

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

HEALTH, ENVIRONMENTAL HEALTH AND ADULT SOCIAL CARE SCRUTINY COMMITTEE – 4 JULY 2012

REPORT BY THE TRI-BOROUGH EXECUTIVE DIRECTOR OF ADULT SOCIAL CARE

OUTTURN REPORT 2011/12

The attached report sets out the 2011/12 outturn position for the former Housing, Health and Adult Social Care Business Group. The budgets relating to Housing Services will be scrutinised by the Housing and Property Scrutiny Committee.

FOR INFORMATION

1. BACKGROUND

- 1.1 The outturn reports for 2011/12 are being presented using the former Business Group structure.
- 1.2 From April 2012, the Business Group structure ceased to exist and future reports will be presented on a service basis.
- 1.3 The budgets falling under the remit of this Scrutiny Committee are those relating to Adult Social Care and Environmental Health and the detailed outturn variances are on pages 12 to 18 of the attached report. The Housing Private Sector Service forms part of the Environmental Health budget but falls under the remit of the Housing and Property Scrutiny Committee.

FOR INFORMATION

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Background papers used in the preparation of this report:
Closing of Accounts working papers

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ROYAL BOROUGH OF KENSINGTON AND CHELSEA

HOUSING, HEALTH AND ADULT SOCIAL CARE

PROVISIONAL REVENUE AND CAPITAL OUTTURN 2011-12

1 INTRODUCTION

1.1 The accounts for 2011-12 are substantially closed, although they are still subject to external audit. This report sets out variations from the final revenue and capital budgets for the Housing, Health and Adult Social Care Business Group. It provides explanations of significant under/overspendings and under/over achievement of income. The report also sets out proposals to carry forward some underspent budgets into the current financial year (2012-13).

2 REVENUE OUT-TURN

2.1 The final net revenue expenditure position for the Housing, Health and Adult Social Care Business Group shows an overall underspend of £8.276 million compared with the final revenue budget. The gross expenditure of the Housing, Health and Adult Social Care Business Group is £115.155 million and total income is £41.910 million.

	Gross Spend £'000	Income £'000	Net £'000
Final Budget (please see Annex A for calculation)	120,440	-38,969	81,471
Actual Expenditure 2011-12	115,105	-41,910	73,195
Variation (£'000)	-5,335	-2,941	-8,276
Variation (per cent)	-4.4%	-7.5%	-10.1%

2.2 A detailed list of the main variations is included in **Annex B1** and **Annex B2**. Significant variations are set out in the following paragraphs.

Adult Social Care

2.3 The most significant variations within Adult Social Care are as follows:

- In 2010/11 and 2011/12, the Department of Health allocated funds to health authorities for reablement and social care that benefits health. Further resources have been announced for 2012/13. These funds are to be passported to local authorities. The intention is to use this funding over the 3 year period 2011/12 to 2013/14. At its meeting in October 2011, Cabinet agreed that the planned underspend in 2012/13 (£3.1m) could be carried forward to fund the 3 year programme which has been agreed with health.
- Across all service groups in Adult Social Care, there is an underspend of £1,169,000 on residential, nursing and intensive supported living placements. This reflects the continuing reduction in numbers of residential and nursing placements supported. It has been partly offset by additional costs arising from the transfer of residents from Piper House which has now closed. The budget for 2012/13 has been reduced by £867,000 (which includes £171,000 from Tri-Borough procurement activities).
- Piper House is currently being redeveloped and will reopen next year. During this period, savings will arise against the budgetary provision for this service. In 2011/12 these savings amounted to £444,000.
- An underspend of £697,000 against the budget funded from the Learning Disability and Health Reform Grant. This is mainly due to the complexity of cases being supported, where many of the service users meet continuing care criteria and must therefore be funded by the health service. Typically a case that is in receipt of Continuing Care funding will cost around £100,000 a year. There is always the risk that additional pressure will be experienced on eligibility decisions and this level of saving may not arise in future years.
- The net budget for home care and direct payments has underspent by £710,000, this position takes account of the one-off budget transfer of £228,000 to Environmental Health which was agreed by Cabinet at its meeting in October 2011. The underspend is mainly due to a reduction in the number of hours being purchased and the new electronic monitoring system ensuring that we only pay for care that is actually delivered. The reduction in hours is partly due to the introduction of the contributions policy, but also reflects the success in providing timely and accurate information and advice to people who wish to make their own arrangements. The budget for 2012/13 has been reduced by £150,000.
- An underspend £214,000 has arisen on the Adult Social Care employees budget. This position includes further one-off backdated costs arising from the Equal Pay agreement (£143,000). Retirements and redundancy costs totalling £459,000 have been

met from within Adult Social Care budgets, of these £169,000 relate to the tri-borough arrangements.

