

The Highland Council

Agenda Item	9
Report No	HCW/17/25

Committee: Health Social Care & Wellbeing Committee

Date: 20 August 2025

Report Title: Revenue Budget Monitoring Report - Q1 2025-2026 Monitoring and 2024-2025 Final Out-turn

Report By: Assistant Chief Executive - People

1. Purpose/Executive Summary

- 1.1 This report sets out the revenue budget monitoring forecast for the Health and Social Care Service for the first quarter of 2025/2026 as well as the final outturn in terms of the previous financial year – 2024/2025. Details are provided in **Appendix 1 and 1a** (2024/25 final outturn) and **Appendix 2 and 2a** to this report (2025/2026 Quarter 1).

The Service is reporting an overspend of £4.012m in terms of the final outturn position for 2024/2025. The overspend relates to the delivery of Children's Services. The Committee will recall that the Service was previously able to deliver a balanced budget for 2023/2024 as a result of pressures being offset by staff vacancies, but this pattern has not continued into 2024/2025. The pressures are a combination of historic savings targets that have not been delivered and cost pressures relating to service delivery, particularly in relation to Looked After Children. The historic savings are in the process of realigned to the relevant budget headings and the Service is developing a three-year plan to address the wider financial challenges. There is confidence that, together with the initiatives being taken forward pursuant to Families First, this plan will lead to an improved financial position. Further details are provided later in this report.

The report also sets out the position in relation to adult services. The monitoring statement presents the quantum provided to NHS Highland for the delivery of adult social care services under the lead agency model and shows no material variance against the Council's budget for Adults. This is the standard reporting and does not reflect the potential of an in year overspend. **Appendix 3** (the month 2 forecast provided by NHS Highland) ought to be considered in that regard which does anticipate an end of year overspend in the region of £19.8m against the NESH ASC budget, assuming the full delivery of an applied internal savings target of £6.192m (3%). The transformation agenda and an associated Earmarked Reserve is intended to support the ongoing work in terms of pressures mitigation and savings delivery. Members will also be aware that there is work underway to review the current model of integration and that too is expected to have a positive impact on the budget challenge.

- 1.2 The purpose of this report is to support the Council's overall financial management and budgetary control arrangements. This report also supports the Committee and its Members in fulfilling the Scheme of Delegation in relation to financial management and remit of Strategic Committees which includes: *“to scrutinise the management of the Revenue and Capital Budgets for the Services included in the Committee’s remit and monitor and control these budgets, including dealing with over- expenditure.”*
- 1.3 This report provides Members with commentary on any material variances within the forecast, and actions taken or proposed in relation to those variances.
- 1.4 The report also provides a forecast position regarding all budget savings within the remit of the Service.
- 1.5 The position in terms of Quarter 1 shows a forecasted end of year overspend of £4.1m which represents a slight increase on last year's outturn. This reflects the likely position if no mitigating action is taken and therefore needs to be considered in the light of the savings carried forward and the budget plan referred to above and later in this report. That position is shown in the monitoring statements at **Appendix 2 and 2a** and is further considered in section 6 and 7 of this report.

2. Recommendations

- 2.1 Members are asked to:
- i. Note the 2024/2025 final end of year out-turn (**Appendix 1 & 1a**);
 - ii. Scrutinise and agree the forecast financial position for 2025/2026 as set out in this report and appendices (**Appendix 2, 2a & 3**);
 - iii. Note the explanations provided for material variances and actions taken and proposed; and
 - iv. Note the update provided regarding savings delivery (**Appendix 4**).

