

DATE: 27 JULY 2010

LEARNING DISABILITIES AND INTEGRATED COMMUNITY EQUIPMENT STORE (ICES) POOLED BUDGETS FINAL BUDGETARY POSITION PRE-AUDIT

Ward(s) All

Portfolio:

Councillor McCracken – Health, Social Care & Inclusion

Summary of report

This report summarises the outturn revenue position for the year ended 2009/10, subject to external audit, for services within the remit of the Health Scrutiny and Performance Panel, namely the Learning Disability and Integrated Community Equipment Store (ICES) pooled budgets.

Recommendation

To note that the 2009/10 year end financial position for the Learning Disabilities pooled budget is a revenue overspend against budget of **£0.326m** (net of use of earmarked reserves/ carry forwards), and the ICES pooled budget spent to budget (net of use of earmarked reserves/ carry forwards).

Background papers

Various financial working papers.
Quarterly reporting to Scrutiny Panels throughout year

Reason for scrutiny

To inform the panel of the pre-audit financial position for 2009/10 for Learning Disabilities and ICES pooled budgets.

Signed:



Chief Finance Officer: James T Walsh

Date: 12 July 2010



Executive Director: Paul Davies

Date: 13 July 2010

Resource and legal considerations

The accounts were monitored and reported on as part of the budget guidelines and all entries into the final accounts have been undertaken in line with the required accounting guidance and standards.

Citizen impact

The budget is aligned with service activity within service plans within the directorate. Investment has been targeted at service improvement, stability and user demand.

Environmental impact

Services within the remit of this panel have a direct influence and impact on the environment.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, wherever possible. Corrective action plans were put in place to mitigate overspends. Variances against budget are identified in the report.

Equality Implications

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil equal opportunities obligations.

Consultation

Consultation was undertaken as part of the budget setting process and throughout the financial year on the financial position and reporting thereof.

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1 Revenue Outturn 2009/10 – Learning Disabilities Pooled Budget

1.1 The revenue outturn for 2009/10 for the Learning Disabilities Pooled Budget is an overspend against budget of **£0.326m** (net of the use of earmarked reserves / carry forwards). This position is subject to external audit which will take place during July. Table 1 provides a summary by funding area, and a full analysis of the material variances is shown in **Appendix 1**.

Table 1 - Final Revenue Outturn 2009/10					
Funding Area	Annual Budget £'000	Year End Actual £'000	Year End Variance £'000	Use of Reserves / Approved carry Forward £'000	Variance Net of Reserves (Under)/ Overspend £'000
Provider Services	10,121	10,025	(96)	0	(96)
Placements	18,749	19,592	843	0	843
Care Management	994	919	(75)	0	(75)
Management and Admin	608	417	(191)	0	(191)
Other	3,042	2,887	(155)	0	(155)
TOTAL LEARNING DISABILITIES POOLED BUDGET	33,514	33,840	326	0	326

1.2 The budget for 2009/10 included approved savings of £1.450m. £0.742m (51%) of these were achieved. The reasons for non-achievement were delays in introduction of Assertive reviews of Learning Disability and Continuing Health Care clients, however the assertive review project has now been successfully implemented and, linked to Cabinet agreement of the Entitlements policy in April 2010, these savings will be fully achieved in 2010/11.

1.3 The main reasons for the overspend position are as follows:

- Pressures linked to cost of placements for Independent Sector Residential Placements of £0.908m
- Pressures linked to cost of placements for Community Support of £0.127m
- An action plan and freeze on non essential expenditure to offset the above of (£0.444m), and funding of a number of employees from grants rather than mainstream budgets of (£0.205m).
- Full analysis of the variances is shown in **Appendix 1**.

2 Revenue Outturn 2009/10 – ICES Pooled Budget

2.1 The revenue outturn for 2009/10 for the ICES Pooled Budget is a breakeven position (net of the use of earmarked reserves / carry forwards). This position is subject to external audit which will take place during July. **Table 2** provides a summary by funding area of the ICES pooled budget.

Table 2 - Final Revenue Outturn 2009/10					
Funding Area	Annual Budget £'000	Final Outturn £'000	Year End Variance £'000	Slippage to 2010/11 £'000	Variance Net of Slippage £'000
Staffing Costs	366	399	33	0	33
Premises/Facilities/Transport	129	117	(12)	0	(12)
Equipment	868	847	(21)	0	(21)
TOTAL ICES POOLED BUDGET	1,363	1,363	0	0	0

1.3 The budget for 2009/10 did not include any approved savings.

1.4 Although Walsall Council is the accountable body for the ICES pooled budget the operations manager, who is responsible for spend in liaison with the pooled budget manager, is employed by NHS Walsall. Detailed financial information is therefore held by NHS Walsall.

POOLED FUND ACCOUNT
For Financial Period 2009/10 (1 April 2009 to 31 March 2010)

Service	Annual Budget	Year End Actual	Year End Variance	Use of Reserves/ Approved/ Carry Forward	Variance Net of Reserves (Under)/ Overspend	Reasons for Variance £25k or more
	£000	£000	£000	£000	£000	
PROVIDER SERVICES						
WALSALL MBC	3,840	3,840	0	0	0	
NHS WALSALL	6,281	6,185	(96)	0	(96)	NHS Walsall underspend on Provider Budgets to be utilised to offset other budget pressures within the pool.
	10,121	10,025	(96)	0	(96)	
PLACEMENTS						
INDEPENDENT SECTOR RESIDENTIAL PLACEMENTS	11,045	11,857	812	0	812	The overspend relates to existing packages, newly approved packages and new demand within the financial year.
COMMUNITY SUPPORT	7,704	7,735	31	0	31	Increase in cost of placements
	18,749	19,592	843	0	843	
CARE MANAGEMENT						
LEARNING DISABILITIES INTEGRATED TEAM	832	808	(24)	0	(24)	
SERVICE LEVEL AGREEMENTS	148	101	(47)	0	(47)	Revised carers allocations in year to be offset against shortfalls elsewhere in Pooled budget
PERSON CENTRED PLANNING	14	10	(4)	0	(4)	
	994	919	(75)	0	(75)	
MANAGEMENT AND ADMIN						
SERVICE REPROVISION MANAGEMENT BUDGET	411	206	(205)	0	(205)	Posts funded via grant rather than mainstream funding, used to offset pressures identified within the Pooled budget
PARTNERSHIP BOARD SUPPORT	168	189	21	0	21	
LEARNING DISABILITIES CLERICAL AND ADMIN	0	3	3	0	3	
BREWER ST MGMT CENTRE	15	13	(2)	0	(2)	
LEARNING DISABILITIES SUPPORT	14	6	(8)	0	(8)	
	608	417	(191)	0	(191)	
OTHER						
LEARNING DISABILITIES DEVELOPMENT FUND	187	158	(29)	0	(29)	Project underspends, used to offset pressures identified within the Pooled budget
CARERS GRANT	260	194	(66)	0	(66)	Vacancy Management, used to offset pressures identified within the Pooled budget
CAMPUS CLOSURES	1,027	967	(60)	0	(60)	Underspend on Supplies and Services, used to offset pressures identified within the Pooled budget
SSMSS	1,568	1,568	0	0	0	
	3,042	2,887	(155)	0	(155)	
2009/10 MBC GROWTH	0	0	0	0	0	
2009/10 IPCT GROWTH	0	0	0	0	0	
	0	0	0	0	0	
	33,514	33,840	326	0	326	