

CABINET

7 JULY 2014

27 FINANCIAL MONITORING 2014/15

Councillor Phil Davies introduced a report by the Director of Resources which informed the Cabinet of the Monitoring position for Month 2 (ending 31 May 2014).

The monitoring reports for both the Revenue and Capital were attached as appendices to the report.

Councillor P Davies indicated that in relation to the pressures identified within Community Care, this had been identified early and measures had been put in place by the Department of Adult Social Services. At this point Councillor P Davies invited the Director of Adult Social Services to inform the Cabinet of the department's plans.

Mr Hodgkinson thanked Councillor Davies. He set out that there was a projected potential budget variance reported on behalf of Adult Social care in the finance report of £3M. This was following budget in year budget reductions reflecting the significant and stretching savings that were agreed in 2013 for 2014 totalling £11.7M.

The savings group into four key thematic areas;

| | |
|---------------------------|---------|
| Working Together | £1.741M |
| Delivering Differently | £4.388M |
| Managing the Money | £3.697M |
| Transforming the Business | £1.881M |

Mr Hodgkinson set out that the Department has a large number of projects to be delivered as part of the three year transformation programme agreed in 2013 to save £18M of DASS expenditure. Examples include day service transformation, changing support arrangements for people with disabilities, further integration with the NHS, improving systems and payments through Liquid Logic, ensuring that people that should be able to access NHS funding are able to, enabling people to be more independent, equalising charging processes across all services etc.

The figure of £3M that had been reported was not as yet an overspend. It was derived primarily from a financial perspective that all of the benefits of the projects may not be deliverable in year. He pointed out that the reported variance was due to specific concerns expressed in relation to a small number of the projects and outlined these briefly;

Transformation of Day Services.

Considerable progress had been made with regard to developing a Local Authority trading Company model. This was endorsed by cabinet earlier in the year. A challenge process had, however been put in place as some of the savings identified were based on previous assumptions such as reduced re-charges etc. The

challenge process had been set up to test the LATC model and the strategic business case.

NHS Continuing Care Review

It was reported that there had been considerable increased uptake of NHS Continuing care in Wirral during 2014. The CCG had seen demand increase by £1.5M in the first quarter. A project was set up to ensure that individuals were properly reviewed against the criteria, however at this point in time insufficient data had been gathered to show a clear transfer from LA funding. The Department was awaiting quarter 1 data. In addition to the above there was a specific piece of work to identify people that were independently re-claiming funding from the NHS through NHS Continuing Care. At this point the Department had been unable to access personal data regarding individuals due to NHS data sharing rules.

Managing Demand

A project was in place to ensure that people get support focussed upon enabling them to be as independent as possible. In order to ensure that this and other projects based on reviewing peoples needs were implemented an Independent Review Team was put in place in the Department last year. Progress in assistive technologies and other means to reduce risk were now available. Reviews were undertaken sensitively but can ensure that resources were used to best effect. The activity was happening however due to the variability of review outcomes data was required to specifically show reductions in care packages directly as a result of the review process.

In summary the range and nature of these projects was such that outcomes can be variable. The Department must always ensure that whilst challenging efficiency, processes are followed that are within the law and appropriate to peoples vulnerability. A number of enablers to maximise the benefit from projects such as the Independent Review Team already mentioned. In 2013 progress in relation to the project and financial delivery was monitored by the Transformation Board in DASS reporting progress directly to CESG using the Corporate PM system. Project or programme leads are called to account in relation to progress and any variance explained in detail. The same system had been employed for 2014.

RESOLVED: That

Revenue:

- (1) it be noted that at Month 2 (May 2014), the full year forecast projects a gross General Fund overspend of £3,137,000;**
- (2) the increased commitment of £152,000 for Carbon Reduction Commitment allowances contained within the above figure be noted;**
- (3) that the payment of New Homes Bonus grant of £242,253 which is a general grant received outside of directorate budgets be noted;**

- (4) the risks relating to non delivery of savings as detailed in paragraph 3.3 of appendix A and requirement for mitigation and actions to be identified be noted;**
- (5) the mitigation actions being undertaken including capitalisation, reprofiling and use of public health budgets as per paragraph 3.5 (of Appendix A) and reductions to 2014/15 growth as detailed in paragraphs 5.2 and table 5 above (of Appendix A). Further mitigation action will be developed as appropriate during the year;**
- (6) the application of the additional New Homes Bonus grant against the Carbon reduction commitment and overall overspend to reduce the net overspend to £2,894,747 be approved.**

Capital:

- (i) the spend to date at Month 2 of £1.3 million, with 16.7% of the financial year having elapsed be noted; and**
- (ii) the revised Capital Programme of £61.3 million (Table 1 at 3.1 of Appendix B) be approved.**