

PART 1 - PUBLIC

Decision Maker: Adult & Community Services PDS Committee

Date: 22nd June 2010

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

Title: **OUTTURN REPORT 2009/10 - ADULT & COMMUNITY SERVICES**

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

Ward: All

1. Reason for report

This report provides the ACS PDS Committee with the final outturn position for 2009/10.

2. **RECOMMENDATION(S)**

Members are requested to note that there was an overspend of £223,000 at the end of 2009/10 and consider any issues arising out of it.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Safer Bromley.
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Adult & Community Services Portfolio Budgets
 4. Total current budget for this head: £ 87.3m
 5. Source of funding: N/A
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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.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 This report provides an update of the final budget position for the Adult and Community Services Portfolio PDS Committee, which is broken down in detail in Appendix 1, along with explanatory notes.
- 3.2 The final outturn for the “controllable” element of the budget in 2009/10 was £165,000 compared to the last budget monitoring report on the 14th April, of £275,000.
- 3.3 Carry forward requests below relating to unspent grant income, were reported to the Executive meeting on 16th June for approval. All of them relate to ongoing grant-funded projects and initiatives which will continue in 2010/11.

Grant Description	Grant Income £'000	Budget for Expenditure £'000
Overcrowding Pathfinder	Cr 116	116
Social Care Reform	Cr 416	416
Stroke Care	Cr 126	126
LD Campus Closure	Cr 39	39

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 outturn is shown in Appendix 1 and includes actual expenditure for each division, compared to the final approved budget, with an explanation of any variations. 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 2010/11.

- 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 At the end of the year there was an overspend of £865k in the Care Services division, as a result of various pressures highlighted in year. The main reason for the further variation was an increase in the provision for bad debts relating to domiciliary care charges. The variation arises from a fuller analysis of the impact of the problems that occurred in the Exchequer Fairer Charging team during the year. Practices have been reviewed and there should be no ongoing issues in 2010/11.

The variations are analysed below.

	£'000
Contracted out homes/residential care	-187
Domiciliary care for older people	-167
Domiciliary and residential care for clients with physical disabilities	448
Other	7
Total Assessment & Care Management	101
Increased provision for bad debts re domiciliary care	242
Direct Services - Homecare	436
Aids/Hiv Grant	-51
Learning disabilities - care management	175
Health Intervention	-38
Total Care Services	865

- 5.4 The Commissioning and Partnerships division underspent by £311k, £48k more than anticipated in January. The variation is analysed in the table below and partially offsets the overspend caused by pressures within the Care Services division.

	£'000
Procurement & Contracts Compliance - Supporting People grant	-187
Procurement & Contracts Compliance - staffing	-35
Commissioning & Partnerships staffing etc.	-37
Learning Disabilities Services	-68
Mental Health Services	16
Total Commissioning & Partnerships	-311

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

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