3. Implications

- 3.1 **Resource** – This report provides key financial information regarding the Service budget and forecast financial performance against that budget, including progress with Service delivery. As noted below in the risk section and in terms of the figures reported, there remains ongoing uncertainty and challenge in terms of the delivery of care at a time where there are significant financial and workforce challenges. This is the case in terms of both children's and adult social care services. Both require to be carefully monitored. The Committee will be aware too that there are resource requirements as a result of the implementation of the Delivery Plan and these will be commented upon where appropriate in terms of that reporting process.
- 3.2 **Legal** – The Committee will be aware that the model of integration in Highland is currently being considered by the Partnership. At present the “lead agency” model is in place which has an impact on how both children's and adult care services are delivered. In the event that there is a change to what would be a body corporate model there would be legal implications in terms of management of resources.
- 3.4 **Risk** - There is a risk in terms of the delivery of children's services with regard to the overspend position which requires to be mitigated. The risk in relation to the adult care service delivered by NHS Highland is also ongoing and is likely to result in a projected significant overspend against NHSH's budget, the terms of which are regularly discussed at the Joint Monitoring Committee and at Chief Executive level.

The Committee will be aware too that a savings target was set against in 2024/2025 the delivery of Adult Social Care of £7m which has been implemented through the reduction of the quantum to NHS Highland. There is a risk that NHS Highland cannot reduce their costs to satisfy the funding reduction which together with additional pressures culminates in the reported forecast overspend which provides a significant risk to the Partnership financial position. NHS Highland is reporting a forecast overspend of £19.8m after assuming delivery of £6.192m of savings which there is also a risk of not delivering in full.

There remains a risk in relation to certain elements of care delivery as referenced within the Council's Corporate Risk Register and this remains relevant. The Partnership has also developed its own risk register which has been shared at this Committee and is available online as part of the papers to the JMC. This Committee is also sighted on the risk in relation to recruitment challenges which creates a risk in terms of service delivery and is also reflected in the Council's Corporate Risk Register.

3.5 **Health and Safety** (risks arising from changes to plant, equipment, process, or people) - There are no immediate health and safety implications arising from this report.

3.6 **Gaelic** - There are no Gaelic implications arising from this report.

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is a monitoring and update report and therefore an impact assessment is not required.

5. Outturn 2024/2025

5.1 The Service is reporting an overspend of £4.012m. Members will recall from previous reports that the number of children in out of authority residential provision has been consistently at the lowest level it had been at for some years. Whilst that is no longer the case the overall trend remains downward which is to be welcomed. The Home to Highland programme (now re-titled Home in Highland) which forms part of the broader Families First initiative continues and the year-end figures have shown savings of £0.9m in terms of the 'Looked After Children' elements of the budget. Historically the service has shown significant overspends against these budget lines. Whilst savings have been delivered in terms of the specific target reflected within the Delivery Plan, this has led to costs rising elsewhere, resulting in a significant net overspend which is explored in section 6.

Overall the position in relation to Looked After Children is challenging and contributes to the overspend in terms of the following areas in particular:-

- Independent and 3rd Sector placements - £2.881m over
 - Home in Highland (educational) provision - £0.506m over
- There are also unallocated savings from previous years of £1.9m.

Underspends – principally in terms of vacancies – offset some of these pressures resulting in a net out turn position of £4.012m overspent.

There are no areas to highlight relating to other service areas reflected in the attached monitoring statements. Spend in terms of Justice is ringfenced and hence balanced and other areas of the service showing underspends are generally as a result of vacancy levels – youth action for example. The Mental Health Officer service is currently operating and delivering service within budget although has had a £185k reduction due to Scottish Government funding for training and learning being discontinued.

