



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Graham Walton
graham.walton@bromley.gov.uk

DIRECT LINE: 020 8461 7743

FAX: 020 8290 0608

DATE: 26 February 2015

CARE SERVICES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Meeting to be held on Wednesday 4 March 2015

Please see the attached report marked "to follow" on the agenda -

- 7a Care Services Portfolio Budget Monitoring January 2015**
(Pages 3 - 18)

Please note that the following reports have been withdrawn -

- 8b Adoption Update and Grant Drawdown**
- 11. Draft Disability Strategy 2015**

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

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Report No.
CS14133

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: CARE SERVICES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 4th March 2015

Decision Type: Non-Urgent Executive Non-Key

Title: BUDGET MONITORING 2014/15

Contact Officer: David Bradshaw, Head of Education, Care & Health Services Finance
Tel: 020 8313 4807 E-mail: David.Bradshaw@bromley.gov.uk

Chief Officer: Terry Parkin, Executive Director of Education, Care & Health Services

Ward: (All Wards);

1. Reason for report

1.1 This report provides the budget monitoring position for 2014/15 based on activity up to the end of January 2015 2014.

2. **RECOMMENDATION(S)**

2.1 **The Care Services PDS committee are invited to:**

- (i) **Note that the latest projected overspend of £932,000 is forecast on the controllable budget, based on information as at January 2015;**
- (ii) **Note the full year effect for 2015/16 of £2,897,000 as set out in section 4;**
- (iii) **Note the new funding release request detailed in section 5 of this report;**
- (iv) **Note the comments of the Executive Director in section 8 of this report; and,**
- (v) **Refer the report to the Portfolio Holder for approval.**

2.2 **The Portfolio Holder is asked to:**

- (i) **Note that the latest projected overspend of £932,000 is forecast on the controllable budget, based on information as at January 2015;**
- (ii) **Refer the new funding release request in section 5 to Executive for approval.**

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Children and Young People
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Care Services Portfolio
 4. Total current budget for this head: £119.067m
 5. Source of funding: Care Services Approved Budget
-

Staff

1. Number of staff (current and additional): 876 Full time equivalent
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2014/15 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The 2014/15 projected outturn for the Care Services Portfolio is detailed in Appendix 1a, broken down over each division within the service. Appendix 1b gives explanatory notes on the movements in each service.

Adult Social Care and Commissioning – Care related costs

- 3.2 The placement budgets are projected to overspend in 2014/15 by £1,330k and £2,769k in a full year. The policy has been to keep people out of residential and into extra care housing or at home, as far as is professionally safe, as it is the frequently more cost effective and provides a better outcome for many service users (e.g. independence).
- 3.3 The overspend is, in the main, due to unexpected placements made at the end of 2013/14 following through into 2014/15 of £489k and the budget savings option for capping of social care costs totalling £1,450k that has not yet been delivered. There is also increased pressure on areas such as Mental Health services that has seen a rise in placements being made. This will have to be addressed to manage the overspend as this leads to further cost pressures following into 2015/16.
- 3.4 Since the last monitoring report, the overspend has been further reduced mainly due to further reductions in assumptions for future activity, clients receiving funding from health, further management action and attrition levels increasing above average in Learning Disabilities and Mental Health.
- 3.5 This has meant that the overspend has reduced from the last reported overspend of £1,759k to £1,330k. However the underlying pressure remains and this is reflected in the full year effect for 2015/16 of £2,769k.

Housing

- 3.6 There are currently no further pressures forecast in Temporary Accommodation (TA) (Bed and Breakfast) in 2014/15. Additional funding available in contingency has been drawn down which reduces the pressure to a net zero. Executive agreed on the 15th October 2014 that £653k of a possible £1.2m of contingency could be drawn down to alleviate pressures on this budget. The remaining contingency amount was agreed by Executive on the 15th October 2014 to be used for the development of Manorfields as temporary accommodation.
- 3.7 Although numbers are continuing to rise with an average of 15 per month expected during the remainder of the financial year, this is assumed within the financial projections. Officers are currently modelling different scenarios to quantify the effect of possible initiatives to limit the growth.
- 3.8 However there will need to be an additional provision for bad debts for rent arrears as this has increased substantially since the last monitoring report. An additional £225k has been set aside to offset these potential costs. This will be closely monitored for the remainder of the year as further provision may be required if the trend of bad debts continues. This is partially offset by an underspend in salary costs.

