

ASC – BUDGET MONITORING MONTH 6

ASC Scrutiny Update

**MONTH 6 UPDATE****ADULTS, HEALTH AND COMMUNITIES' DIRECTORATE***Adults, Health and Communities Directorate Forecast*

Adults, Health and Communities Directorate	Budget £m	Forecast £m	Forecast Net Variance £m
Adult Social Care	113.455	115.997	2.243
Community Connections	5.673	6.562	0.919

The Adults, Health and Communities Directorate is reporting an overspend of £3.162m in Month 6, of which £2.243m relates to Adult Social Care.

The following pressures and mitigations are flagged:

- £0.824m pressure within Domiciliary Care as it continues to see an increased demand for intermediate care to support clients' discharge from hospital.
- £3.519m pressure due to an increase in demand across bedded care through each pathway and £0.477m across other care packages, as assessment waitlists have been reduced.
- (£2.310m) additional Joint Funding and client income have been identified, correlating to increased package expenditure. A joint funding panel has been established to improve the process and maximise income.
- The Directorate's Budget Containment Group has been mobilised for 2025/26 and activity is ongoing; the function of the group is to focus on emerging high-risk areas, assigning task groups to identify actions to be taken to contain spend, such as focused package reviews. Work identified includes focus on review and analysis of Domiciliary Care, Bedded Care fees levels and pipeline demand, timescales and planning in increase client in Direct Payments and a focus on the Short-Term Residential clients to identify any barriers to long term care.
- £2.074m (75%) of the in-year savings target for the Directorate have been achieved to date.

Updates on Budget 2026/27

- National Living Wage from April 2026/27 has been assumed at £12.80 per hour.
- Modelling for the impact on ASC budgets in 2026/27 is underway to be included in ongoing budget discussions.