- An underspend of £188,000 on the Taxicard budget. This is mainly due to a higher contribution being made available by London Councils which reduces the costs being met by the Royal Borough. It is uncertain whether this additional funding will be available in 2012/13.

Housing Services

2.4 The most significant variations within Housing Services are as follows:

Temporary Accommodation

- There is an underspend of £763,000 on the Temporary Accommodation budget which reflects the ongoing success in negotiating rent levels in line with new Housing Benefit rules relating to Temporary Accommodation. This underspend has increased, partly due to a lower number of voids being incurred, which reflects the current difficulties in finding appropriate accommodation.
- The level of debts has started to increase resulting in a higher bad debt provision being assumed. The current financial climate and planned changes to benefits are likely to result in further increases in debt levels.
- A management fee of £40 per week is claimable; as the number of households in Temporary Accommodation continues to increase, the income from these management fees also continues to increase. However, for some properties, the level of rent being paid requires part or all of the management fee to be used to fund the rental element. This situation is likely to worsen as numbers increase and it becomes more difficult to find suitable accommodation.
- The planned changes to Housing Benefit for tenants in the private rented sector and potential changes to the levels of benefits receivable for tenants in temporary accommodation are likely to impact on this budget in future years, although at this stage the level of impact is extremely uncertain.

Other Housing Budgets

- The planned changes to Housing Benefit and Universal Credit may also impact on our ability to recover rent advances and rent deposits which were provided as part of the former LetsStart scheme. The benefit changes are at a very early stage of implementation and it is

extremely difficult to predict any losses that might arise. These will continue to be closely monitored as part of the quarterly monitoring processes during 2012/13.

- An underspend of £566,000 has arisen on the Supporting People budget resulting from ongoing efficiencies and procurement savings in the Programme. Significant savings have been achieved from the closure of Park House and from new contract arrangements for the service at Cromwell Road. The budget for 2012/13 budget has been reduced by £500,000.
- Slippage has occurred against the planned use of the Homelessness Directorate Grant (£111,000) and a new grant to prevent repossessions which was only received in March 2012 (£65,000). This funding is being carried forward to 2012/13.
- Redundancy and retirements costs totalling £99,000 have been met from within Housing budgets. The savings arising from the deletion of these posts have been reflected in the 2012/13 budget.

Environmental Health

- 2.5 An underspend of £122,000 has arisen on the budget for the mortuary and coroners services which are managed by Westminster City Council. The costs of these services are to some extent dependent upon volume and complexity of cases, it is therefore difficult to predict whether this level of underspend will arise in future years.

Future Savings

- 2.6 Significant variations on these budgets have already been highlighted in previous revenue budget monitoring reports to the Cabinet. The most recent report to Cabinet in May 2012 indicated a projected underspend for the Business Group of £4.587 million. This figure excluded the funding from Health (ASC) which will be carried forward to 2012/13.
- 2.7 The current year's (2012-13) budget setting has already taken into account a number of areas of underspending which have assumed to continue into later years. The main items are:-
- Residential, Nursing and Intensive Supported Living Placements (£867,000)
 - Home Care/Direct Payments (£150,000)
 - Supporting People (£500,000)

2.8 A review of further budget variances will form part of the Council's budget planning for the coming financial year (2013-14).

3 SLIPPAGE REQUESTS

The underspend includes a number of items that have slipped and budget will be carried forward to 2012-13. This amounts to a total of £3.529m as set out in detail in **Annex C**.

4 CAPITAL EXPENDITURE

4.1 The expenditure compared to the current budget for each capital project is summarised in the table below. It is proposed to carry forward the budget for expenditure that has slipped between years.

