

**Decision Maker:** **Adult & Community Services Policy Development & Scrutiny Committee**

**Date:** 30<sup>th</sup> November 2011

**Decision Type:** Non-Urgent                      Non Executive                      Non-Key

**Title:** **BUDGET MONITORING 2011/12**

**Contact Officer:** Lesley Moore, Deputy Finance Director,  
Tel: 020 8461 4633 E-mail: lesley.moore@bromley.gov.uk

**Chief Officer:** Anne Watts for Director of Adult & Community Services

**Ward:** Borough Wide

---

1. Reason for report

This report provides the budget monitoring position for 2011/12 based on activity up to the end October 2011.

---

2. **RECOMMENDATION(S)**

2.1 Note that a projected underspend of £374,000 is forecast, based on information as at October 2011.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
- 

### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: Recurring cost.
  3. Budget head/performance centre: Adult and Community Services Portfolio
  4. Total current budget for this head: £102.3m
  5. Source of funding: ACS Approved Budget
- 

### Staff

1. Number of staff (current and additional): 657 fte's
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Statutory requirement. The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000; and the Local Government Act 2002.
  2. Call-in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2011/12 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.
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.

Summary of Ward Councillors comments: Council Wide

### 3. Comments – from the Adult & Community Services Management Team

- 3.1 Although forecasts based on the latest activity available show a full year overspend of £204,000 on placements and domiciliary care for older people and people with physical disabilities, it is anticipated that this budget will be brought into balance by successful management action from maximising income, continuing to review care packages and delivering reablement savings.
- 3.2 Pressure on temporary accommodation continues and options for temporary use of empty council owned properties and other initiatives (see report elsewhere on the agenda) are being explored to reduce costs going forward. General budgets within the Housing division are being scrutinised in order to find savings to offset the increasing costs.

### 4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan for 2011/12 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.
- 4.2 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.
- 4.3 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 2011/12 to minimise the risk of compounding financial pressures in future years.
- 4.4 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.

### 5. FINANCIAL IMPLICATIONS

- 5.1 A detailed breakdown of the projected outturn by service area is shown in appendix 1(a) with explanatory notes in appendix 1(b). Appendix 2 gives an analysis of the latest approved budget.
- 5.2 The main pressure is within the Care Services division where a net overspend of £461,000 is forecast and can be analysed as follows;

	<b>£'000</b>
Domiciliary Care for Older People	309
Nursing, Residential & Respite for Older People	-134
Aids/Hiv Grant	-40
Admissions Avoidance	147
Learning Disabilities Care Management	139
Other	40
Total Care Services	<u><b>461</b></u>

It is anticipated that the overspend on Assessment and Care Management will have a full year effect of around £204,000 in 2012/13, however it is expected that this will be offset by savings from greater reablement and by maintaining tight eligibility criteria.

5.3 A net underspend of £1,105,000 is forecast in the Commissioning & Partnerships division, an increase of £131,000 since August, mainly as a result of savings from procurement being greater than anticipated. The net underspend can be summarised as follows;

	<b>£'000</b>
Procurement & Contract Compliance - Contract Savings	-491
Negotiated contract uplifts lower than budgeted	-187
Mental Health Services	-275
Learning Disabilities Placements & Other	-138
Other	-14
Projected underspend	<u><u>-1,105</u></u>

5.4 The projected overspend on Bed and Breakfast and temporary accommodation placements has increased to £327,000 due to a continuing increase in the number of households presenting with housing needs, particularly those faced with imminent homelessness. There is a report elsewhere on the agenda that gives an update on the pressures.

5.5 A further explanation of all variations can be found in appendix 1 (b).

<b>Non-Applicable Sections:</b>	Legal, Personnel, Customer Impact
Background Documents: (Access via Contact Officer)	2011/12 Budget Monitoring files within Adult & Community Services Finance Section