Children's Social Care

- 3.8 Care and resources is now expected to be overspent by the year end by £10k. Pressures in the Leaving Care budgets have been offset by reductions in the main placement budget. Contained within this overspend is management action that has been assumed to be delivering £200k by the year end.

3.9 Although a sum of £260k was approved in 2013/14 as growth for people with No Recourse to Public Funds (NRPF), pressures continue to rise in this area resulting in a projected overspend of £237k for 2014/15. The full year effect of both for placements and NRPF will be £268k in 2015/16.

4. FULL YEAR EFFECT GOING INTO 2015/16

4.1 The cost pressures identified in section 3 above will impact in 2015/16 by £2,897k. This figure does not include £77k for Housing as it is likely to be able to be drawn down from the central contingency to alleviate Housing Pressures. Management action will need to be taken to ensure that the remaining £2,897k does not impact of future years.

4.2 This figure has reduced from £3.022m reported in January to the PDS.

4.2 Given the financial position facing the council over the next four years which has been identified as a funding gap of over £53m, officers will need to ensure that budgets are managed within the overall resources available or alternative savings identified.

5. NEW FUNDING – HELPING PEOPLE HOME £120K

5.1 At the end of January 2015, the Department for Communities and Local Government (DCLG) announced a new grant to be spent in 2014/15 called Helping People Home. Bromley's allocation is £120,000. The grant is ring fenced and can only be used for the following purposes:-

- a) help people return to their home from hospital when it is appropriate to do so
- b) reduce the risk of avoidable admissions or readmissions into hospital from the over 65's or those in receipt of social care

5.2 The grant has to be spent by the end of the financial year, any unspent grant funding will have to be returned.

5.3 In order to access the grant regular reporting back to DCLG needs to take place on the type of interventions and the impact that they have. Officers have put plans in place in order to be able draw on this funding if agreed.

5.4 It is recommended that the Portfolio Holder refer the funding to Executive for approval so that the grant funding can be spent by the end of the financial year.

6. POLICY IMPLICATIONS

6.1 The Resources Portfolio Plan includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.

6.2 Bromley's Best Value Performance Plan "Making a Difference" refers to the Council's intention to remain amongst the lowest Council Tax levels in outer London and the importance of greater focus on priorities.

6.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2014/15 to minimise the risk of compounding financial pressures in future years.

6.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council's budgetary control and monitoring arrangements.

7. FINANCIAL IMPLICATIONS

- 7.1 A detailed breakdown of the projected outturn by service area is shown in appendix 1(a) with explanatory notes in appendix 1(b). Appendix 1 (c) shows the latest full year effects. Appendix 2 gives the analysis of the latest approved budget. Other financial implications are contained in the body of this report and Appendix 1b provides more detailed notes on the major services.
- 7.2 Overall the current overspend position stands at £932k (£2,897k full year effect). The full year effect will have to be addressed in 2015/16 in due course.

8. DIRECTOR'S COMMENTS

- 8.1 Members will know that across this year, containing costs has proved a challenge, particularly in our older people's services. We end the year some 50 placements over budget but actually with no net increase across the year in spite of the issues with our partner, King's College Hospital. These residents account for a significant proportion of the pressures moving into next year. We are content that Panel processes are now robust and we are grateful to the Members who have joined panels from time to time and helped with the improvement process.
- 8.2 In the coming year, the new front door arrangement will continue to contain and we expect divert residents early from our statutory services giving individuals more control over their lives. We continue to see outstanding work from our commissioners, continuing to secure outstanding value for money in our placements and making a significant contribution to ameliorating some of the pressures.
- 8.3 Housing continues to exert very considerable pressures on our budgets and although covered by contingencies following the very early recognition of these pressures, Members will note that we are not predicting any significant changes in pressures from those seeking temporary accommodation and so it is important that Manorfields comes on stream at the earliest opportunity to help control these pressures.
- 8.4 Children's Social Care has returned an overall balanced budget. However, we continue to see pressures from the unfunded pressures passed to local government from Whitehall including care leavers and those with no recourse to public funds. Once again, we see very good value for money in our placement costs, and, for a number of children, strong financial support from the CCG.

