

2012/13 Actuals £'000	Division Service Areas	2013/14 Original Budget £'000	2013/14 Latest Approved £'000	2013/14 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	EDUCATION, CARE & HEALTH SERVICES DEPARTMENT							
	Adult Social Care							
36	AIDS-HIV Service	121	46	38	Cr 8		Cr 8	0
31,979	Assessment and Care Management (exc. CE below)	28,237	28,671	30,073	1,402	1	1,214	829
	Community Equipment	768	768	768	0		205	
4,203	Direct Services	3,492	3,635	3,679	44	2	44	0
2,621	Learning Disabilities Care Management	2,520	2,962	2,867	Cr 95	3	Cr 119	0
1,853	Learning Disabilities Day and Short Breaks Service	1,889	1,976	1,726	Cr 250	4	Cr 250	Cr 300
1,184	Learning Disabilities Housing & Support	1,160	1,108	1,017	Cr 91	5	Cr 91	0
41,876		38,187	39,166	40,168	1,002		995	529
	Operational Housing							
3,773	Housing Needs	3,150	4,559	4,749	190	6	132	690
Cr 1	Enabling Activities	Cr 4	Cr 4	Cr 1	3		0	0
Cr 1,815	Housing Benefits	Cr 964	Cr 904	Cr 904	0		0	0
1,957		2,182	3,651	3,844	193		132	690
	Strategic and Business Support Services							
2,077	Performance & Information	2,799	2,398	2,208	Cr 190		Cr 171	0
194	Quality Assurance	231	235	225	Cr 10		0	0
7	Transforming Social Care	0	0	0	0		0	0
2,278		3,030	2,633	2,433	Cr 200		Cr 171	0
	Children's Social Care							
9,802	Care and Resources - Youth on remand	13,962	13,920	13,972	52	7	121	226
		0	500	530	30		21	30
1,787	Safeguarding and Quality Assurance	1,353	1,412	1,374	Cr 38		0	0
5,527	Safeguarding and Care Planning	3,238	3,523	3,523	0		0	0
4,024	Referral and Assessment	3,123	3,181	3,628	447		261	465
837	Bromley Youth Support Programme	913	926	820	Cr 106	0	0	
4,209	Children's Disability Service	4,629	4,644	4,634	Cr 10	8	75	29
26,186		27,218	28,106	28,481	375		478	750
	Commissioning							
3,819	Commissioning	3,696	3,645	3,868	223	9	218	350
14,056	Learning Disabilities	24,391	23,038	22,488	Cr 550	10	Cr 480	Cr 373
4,618	Mental Health Services	4,924	4,932	4,725	Cr 207	11	Cr 208	Cr 133
3,096	Supporting People	3,100	3,100	2,900	Cr 200	12	Cr 200	Cr 270
163	Drugs and Alcohol	237	237	0	Cr 237	13	Cr 237	Cr 237
0	PCT Funding (Social Care & Health)	0	0	0	0		0	0
25,752		36,348	34,952	33,981	Cr 971		Cr 907	Cr 663
	Public Health							
0	Public Health	11,000	11,000	10,699	Cr 301		Cr 776	0
0	Public Health - Grant Income	Cr 11,000	Cr 11,000	Cr 10,699	301		776	0
0		0	0	0	0		0	0
98,049	TOTAL CONTROLLABLE FOR ECHS DEPARTMENT	106,965	108,508	108,907	399		527	1,306
	ENVIRONMENTAL SERVICES DEPARTMENT							
	Environmental Services - Housing							
179	Housing Improvement	109	117	117	0		0	0
243	Housing Enforcement	254	257	257	0		0	0
422	TOTAL CONTROLLABLE FOR ENV SERV DEPT	363	374	374	0		0	0
98,471	TOTAL CONTROLLABLE BUDGET FOR THE PORTFOLIO	107,328	108,882	109,281	399		527	1,306
3,436	TOTAL NON CONTROLLABLE	3,597	3,471	3,481	10		10	0
9,781	TOTAL EXCLUDED RECHARGES	9,828	9,764	9,764	0		0	0
111,688	CARE SERVICES PORTFOLIO TOTAL	120,753	122,117	122,526	409		537	1,306