Capital Budget Monitoring Report - HHASC General Fund					
Description	Current Budget £'000	Actual £'000	Variation £'000	% Budget Spent	Carried Forward £'000
Regeneration (Non-HRA)	294	182	-112	62	112
Disabled Facilities Grant	790	469	-321	59	321
Renovation Grant	615	335	-280	54	280
Westway Travellers Site	219	156	-63	71	63
Housing register Online Applications	10	8	-2	80	2
Sub Total - Housing General Fund	1,928	1,150	-778	60	778
Mortuary	20	20	0	100	0
Replacement EHIS	28	0	-28	0	28
Services on the Web	30	0	-30	0	30
Sub Total - Environmental Health	78	20	-58	100	58
Ellesmere	318	1	-317	0	317
Piper House Refurbishment	85	106	21	125	-21
Other Property Schemes	150	6	-144	4	144
Cambridge Gardens	23	-1	-24	-4	24
Sub Total - Adult Social Care Managed by Property Services	576	112	-464	19	464
Social Care IT System	40	4	-36	10	36
Sub Total - Adult Social Care Managed by HHASC	40	4	-36	10	36
Total Housing, Health and Adult Social Care General Fund	2,622	1,286	-1,336	49	1,336
Financed By					
Loan (General Resources)	1,326	651			675
Contributions from Health	160				160
Other contributions	720	250			470
Government Grants	345	345			0
SS Capital Reserve	0	21			-21
Use of Other Reserves	71	19			52
Total	2,622	1,286			1,336

- 4.2 The underspend of £112,000 on the Regeneration Programme is due to slippage on projects at Russell Road and the Stable Way Travellers Site, and the withdrawal of schemes at Princes Place and Katherine Square from the Programme. It is planned to carry forward this underspend to 2012/13.
- 4.3 There is an underspend of £321,000 against the Disabled Facilities Grants (DFG) budget. This position is due to a number of applications being in process at the end of year and expenditure is therefore expected to be incurred during 2012/13. It is therefore planned to carry forward this underspend. Also towards the end of 2011/12 the Government announced additional funding of £50,000 for DFG's. It was not possible to commit this funding in 2011/12 and therefore this amount is also being carried forward to 2012/13.
- 4.4 The underspend of £280,000 on Renovation Grants reflects the new financial assistance policy which was agreed in August 2011. As a result of this change in policy, the number of grants awarded has reduced and the provision within the Capital Programme has been reduced from 2012/13. However, the RE:NEW project which will visit homes within the Earl's Court area offering advice on energy efficiency is likely to identify homes where grant funding would be appropriate. This underspend also reflects an underspend of £111,000 against Empty Property schemes funded by the West London Partnership. For these reasons, it is planned to carry forward this underspend to 2012/13.
- 4.5 The Services on the Web project has been delayed due to slippage and will begin in 2012/13.
- 4.6 The Ellesmere scheme to rectify outstanding works will be undertaken in 2012/13.
- 4.7 Other Property Schemes - the underspend of £144,000 is mainly due to the re-evaluation of spend priorities by Corporate Services. This is in part due to updating condition surveys and re-profiling spend against need. The results of these surveys will drive the programme of works for future years.
- 4.8 A Key Decision has recently been taken regarding the replacement of the Adult Social Care IT system. The majority of the costs arising from this scheme will be incurred in 2012/13.

ANNEX A

CALCULATION OF FINAL BUDGET

	Gross Exp. £'000	Income £'000	Net £'000
Original Budget 2011/12	118,184	-35010	83,174
Subsequent Changes:-			
Carry Forward of underspending budgets from previous years	707		707
Recharges/transfers between Business Groups (1)	-1,291	160	-1,131
Central Support Services Recharge Variations (2)	1,029		1,029
Pension Fund Current Service Adjustment (3)	-1,349		-1,349
Capital Charges Decrease (4)	-189		-189
Health Funding (5)	4,003	-4003	0
Provision for bad debt (6)	30		30
Virements within Business Group	116	-116	0
Transfer to Service Risks Reserve (7)	-750		-750
Transfer to Capital Expenditure Reserve (8)	-50		-50
Total Changes	2,256	-3,959	-1,703
Final Budget 2011/12	120,440	-38,969	81,471

Notes:

- (1) This includes transfers due to the centralisation of Building Maintenance, Property Services and Accessible Transport. Also included is the reduction in recharges relating to the transfer of the previously TELS managed out of hours service to Corporate Customer Services. Charges for these services are now included in Central Support Services recharges.
- (2) This mainly reflects the transfer of services previously managed by Business Groups to Corporate Services as outlined in (1) above.
- (3) The Council is required to account for retirement benefits of employees when the organisation is committed to give them, even if the actual giving may be many years in the future. This is calculated by the pension fund actuary and is dependent on forecast assets and liabilities over a long period and as a result is volatile each year. As this is a book entry or accounting requirement, there is no financial impact on the bottom line for either the service or the Council. Both the actual cost to the service and the matching final budget are lower than estimated originally.
- (4) The reduction in capital charges is due to a revaluation and reconsideration of the expected life of the assets.
- (5) This funding comprises grant funding from the Department of Health via the NHS. It includes:
 - a) Social Care Services to benefit Health;
 - b) Commissioning of Reablement Services;
 - c) Dementia - Support to Memory Services
- (6) Budget drawn down from bad debt provision to fund the writing off of care debts during the year.
- (7) This transfer was agreed by Cabinet in July 2011. The transfer of additional Homelessness Directorate Grant received in 2011/12 to the Service Risks Reserve is intended to support Housing Services in 2012/13 and 2013/14 following changes to Housing Benefit. The full impact of these changes is as yet unknown.
- (8) Transfer to Capital Expenditure Reserve to fund Housing Adaptations