- 5.2 In terms of delivery of adult care services Members will be aware of the significant challenges which exist in terms of the cost of delivery of those services by NHS Highland. At the present time delayed hospital discharges and the availability of care have been a significant focus for the Scottish Government. The Committee will be aware that the delivery of adult social care and the associated funding is discussed at the Joint Monitoring Committee, and that there remain regular and ongoing discussions on financial matters between Senior Officials within both organisations. Due to current significant pressures within adult social care, close partnership working is necessary to seek to deliver financial sustainability. A savings target of £7m for 2024/2025 had been set by the Council and delivered through a reduction in the quantum and then this has been balanced by the availability of a reserve which will be allocated to seek to deliver change in terms of the model of future service delivery set out in the Strategic Plan. This is a challenging position as Members will recall in previous years that a balanced NHSH budget was set with the availability of reserves held by the Council on behalf of NHSH (totalling circa £16m over two years). Those reserves were depleted in 2023/2024 and not available for 2024/2025 to contribute to in-year financial pressures but instead monies from Council reserves have been ear marked to deal with transformation consistent with the terms of the Delivery Plan. The Council Delivery Plan required savings of £7m to be delivered in recognition of those funds but the NHS did not balance their position in 2024/2025 as a result of the £7m reduction and other operational cost pressures. As such Members will recall that in May 2025 the Council agreed a draw down of £7.8m from that reserve leaving a residual £12m carried forward into 2025/2026.

6. Commentary on Variances

- 6.1 In terms of the variances shown in **Appendix 1 and 1a** for 2024/2025 relating to the delivery of children's services, Members are asked to note the following in terms of those 2 particular areas identified in paragraph 5.1 as contributing to the final outturn:-

Independent and 3rd sector placements – This budget has been historically overspent. That overspend arises as a result of the cost of beds which has increased over time (beyond inflation) and has been generally offset by underspends elsewhere in the service. However, it ought to be noted that whilst the overspend is disappointing that the *number* of beds being purchased by the service is generally reducing – from 30 in 2019/2020 to fewer than 20 currently (which is a rise from 12 last year). Notwithstanding work being undertaken, demand for placements is not decreasing and is also impacted by continuing care requests as well as over 18s who

although meeting criteria for input from adult social care has taken some time for NHS to source appropriate packages. Placements made by the Children's Hearing System are also factors which contribute to increased demand for residential/secure high-cost provision. This is an area which forms a key element of the Families First initiative, and the action plan referred to will deliver change as well as having a positive financial impact.

Home in Highland Provision – This budget supports the educational provision of those young people who are not educated within mainstream education – many of whom have returned from out of area placements. The service has expanded to offer service to a cohort of young people – who are not necessarily looked after – but are not accessing mainstream education. As Members will be aware the intention is to expand the Person Centred Portfolio to include the Learning Without Boundaries workstream which will involve the appointment of a Virtual Headteacher which is expected to have a positive impact on (learning) outcomes and the associated costs.

A further significant impact to the net position arises as a result of unallocated savings from previous years.

In terms of the Quarter 1 position shown for the current financial year at **Appendix 2**, Members will note pressures and underspends against the same budget lines as for previous years. This takes into account the position brought forward in relation to the final outturn for 2024/2025 which will be managed, in part, by re alignment of the budgets so that operational budgets are moderated to dispense with the line currently showing as unallocated savings. The Action Plan being developed by the Service will then seek to manage the budget on that basis and deliver required savings and cost reductions. This approach is set out in more detail in Section 7 and includes additional budget feeds agreed through the budget setting process in April this year but are not yet reflected in the end of year predicted out-turns.

- 6.2 The budget lines in **Appendices 1 & 2** in terms of adult social care show a nil variance because they simply reflect the budget that is passed across to NHS Highland for the delivery of delegated services under the lead agency model; they do not reflect NHS Highland spend. This is shown in figures provided by NHS Highland which are attached at **Appendix 3**. In terms of the ongoing financial position going into 2025/2026 the figures presented are for Month 2 and these refer to an anticipated variance of £19.838m, assuming delivery of £6.192m savings on top of this. Members ought note that NHS Highland are currently reporting figures across the Board on the basis of a break even position for adult social care which is thought to be unlikely unless further monies are made available and/or savings are made. There is no flexibility within the NHS Highland position to absorb with overspend and is overall projecting a £40m overspend for health (excluding the Adult Social Care position) which is the worst case position that Scottish Government will accept. Positive discussions in relation to the need for a cost containment plan are underway at Chief Executive and senior officer level.