Non-Applicable Sections:	Legal Implications Personnel Implications Customer Implications
Background Documents: (Access via Contact Officer)	2014/15 Budget Monitoring files in ECHS Finance Section

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2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION, CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
18	AIDS-HIV Service	0	0	0	0		0	
30,925	Assessment and Care Management	25,475	24,191	26,226	2,035	1	2,160	2,026
	Income from court protection			Cr 110	Cr 110		Cr 110	Cr 110
	Management action - BCF contribution			Cr 350	Cr 350		Cr 350	0
3,897	Direct Services	3,269	3,331	3,304	Cr 27	4	Cr 38	0
2,868	Learning Disabilities Care Management	2,052	3,154	3,201	47	1	86	414
1,694	Learning Disabilities Day and Short Breaks Service	2,100	2,096	1,960	Cr 136	2	Cr 150	Cr 66
988	Learning Disabilities Housing & Support	1,562	1,383	1,268	Cr 115	3	Cr 102	Cr 115
40,390		34,458	34,155	35,499	1,344		1,496	2,149
Operational Housing								
4,571	Housing Needs	4,576	5,778	5,961	183	5	0	77
	Housing funds held in contingency							Cr 77
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 778	Housing Benefits	Cr 1,662	Cr 1,662	Cr 1,662	0		0	0
3,792		2,913	4,115	4,298	183		0	0
Strategic and Business Support Services								
1,945	Strategic & Business Support	2,198	2,191	2,005	Cr 186	6	Cr 131	0
331	Learning & Development	394	394	267	Cr 127		Cr 123	0
2,276		2,592	2,585	2,272	Cr 313		Cr 254	0
Children's Social Care								
14,413	Care and Resources	17,238	17,223	17,433	210		170	70
	Management action - Restriction of placements			Cr 200	Cr 200		Cr 200	0
1,544	Safeguarding and Quality Assurance	1,402	1,426	1,388	Cr 38		Cr 38	0
3,373	Safeguarding and Care Planning	3,499	3,499	3,499	0		0	0
3,615	Referral and Assessment	3,413	3,413	3,650	237	7	247	198
765	Bromley Youth Support Programme	817	817	817	0		0	0
4,025	Children's Disability Service	2,433	2,433	2,402	Cr 31		Cr 76	0
27,735		28,802	28,811	28,989	178		103	268
Commissioning								
3,311	Commissioning	3,105	3,359	3,262	Cr 97	8	34	0
0	Information & Early Intervention	1,278	1,385	1,426	41		41	41
22,327	Learning Disabilities	24,311	23,965	23,525	Cr 440	1	Cr 350	369
4,776	Mental Health Services	5,644	6,349	6,678	329	1	431	504
	Mental Health Services - Management action	0	0	Cr 181	Cr 181	1	Cr 108	Cr 434
2,843	Supporting People	2,060	2,006	1,860	Cr 146	9	Cr 146	0
0	NHS Support For Social Care							
10,299	- Expenditure	4,548	6,528	6,528	0		0	0
Cr 10,299	- Income	Cr 4,548	Cr 6,528	Cr 6,528	0		0	0
33,257		36,398	37,064	36,570	Cr 494		Cr 98	480
Public Health								
12,229	Public Health	12,230	12,230	11,668	Cr 562		Cr 436	0
Cr 12,601	Public Health - Grant Income	Cr 12,601	Cr 12,601	Cr 12,039	562		436	0
Cr 372		Cr 371	Cr 371	Cr 371	0		0	0
107,078	TOTAL CONTROLLABLE FOR ECHS DEPARTMENT	104,792	106,359	107,257	896		1,247	2,897
ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT								
Environmental Services - Housing								
179	Housing Improvement	148	148	182	34	10	23	40
	Management action to meet FYE							Cr 40
179	TOTAL CONTROLLABLE FOR E & CS DEPT	148	148	182	34		23	0
107,257	TOTAL CONTROLLABLE BUDGET FOR THE PORTFOLIO	104,940	106,507	107,439	932		1,270	2,897
2,073	TOTAL NON CONTROLLABLE	1,483	1,476	1,489	13		16	0
9,883	TOTAL EXCLUDED RECHARGES	11,247	11,084	11,084	0		0	0
119,213	CARE SERVICES PORTFOLIO TOTAL	117,670	119,067	120,012	945		1,286	2,897