ANNEX B1

SERVICE VARIATIONS SUMMARY 2011-12

HOUSING, HEALTH AND ADULT SOCIAL CARE	Budget £'000	Actual £'000	Var £'000	Var %
BUDGETS CONTROLLED BY BUSINESS GROUP				
HOUSING SERVICES				
Management and Support Services	826	955	129	15.6
Housing Strategy	3	0	(3)	(100.0)
Housing Needs & Homeless	1,217	179	(1,038)	(85.3)
Enabling	409	347	(62)	(15.2)
Supporting People	9,314	8,748	(566)	(6.1)
TOTAL	11,769	10,229	(1,540)	(13.1)
ENVIRONMENTAL HEALTH				
Management and Support Services	746	717	(29)	(3.9)
Food and Training	505	500	(5)	(1.0)
Trading Standards	221	221	0	0.0
Environmental Quality	468	458	(10)	(2.1)
Health and Safety	421	460	39	9.3
Mortuary, Coroners and pest Control	675	490	(185)	(27.4)
Noise and Nuisance	767	781	14	1.8
Housing Private Sector	360	358	(2)	(0.6)
TOTAL	4,163	3,985	(178)	(4.3)
ADULT SOCIAL CARE				
Management and Support Services	2,853	2,960	107	3.8
Older People	22,889	18,543	(4,346)	(19.0)
Adults with a Physical Disability	4,247	4,127	(120)	(2.8)
Adults with Learning Disabilities	7,622	6,282	(1,340)	(17.6)
Adults Under 65 with Mental Health Needs	6,437	6,148	(289)	(4.5)
Other Adult Services	1,320	975	(345)	(26.1)
Public Transport	8,792	8,569	(223)	(2.5)
TOTAL	54,160	47,604	(6,556)	(12.1)
EXECUTIVE GROUP FUNCTIONS				
Charges to/from Exec	2,803 (240)	2,801 (240)	(2) 0	(0.1) 0.0
TOTAL BUDGETS CONTROLLED BY BUSINESS GROUP	72,655	64,379	(8,276)	(11.4)
BUDGETS CONTROLLED BY OTHER BUSINESS GROUPS				
CSS	8,162	8,162	0	0.0
FRS17	(221)	(221)	0	0.0
Capital Charges/DFG's	1,308	1,308	0	0.0
Recharges to/from Families and Children	(353)	(353)	0	0.0
Recharges to/from TELS	(289)	(289)	0	0.0
Recharges to/from HRA	(672)	(672)	0	0.0
Recharges Between Hsg/ASC	240	240	0	0.0
Property Centralisation	643	643	0	0.0
TOTAL HOUSING, HEALTH AND ADULT SOCIAL CARE	81,473	73,197	(8,276)	(10.2)

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Housing Management & Support			
Overspend on salaries due to full establishment and vacancy factor not being achieved.	35		
Redundancy and retirement costs arising from deletion of posts which result in ongoing savings	99		
Miscellaneous small variances	-5		
Net underspending/overspending	129	0	0
Housing Strategy			
Miscellaneous small variances	-3	0	
Net underspending/overspending	-3	0	0
Housing Needs & Homelessness			
Underspend on the relocation budget due to tenure reforms and the Localism Act, accessing accommodation elsewhere has been very difficult .	-37		
Underspend on IT budgets due to slippage on planned improvements and developments e.g. improved reporting tool.	-37		37
Expenditure and income increase due to higher activity arising from welfare reform and recession, partly offset by a higher provision for bad debts.	2,133	-2,896	
An underspend on the Homelessness Directorate Grant due to posts being filled later than expected.	-110	-1	111
Underspend due to slippage on Preventing Repossessions grant which was only announced in March 2012	0	-65	65
Underspend due to slippage on London Delivery Board Grant for recruitment of Central and Eastern European Homelessness Co-ordinator	-40		40
Miscellaneous small variances	15		
Net underspending/overspending	1,924	-2,962	253
Enabling			
Underspend on salaries due to vacant post	-23		
Underspend on the initiatives budget	-29		
Miscellaneous small variances	-23	13	
Net underspending/overspending	-75	13	0