7. **Actions Taken or Proposed in terms of 2025/2026**

- 7.1 Mitigating actions are required by the service to address the overspends in children's services identified in section 6 above. The service is developing a focussed action and recovery plan with support from Finance with a view to mitigating the overspend position in Children's Services. Given the scale of the overspend a longer term plan will be required to address the financial challenge and the intention is that this will focus on the following key areas:-

- Respite provision and associated SDS delivery.
- Out of area costs and associated costs returning children to Highland.
- Expansion of Fostering and Kinship options.
- Educational provision for children and young people returning to Highland and those unable to access mainstream provision.

7.2 In terms of Children's Services actions have already been developed to support those key areas of work. These include:

- Budget feed of £750k to assist with increase in placement unit costs.
- Return of 12 young people to Highland this year (7 already returned).
- Change support provider for one care package at reduced cost.
- Work with NHS Highland to move eligible over-18s from children's units.
- Review all young people in Highland residential to fast track moves if appropriate.
- Work in terms of SDS in the light of new residential unit in Thurso to be operational and the re-opening of short-break disability units in Inverness, Caithness and Skye.
- Support Social Work and Residential staff to manage risk and retain children at home when safe to do so.
- Development of Virtual Headteacher role to address educational spend.

7.3 On a more long term basis it is recognised that the financial challenge is unlikely to be dealt with within this financial year. However work is already underway with Finance colleagues to address some of the historic unallocated savings by re-aligning the budgets within the Family Teams where appropriate.

7.4 Mitigating actions are also required in terms of the delivery of adult social care and that of course requires close partnership working with NHS Highland. This is ongoing and is reported to both the Joint Monitoring Committee and is also a key part of the Council's Delivery Plan in terms of the programme of work associated with the Person Centred Solutions Portfolio. This is reported upon as part of a separate report to this Committee. Members should be aware as already noted in this report that the financial position is challenging. NHS Highland are currently forecasting an overspend of £19.838m which, given this is predicated on delivering savings of £6.2m, means that the financial challenge is much greater and mitigating actions and associated cost containment plans are urgently required to address this.

It should also be noted that going forward the work to consider the lead agency model in place is likely to be critical in terms of increased control in relation to the financial position for all services included under the integration scheme.

8. Savings Delivery

8.1 Details in relation to required savings are set out in **Appendix 4** to this report. Members will note that the position is challenging and the work being carried out by

Children's Services to address that is set out in the preceding paragraphs. Work will also be required to realign the budgets for the Family Teams to take account of the savings being carried forward. In terms of the required savings there are 2 "ragged" as green and 2 currently "ragged" as red.

There is a risk in relation to delivering the required saving in terms of the Families First work. Although there is confidence that the mitigation work referred to in preceding paragraphs will have a positive impact in year, that must also be considered in the light of a challenging position given the overspend from previous years which will require to be managed in terms of realignment of budgets and the Action Plan referenced above. This will be kept under close scrutiny in HSW management team meetings and reported regularly to the Budget Review Group, chaired by the Chief Executive.

The targets showing red are significant and relate to Adult Social Care. They amount to £7m in terms of the savings required of NHS Highland in terms of the reduced quantum and associated EMR investment. There are ongoing conversations with NHS Highland in terms of their cost containment plans and those are being pursued at high level and involve the respective Chief Executives and Chief Financial Officers of both agencies.

