

## **Appendix 'A'**

### **Financial Recovery Plan – Adult and Community Services – 2009/10**

#### **Background**

Current monitoring projections for Adult and Community Services Directorate show a projected overspend against the 2009/10 budget of £1.4m. This equates to around 0.4% of the Directorate's net budget of £344m.

This projected overspend is wholly due to spending pressures within Personal Social Care and in particular on the provision of services for older people (OP) and adults with physical disabilities and/or sensory impairment (PDSI). These pressures are due to the impact of the demographic growth in the (aged) 80+ population, the policy of supporting individuals to live independently within their own homes and the development of self-directed support. Additionally there has been a continuing significant increase in demand for PDSI services due to both demographic growth and the attractiveness of direct payments and personal budgets provided in accordance with local and national policy. These pressures are likely to be continuing in the medium term and consequently any measures to recover the projected budget overspend in 2009/10 need to have a recurrent effect.

The Directorate continuously monitors its financial performance and, where necessary, takes corrective action to maintain spending within approved budgets. Actions taken to date have reduced the forecast overspend by £0.5m below projections made earlier in the year. However, further action is needed to ensure the Directorate delivers a balanced budget by the end of the financial year.

A summary of actions agreed and implemented to bring spending back into line with budget in 2009/10 is provided below.

#### **Summary of Recovery Plan Actions**

Continuation of efficiency measures

- Only essential spending allowed on controllable and cash limited budgets e.g. equipment, furniture, printing stationery and general office expenses
- Strict control over filling of vacancies
- Action to improve attendance and consequently reduce the need for staff cover and agency support

Indicative spending targets for the remainder of the financial year have been provided in respect of Older People's and PDSI services to assist managers in bringing spending back into line with budgets through the following actions:

- Increased frequency of budget monitoring meetings chaired by service head to raise profile of financial position and ensure targets are being met.

- Lists of new care package approvals and reductions to be provided weekly to service managers for scrutiny of consistency, reasonableness and challenge where necessary.
- Establish clearer framework for funding of continuing health care with Primary Care Trusts to ensure that all appropriate placements are funded from health rather than social care budgets.
- Weekly panel meetings to scrutinise and approve all packages of care above pre-determined levels.
- Identification of high cost packages with reviews to be undertaken where appropriate to assess value for money and introduce more cost effective arrangements where appropriate.
- Review usage of block contracts and reduce capacity where possible.
- Increase uptake of Independent Living Fund applications to support and fund enhanced care packages avoiding further pressure on social care budgets.
- Review intensive care packages to ensure that all appropriate packages have been assessed for continuing health care funding.
- Ensure that support plans and associated funding packages fully reflect all available informal care supports and consistently apply Fair Access to Care Services guidelines

None of the above actions will result in a failure to meet the assessed needs of service users but are aimed at rigorously reviewing spending decisions to ensure value for money is achieved and the best outcomes secured at the lowest cost to the County Council.