

2011/12 Actuals	Division Service Areas	2012/13 Original Budget	2012/13 Latest Approved	2012/13 Projection	Variation	Notes	Variation Last Reported	Full Year Effect
£		£	£	£	£		£	£
	EDUCATION & CARE SERVICES DEPARTMENT							
124	Adult Social Care							
	AIDS-HIV Service	120	45	45	0		0	0
32,766	Assessment and Care Management	31,603	32,111	32,194	83	1	114	383
5,617	Direct Services	4,627	4,125	4,097	-28	2	68	0
2,241	Learning Disabilities Care Management	2,451	2,601	2,639	38	3	38	0
1,981	Learning Disabilities Day Services	2,050	2,050	1,900	-150	4	-75	0
1,273	Learning Disabilities Housing & Support	1,211	1,259	1,236	-23	5	-23	0
44,002		42,062	42,191	42,111	-80		122	383
2,519	Operational Housing							
	Housing Needs	2,160	2,549	3,202	653	6	591	0
-4	Enabling Activities	-4	-4	-4	0		0	0
-954	Housing Benefits	-1,016	-1,016	-1,016	0		0	0
1,561		1,140	1,529	2,182	653		591	0
1,487	Strategic and Business Support Service							
	Performance & Information	2,510	2,533	2,224	-309	} 7	-278	0
197	Quality Assurance	188	199	187	-12		-11	0
0	Transforming Social Care	0	0	13	13		14	0
1,684		2,698	2,732	2,424	-308		-275	0
14,174	Children's Social Care							
	Care and Resources	13,125	13,123	13,123	0	} 8	0	200
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	3,191	200		200	200
837	Bromley Youth Support Programme	911	911	911	0		0	0
23,110		21,770	21,724	21,924	200		200	400
4,489	Education Division							
	SEN and Inclusion Children's Disability Services	4,258	4,220	4,220	0	9	0	0
443	School Improvement Looked After Children	560	560	523	-37	10	-37	0
4,932		4,818	4,780	4,743	-37		-37	0
2,777	Commissioning							
	Commissioning	3,621	3,951	3,959	8		2	126
15,345	Learning Disabilities excl PCT Transfer Attrition	17,144	16,908	15,486	-1,422	} 11	-1,670	-200
	Learning Disabilities - PCT Transfer Attrition	0	0	-631	-631			
4,670	Mental Health Services	5,193	5,113	4,692	-421	12	-288	-97
3,898	Supporting People	4,052	4,052	3,152	-900	13	-800	0
201	Drugs and Alcohol	254	254	158	-96		-69	0
0	PCT Funding (Social Care & Health)	0	0	0	0		0	0
26,891		30,264	30,278	26,816	-3,462		-2,825	-171
0	Learning Disabilities Services - previous years	0	0	-300	-300	11	-250	0
102,180	TOTAL CONTROLLABLE FOR ECS DEPT	102,752	103,234	99,900	-3,334		-2,474	612
	ENVIRONMENTAL SERVICES DEPARTMENT							
728	Environmental Services - Housing							
	Housing Improvement	476	402	170	-232	14	0	0
280	Housing Enforcement	254	254	248	-6		0	0
1,008	TOTAL CONTROLLABLE FOR ENV SERV DEPT	730	656	418	-238		0	0
103,188	TOTAL CONTROLLABLE BUDGET FOR THE PORTFOLIO	103,482	103,890	100,318	-3,572		-2,474	612
6,580	TOTAL NON CONTROLLABLE	3,987	4,007	4,009	2		3	0
11,582	TOTAL EXCLUDED RECHARGES	9,047	9,170	9,170	0		0	0
121,350	CARE SERVICES PORTFOLIO TOTAL	116,516	117,067	113,497	-3,570		-2,471	612
	MEMORANDUM ITEMS							
	Invest to Save projects: Savings							
	Dementia Investment Plan	(100)	(100)	(60)	40		40	
	PD Investment Plan	(100)	(100)	(40)	60		60	
	LD Investment Plan (re Younger Adults)	(100)	(100)	0	100		80	
	Sub Total Invest to Save projects	(300)	(300)	(100)	200		180	0
	Trading Accounts							
	Trading Account - Performance & Research	0	0	(29)	(29)		-20	0
	Sub Total Trading Accounts	0	0	(29)	(29)		(20)	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	(826)
b) Domiciliary care & direct payments for older people	440
c) Residential and domiciliary care for people with physical disabilities	56
d) Community Equipment Service	413
	<u>83</u>