Designation: Assistant Chief Executive - People

Date: 16 July 2025

Author: Fiona Malcolm – Chief Officer Integrated People Services

Background Papers: N/A

Appendices: Appendix 1 & 1a - Final Out-turn statements 2024/25
Appendix 2 & 2a – Quarter 1 Budget Monitoring 2025/26
Appendix 3 – NHS Adult Social Care Month 2 Statement
Appendix 4 – Savings Forecast

31/03/2025	£'000 Actual YTD	£'000 Annual Budget	£'000 Year End Variance
BY ACTIVITY			
Service Management and Support			
Management Team	8,897	8,653	243
Business Support	1,408	1,629	-222
COVID-19 Response	0	0	0
Adult Services			
Delegated Adult Social Care	142,445	142,445	0
Mental Health Teams	1,704	1,756	-52
Criminal Justice Service	62	62	0
Other Services for Vulnerable Adults	1,311	1,345	-34
Children's Services			
Looked After Children	29,954	25,977	3,977
Family Teams	19,953	19,732	221
Other Services for Children	11,557	11,705	-148
Delegated Child Health	-11,536	-11,562	26
Grand Total Health, Wellbeing and Social Care	205,754	201,742	4,012
BY SUBJECTIVE			
Staff Costs	44,370	45,537	-1,167
Other Expenditure	181,730	175,742	5,987
Gross Expenditure	226,100	221,279	4,821
Grant Income	-20,308	-19,519	-789
Other Income	-38	-18	-20
Total Income	-20,346	-19,537	-809
NET TOTAL	205,754	201,742	4,012
Reconciled			

APPENDIX 1a

31/03/2025	STAFF COSTS			OTHER COSTS			GRANT INCOME			OTHER INCOME			NET TOTAL			£'000 Q3 Variance	£'000 Diff Variance	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				
	Annual Budget	Actual YTD	Year End Variance	Annual Budget	Actual YTD	Year End Variance	Annual Budget	Actual YTD	Year End Variance	Annual Budget	Actual YTD	Year End Variance	Annual Budget	Actual YTD	Year End Variance			
BY ACTIVITY																		
Service Management and Support																		
Management Team	1,000	1,076	76	7,898	7,820	-78	0	0	0	0	0	0	8,898	8,897	-2	21	-23	
Business Support	1,598	1,403	-195	31	5	-26	0	0	0	0	0	0	1,629	1,408	-222	-178	-44	
COVID-19 Response	0	0	0	0	100	100	0	-100	-100	0	0	0	0	0	0	0	0	0
Unallocated Savings		0	0	0	0	0	0	0	0	0	0	0	-245	0	245	69	176	
Adult Services																		
Delegated Adult Social Care	0	0	0	142,445	142,445	0	0	0	0	0	0	0	142,445	142,445	0	0	0	
Mental Health Teams	1,694	1,627	-67	62	77	15	0	0	0	0	0	0	1,756	1,704	-52	-96	44	
Criminal Justice Service	4,388	3,932	-455	1,069	1,396	327	-5,394	-5,264	131	0	-2	-2	62	62	0	0	0	
Other Services for Vulnerable Adults	674	619	-54	683	701	19	-11	-9	2	0	-1	-1	1,345	1,311	-34	-49	15	
Looked After Children																		
Family Based Care	1,233	1,130	-103	6,763	6,817	54	0	0	0	0	-9	-9	7,996	7,937	-58	-128	70	
Residential, In house	5,457	5,921	465	1,580	1,651	70	-1,374	-1,999	-625	0	0	0	5,663	5,573	-90	-521	431	
Respite, In house	1,871	1,974	103	132	116	-16	0	0	0	0	0	0	2,002	2,090	87	-47	134	
Independent and 3rd Sector placements	0	0	0	7,893	10,773	2,881	0	0	0	0	0	0	7,893	10,773	2,881	2,820	61	
Through care & aftercare	27	180	153	1,129	1,208	79	0	0	0	0	0	0	1,156	1,388	232	141	91	
Home to Highland	992	1,358	366	533	719	186	-327	-372	-45	0	-1	-1	1,198	1,704	506	697	-191	
LAC Management and Support	682	476	-206	7	13	6	0	0	0	0	0	0	688	489	-200	-262	62	
Unallocated Savings		0	0	0	0	0	0	0	0	0	0	0	-619	0	619	704	-85	
Family Teams																		
Family Teams - North	2,980	2,675	-306	294	563	269	0	-6	-6	0	-1	-1	3,274	3,230	-44	-229	185	
Family Teams - Mid	3,387	2,980	-407	397	702	305	0	-12	-12	0	0	0	3,784	3,670	-114	-384	270	
Family Teams - West	3,111	2,503	-608	319	479	160	0	-1	-1	0	-2	-2	3,430	2,980	-451	-553	102	
Family Teams - South	7,748	6,704	-1,044	848	1,662	814	-15	-9	6	0	0	0	8,582	8,358	-224	-618	394	
Self Directed Support (Direct Payments)	78	79	1	1,055	1,636	581	0	0	0	0	0	0	1,133	1,715	582	609	-27	
Unallocated Savings		0	0	0	0	0	0	0	0	0	0	0	-471	0	471	535	-64	
Other Services for Children																		
Child Protection	917	854	-63	41	214	172	-124	-345	-221	0	0	0	834	722	-111	-105	-6	
Health and Health Improvement	1,471	1,367	-104	130	107	-23	-710	-615	95	0	0	0	890	859	-31	-215	184	
Allied Health Professionals	3,917	3,885	-33	191	301	109	0	-33	-33	-11	-15	-4	4,097	4,138	40	-14	54	
Primary Mental Health Workers	665	645	-21	10	12	2	0	0	0	0	0	0	675	657	-18	-30	12	
Specialist Services	134	110	-24	152	260	108	0	0	0	0	0	0	285	370	84	84	0	
Youth Action Services	1,352	993	-359	386	435	49	0	0	0	0	0	0	1,738	1,428	-310	-353	43	
Other Services for Children	1,531	1,711	180	1,695	1,502	-193	0	-1	-1	-7	-1	6	3,219	3,211	-8	-55	47	
Staff Training	246	168	-78	0	10	10	0	-6	-6	0	0	0	246	173	-73	-60	-13	
Independent Funds	0	0	0	0	6	6	0	0	0	0	-6	-6	0	0	0	0	0	
Unallocated Savings	-1,614	0	1,614	0	0	0	0	0	0	0	0	0	-279	0	279	306	-27	
Delegated Child Health	0	0	0	0	0	0	-11,562	-11,536	26	0	0	0	-11,562	-11,536	26	0	26	
Grand Total Health, Wellbeing and Social C	45,537	44,370	-1,167	175,742	181,730	5,987	-19,519	-20,308	-789	-18	-38	-20	201,742	205,754	4,012	2,089	2,089	
Reconciled to Appendix 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			