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MEMORANDUM ITEMS								
	Invest to Save projects: Savings							
	Dementia Investment Plan	Cr 250	Cr 250	Cr 115	135		135	
	PD Investment Plan	Cr 250	Cr 250	Cr 80	170		170	
	LD Investment Plan (re Younger Adults)	Cr 75	Cr 75	0	75		75	
	Sub Total Invest to Save projects	Cr 575	Cr 575	Cr 195	380		380	0
	Trading Accounts							
	Trading Account - Performance & Research	0	0	Cr 30	Cr 30		Cr 26	0
	Sub Total Trading Accounts	0	0	Cr 30	Cr 30		Cr 26	0

REASONS FOR VARIATIONS**1. Assessment & Care Management - Dr £1,402k**

	<u>Current Variation</u>	<u>Last reported Variation</u>	<u>Change</u>
	£'000	£'000	£'000
The variation can be analysed as follows:-			
a) Residential/Nursing care and respite for older people	385	453	(68)
b) Extra Care Housing (ECH)	339	297	42
c) Domiciliary care & direct payments for older people less management action - review of care packages	715 0	528 (62)	187 62
d) Residential and domiciliary care for people with physical disabilities	(26)	9	(35)
e) Community Equipment Service less agreed management action on community equipment	0 0	205 0	(205) 0
f) Staffing	(11)	(11)	0
	<u>1,402</u>	<u>1,419</u>	<u>(17)</u>

An invest to save proposal was agreed at Executive on 7 September 2011 relating to dementia. Savings from this were reflected in the budgets for 2012/13 (£100k) and 2013/14 (£150k), bringing the total saving required on older peoples budgets to £250k.

- a) Although numbers of nursing care placements has increased slightly since the last reported figures in September, the projected overspend for both residential and nursing placements has reduced by £68k to £385k. This is mainly as a result of variations in income.
- b) Latest monitoring of the budgets for the new ECH schemes shows an increase in the projected overspend from £297k to £339k. There has been a significant increase in weekly hours at Regency Court since the end of November. The projections have been calculated using data from the weekly returns that the units make to the borough, which list the number of hours delivered to each service user, and would also detail the voids each week. Finance use this data, including the data relating to voids to calculate the projected costs.
- c) Domiciliary care and direct payments have increased this period with an overspend of £715k currently projected. An analysis of current debt has been undertaken to the end of November, which shows domiciliary care debt continuing to increase, it is therefore prudent at this stage to include an increase in the allowance for bad debts to cover the potential for write off of these debts.
- d) Services for clients with physical disabilities are currently projected to be underspent by £26k, including an allowance for one further residential placement to be made. Domiciliary care and direct payments have reduced this period by £14k, with placements reducing by £21k (mainly due to the provision for an additional placement not yet being required)
- e) The projected figures for the Community Equipment Service spend remain the same as previously reported, with no significant change in the actual spend during November. The year to date budget is currently showing a £200k overspend, however current monthly spending is being kept to within budget, so at this stage it is not expected that this overspend will increase. Although we have not yet had the winter pressures period, Bromley CCG have committed to additional funding during this period which should contain any possible increase in costs, and have also indicated a further contribution which will result in the service coming in on budget, assuming costs do not escalate

2. Direct Services - Dr £44k

- a) Extra Care Housing - Dr £150k
There is a significant pressure on the inhouse ECH budgets, mainly due to the need to provide additional support to some service users with mental health / dementia needs. There has also been an increase in the number of flats being used as 'step down' facilities by care management, resulting in subsequent loss of income (as this is not a chargeable service).
- b) Transport Service- Cr £73k
Latest monitoring of the transport budget has identified a projected underspend of £73k, £25k in relation to staffing costs and £48k for transport related costs.
- c) Reablement - Cr £31k
The underspend in this service relates to staffing.

3. Learning Disabilities Care Management - Cr £95k

The projected underspend relates to domiciliary care and direct payment costs.