2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
MEMORANDUM ITEMS								
30	Invest to Save projects: Savings	Cr 515	Cr 515	Cr 237	278		278	0
216	Dementia Investment Plan	Cr 345	Cr 345	Cr 66	279		279	0
246	PD Investment Plan	Cr 860	Cr 860	Cr 303	557		557	0
	Invest to Save projects							

REASONS FOR VARIATIONS**1. Adult Social Care and Commissioning - Care-Related Costs - Dr £1,622k**

	£'000
<u>Adult Social Care:</u>	
Assessment & Care Management (18-65 and 65+)	1,575
Learning Disabilities Care Management (18-65 and 65+)	47
	<u>1,622</u>
<u>Commissioning:</u>	
Learning Disabilities (18-65 and 65+)	(440)
Mental Health (18-65 and 65+)	329
Mental Health (18-65 and 65+) - planned management action	(181)
	<u>(292)</u>
Total Projected Overspend	<u>1,330</u>

As reported last cycle, a new Adult Social Care "Service Reporting Code of Practice" (SERCOP) was implemented with effect from 1st April 2014. This had significant implications for budget management and financial reporting structures. In addition, "Zero Based Review" data collection changes were effective from the same date.

The main areas of change have included re-classification of all adult social care clients according to their Primary Support Reason (PSR), including those clients over 65 who were all previously classified as "Older People" irrespective of their primary care need. Further, support now has a greater degree of classification between long term and short term support.

The new PSRs include: Physical Support; Sensory Support; Support with Memory and Cognition; Learning Disability Support; Mental Health Support. There is a further category of Social Support which includes support to Carers.

There are still some issues to be resolved in relation to the implementation of the above changes, particularly final changes to some clients' PSRs and the consequent adjustments to budgets and projections.

These changes have had a significant impact on information available to monitor the budgets. Projections have been calculated based on the distribution of clients across PSRs at a point in time. Similarly, the budgets were calculated based on the profile of clients across the new PSRs in April 2014. Both of these sets of information continue to require further work and, as such, the above projections should be viewed only in total, with the expectation that the pattern of overspend will shift between individual budget heads in future months.

The projected overspend of £1.6m arises from the full year effect of 2013/14 activity combined with projected new activity in 2014/15 and 2014/15 budget savings, including £1.45m saving from the capping of Adult Social Care costs (see section below for further details)

Adult Social Care

The overspend in Adult Social Care can be further analysed as follows:

	Projected Variation £'000	Previous Variation £'000	Change £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>			
Services for 65 + - Placements	1,168	1,238	-70
- Domiciliary Care / Direct Payments	923	932	-9
Services for 18 - 64 - Placements	-7	41	-48
- Domiciliary Care / Direct Payments	-175	-179	4
Management action - BCF contribution	-350	-350	0
Extra Care Housing	36	0	36
Staffing Costs	-20	18	-38
	<u>1,575</u>	<u>1,700</u>	<u>-125</u>

The £1.45m saving from the capping of Adult Social Care costs was allocated across both placements (£1.031m, equivalent to 50 places) and domiciliary care/direct payments budgets (£0.419m) for the over 65's. Whilst placement numbers for the under 65's remain within the budget, those for the over 65's are currently showing 57 placements above budget, indicating that attempts to reduce numbers have not been successful. Since the last reported figures relating to November there has been a net reduction of 1 placement. Costs for domiciliary care and direct payments have reduced slightly, but a large overspend remains in this area. The Extra Care Housing (external) schemes are showing a projected overspend of £36k this period as we have now received the first set of invoices for the year in relation to the costs of voids which are not budgeted for.

The 2 invest to save schemes relating to Dementia (older people) and Physical Disability & Sensory Impairment have also not achieved the savings that were included in the budget, thus contributing to the overspend position. The dementia under achievement totals £278k and PD £279k. Work continues in both these areas with a view to achieving these savings.

Commissioning**Learning Disabilities - Cr £440k**

The projected spend has reduced from the previous report by £350k to a projected underspend position of £440k. This is due to a number of factors but has arisen mainly from contract efficiencies, limiting inflationary increases paid to providers, reduced future spend assumptions (potential placements being deferred / not materialising / at lower cost) and attrition.