201,742 target
0

30/06/2025	£'000 Actual YTD	£'000 Annual Budget	£'000 Year End Estimate	£'000 Year End Variance
BY ACTIVITY				
Service Management and Support				
Management Team	317	600	848	248
Business Support	370	1,527	1,356	(171)
Adult Services				
Delegated Adult Social Care	23,248	147,585	147,585	0
Mental Health Teams	349	1,774	1,837	63
Criminal Justice Service	(460)	62	62	0
Other Services for Vulnerable Adults	359	1,402	1,312	(90)
Children's Services				
Looked After Children	6,361	26,988	31,159	4,171
Family Teams	5,004	20,085	20,181	96
Other Services for Children	3,197	11,192	10,992	(200)
Delegated Child Health	6,133	(11,562)	(11,562)	0
Grand Total Health, Wellbeing and Social Care	44,877	199,652	203,770	4,118
BY SUBJECTIVE				
Staff Costs	11,057	46,551	44,783	(1,767)
Other Expenditure	31,646	173,127	178,988	5,861
Gross Expenditure	42,703	219,678	223,772	4,094
Grant Income	2,149	(19,995)	(19,995)	0
Other Income	25	(31)	(7)	24
Total Income	2,174	(20,026)	(20,002)	24
NET TOTAL	44,877	199,652	203,770	4,118

