the last 2 years. This is a reflection on the increased number of children accommodated in foster placements. There is an action plan in place to review all travel and ensure that this is a need for the child in order to reduce costs. Transport overspend has reduced by £40K this year due to review.			42
Long Term Team - £15k Estimated expenditure for the Liliias Graham Trust.			11
Intensive Support - Payments to Carers			(28)
Child Protection - Small staffing underspend due to vacancy in first four months			(4)
EDT			(0)
	<u>2,174</u>	<u>2,320</u>	<u>146</u>
Child Care - Resourcing, Disability TCAC			
Fostering & Adoption - Overspend due to 14 children placed internally with Stirling Council Foster Carers.			113
External Foster Care - Currently 43 children placed in external placements.			6
Throughcare Aftercare - underspend in aftercare payments of £35k, this follows trend of previous years.			(37)

Social Services - Budget v Outturn**As at November 2015**

	Budget 15-16 £'000	Outturn 15-16 £'000	Variance £'000
Woodside - Staffing underpend due to lower costs for special support flat.			(24)
Disability Team - unbudgeted payment to health authorities for complex care children.			39
Early Years - On Budget			(2)
Early Years Teacher Hours			0
Vol Orgs - uncommitted budget from CCSF			(14)
Alloa Family Centre - Underspend from Staff vacancies			(161)
Homestart			6
Tayvalla			6
Kinship Care			24
Corporate Parenting - Overspend in payments to individuals			26
Community Mental Health Worker			0
	<u>6,415</u>	<u>6,398</u>	<u>(18)</u>
Criminal & Youth Justice			
Youth Justice - Staff Travel			(4)
Glenochil Prison			0
HQ Admin - Grant reduction due to underspend in MAPPA.			49
CJA Training - overspend split with FFVCJA constituent authorities			2
Community Service - Vacant posts			(19)
NC - Young Offender's			(3)
NC - Supp Accommodation			(0)
MAPPA - Staff vacancies underspend split with FFVCJA constituent authorities			(12)
	<u>239</u>	<u>249</u>	<u>11</u>
Management Support			
Overhead charge to CJS - Recharge of overheads to CJS greater than budgeted			(26)
Directorate - Staff vacancies			(41)
	<u>368</u>	<u>301</u>	<u>(67)</u>
Residential Schools			
The Residential Schools overspend is in relation to 8 new high cost placements in June ranging from £101-200K each.			1,549
	<u>2,583</u>	<u>4,131</u>	<u>1,549</u>
Social Services Total	<u>27,857</u>	<u>29,751</u>	<u>1,894</u>

