

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION & CARE SERVICES DEPARTMENT								
Adult Social Care								
124	AIDS-HIV Grant	120	45	45	0		0	0
32,766	Assessment and Care Management	31,603	32,208	32,291	83	1	-131	-950
5,617	Direct Services	4,626	4,126	4,141	15	2	15	0
2,241	Learning Disabilities Care Management	2,451	2,401	2,410	9	3	-28	0
1,981	Learning Disabilities Day Services	2,050	2,050	1,975	-75	4	-75	0
1,273	Learning Disabilities Housing & Support	1,211	1,259	1,236	-23	5	-23	0
44,002		42,061	42,089	42,098	9		-242	-950
Operational Housing								
2,519	Housing Needs	2,160	2,548	3,079	531	6	509	1,047
-4	Enabling Activities	-4	-4	-4	0		0	0
-954	Housing Benefits	-1,017	-1,017	-1,017	0		0	0
1,561		1,139	1,527	2,058	531		509	1,047
Strategic and Business Support Service								
1,487	Performance & Information	2,510	2,550	2,378	-172	} 7	-194	0
197	Quality Assurance	188	199	192	-7		2	0
0	Transforming Social Care	0	0	14	14		0	0
1,684		2,698	2,749	2,584	-165		-192	0
Children's Social Care								
14,174	Care and Resources	13,125	13,113	13,113	0	} 8	0	0
2,304	Safeguarding and Quality Assurance	1,872	1,828	1,828	0		0	0
2,841	Safeguarding and Care Planning	2,871	2,871	2,871	0		0	0
2,954	Referral and Assessment	2,991	2,991	2,991	0		0	0
837	Bromley Youth Support Programme	911	911	911	0		0	0
23,110		21,770	21,714	21,714	0		0	0
Education Division								
4,489	SEN and Inclusion Children's Disability Services	4,258	4,252	4,252	0		0	0
443	School Improvement Looked After Children	560	560	560	0		0	0
4,932		4,818	4,812	4,812	0		0	0
Commissioning								
2,777	Commissioning	3,621	3,913	4,071	158		177	0
15,345	Learning Disabilities Services	17,144	17,008	15,597	-1,411	9	-956	-1,100
4,670	Mental Health Services	5,193	5,113	4,905	-208	10	-70	-44
3,898	Supporting People	4,052	4,052	3,252	-800	11	-650	0
201	Drugs and Alcohol	254	254	205	-49		0	0
0	PCT Funding (Social Care & Health)	0	0	0	0		0	0
26,891		30,264	30,340	28,030	-2,310		-1,499	-1,144
102,180	TOTAL CONTROLLABLE FOR ECS DEPT	102,750	103,231	101,296	-1,935		-1,424	-1,047
6,021	TOTAL NON CONTROLLABLE	2,487	2,507	2,502	-5		-5	0
11,238	TOTAL EXCLUDED RECHARGES	8,901	9,024	9,024	0		0	0
119,439	GRAND TOTAL FOR ECS DEPT	114,138	114,762	112,822	-1,940		-1,429	-1,047
ENVIRONMENTAL SERVICES DEPARTMENT								
Environmental Services - Housing								
728	Housing Improvement	476	402	402	0	12	0	0
280	Housing Enforcement	254	254	254	0		0	0
1,008	TOTAL CONTROLLABLE FOR ENV SERV DEPT	730	656	656	0		0	0
559	TOTAL NON CONTROLLABLE	1,500	1,500	1,500	0		0	0
344	TOTAL EXCLUDED RECHARGES	146	146	146	0		0	0
1,911	GRAND TOTAL FOR ENVIRONMENTAL SERV DPT	2,376	2,302	2,302	0		0	0
121,350	CARE SERVICES PORTFOLIO TOTAL	116,514	117,064	115,124	-1,940		-1,429	-1,047
Memorandum Item								
Invest to Save projects: Savings								
	Dementia Investment Plan	(100)	(100)	(60)	40		60	
	PD Investment Plan	(100)	(100)	(40)	60		60	
	LD Investment Plan (re Younger Adults)	(100)	(100)	(20)	80		80	
	Sub Total Invest to Save projects	(300)	(300)	(120)	180		200	0

REASONS FOR VARIATIONS**1. Assessment & Care Management - Dr £83k**

The variation can be analysed as follows:-

	£'000
a) Residential/Nursing care and respite for older people	(414)
b) Domiciliary care & direct payments for older people	809
c) less part year saving on retendering of domiciliary care contracts	(400)
d) Residential and domiciliary care for people with physical disabilities	88
	<u>83</u>