- a) The number of nursing and residential placements continue to be below budget resulting in a projected underspend of £826k. 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.
- b) There continues to be pressure on the community based budgets for older people, with a projected overspend of £440k reported in the current year. This is net of approximately £400k of savings achieved early in relation to the retendering of the domiciliary care contracts. 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. Savings being delivered by the reablement team, which continues to support and reable clients and avoid ongoing care costs, have avoided annual costs of approximately £500k, which has been factored into the 12/13 budgets as part of the savings to be delivered.
- c) Services for clients with physical disabilities are currently projected to overspend by £56k by year end. Residential placements are expected to underspend by £24k, whilst domiciliary care is expected to overspend by £80k. 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.
- d) The Community Equipment Service has moved to a new model of working, with the service having been outsourced. The service is now run on the basis of a sum being charged each time an item is required, together with associated delivery costs, whilst a credit for the item is raised when it is collected, together with associated collection and cleaning costs. Invoices received to date have indicated an increasing monthly cost, and management action has now been implemented to reduce these costs. It is anticipated that the overspend will be in the region of £700k. Analysis of this expenditure has identified significant increased spending by Health, and officers will be seeking a higher level of contribution from Bromley PCT in line with their increased spending.

Full Year Effects - Older People

Although currently showing a projected underspend for the year (mainly due to early achievement of the domiciliary care retendering savings), the full year effect of costs for older people has been calculated at an £921k overspend. Approximately half of this overspend is in relation to the new extra care housing schemes at Regency court and Sutherland Court, with the high level of voids incurring void payment costs as well as loss of client contribution income. In addition, the number of hours currently being delivered in all 3 new schemes is above the level originally budgeted for. Officers are currently looking at options to reduce these extra costs and the full year effect reported has been adjusted on the assumption that the options can be delivered. The full year effect calculated has been further reduced by assumptions around savings to be achieved under the invest to save scheme for Dementia.

2. Direct Services - Cr £28k

- 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.

The cost of this service has been moved this month, with the agreement of the AD Commissioning & Partnerships, to the Commissioning Division, so the overspend no longer shows under Adult Social Care.

- d) C.A.R.T's - The projected spend on staffing for the Community Assessment and Rehabilitation team is expected to be £9k below budget this year.
- e) Extra Care Housing - There is currently pressure on the inhouse ECH service, with an underachievement of income being projected. This is due to a short term increase in void properties, and hence lower client numbers as a result of the new ECH schemes at Regency Court and Sutherland Court recently opening.

3. Learning Disabilities Care Management - Dr £38k

The overspend relates to turnover on the staffing budget not being achieved.

4. Learning Disabilities Day and Respite Services - Cr £150k

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 were previously provided at 2 locations in the borough, but the service has now relocated to one premises in Bromley. There is a net underspend of £150k projected for these services.

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

A savings target of £100k was included in the 2012/13 budget for the decommissioning of an LD small home. To date several small homes have been closed, resulting in the achievement of the saving. Longer term changes to achieve further savings in 2013/14 include the deregistration of Orchard Grove and St Blaise.

Monitoring of the service overall shows a projected underspend in the region of £23k, after taking account of the £100k saving.

6. Housing Needs - Dr £653k

The forecast net overspend of £653k comprises:

	£'000
Nightly paid accommodation (B&B) projected overspend	1,135
Use of Housing Grants to mitigate overspend	(453)
Other	(29)
	<u>653</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, average costs are increasing significantly. In addition, 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)	(135)	(276)
Enhanced initiatives on homeless prevention and enhanced incentives for access to private rented sector	(449)	(835)
Building conversion (Cranbrook Court)	(73)	(108)
	<u>(657)</u>	<u>(1,219)</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.

The full year effect of the projected overspend is currently anticipated to be cost neutral overall in 2013/14. The underlying FYE is £1.2m based on projected activity to the end of March 2013, net of assumptions on savings arising from existing invest to save initiatives. It does not include any projected further growth in numbers beyond the end of March 2013 nor the impact of welfare reform. £1m growth has been included in the 2013/14 budget and it is anticipated that the residual pressure of £200k will be managed through the new invest to save project at Bellegrave which will deliver another 34 units.