4. Learning Disabilities Day and Short Breaks Service - Cr £250k

The day care budgets are expected to underspend by £250k this year, after budget savings of £75k have been taken into account. This has been achieved by the reorganisation of the management of the service, relocation of PCT staff formally working at the Bassetts Centre resulting in better utilisation of those staff and ongoing vacancies in the service.

5. Learning Disabilities Housing and Support - Cr £91k

The underspend in the service mainly relates to vacant posts.

6. Housing Needs - Dr £190k

Since the last monitoring report the £1m in the central contingency earmarked for the impact of welfare reform has been drawdown in to the ECHS budget. The projected overspend takes this into account, i.e. it would have been £1m higher if this funding hadn't been drawdown.

So far in 2013/14 the number of B&B placements have increased at a significantly higher rate than in 2012/13. The net average increase in 2012/13 was 6 per month but the pattern so far in 2013/14 suggests an average monthly increase of 15; this is partly due to the impact of welfare reform. Assuming this rate of increase continues throughout the financial year a projected overspend of £116k is anticipated.

The various invest to save initiatives are helping to reduce cost pressures and are factored in to the current projections. The exception to this is the refurbishment of Bellegrave, as the first call on these savings is to repay the investment. However, alternative funding sources are being explored which may result in these savings accruing to the B&B budget. It is anticipated that, following refurbishment, Bellegrave will save £77k in 2013/14 and £233k in a full year. Officers are currently modelling different scenarios to quantify the effect of further possible initiatives and also the most appropriate deployment of existing initiatives to maximise the financial benefit.

Increases in client numbers and rising unit costs are being experienced across all London boroughs. It is the result of the pressures of rent and mortgage arrears combined with welfare reform and 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.

The full year effect of the projected overspend on temporary accommodation is currently anticipated to be a pressure of £690k in 2014/15. However, this only takes account of projected activity to the end of March 2014, net of assumptions on savings arising from approved invest to save initiatives, and it does not include any projected further growth in numbers beyond that point.

Other variations within Housing Needs include a £93k projected underspend on staffing (a result of a restructure and continued difficulties / delays in recruitment) and a potential increase in bad debt provision.

7. Children's Social Care - Dr £385k

The main areas of projected under / overspending are:

Placements - Cr £76k

In 2012/13 the children's placement budget outturned with an overspend of £268k. The latest projection for this year is a small underspend of £76k, which includes provision of £190k for possible additional payments to kinship carers as a result of the Tower Hamlets judgement (and Bromley having to pay family related carers at the same rate as unrelated carers) as well as an allowance for further children needed to be placed. Officers continue to work to reduce the costs of placing children and an invest to contain scheme continues, with the aim of increasing the number of inhouse foster carers so that higher cost IFA's can be avoided.

There are likely to be variations relating to previous years' provisions for learning disabilities and this is referred to in the early warnings paragraph in the body of the report

Youth on Remand - Dr £30k

The LASPO Act 2012 paved the way for the devolution of under-18 secure remand budgets to local authorities from April 2013. The Youth Justice Board will continue to commission custodial places and will decide where to place those whom the court remands securely, but will invoice the local authorities for the cost. In addition where children are remanded securely they will all become looked after. Bromley's grant allocation for 2013-14 is £74k, and an amount was also set aside in the contingency of £500k for unfunded pressures. Since the last report , this sum has been drawn down. Latest monitoring of the costs project a spend of £550k currently.

Leaving Care Clients - Dr £128k

The budget for leaving care clients accommodation costs is projected to overspend by £128k net of housing benefits. This is an increase of £11k from the last reported figure, and is a result of increase in costs for 16/17 year olds who cannot claim housing benefits and for which the council has to pay the accommodation costs for.

No Recourse to Public Funds - Dr £447k

The cost to Bromley for people with no recourse to public funding has increased this period, with current projected costs of £552k against a budget of £105k. This represents an increase of £185k from last month, and an assumption has been made on further likely costs, although the budget remains volatile.

Bromley Youth Support Programme - Cr £106k

There is a projected underspend in the Youth offending team as a result of staff vacancies.

Other - SLA's - Cr £38k

A SLA with an external provider has not been renewed this year, resulting in an underspend of £38k.