- a) The number of nursing and residential placements continue to be below budget resulting in a projected underspend of £266k. In addition, inflationary increases agreed with providers have so far mainly been below the level budgeted for, resulting in a further saving of £148k. An invest to save proposal was agreed at Executive on 7 September 2011 relating to dementia and officers are currently implementing the initiatives agreed, with expected savings already included in the projected outturn. To date it is projected that £45k of cost pressure has been avoided.
- b) There continues to be pressure on the community based budgets for older people, with a projected overspend of £809k reported. The priority is to keep older people in their own homes rather than placed in residential care, especially following discharge from hospital, and this can be seen in the reduced costs of residential and nursing placements above, however this has placed pressure on the domiciliary care and direct payments budgets which continue to overspend.
- c) The above is partly offset by savings being delivered by the reablement team, which continues to support and reable clients and avoid ongoing care costs and savings from the tendering of domiciliary care contracts expected to save approximately £400k this year and £1m in a full year.
- d) Services for clients with physical disabilities were showing a small underspend of £50k at the last budget monitoring. An invest to save proposal to help avoid future growth was agreed at Executive on 19 October 2011 and officers are currently implementing the initiatives agreed, with expected savings already included in the projected outturn. Despite this ongoing work around trying to prevent costly placements, it is expected that 3 new unavoidable placements will have to be made in the near future, and these costs have been factored into the projected outturn, which is now showing an overspend of £88k.

2. Direct Services - Dr £15k

- a) Reablement - The budget for the reablement team is expected to underspend by £19k this year
- b) Carelink - The staffing budget is projected to be underspent by £50k this year, as a result of a minor reorganisation of the service.
- c) Admissions Avoidance service - The overspend of £96k relates to the full staffing costs of the team. The service was jointly commissioned with Bromley PCT and the business case was built on the basis of savings in hospital tariffs, with the risk and benefits being shared by the by the two organisations. Although the activity levels for the service in 2011/12 resulted in avoided admissions (and therefore notional reductions in cost), the PCT had experienced an overall increased spend on emergency acute activity during the year and was not in a position to reimburse any funding to the Council. As a result of this the Council overspent the budget in 2011/12 and with no likely reimbursements in the future, proposals to withdraw from the service were submitted to ACS PDS on 10th April.
The service has now closed and the overspend reported is the final cost for the year.
- d) C.A.R.T's - The projected spend on staffing for the Community Assessment and Rehabilitation team is expected to be £12k below budget this year.

3. Learning Disabilities Care Management - Dr £9k

The overspend relates to minor variations in domiciliary care and direct payment costs.

4. Learning Disabilities Day and Respite Services - Cr £75k

There are 2 services for clients with Learning Disabilities provided under this budget head, day services and respite services. Day services are provided at various council owned premises, as well as in the community, whilst respite services are currently provided at 2 locations in the borough, prior to the move to the new unit at Widmore Road due to open later in the year. There is a net underspend of £76k projected for these services.

5. Learning Disabilities Housing and Support - Cr £23k

The LD Housing and Support service is an inhouse service currently providing residential care and supported living to clients with a learning disability, as well as running the Shared Lives scheme covering all client groups.

6. Housing Needs - Dr £531k

The forecast net overspend of £531k comprises:

	£'000
Nightly paid accommodation (B&B) projected overspend	984
Use of Housing Grants to mitigate overspend	(453)
	<u>531</u>

The number of B&B placements is currently fairly stable, largely as a result of the impact of invest to save initiatives, including the 26 units now available at Cranbrook Court. However, numbers are expected to increase at an average rate of 6 per month (net) for the remainder of the year and this is reflected in the projected overspend. This is a continuation of the trend seen in 2011/12.

The savings from the invest to save initiatives are set out below. It should be noted that there is still an element of projection in some of the figures and the actual position may vary.

	2012/13 £'000	FYE £'000
Top up on existing leasing programme (golden hellos)	(133)	(188)
Enhanced initiatives on homeless prevention and enhanced incentives for access to private rented sector	(349)	(502)
Building conversion (Cranbrook Court)	(88)	(129)
	<u>(570)</u>	<u>(819)</u>

Increases in client numbers and rising unit costs have been noticeable across all London boroughs and are the result of the pressures of rent and mortgage arrears coupled with a reduction in the number of properties available for temporary accommodation. There are high levels of competition and there is evidence of 'out-bidding' between London boroughs to secure properties. This has contributed towards the high cost of nightly paid accommodation.

