

Appendix 2 – Adults, Health and Housing Directorate Level Forecasts.

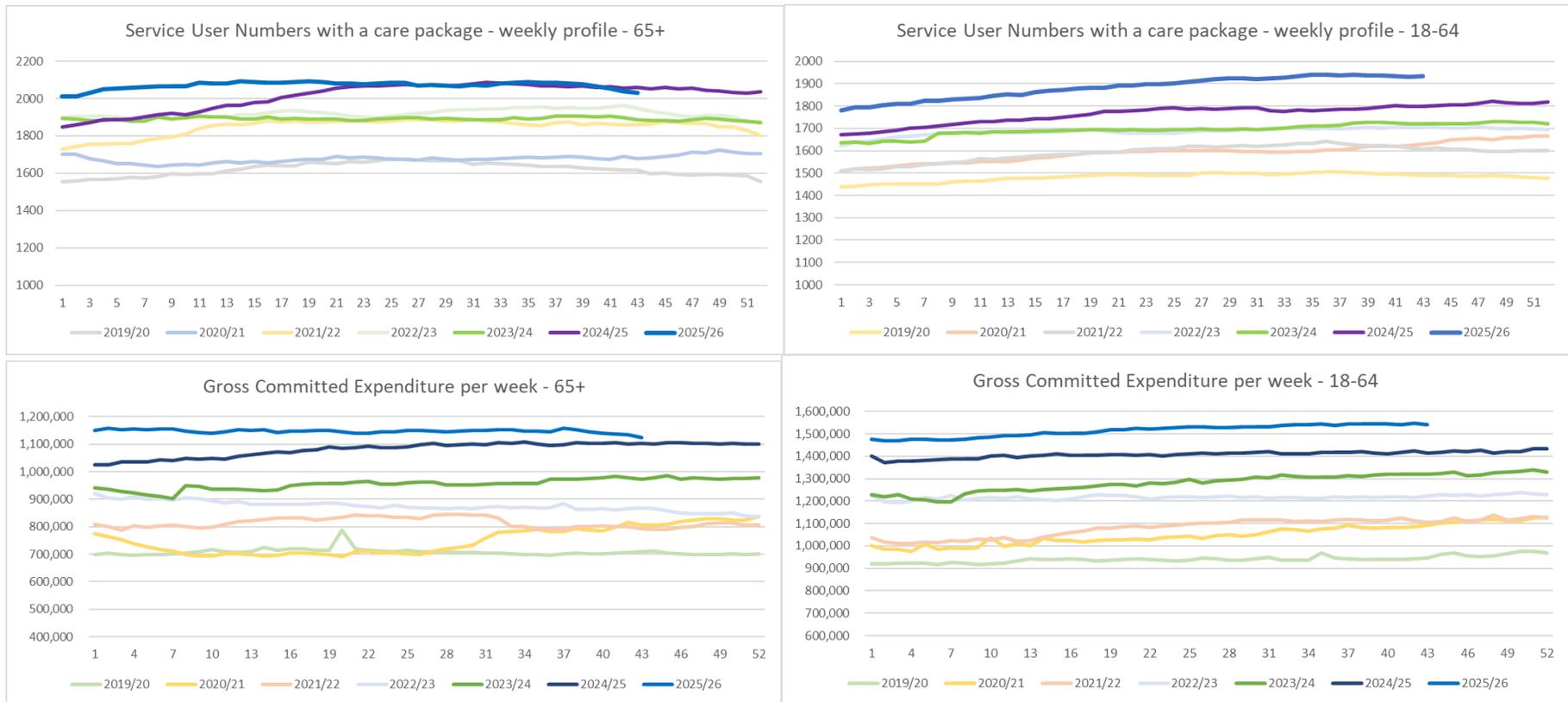
1.1. The table below provides the full year forecast across the Adults, Housing and Health Directorate, followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Total Full Year Forecast	Base Budget (over/under- spend)	Non Delivery of Savings	Q3 Total Variance	Q2 Total Variance	Movement Q2 to Q3
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult, Housing and Health	134,095	149,483	14,358	918	15,276	16,944	(1,668)
Director of Adult & Social Services	105,526	110,518	3,961	918	4,879	5,710	(831)
Housing Demand	28,569	38,966	10,397	0	10,397	11,235	(838)
Director of Public Health	0	0	0	0	0	0	0
Assistant Director for Commissioning	0	0	0	0	0	0	0