APPENDIX 2A

HEALTH, WELLBEING AND SOCIAL CARE MONITORING STATEMENT 2025-26

	STAFF COSTS				OTHER COSTS				GRANT INCOME				OTHER INCOME				NET TOTAL			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance
30/06/2025																				
BY ACTIVITY																				
Service Management and Support																				
Management Team	1,312	309	1,312	0	(301)	8	(298)	4	0	0	0	0	0	0	0	0	1,011	317	1,014	4
Business Support	1,495	368	1,320	(176)	31	2	37	5	0	0	0	0	0	0	0	0	1,527	370	1,356	(171)
Unachieved Savings	(411)	0	(166)	245	0	0	0	0	0	0	0	0	0	0	0	0	(411)	0	(166)	245
Adult Services																				
Delegated Adult Social Care	0	0	0	0	147,585	23,248	147,585	0	0	0	0	0	0	0	0	0	147,585	23,248	147,585	0
Mental Health Teams	1,797	417	1,668	(129)	(23)	5	169	192	0	(73)	0	0	0	0	0	0	1,774	349	1,837	63
Criminal Justice Service	4,730	924	4,730	0	1,063	(39)	1,062	(0)	(5,728)	(1,343)	(5,728)	0	(2)	(1)	(2)	0	62	(460)	62	0
Other Services for Vulnerable Adults	731	142	640	(91)	683	217	683	1	(11)	0	(11)	0	(1)	0	(1)	0	1,402	359	1,312	(90)
Looked After Children																				
Family Based Care	1,254	307	1,227	(27)	6,447	1,653	6,504	57	0	0	0	0	(9)	17	0	9	7,692	1,977	7,731	39
Residential, in house	5,624	1,197	5,280	(344)	1,538	361	1,809	271	(1,374)	(1,530)	(1,374)	0	0	0	0	0	5,788	28	5,715	(73)
Respite, in house	1,907	510	1,907	0	866	30	866	0	0	0	0	0	0	3	0	0	2,773	543	2,773	0
Independent and 3rd Sector placements	0	0	0	0	8,643	2,935	11,210	2,567	0	0	0	0	0	0	0	0	8,643	2,935	11,210	2,567
Through care & aftercare	0	(30)	18	18	1,433	249	1,374	(59)	0	0	0	0	0	0	0	0	1,433	219	1,392	(41)
Home to Highland	1,073	376	1,454	380	513	100	479	(34)	(327)	0	(327)	0	0	1	0	0	1,259	477	1,605	346
LAC Management and Support	713	179	715	3	7	3	18	11	0	0	0	0	0	0	0	0	719	182	733	14
LAC Unallocated Savings	(1,319)	0	0	1,319	0	0	0	0	0	0	0	0	0	0	0	0	(1,319)	0	0	1,319
Family Teams																				
Family Teams - North	3,082	675	2,689	(393)	294	108	558	264	0	(0)	0	0	(1)	(0)	(1)	0	3,375	782	3,246	(129)
Family Teams - Mid	3,448	758	2,976	(472)	391	131	602	211	0	0	0	0	0	6	0	0	3,839	895	3,578	(261)
Family Teams - West	3,053	650	2,424	(629)	315	115	487	172	0	0	0	0	(2)	0	(2)	0	3,366	765	2,910	(457)
Family Teams - South	8,055	1,645	6,707	(1,348)	845	389	1,683	839	(15)	(1)	(15)	0	0	(1)	0	0	8,885	2,033	8,375	(509)
Self Directed Support (Direct Payments)	36	20	37	2	1,055	509	2,034	979	0	0	0	0	0	0	0	0	1,091	529	2,072	981
FT Unallocated Savings	(471)	0	0	471	0	0	0	0	0	0	0	0	0	0	0	0	(471)	0	0	471
Other Services for Children																				
Child Protection	1,054	241	979	(75)	41	27	66	25	(226)	(286)	(226)	0	0	0	0	0	869	(18)	819	(50)
Health and Health Improvement	1,552	322	1,379	(173)	130	15	135	5	(751)	(604)	(751)	0	0	0	0	0	931	(267)	763	(168)
Allied Health Professionals	4,164	1,065	4,041	(123)	223	66	387	164	0	(86)	0	0	(15)	0	0	15	4,372	1,044	4,428	56
Primary Mental Health Workers	704	195	704	0	10	1	12	2	0	0	0	0	0	0	0	0	714	197	716	2
Specialist Services	140	0	0	(140)	152	196	152	0	0	0	0	0	0	0	0	0	292	196	152	(140)
Youth Action Services	1,389	298	1,194	(195)	386	27	465	79	0	(8)	0	0	0	0	0	0	1,775	317	1,659	(116)
Other Services for Children	1,674	467	1,656	(19)	801	1,289	904	103	0	(52)	0	0	(1)	0	(1)	0	2,474	1,704	2,559	85
Staff Training	246	23	92	(154)	(0)	1	4	4	0	0	0	0	0	0	0	0	246	24	96	(150)
Independent Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated Savings	(481)	0	(200)	281	0	0	0	0	0	0	0	0	0	0	0	0	(481)	0	(200)	281
Delegated Child Health																				
Delegated Child Health	0	0	0	0	0	0	0	0	(11,562)	6,133	(11,562)	0	0	0	0	0	(11,562)	6,133	(11,562)	0
Grand Total Health, Wellbeing and Social Care	46,551	11,057	44,783	(1,767)	173,127	31,646	178,988	5,861	(19,995)	2,149	(19,995)	0	(31)	25	(7)	24	199,652	44,877	203,770	4,118
Reconciled to Appendix 1	0	0	0	0	0	0	0	0	0	0	0	0	(0)	0	(0)	0	0	0	0	0

