

Decision Maker: CARE SERVICES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 16th January 2013

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

Title: BUDGET MONITORING 2012/13

Contact Officer: David Bradshaw, Head of Education and Care Services Finance
Tel: 020 8313 4807 E-mail: David.Bradshaw@bromley.gov.uk

Chief Officer: Executive Director of Education & Care Services

Ward: (All Wards);

1. Reason for report

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

2. RECOMMENDATION(S)

2.1 The Care Services PDS committee are invited to:

- (i) Note that a projected underspend of 2,474k is forecast, based on information as at November 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: £117.088m
 5. Source of funding: Care Services Approved Budget
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Staff

1. Number of staff (current and additional): 916.15 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. COMMENTARY

- 3.1 Forecasts based on the latest activity available show an overspend of £591,000 on Bed & Breakfast accommodation for 2012/13 after the use of grant funding that was carried forward from 2011/12 of £453,000 and other minor underspends . The projected full year cost pressures are £1,157,000. A sum of £1m has been included in the four year financial forecast for 2013/14. The number of B&B placements is currently fairly stable averaging at around 325 for the last few months although without the “invest to save” initiatives the numbers would have been 475.
- 3.2 The projected underspend of £2,474k for 2012/13 is mainly due to savings proposed for 2013/14 which have been delivered early or as a result of the recent tendering exercise for domiciliary care. The department has also benefit from attrition in the LD service where responsibility and funds transferred from the PCT to the council in April 2011 (campus re-provision programme). The Department of Health has continued to fund these services, paid to the council in the form of specific grant, at the agreed transfer sum and as yet have not factored in any impact of attrition.

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 1b provides more detailed notes on the major services.
- 5.2 Overall the Care Services Portfolio is projected to underspend by £2,474k 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
Supporting People efficiencies	-800	-800
Mental Health Services	-75	-75
Domiciliary care - tendering (already reported to Executive)	-400	-1,000
Campus Reprovision (attrition)	-1,100	-1,100
	<u>-2,475</u>	<u>-3,075</u>
B&B Pressures	<u>591</u>	<u>1,157</u>
Other savings/Pressures (Details in appendix 1b)		
Adult Social Care	522	0
Strategic & Business Support	-175	0
Children's Social Care	200	0
Education Division	-37	0
Commissioning	-850	0
Non recurrent underspend relating to previous years	-250	0
	<u>-590</u>	<u>0</u>
TOTAL	<u><u>-2,474</u></u>	<u><u>-1,918</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