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Supporting People			
Underspend arising from further efficiencies and reprocurement of services. A reduction of £500k is included in the 2012/13 budget.	- 580	14	
Net underspending/overspending	-580	14	0
Total variations	1,395	-2,935	253
Net variation	-1,540		

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
<u>ENVIRONMENTAL HEALTH</u>			
Management and Support Services			
Salaries	-54		
Severence costs arising from the planned deletion of posts which will result in ongoing savings in future years	90		
Imaging and Workflow costs/ IT Costs	-46		
Miscellaneous small variances	-5	-14	
Net underspending £29,000	-15	-14	0
Food and Training			
Salaries	-5		
Underspend on training materials and consultants resulting from fewer training courses being provided	-31		
Shortfall in training income resulting from fewer courses being provided		47	
Miscellaneous small variances	-19	3	
Net underspending £5,000	-55	50	0
Trading Standards			
Salaries	8		
Miscellaneous small variances	-6	-2	
Nil variation	2	-2	0
Environmental Quality			
Salaries	-19		
Severence costs arising from the planned deletion of posts which will result in ongoing savings in future years	38		
Miscellaneous small variances	-24	-5	
Net underspending £10,000	-5	-5	0

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
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Health and Safety

Salaries	47		
Miscellaneous small variances	-7	-1	
Net overspending £39,000	40	-1	0

Mortuary, Coroners and Pest Control

Salaries	4		
Mortuary - resulting from underspend on salaries at the Westminster City Council Mortuary	-52		
Coroners - underspend at the Westminster City Council Coroners Service resulting in a reduced charge to the Royal Borough	-70		
Increase in income from pest control services due to increased volume of business - the income target has been increased in 2012/13		-70	
Miscellaneous small variances	3		
Net underspending £185,000	-115	-70	0

Noise and Nuisance

Salaries	1		
Miscellaneous small variances	11	2	
Net overspending £14,000	12	2	0

Housing Private Sector

Salaries	48		
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years	29		
DOH grant for Warm Homes Health People - successful bid for funding was approved in last quarter of 2011/12 and therefore budget carried forward	-66		66
Disabled Facilities Grant - additional grant income received during 2011/12		-56	
Miscellaneous small variances	17	26	
Net underspending £2,000	28	-30	66
Total variations	-108	-70	66
Net variation	-178		

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
<u>ADULT SOCIAL CARE</u>			
Management and Support Services			
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	(225)		
Severance costs - As part of the implementation of the tri-borough arrangements within Adult Social Care, a number of redundancy and retirement situations have arisen across the three boroughs. These costs are being apportioned between the 3 boroughs on an agreed basis.	417	(245)	
Building Maintenance - Includes costs arising from the surrender of the lease at 84 Pembroke Rd which will result in ongoing savings in future years	88		
IT - This variance forms part of the overall underspend of £25,000 within Adult Social Care	(21)	0	25
Miscellaneous Small Variances	116	(23)	
Net overspending £107,000	375	(268)	25

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Older People			
Residential and Nursing Placements and Supported Accommodation - the underspend is due to a lower number of placements and higher client contributions than budgeted	(374)	(239)	
Home Care and Direct Payments - The underspend is mainly due to a reduction in the number of hours being purchased and the new electronic monitoring system ensuring that we only pay for care that is actually delivered. The reduction in hours is partly due to the introduction of the contributions policy but also reflects the success in providing timely and accurate information and advice to people who wish to make their own arrangements.	(873)	374	
Meals - a reduction in the number of meals being provided due to lower demand	(110)		
Reablement and social care services benefitting health - the Department of Health allocated funds to health authorities which was to be passported to local authorities. Use of these funds is planned over a 3 year period.	(3,143)		3,143
An underspend against the budget for OT Equipment	(60)		
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	42		
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years. Most of this relates to the closure of EPICS.	270		
Building Maintenance - this underspend is mainly due to a decision to fund only planned and emergency works together with a lower than budgeted tender for cyclical redecorations	(73)		
IT - This variance forms part of the overall underspend of £25,000 within Adult Social Care	(4)	0	
Miscellaneous Small Variances	(107)	(49)	
Net underspending £4,346,000	(4,432)	86	3,143