7. Strategic & Business Support Services - Cr £308k

The projected underspend of £308k relates to:

	£'000
Social Care Workforce training	(163)
Staffing	(111)
Overachievement of income	(29)
Other, mainly general running expenses	(5)
	<u>(308)</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).

The underspend on staffing relates mainly to vacant posts, the majority of which have now been filled.

The Performance and Research trading account is projected to generate £29k income in excess of budget in 2012/13 from services sold to schools.

8. Children's Social Care - Dr £200k

The main areas of under / overspending are:

Staffing - Cr £176k

Latest monitoring of staffing budgets across the division has highlighted a projected underspend of £96k. This is a result of posts that are being held vacant pending reorganisations and early achievement of 2013-14 savings.

Salaries in the Youth Offending team are projected to underspend by £80k during 2012-13 only whilst restructuring of the service takes place.

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.

Placements - Dr £242

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 year Bromley itself has seen an increase in the number of placements having to be made. It is expected that expenditure will be approximately £242k over budget, assuming the invest to contain strategy and tight gatekeeping continue to be managed.

Unaccompanied Asylum Seeking Children - Dr 129k

Grant funding has reduced 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 has resulted in an overspend of £129k in the current year with an ongoing full year effect in 2013-14.

No Recourse to Public Funds - Dr £200k

The number of people in Bromley with no recourse to public funding continues to increase. As these people have children we have a duty to ensure their safety. The current expenditure is projected to be £300k against a budget of £100k, and this significant cost pressure will continue into 2013-14.

The net overspends reported above are partly offset by savings in other areas of the division, as well as the release of prior year provisions that are no longer required.

Full Year Effects - Children's Social Care - £400k

The following areas have been identified as having a substantial impact on the 2013-14 budget:

- (a) Children's Placements - expected to be £200k overspent based on current child numbers, and this is being offset by £100k of management action to reduce these costs.
- (b) Unaccompanied Asylum Seeking Children - £100k overspend predicted due to numbers being below the level at which grant income can be claimed.
- (c) No Recourse to Public Funds - Currently projecting a £200k full year effect, but this may well be higher due to Welfare reforms.

9. SEN & Inclusion Children's Disability Services

Although relating to Care Services Portfolio, the Children's Disability Service comes under the responsibility of the Assistant Director of Education.

There is a projected underspend of £84k in the Short Breaks Service mainly due to travel and escort costs, and grants and subscriptions. Looked After Children placements are forecast to overspend by £271k and the contract for Hollybank will underspend by £20k. This is offset by prior year provisions that have now been identified as no longer being required.

	Projected Variations
	£
Short Breaks	-84,500
Hollybank	-20,000
Children's Disability Team	271,000
Prior year provisions no longer required	-166,500
Total Children's Disability Services	0

10. School Improvement Looked After Children - Cr £37k

An underspend of £38k is expected in the Children in Care Education team due to a vacant post, which will be deleted in 2013/14 to help meet the impact of LACSEG changes.

	Projected Variations
	£
Children In Care Education	-37,000
Total School Improvement LAC	-37,000

11. Learning Disabilities Services (excluding PCT transfer attrition) - Cr £1,422k**Learning Disabilities Services - PCT Transfer Attrition - Cr £631k**

Budgets for learning disabilities placements (including supported living and shared lives) are forecast to underspend by £2,053k in total, of which £631k arises from LD PCT transfer attrition.

The savings arise mainly from commissioning cost efficient placements for some of the ex-PCT reprovision clients, limiting inflationary increases, attrition and delayed / deferred placements compared to previous assumptions. The projected spend continues to include 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) although this element is minimised given the late stage in the year. Any changes to the assumptions could result in a change to the projected position.

A range of growth and savings have been included in the 2013/14 budget for Learning Disabilities. Once these have been taken into account, the full year effect of the current year's projection, added to anticipated new activity in 2013/14, is an estimated underspend of approximately £200k.

In addition to the underspend of £2,053k, there is a further, non-recurrent underspend of £300k relating to previous years items. The accounts are closed each year on the basis of the best information available at that point in time and, subsequent to that, additional information has indicated that actual costs are not as high as anticipated when the accounts were closed.

12. Mental Health Services - Cr £421k

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.

