



## Health and Social Care O&S Committee:

### 2019/20 Financial Outturn Report

#### Background

On 18<sup>th</sup> June, members of the Resources O&S Committee considered the 2019/20 City Council Financial Outturn Report. The committee focussed their attention on four directorates, one of which was Adult Social Care, with the outcome of their deliberations being summarised in a note to Cabinet Members prior to the Cabinet meeting on 23<sup>rd</sup> June 2020. The HOSC is invited to consider these issues summarised below.

#### Excerpt from the 2019/20 Financial Outturn Report

In Appendix A, Section 2, the following Key Issues were reported pertaining to Adult Social Care:-

*There is an underspend of £12.7m in Adult Social Care after recommended net transfer from reserves of £1.1m. The underspend largely relates to:*

- There is an £9.6m underspend in Packages of Care comprising £7.3m reductions in numbers and unit costs achieved in Older People client group as a result of the Directorate's transformation programme and work relating to the Three Conversations model and Customer Journey. In addition, there is £1.9m lower than anticipated costs relating to the roll out of the Framework and £1.2m lower than anticipated costs relating to the provision for bad debts offset by £0.8m one off pressure for settlement of a legal case relating to historical residential packages of care costs.*
- There is a £1.2m underspend against Corporate Director budget. Birmingham Community Equipment Loan Store budget has underspends due to a credit in respect of the previous financial year of £0.5m and capitalisation of £0.5m. There is £0.2m of other minor underspends.*
- There is an underspend of £1.1m in Assessment and Support Planning due to vacancies of £1.0m and other minor underspend of £0.1m.*
- The underspend of £1.7m in Commissioning relates to £1.0m one-off third-party grant, £0.3m one off underspend against computer costs and £0.4m other minor variations*
- These are partially offset by an overspend of £0.9m against Specialist Care Services largely relating to staffing costs.*

#### Matters Arising/Resolution for consideration by HOSC

During the discussion that took place, Resources O&S members noted the following:-

- There is an underspend reported of £9.6 million on packages of care; though members felt that there was little specific detail of the £8.6m of that underspend that related to older people.
- On the underspend in general, whilst members did state that senior officers should be congratulated for achieving such a good budgetary result, it was also noted that members needed to be assured that the underspend is not a result of displacement activity (e.g. assessments not taking place).
- The Resources O&S Committee would refer the service issues to the Health and Social Care O&S Committee to understand the reasons for that underspend in more detail.