Adult Social Care

- 1.2. Adult Social Care is forecasting a pressure of £4.879m (+4.6%) at period Q3. This reflects a positive movement of £0.83m since Q2.
- 1.3. The improvement reflects a reduction in forecast spend on care placements (-£0.635m) and an increase in assumed recharges to Health (+£0.7m), offset by increases in forecast staff costs (+£0.2m), in property costs (+0.25m) and bad debt provision (+£0.089m).
- 1.4. The staffing budget continues to forecast an underspend, albeit slightly reduced on a budget of £26.8m. The increase in the property costs forecast correctly reflects the operating costs of all properties sitting with Adult Social Care, and any liabilities for Council Tax. The Bad Debt Provision is reviewed on a monthly basis to avoid any material impact at year end. The increased provision at Q2 is based on the up-to-date aged debt profile using established methodology.

1.5. As set out in the Q2 report, the number of Older Adults (65+) has stabilised, that continues to be the case with current numbers slightly lower than reported at Q2 with 2038 adults with a care package. This follows a broadly similar trend to last financial year. The numbers of Younger Adults (18-64) continues to increase, with most recent reports recording 1933 individuals with a care package - up from 1907 reported at Q2. This trend is expected to continue to the end of financial year with a further small increase to a predicted 1950. A combination of the number of older adults stabilising and the number of younger adults with a care package increasing at a slower rate that previously predicted, has resulted in a small reduction in the forecast spend from £148.7m to £148.1m, representing a 0.4% change in forecast.



2025/26 Savings

- 1.6. Against a full year savings target of £3.96m, and subject to the risks set out below, Adult Social Care are forecasting delivery of 76%. The table below sets out the full details of the savings and delivery forecast.

Adult Social Care

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Transitions	-1,152	-634	-518	Green	The review of expected transitions has been completed that reprofiles the expected cost of young people from Children's Services to ADC and the level of savings/cost avoidance expected over the current financial year and the next three years. The expected cost of transitions in the current year is expected to be lower than forecast in 2023, £2.9m compared to £4.2m and as a result the level of savings as a product of those cost lower at £0.634m compared to £1.152m
Resettlement	-150	-150	0	Green	Delivered
Staffing Savings for Adult Social Services	-1,200	-1,200	0	Green	On track to be delivered in full.
Integrating Connected Communities - Further development of the Adult Social Care locality model and prevention approach: there is an opportunity to integrate the Connected Communities model and rationalise resources across the directorate.	-700	-700	0	Green	On track to be delivered in full, staff consultation completed.

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
<p>Developing Community Support model - Building on Locality model and in collaboration with NHS, Housing, Public Health, voluntary and community sector, review and refresh our focus on prevention and early intervention, supporting residents to access community services which can best meet their needs and reduce demand on statutory services. This will also include a review the Adult Social Care's 'front door' to include information advice as to eligibility, how residents access the Service, progress from contact to assessment and then to receiving and reviewing support – at each stage of the residents' journey, reviewing how a digital response can inform improved demand management, more timely responses, reduce administrative burdens on staff and inform cost reductions.</p>	-181	-181	0	Amber	<p>Rated amber due a delay from the initial timeline, which was restricted by Social Work capacity levels.</p> <p>Resource plans are now in place and we are still aiming to deliver the savings by the end of the financial year and/or mitigate any shortfall.</p> <p>Work underway includes:</p> <ul style="list-style-type: none"> Enhancing our offer to better signpost residents to non-statutory and community services that best meet their needs and rightsizing care packages where appropriate to ensure they maximise independence and choice. The new Adult Social Care Directory will support this. The Independence & Early Intervention Team moved into ASC on 1st Feb 2026 and will offer early support and signposting. The review of the ASC Front Door which is currently underway and will be progressed in February 2026 for implementation in q1 2026/27.