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Adults with a Physical Disability			
Residential and Nursing Placements and Supported Accommodation - the underspend is due to a lower number of placements than budgeted	(52)	18	
Home Care and Direct Payments - see explanation for variance under Older People	(87)	34	
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	88		
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years	3		
Memory Services - the Department of Health provided funding later in the financial year which will be used in 2012/13	(42)	(4)	42
An underspend against the budget for OT Equipment	(3)		
Miscellaneous Small Variances	(75)		
Net underspending £120,000	(168)	48	42
Adults with a Learning Disability			
Residential and Nursing Placements and Supported Accommodation - the underspend is due to a lower number of placements than budgeted offset by a reduction in client contributions.	(90)	99	
Home Care and Direct Payments - see explanation for variance under Older People	(113)	(5)	
LD Transfer - This is mainly due to the complexity of cases being supported, where many of the service users meet continuing care criteria and must therefore be funded by the health service.	(617)	(80)	
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	(86)		
Piper House - whilst this service is being redeveloped, savings have arisen against the budgetary provision for this service.	(592)	148	
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years	6		
Building Maintenance	(22)		
Miscellaneous Small Variances	39	(27)	
Net underspending £1,340,000	(1,475)	135	0

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Mental Health			
Residential and Nursing Placements and Supported Accommodation - the underspend is due to a lower number of placements than budgeted	(301)	13	
Home Care and Direct Payments - see explanation for variance under Older People	(24)		
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	42		
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years	2		
Building Maintenance	(22)		
Miscellaneous Small Variances	(48)	49	
Net underspending £289,000	(351)	62	0
Other Adults			
Residential and Nursing Placements and Supported Accommodation - the underspend is due to a lower number of placements than budgeted	(273)	30	
Home Care and Direct Payments - see explanation for variance under Older People	(17)		
Salaries - This variance forms part of the overall underspend of £214,000 (1.4%) within Adult Social Care	(75)		
Severance costs arising from the planned deletion of posts which will result in ongoing savings in future years	6		
Miscellaneous Small Variances	(16)		
Net underspending £345,000	(375)	30	0

**EXPLANATION OF 2011-12 VARIATIONS BY SERVICE
ANNEX B2**

	Spending Variations £'000	Income Variations £'000	Amount Carried Forward £'000
Public Transport			
Concessionary Fares - the agreed contribution to the London wide concessionary fares scheme was lower than originally forecast. This variation amounts to only 0.4% of the budget.	(30)		
Taxicards - this variance is due to a higher than anticipated contribution from London Councils, thereby reducing the cost to be met by the Royal Borough. It is uncertain whether this higher level of contribution will be available in 2012/13.	(188)		
Miscellaneous Small Variances	21	(26)	
Net underspending £223,000	(197)	(26)	0
Total Variations	(6,623)	67	3,210
Net Variation	(6,556)		

ANNEX C

BUDGET CARRY FORWARDS

Name	£	Explanation/Justification	Business Group/Portfolio
DoH funding to fund social care activities which also benefit health	2,868,400	The intention is to use this funding over the 3 year period 2011/12 to 2013/14 (already agreed at Cabinet).	HHASC - Health and ASC
DoH funding for Reablement	274,500	The intention is to use this funding over the 3 year period 2011/12 to 2013/14 (already agreed at Cabinet).	HHASC - Health and ASC
DoH Allocation re Dementia- Support to Memory Services	42,500	Grant received late in 2011/12 and therefore spending plans slipped to 2012/13	HHASC - Health and ASC
ASC IT Implementation	25,000	Slippage needed to support the development of reporting module within Framework i	HHASC - Health and ASC
Mortgage Repossession Fund	65,000	Grant received late in 2011/12 and therefore spending plans slipped to 2012/13	HHASC - Housing and Property
Central and Eastern European Homelessness Co-Coordinator	40,000	Funding to support London Delivery Board Grant for CEE work (part of HDG)	HHASC - Housing and Property
HDG Welfare Reform	111,000	Funding to support changes to the Housing Benefit regime as part of national welfare reform	HHASC - Housing and Property
IT	37,000	Slippage on planned IT activity including software and hardware	HHASC - Housing and Property
DoH funding for Warm Homes Healthy People	66,000	Grant received late in 2011/12 and therefore spending plans slipped to 2012/13	HHASC - Health and ASC
Total	3,529,400		