Given the size of the projected overspend, £453k of Housing grant funding has been used to help offset these cost pressures in the current year. This is a short term measure and doesn't address the increasing cost pressures going forward.

7. Strategic & Business Support Services - Cr £165k

The projected underspend of £165k relates to:

	£'000
Social Care Workforce training	(163)
Other	(2)
	<u>(165)</u>

The savings on Social Care Workforce training partly relate to early achievement of savings required in 2013/14 (recurrent saving) and partly to delayed commissioning of training services in 2012/13 following a strategic workforce learning needs analysis (non-recurrent saving).

8. Children's Social Care - General Commentary

Staffing

Savings of £90k have been achieved as part of the 2012/13 budget setting in the Care and Resources and Safeguarding and Quality Assurance teams.

The Recruitment and Retention package brought in in 2010/11 has been successful in its aim of reducing the overspend within the Social Care teams. There is an ongoing need to rely on agency staff due to the usual reasons of delays in recruitment, sick and maternity leave.

Step Up to Social Work Grant

This is the second year of the two year grant funding and the budget for this year is £465k, plus a carry forward of £51k from 2011/12, which was approved by Executive on 20th June. The DiE has confirmed that any underspend on the grant this year can be carried forward to 2013/14.

Placements

The Placement Budget has had growth of £500k added in 2012/3 to address the high level of overspend in the last 2 financial years. There has been 62% increase nationally in the numbers of children taken into care during this period, and during the last 2 months Bromley itself has seen an increase in the number of placements having to be made. At this stage it is expected that expenditure can be contained within budget, although this will have to be closely monitored.

Unaccompanied Asylum Seeking Children

Grant funding is reducing for these clients as the numbers have fallen over the last few years. Leaving Care clients are now below the de minimus level of 25 so no funding will be received. This resulted in an overspend in 2011/12 and is being monitored closely in 2012/13.

9. Learning Disabilities Services - Cr £1,411k

Budgets for learning disabilities placements (including supported living and shared lives) are forecast to underspend by £1,411k.

The savings arise mainly from commissioning cost efficient placements for some of the ex-PCT reprovion clients, limiting inflationary increases and attrition. The projected spend includes an element for further outstanding inflationary increases which may not occur. This would result in an increased level of underspend.

The projected spend also includes assumptions in relation to future volume-related changes (i.e. increased numbers of clients from: transition, carer breakdowns, increased client needs and Ordinary Residence transfers).

In 2013/14 the full year effect of these savings will be £1.1m. This will be achieved through the delivery of the campus reprovion programme and the benefit from attrition rates.

10. Mental Health Services - Cr £208k

The projected underspend arises partly from the full year effect of client moves during 2011/12 which resulted in more cost effective placements, from increased use of flexible support rather than residential placements and from containing annual contract price increases to providers. Some of the underspend relating to restricting price increases has been attributed to the 2012/13 budget saving for commissioning contract efficiencies.

£75k of the underspend relates to early achievement of savings required in 2013/14 on the s75 Agreement with Oxleas NHS Trust for delivery of community mental health services.

11. Supporting People - Cr £800k

There is a projected underspend of £800k on Supporting People budgets. This is in addition to the savings required to achieve the savings targets built in to the 2012/13 budget (further £400k reduced funding for sheltered housing and £300k reduced commissioning of Supporting People services).

The £800k underspend relates mainly to savings arising from the gateway review of Supporting People funded tenancy support services, from limiting inflationary increases and from the tendering of mental health flexible support services. This represents early achievement of savings required in 2013/14.

12. Housing Improvement - Nil Variation

There is a projected overspend of £17k within employee costs due to non-achievement of the turnover budget. This is fully offset by extra income received as a result of repayment of home improvement loans.

Management Team Comments

There is a forecast underspend of £1,940k in 2012/13 mainly due to retendering of the domiciliary care contracts (£400k), the learning disabilities grant funding relating to the campus re-provision programme and Supporting people budgets.

The main pressure on the budget in 2012/13 is around Bed & Breakfast numbers which continue to increase each month and potentially could result in unfunded cost pressures in excess of £1m by 2013/14. Officers continue to discuss various initiatives with Private Landlords to help mitigate these costs. Detailed work is being undertaken to model the financial implications if numbers increase, track when some of the initiatives are likely to impact on the budget and explore other options that might be available.