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Review of the Council's Reablement model to ensure that it is consistently focused on maintaining independence and supports safe and well-planned hospital discharge for a wide range of our residents.	-100	-100	0	Green	On track to be delivered by service efficiencies.
Supported Living Contract - Releasing efficiencies through a new contract model for Supported Living that moves away from spot purchasing through a 'Dynamic Purchasing System' and onto a framework with agreed pricing and uplifts.	-400	0	-400	Red	Limited capacity in the ASC Commissioning Team, due to the Community Equipment provider failure and recruitment delays have significantly impacted this project and will delay delivery of the saving. Mitigating actions: <ul style="list-style-type: none"> We now have external capacity in place to support delivery of this project. Recruitment within Commissioning will give us extra capacity and resilience going forward and has now progressed. Reviews and care package rightsizing is underway and will offer some financial mitigation by year end. Other mitigations to deliver the saving are being finalised.
5% Staff saving - See Above (Duplication)	-80	-80	0	Green	see above
TOTAL	-3,963	-3,045	-918	Amber	

HOUSING DEMAND

- 1.7. The Housing Demand Service is forecasting a pressure of £10.4m in period Q3. This reflects a positive movement of £837k since Q2.

Temporary accommodation numbers remain stable despite continued high levels of approaches, supported by strong performance at the front door and successful moves out of TA.

However, cost pressures persist due to rising (NPA) costs, making a targeted NPA reduction plan with dedicated programme resources essential in order to offset one of the Council's largest financial challenges. PSL voids and hand-backs continue to add pressure, albeit progress has been made on voids in P9.

Bad debt provision remains at 94.5% with performance over the previous periods strengthening. Positive developments also include cost avoidance through the TA rent convergence programme, an above target acquisitions performance, and the near completion of the hotel exit programme which reduces reliance on expensive hotel accommodation for homeless households. Optimisation of support contracts on a value for money basis has continued within this period.

Additional measures to address overspend from P9 onwards will include increasing PRS incentives to maximise PRS acquisitions, and bringing online CHAPS (Council Homes Acquisition Programme) acquired properties for move on from TA. To address high-cost NPA placements, a decant programme must be scaled up significantly in the next quarter.

2025/26 Savings

- 1.8. Against a full year savings target of £3.4m, Housing Demand are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Housing Demand

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status	2025/26 Additional Savings Delivery OVER TARGET £'000s
Holding Vacancies across HD: 5% Housing Related Support	-25	-25	0	Green	On track to deliver 5%	
Holding Vacancies across HD: 5% TA and Homelessness	-400	-400	0	Green	On track to deliver 5%	
Housing Related Support Contract Savings - A review of contract provision across Housing Related Support has enabled a proposal of multiple lower value savings opportunities. These will be achieved by natural wastage (pausing recruitment or not recruiting to vacant posts), streamlining service delivery, exploring options for consolidating office space usage by commissioned services and ceasing delivery of small value contracts where we have clear data to show low utilisation rates.	-412	-412	0	Green	HRS have already negotiated with providers to reduce contract values by up to 20% for the IAG/Floating support contracts – budget reduction formally commenced 1st of April 2025	

