

CS12039

Report No.

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Care Services Policy Development & Scrutiny Committee**

Date: **4th September 2012**

Decision Type: Non-Urgent Executive Non-Key

TITLE: BUDGET MONITORING 2012/13

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 Education and Care Services

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

1.1 This report provides the budget monitoring position for 2012/13 based on activity up to the end of July 2012.

2. RECOMMENDATIONS

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

- (i) Note that a projected underspend of 1,426k is forecast, based on information as at July 2012;**
- (ii) Refer the report to the Portfolio Holder for approval**

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
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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: £113.942m
 5. Source of funding: Care Services approved budget
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Staff

1. Number of staff (current and additional): 881.94 Full Time Equivalent.
 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: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2012/13 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. COMMENTS – from the Education & Care Services Management Team

- 3.1 Forecasts based on the latest activity available show an overspend of £509,000 on Bed & Breakfast accommodation for 2012/13 after the use of carryforward grant and full year costs of £995,000. The number of B&B placements continue to rise (currently 327 as at July) which would have been 419 without the invest to save initiatives. At the time the business case was produced for the invest to save, B&B numbers were forecast to be around 325 by the end of March 2012 but in reality this has been considerably higher, so whilst officers have managed to divert/move people out of B&B accommodation, 92 since January 2012, which has delivered savings of £386,000 in year and £541,000 forecast in a full year, there are still cost pressures following through into 2013/14 of £995,000 which are unfunded. Officers continue to explore alternative options around managing this cost pressure down.

4. POLICY IMPLICATIONS

- 4.1 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.
- 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 2012/13 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 the analysis of the latest approved budget. Other financial implications are contained in the body of this report and Appendix 2 provides more detailed notes on the major services.

5.2 Overall the Care Services Portfolio is projected to underspend by £1,426k in 2012/13 mainly as a result of savings relating to 2013/14 being delivered early or due to efficiencies from tendering. The main budget variations are shown in the table below: along with the impact these variations will have in 2013/14:-

	2012/13 £'000	2013/14 £'000
Savings assumed for 2013/14 but delivered early		
Staffing savings - strategy division	-100	-100
Homelessness - SP	-500	-500
	<u>-600</u>	<u>-600</u>
Savings not assumed in the budget but delivered		
Domiciliary care - tendering (already reported to Executive)	-400	-1,000
Campus Reprovision (attrition)	-700	-700
	<u>-1,100</u>	<u>-1,700</u>
B&B Pressures	<u>509</u>	<u>995</u>
Other	-235	0
TOTAL	<u><u>-1,426</u></u>	<u><u>-1,305</u></u>

Non-Applicable Sections:	Legal Implications Personnel Implications Customer Implications
Background Documents: (Access via Contact Officer)	2012/13 Budget Monitoring files in ECS Finance Section