The projections include a number of assumptions on increased client needs, carer breakdowns, remaining transition cases and the effect of Ordinary Residence transfers both in and out of Bromley. These assumptions have been reviewed in detail this cycle but there continues to be an element of forward projection in the reported figures; the position is likely to change between now and year-end.

Mental Health - Dr £329k (Dr £148k after planned management action savings)

Based on current client PSR classifications in Carefirst, an overspend of £329k is anticipated on Mental Health care packages. Once planned management action has been factored in this reduces to a projected overspend of £148k. This planned management action has a significant impact on the full year effect, reducing it considerably. However, there appears to be a significant degree of client misclassification for Mental Health and, until this is resolved, it is difficult to manage or monitor budgets effectively. Both budgets and projections are likely to change once PSR issues are resolved. Current data indicates that the net number of Mental Health placements is increasing each cycle and it has been assumed that this trend continues for the rest of the year.

2. Learning Disabilities Day and Short Breaks Service - Cr £136k

The learning disabilities short breaks service at Widmore Road has been running since 2013, when the 2 former respite units at Bromley Road and Tugmutton Close closed. The combining of the 2 facilities on to one new site has enabled staffing efficiencies to be made and a projected underspend of £136k is now reported as the service beds down on the new site.

3. Learning Disabilities Housing and Support - Cr £115k

Some minor restructuring of the service, including the deregistration of the residential units at St Blaise and Orchard Grove and changes around the management of the service have resulted in a current projected underspend of £115k.

4. Direct Care - Cr £27k

a) **Extra Care Housing - Dr £270k**

There is a significant pressure on the in-house ECH budgets, mainly due to the need to provide additional support to some service users with mental health / dementia needs. There has also been an increase in the number of flats being used as 'step down' facilities by care management, resulting in subsequent loss of income (as this is not a chargeable service). There has been an increase to the overspend reported in November of £34k. The main variations can be analysed as £332k overspend on staffing and £67k overachievement of income.

b) **Transport Service- Cr £192k**

Monitoring of the transport budget has identified a projected underspend of £192k, £41k in relation to staffing costs of the SEN Transport Team and £151k for transport related costs of the social care related part of the service. The number of ambulances has reduced over the years from 21 to 19, the remainder are now in their secondary leasing period and have lower leasing costs, fuel costs have reduced and the budget for miscellaneous running expenses is underspending.

c) **Reablement - Cr £133k**

The underspend in this area relates to staffing, with increased vacancies in the service not being able to be filled by suitably qualified agency staff. As a result the team are carrying out less reablement of clients, which is likely to lead to increased costs within assessment and care management.

d) **Carelink - Dr £28k**

There is a minor projected overspend of £6k in the service in relation to staffing and a projected underachievement of income of £22k.

5. Operational Housing - Dr £183k

As a result of the drawdown of £653k approved by Executive on 15th October 2014, no variation is currently projected for temporary accommodation budgets. The projection assumes continued growth of 15 clients per month combined with continuing rising unit costs. This increase has been noticeable across all London Boroughs and is the result of the pressures of rent and mortgage arrears coupled with a reduction in the numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

Although no variation is expected in-year for temporary accommodation, there is a projected full year effect pressure of £77k in 2015/16. However, this only takes account of projected activity to the end of March 2015 and does not include any projected further growth in numbers beyond that point.

There will be a further revenue contribution to Capital as part of the year end closing of accounts for 2014/15, due to increased costs (overspend) associated with the Bellegrove conversion of £49k. This, the £16k shortfall previously reported relating to the Manorfields conversion, and a projected £17k overspend on furniture storage will be offset by one off in-year underspends on various staffing budgets due to delays in the recruitment and appointment of staff as part of the restructure, plus a few minor underspends on running expenses.

There will need to be an additional provision for bad debts for rent arrears as this has increased substantially since the last monitoring report. An additional £225k has been set aside to offset these potential costs. This will be closely monitored for the remainder of the year as further provision may be required if the trend of bad debts continues.