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status	2025/26 Additional Savings Delivery OVER TARGET £'000s
<p>More Cost-Effective Sources of Temporary Accommodation - The delivery of this saving is through the combination of a number of initiatives to reduce the overall cost of homes secured for temporary accommodation and to increase the amount of Local Housing Allowance recouped by the Council. Key initiatives to reduce our reliance on expensive nightly-paid accommodation include entering into longer term leases for properties; delivering a housing acquisition programme of 250 homes per annum and modernising the Council's rent setting policy for TA to ensure the Council is maximising the amount that it is legally entitled to recouped within housing benefit rules.</p>	-2,600	-2,600	0	Green	<p>A clear approach to tracking savings and performance has been established and Power BI dashboard is in place to monitor savings and performance.</p> <p>In addition to the estimated savings of just under £2.6m it is expected that the Acquisitions savings will be under target by the end of the year, though pipeline monies are expected to be realised next financial year. The impact of voids work taking place may also result some of this target being achieved this year.</p> <p>It is expected that the income generated through addressing those in TA not claiming HB will meet the target by the end of the year.</p>	-632
TOTAL	-3,438	-3,438	0	GREEN		-632

PUBLIC HEALTH

- 1.9. As at Quarter 3, Public Health is projecting a breakeven position. Any underspend at the year-end will be transferred to the Public Health Reserve or any overspend will require a drawdown from reserve.

2025/26 Savings

- 1.10. Against a full year savings target of £295,000, Public Health are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Public Health

Description	2025/26 FY Savings £'000s	2025/26 Projected Full Year Savings Delivery £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
0-19 years Public Health Nursing Services efficiencies	(150)	(150)	0	Green	
Deletion of Public Health Business Support Post	(37)	(37)	0	Green	
Vacancy Factor savings for Public Health	(108)	(108)	0	Green	
TOTAL	-295	-295	0	Green	

Capital Forecasts

SCHEME REF	SCHEME NAME	2025/26 Full year Revised Budget @ Qtr. 2 (£'000)	2025/26 QTR. 3 Budget Adjustment (£'000)	2025/26 Full year Revised Budget @ Qtr. 3 (£'000)	2025/26 Qtr. 3 Forecast Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000)	Scheme Progress Comments
201	Aids, Adap's & Assistive Tech - Home Owners (DFG)	3,616	0	3,616	3,144	(472)	Red	Red	Red	(473)	It was anticipated that the full budget would have been realised by the end of the financial year. The red alert now reflects the fact that we are significantly behind our scheduled spend profile. We are working with Strategic Procurement, and good progress has been made but contracts not yet in place. As a result, we will have an underspend. However, this underspend will need to be carried over into the next financial year for when our contracts come online.
211	Community Alarm Service	177	0	177	177	0	Green	Green	Green	(0)	Assistive technology expenditure is planned and in progress

SCHEME REF	SCHEME NAME	2025/26 Full year Revised Budget @ Qtr. 2 (£'000)	2025/26 QTR. 3 Budget Adjustment (£'000)	2025/26 Full year Revised Budget @ Qtr. 3 (£'000)	2025/26 Qtr. 3 Forecast Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000)	Scheme Progress Comments
213	Canning Crescent Assisted Living	682	0	682	682	0	Green	Green	Green	0	End of defects August 2026
225	Locality Hub	338	0	338	10	(328)	N/A	N/A	N/A	10	Scheme is on hold pending review of business case.
226	Initiatives under Housing Demand Programme	4,850	0	4,850	4,850	0	Green	Green	Green	0	Projections are based on delivery requirements of the GLA CHAP programme.
Adults, Housing & Health		9,663	0	9,663	8,863	(800)				(463)	

REVISED 2025/26 - 29/30 (GF) CAPITAL MTFS AS AT QUARTER 3

SCHEME REF	SCHEME NAME	2025/26 Revised Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)	2028/29 Budget (£'000)	2029/30 Budget (£'000)	2025/26 (Revised Budget) - 29/30 (£'000) Total
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	3,616	2,200	2,200	2,200	2,200	12,416
211	Community Alarm Service	177	177	177	0	0	531
213	Canning Crescent Assisted Living	682	0	0	0	0	682
225	Locality Hub	338	0	0	0	0	338
226	Initiatives under Housing Demand Programme	4,850	5,150	0	0	0	10,000
Adults, Housing & Health		9,663	7,527	2,377	2,200	2,200	23,967