Waiver of Financial Regulations:

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

Adult Social Care

- (a) 3 residential placements between £50k and £100k and 1 exceeding £100k.
- (b) There were also contract waivers agreed for £21k, £124k and £544k for extension of current contracts.

Childrens Social Care

- (a) 10 residential placements between £50k and £100k and 16 exceeding £100k.
- (b) A further 2 waivers were approved for residential placements for children with SEN & disabilities, one for £196k p.a and one for £144k p.a. Both of these placements are joint funded with Education with the Care Services contributions being £116k and £72k respectively.
- (c) There was also a contract waiver agreed for £51k.

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" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, the following virement has been actioned.

Funding for Shared Lives Placement Officer, admin support and training / advertising:	£'000
To: Shared Lives staffing / running expenses	48
From: Learning Disabilities residential placements	-48

Description	2012/13 Latest Approved Budget £'000	Variation To 2012/13 Budget £'000	Potential Impact in 2013/14
Residential and Domiciliary care - Older People	20,111	-5	The full year effect of the net overspend in domiciliary and residential care is forecast to be £263k in 2013/14 but this is offset by the full year effect of expected savings of approximately £1,200k arising from the tendering of domiciliary care contracts.
Residential and Domiciliary care - Physical Disabilities	3,508	88	The current full year effect is an underspend of £13k for physically disabled services. There is an invest to save initiative currently being undertaken to mitigate any future growth in this area.
Residential, Supported Living, Shared Lives - Learning Disabilities	25,697	(1,411)	The current projected net underspend on residential, supported living and shared lives in the current year is forecast to produce a full year underspend of £1.1m in 2013/14, based on 2012/13 activity only (i.e. doesn't include planned activity in future years). This will be offset by savings required to be made in the 2013/14 budget.
Residential Care, Supported Living, Flexible Support, Direct Payments - Mental Health	2,989	(44)	The full year effect of the 2012/13 underspend is forecast to be Cr £44k based on current year activity.
Housing Needs - Temporary Accommodation (net of HB)	254	531	The full year effect of the projected overspend is forecast to be £1,047k in 2013/14. This is based on projected activity to the end of March 2013 and includes assumptions on savings arising from invest to save initiatives. It does not include any projected further growth in numbers beyond the end of March 2013.

LATEST APPROVED BUDGET 2012/13
Care Services Portfolio

BUDGET VARIATIONS

	£'000
2012/13 Original Budget	116,514 *
Support services recharge adjustment for Appointeeship (from Corporate)	124
NHS Social Care Investment Plan (Exec 25/5/12):	
- expenditure	73
- income	Cr 73
Children's Social Care Invest to Contain Proposal (Exec 20/6/12):	
- expenditure	51
- income	Cr 51
<u>2011/12 Carry Forwards agreed by Executive 20/06/12:</u>	
Social Care Reform Grant	139
Joint Improvement Programme	6
Grant income carried forward	Cr 145
Warm Homes Healthy People Fund	33
Grant income carried forward	Cr 33
Homelessness Grant 10/11	120
Overcrowding Pathfinder	45
Mortgage Rescue Fund	23
Preventing Repossessions Fund	147
DWP Grant Discretionary Housing Payment	44
Contribution from Earmarked Reserves	Cr 380
L D & Health Reform Grant - Blue Badges	134
Contribution from Earmarked Reserves	Cr 134
Homelessness Grant	60
Homelessness Grant	158
Housing Invest to Save	170
LD Campus Closure Grant 2010/11	105
Contribution from Earmarked Reserves	Cr 105
Social Care funding via the PCT under s256 Agreements:	0
- Winter pressures	734
- Social Care funding via the PCT 2010/11	127
- Social Care funding via the PCT 2011/12	581
- Social Care funding via the PCT 2011/12	581
- s256 income carried forward	Cr 1,442
Agreed by Executive 14th December 2011	
Step Up to Social Work Programme	
- grant related expenditure 2012/13	465
- grant related income 2012/13	Cr 465
<u>2012/13 Budget Adjustments</u>	
Posts transferred to / from Commissioning to / from Children's / Education	Cr 6
Posts transferred between Care Services & Education Portfolios	30
0.25fte for additional AP processing for ICES retail prescription invoices	Cr 6
Rent income adjustment (from Corporate)	20
Total Variations	550
2012/13 Latest Approved Budget	117,064

* Housing Improvement and Housing Enforcement have transferred to Care Services Portfolio since the last report. The original budget figure has been re-stated to reflect this.