Projected
variation
£'000

Staffing & running costs	Cr	124
Bad Debt provision		225
Manorfields capital shortfall		16
Bellegrove capital overspend		49
Furniture storage		17
		<u>183</u>

6. Strategic and Business Support - Cr £313k

The projected underspend of £313k has arisen from a combination of: part year vacancies; underspends on running expenses (including staff advertising); significantly reduced levels of activity on training mainly as a result of delays in the delivery of Care Act training; projected net additional income from schools.

7. Children's Social Care - Dr £178k

The projected overspend in Children's Social Care has increased this month with the main areas of under / overspending being:

Placements - Cr £679k

The children's placement budget is currently projected to underspend by £679k (an increased underspend from that reported last time), based on current numbers of children being looked after, plus an assumption for new children having to be looked after during the year. This is partly offset by increased costs of children leaving care, as reported below. Residential placements are projected to be underspent by a net £503k, whilst fostering & adoption costs are expected to be £51k underspent. Additionally, income generated from adoption assessments has netted £125k above the budget.

No Recourse to Public Funds - Dr £237k

The cost to Bromley for people with no recourse to public funding significantly exceeded the budget established for these costs in 2013-14. Additional budget was moved into this area for 2014/15, however the trend of increased costs is continuing during the current financial year, with a current projected overspend of £237k now being reported, a slight reduction from the last reported figure. The projection includes an assumption for new clients coming through the system for the remainder of the year.

Leaving Care Clients - 16/17 year olds - Dr £186k

Expenditure relating to leaving care services for 16 and 17 year olds is projected to overspend due to the numbers of children leaving care. This amount has decreased slightly from the last reported figure of £224k. This could further increase if more children within this age group leave care requiring services.

Leaving Care Clients - 18 plus - Dr £261k

Expenditure relating to leaving care services for 18 year olds and over is projected to overspend as a result of delays relating to the reclaiming of housing benefits and the non recovery of some personal charges which will have to be written off. Officers are working together to ensure that all sums that should be recovered are recovered in a timely manner. However the level of bad debts has risen since the last monitoring and needs to be monitored carefully

Children's Disability Service - Cr £31k

The Children's Disability team are expected to be £31k under budget.

Other miscellaneous budgets - Dr £204k

An SLA with an external provider was not renewed in 2013-14, resulting in a continuing underspend of £38k, staffing budgets across the division are projected to overspend by approximately £150k and legal costs of £91k have been incurred relating to care proceedings for which there is no budgetary provision.

8. Commissioning - Cr £97k

Although a relatively small total variation, the projected net overspend of £34k comprises:

	Projected variation
	£'000
Taxicard	Cr 56
Contracts (net)	Cr 18
Carers	Cr 5
Commissioning staffing and related budgets	Cr 18
Deprivation of Liberty Safeguards	0
Projected net overspend	<u>-97</u>

The underspend on Taxicard arises from a TfL and London Councils re-profiling exercise and lower than budgeted take-up in Bromley, resulting in a reduced charge. The projected underspends on contracts and Carers budgets largely arise from limiting inflationary increases to third party providers.

A recent Supreme Court judgement relating to Deprivation of Liberty Safeguards has potentially significant financial implications. The background was reported most recently to Executive in November 2014 where it was agreed that an additional £163k in the 2014/15 financial year be added to offset in year pressures. Further funding has been set aside for 2015/16, half of which has been added to the budget and the remainder held in contingency to be drawn down. The position for DoLs is now cost neutral

9. Supporting People - Cr £146k

The projected underspend of £146k on Supporting People budgets arises from inflationary savings and the effect of re-tendering / extending contracts at a reduced cost. It should be noted that any savings arising from future re-tendering or contract extensions have not been assumed in this figure so the underspend may increase. There was a £270k saving built in to the 2014/15 budget and the £146k underspend is in excess of this.

10. Housing Improvement - Dr £34k

There is a projected shortfall within renovation grant agency fee income and other income. This is due to reduced activity on capital schemes which has had a corresponding effect on the fees earned. There are other minor variations across of the service giving rise to the net deficit

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

Since the last report to the Executive, waivers were approved as follows:

- (a) There were 2 contract waiver's agreed for the continuation of current contract's of more than £100k.
- (b) There were 4 waiver's agreed for placement's over £50k but less than £100k in Adult Social Care and 1 waiver agreed for over £100k.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" are included in financial monitoring reports to the Portfolio Holder. Since the last report to the Executive, one virement of £10k has been actioned for the transfer of funding for ECHS data cleansing to Education.