Appendix 3

Month 2 2025/2026 – Adult Social Care

Services Category (HHSCP - less ASC Estates)	Annual Budget £000's	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Outturn £000's	YE Variance £000's
Total Older People - Residential/Non Residential Care	60.078	10.242	10.453	(0.211)	61.144	(1.066)
Total Older People - Care at Home	38.322	6.395	7.231	(0.836)	44.114	(5.792)
Total People with a Learning Disability	50.059	8.362	9.988	(1.626)	60.834	(10.775)
Total People with a Mental Illness	10.388	1.732	1.723	0.009	10.304	0.084
Total People with a Physical Disability	9.364	1.570	1.877	(0.307)	11.402	(2.039)
Total Other Community Care	13.184	2.197	1.998	0.199	13.317	(0.133)
Total Support Services	0.485	(1.200)	0.943	(2.143)	0.186	0.299
Care Home Support/Sustainability Payments	0.000	0.000	0.123	(0.123)	0.417	(0.417)
Total Adult Social Care Services	181.880	29.298	34.338	(5.039)	201.718	(19.838)

ADULT SOCIAL CARE

- YTD an overspend of £5.039m is reported with this forecast to increase to £19.838m by the end of the financial – this includes Estates costs reported outwith ASC
- The overall financial position for the Board assumes that ASC will deliver a breakeven position by the end of the financial year
- £4.052m of supplementary staffing costs within in-house care homes are included within the year to date position

Saving / Income Generation	Latest Annual Forecast	Latest RAG	Annual Target	Forecast Under / Over Target	Comment
Children's Services : Family First Approach - HC 290224 CS:22 & HC 060325 HSW:2- FY 24-28	£0	●	£700,000	-£700,000	
Operating Model:Adult Social Care: HC 290224 CS:29 FY 24-27	£0	●	£7,000,000	-£7,000,000	No information provided by NHS.
Efficiency Savings: CS:20 Efficiencies from Social Work Procurement FY 24-27	£200,000	●	£200,000	£0	Savings not realised until later in FY.
Efficiency Savings: Realignment of expenditure to match grant - Justice Services - HC 060325 HSW:1- FY 25-27	£50,000	●	£50,000	£0	Appendix 4 - Already realised in consultation with Finance