

PART 1 - PUBLIC

Decision Maker: Adult & Community Services Portfolio Holder

**For Pre-decision Scrutiny by the Adult & Community
Services PDS Committee on 14th April 2010**

Date: 14th April 2010

Decision Type: Non-Urgent Executive Key

Title: **BUDGET MONITORING 2009/10 - ADULT & COMMUNITY
SERVICES**

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Chief Officer: Terry Rich, Director of Adult & Community Services

Ward: Borough Wide

1. Reason for report

This report provides an update of the latest budget monitoring position for 2009/10 for the Adult and Community Services Portfolio, based on expenditure and activity levels up to 31 January 2010.

RECOMMENDATION(S)

The Portfolio Holder is requested to note that the projected overspend for the Adult and Community Services Portfolio as at 31st January has reduced from £292k to £275k.

Corporate Policy

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

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: All Adult & Community Services Portfolio Budgets
 4. Total current budget for this head: £87.5M
 5. Source of funding: Existing revenue budgets
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Staff

1. Number of staff (current and additional): 803 fte's
 2. If from existing staff resources, number of staff hours: N/A
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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
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2009/10 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? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

This report provides the budget monitoring position for the Adult & Community Services Portfolio based on spend and activity at the end of January 2010.

CHIEF OFFICER'S COMMENTS

Demands have been largely contained within budgets across adult social care and housing services, although there are continuing pressures within learning disabilities and physical disabilities services which will impact on the coming year and will require continued attention. Signs are that 2010/11 will be a difficult year with increasing pressures across all client groups and a need to be looking for efficiencies and alternative care options, further reducing reliance on long term residential care.

4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan for 2009/10 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 2009/10 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 The 2009/10 projected outturn is shown in Appendix 1 and includes a forecast of projected expenditure for each division, compared to the latest approved budget, with an explanation of any variations. The projections are based on expenditure and activity levels up to January 2010 and show a projected overspend of £275,000. The final column in Appendix 1 (a) shows the full year impact of any overspends in this financial year which are expected to follow through into next year. Appendix 2 shows the make up of the latest approved budget for the Portfolio.
- 5.2 Costs attributable to individual services have been classified as "controllable" and "non-controllable" in Appendix 1. Budget holders have full responsibility for those budgets classified as "controllable" as any variations relate to those factors over which the budget holder has, in general, direct control. "Non-controllable" budgets are those which are managed outside of individual budget holder's service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as "non-controllable" within services but "controllable" within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the "controllable" budget variations relating to portfolios in considering financial performance.

5.3 The main pressures arise in the Care Services division, where an overspend of £587,000 is currently forecast, which can be analysed as follows;

	£'000
Contracted out homes/residential care	-244
Domiciliary care for older people	-12
Domiciliary and residential care for clients with physical disabilities	474
Total Assessment & Care Management	218
Direct Services - Homecare	333
Aids/Hiv Grant	-52
Learning disabilities - care management	88
Total Care Services	587

5.4 The projected underspend of £262,000 for the Commissioning and Partnerships division arises from the following, and contributes towards relevant pressures within the Care Services division.

	£'000
Carers Grant expenditure *	-54
Commissioning & Partnerships staffing etc.	-39
	-93
Procurement & Contracts Compliance - Supporting People grant	-104
Learning Disabilities Services	-131
Mental Health Services	66
Total Commissioning & Partnerships	-262

*The Carers budget is used to fund a range of services around providing support to carers, which includes short breaks, domiciliary care and day care. The projections reflect an underspend of £54k within the Commissioning and Partnership service area, however, this is purely a coding issue and the cost of additional support for carers relating to these services is included within the Assessment and Care Management service area. Overall, expenditure relating to the carer's budget is expected to break-even.

5.5 Further explanation of the variations can be found in appendix 1 (b).

Non-Applicable Sections:	Legal, Personnel, Customer Impact
Background Documents: (Access via Contact Officer)	2009/10 Budget Monitoring files within Adult & Community Services Finance Section