Description	2014/15 Latest Approved Budget £'000	Variation To 2014/15 Budget £'000	Potential Impact in 2015/16
Housing Needs - Temporary Accommodation	5,778	0	The full year effect of the current projections for temporary accommodation anticipated to be a pressure of £77k in 2015/16. This includes the £653k draw down from contingency in 2014/15 for the impact of welfare reforms approved by Executive on 15th Oct 2014. However, this only takes account of projected activity to the end of March 2015, and does not include any projected further growth in numbers beyond that point. Officers are currently modelling different scenarios to quantify the effect of further possible initiatives and also the most appropriate deployment of existing initiatives to maximise the financial benefit. The full year effect is included in the Council's draft budget for 2015/16.
Adult Care Placements	49,528	1,330	The net overspend on adult care placements is forecast to produce a full year overspend of £2,769k, based on activity to 31/3/15 only (i.e. doesn't include changes to activity levels in future years). The FYE has now been reflected in the 2015/16 budget.
Learning Disabilities Short Breaks Service	647	Cr 136	An underspend of £66k is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget.
Learning Disabilities Housing & Support	1,383	Cr 115	The underspend currently reported in 2014/15 is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget.
Information & Early Intervention	1,385	41	The overspend currently reported for 2014/15 is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget.
Children's Social Care - Placements	12,800	Cr 679	The full year effect of the current projection is calculated at a £417k underspend. Officers have continued to work towards increasing the number of in-house foster carers so that expensive external placements can be avoided. The FYE has now been reflected in the 2015/16 budget.
Children's Social Care - No Recourse to Public Funds	382	237	The full year effect of clients who have no recourse to public funds and Bromley are having to pay for has been calculated at £198k based on current numbers after the increase in budget has been taken into account. The Welfare Reform changes currently being implemented may impact on this amount further. Officers will monitor the position and report any changes as part of the budget monitoring process during the year. The FYE has now been reflected in the 2015/16 budget.
Children's Social Care - Leaving Care Services for 16/17 year olds and 18+	478	447	The full year effect of clients who have left care is currently calculated at £347k. This mainly relates to 16 and 17 year olds who are not able to claim housing benefits and the full cost of accommodation is payable by the council. The FYE has now been reflected in the 2015/16 budget.

Reconciliation of Latest Approved Budget	£'000
2014/15 Original Budget	117,670
Local Reform and Community Voices - IMHA (Exec 2/4/14):	
- grant related expenditure 2014/15	64
- grant related expenditure 2014/15	Cr 64
Local Reform and Community Voices - DOLS (Exec 10/6/14):	
- grant related expenditure 2014/15	24
- grant related expenditure 2014/15	Cr 24
Adult Social Care Investment Proposal - Demand Management (Exec 22/7/14)	
- expenditure	250
- contribution from earmarked reserve	Cr 250
New Grant - Staying Put Implementation Grant	
- expenditure	36
- income	Cr 36
Increase in insurance premiums	4
<i>Carry Forwards:</i>	
Social Care funding via the CCG under s256 (Invest to Save)	
- expenditure	449
- income	Cr 449
Impact of Care Bill / Adult Social Care Gateway Review	
- expenditure	249
- income	Cr 249
Tackling Troubled Families	
- expenditure	764
- income	Cr 764
Public Health weight management pilot	
- expenditure	98
- income	Cr 98
Carry forward - Social Care Funding via the CCG under s256 (Invest to Save)	
- expenditure	40
- income	Cr 40
Welfare Reform Implementation Funding	
- expenditure	66
- income	Cr 66
Public Health s256	
- expenditure	44
- income	Cr 44
Public Health Transition Funding	
- expenditure	42
- income	Cr 42
NHS funding transfer integration funding - expenditure	
- expenditure	992
- income	Cr 992
Provision for homelessness (impact of recession/changes to welfare benefits)	
- Bed & Breakfast	653
- Manorfields	547
Merit Awards	40
Deprivation of Liberty Safeguards	163

Data Cleansing	Cr	10
Helping People Home		
- expenditure		120
- income	Cr	120
Total Variations		<u>1,397</u>
2014/15 Latest Approved Budget		<u>119,067</u>

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