13. Supporting People - Cr £900k

There is a projected underspend of £900k 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 £900k 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.

14. Housing Improvement - Cr £232k

There is a projected overspend within employee costs of £15k, largely due to non-achievement of vacancy factor. There is also a projected underachievement of income from renovation grant / agency fees of £14k due to lower value of projects than budgeted.

These deficits are offset by additional income of £27k as a result of repayment of home improvement loans. There are other minor underspends across running expenses of £2k.

There is a projected underspend on the direct revenue financing contribution of £232k. This is due to additional Disabled Facilities Grant (DFG) of £227k being received from the DCLG* in December, and a lower volume of referrals than expected from Occupational Therapy. As a result, no contribution to the capital scheme is required in 2012/13.

*Department for Communities and Local Government

Waiver of Financial Regulations:

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

Adult Social Care

(a) There were 5 contract waivers agreed for the extension of current contracts (of £11k, £21k, £167k, £399k and £1.068m), and 5 contract waivers agreed for new services (of £113k, £154k, £128k, £1.622m and £1.371m).

Children's Social Care

(a) No waivers have been approved

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, no virements have been actioned.

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	-386	Although currently showing a projected underspend in year ,due mainly to the early acheivement of 2013/14 savings in relation to the domiciliary care retendering , a full year effect of £399k has been calculated. Residential and nursing placements are currently significantly underspent, however the increased costs of domiciliary care and direct payments is resulting in a budget pressure following into 2013/14.
Residential and Domiciliary care - Physical Disabilities	3,508	56	The current full year effect is an underspend of £16k for physically disabled services. There is an invest to save initiative currently being undertaken to mitigate any future growth in this area.
Children's Social Care - Placements	9,534	242	The full year effect of the £224k overspend in 2012/13 is currently calculated at £200k. Officers continue to work towards increasing the number of inhouse foster carers so that expensive external placements can be avoided, and continuing management action is expected to reduce this figure to £100k.
Children's Social Care - No Recourse to Public Funds	100	200	The full year effect of clients who have no recourse to public funds and Bromley are having to pay for has been calculated at £200k based on current numbers. The Welfare Reform changes currently being implemented may impact on this amount further . Officers will monitor the position and report any changes as part of the budget monitoring process during the year.
Children's Social Care - Unaccompanied Asylum Seeking Children	0	129	Grant funding has reduced 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 has resulted in an overspend of £129k in the current year with an ongoing full year effect in 2013-14 of £100k
Residential, Supported Living, Shared Lives - Learning Disabilities (excluding PCT transfer attrition) - Learning Disabilities - PCT transfer attrition	25,597	(1,422) (631)	A range of growth and savings have been included in the 2013/14 budget for Learning Disabilities. Once these have been taken into account, the full year effect of the current year's projection is an estimated underspend of approximately £200k.
Residential Care, Supported Living, Flexible Support, Direct Payments - Mental Health	2,989	(270)	The full year effect of the 2012/13 underspend is forecast to be Cr £97k based on current year activity.
Housing Needs - Temporary Accommodation (net of HB)	254	653	The full year effect of the projected overspend is currently anticipated to be cost neutral overall in 2013/14. The underlying FYE is £1.2m based on projected activity to the end of March 2013, net of assumptions on savings arising from existing invest to save initiatives. It does not include any projected further growth in numbers beyond the end of March 2013 nor the impact of welfare reform. £1m growth has been included in the 2013/14 budget and it is anticipated that the residual pressure of £200k will be managed through the new invest to save project at Bellegrove which will deliver another 34 units.
Commissioning - Staffing	2,009	(34)	There has been a delay in the reorganisation of the service which has meant that there is a pressure of £126k for 2013/14

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>Agreed by Executive 12th September 2012</u>	
Tackling Troubled Families Grant	
- grant related expenditure 2012/13	270
- grant related income 2012/13	Cr 270
<u>Agreed by Finance Director 12th November 2012</u>	
Newly Qualified Social Worker Grant	
- grant related expenditure 2012/13	20
- grant related income 2012/13	Cr 20
Inbucon pay award for 2011/12	23
<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
IT maintenance budget transferred from Strategy to Environmental Services	Cr 20
Rent income adjustment (from Corporate)	20
Total Variations	553
2012/13 Latest Approved Budget	117,067