8. SEN & Inclusion Children's Disability Services - Cr £10k

	Projected Variations £'000
Short Breaks	Cr 110
Children's Disability Team	100
Total Children's Disability Services	Cr 10

There is a projected overspend on children's disability placement of £100k, which includes an assumption for new starters.

The short breaks service is expected to underspend by £110k, mainly due to the cessation of the floating outreach service in July and reduced costs of some SLA's. It is anticipated that some of the children will instead be supported through direct payments, and has been factored into the projection for the children's disability team. The contract for provision of services at Hollybank is now projected to come in under budget.

9. Commissioning - Dr £223k

The projected overspend arises mainly from the delay in the achievement in 2013/14 of the budgeted savings from outsourcing reablement (£250k) and market testing extra care housing services (£100k).

This is part mitigated by an anticipated £90k underspend on Commissioning Division staffing budgets due, in the main, to part-year vacancies and a projected £37k underspend on other minor Commissioning contracts and running expenses budgets.

10. Learning Disabilities Services - Cr £550k

A projected underspend of £550k is currently reported on budgets for learning disabilities placements (including supported living and shared lives). The savings arise mainly from commissioning cost efficient placements and attrition.

The projections include a number of assumptions on transition, increased client needs, carer breakdowns and the effect of Ordinary Residence transfers both in and out of Bromley. There continues to be an element of estimated forward projection in the reported figures and the position is likely to change as the year progresses.

The general situation regarding CCG Continuing Healthcare funding is currently volatile and there are risks relating to funding for LD clients. Typically these tend to be high cost clients so the financial risk is significant. Depending on the outcome, this may result in changes to the currently reported financial position.

There are likely to be variations relating to previous years' provisions for learning disabilities and this is referred to in the early warnings paragraph in the body of the report

11. Mental Health Services - Cr £207k

The projected underspend arises partly from the full year effect of client moves during 2012/13 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 2013/14 budget saving for commissioning contract efficiencies.

There are likely to be variations relating to previous years' provisions for learning disabilities and this is referred to in the early warnings paragraph in the body of the report

12. Supporting People - Cr £200k

There is a projected underspend of £200k on Supporting People budgets. This is in addition to the savings required to achieve the savings targets built in to the 2013/14 budget (further £1m over and above 2012/13).

The £200k underspend relates mainly to savings arising from the full year effect of the tendering of mental health flexible support services, from limiting inflationary increases paid to providers and from re-tendering / extending contracts in 2013/14 at a reduced cost.

13. Drugs & Alcohol - Cr £237k

Expenditure previously charged to Drugs & Alcohol budgets will be funded from Public Health substance misuse budgets in 2013/14.

Directors Comments

In each of the last three years we have received significant sums from the NHS for winter pressures, not all of which was spent in any one year. This sits in a contingency and is available only to support winter pressures. It is likely this will need to be drawn-on this year as the health sector is predicting the worst year for winter pressures for some time. Locally, this is exacerbated by the continuing disappointing performance of the Princess Royal University Hospital (PRUH), itself made more challenging by the very high numbers presenting at A&E.

In September 2013, local authorities were invited to bid for 'urgent care monies', in effect, the former winter pressure pot. Although bids for several million pounds were received on behalf of the local health economy, LBB received only £285k with around 20x that amount provided to the PRUH. Our grant is to be offset against community equipment (£200k) and emergency placements (£85k).

The money held across ASC budgets last year, and the significant underspends in a number of areas, gave considerable flexibility for virement which will not be possible this year and it is likely we will have to draw substantially on the winter pressures fund.

A significant change in the urgent care arrangements is planned for late January, as is the implementation of the new intermediate care arrangements, both of which should reduce the demands on the PRUH. However, pressures are already particularly high on our hospital team, but whose performance across the year has been exemplary. Data returns to the NHS show only two delayed transfers of care in the year to date, both linked to difficulties with getting families to agree a discharge package. This is an exceptional performance and one which has been acknowledged regionally by NHS Directors. However there remains an issue with out of borough patients which occasionally leads to discharges being less smooth than they might be: although not our responsibility, the impact is to block beds for our residents. We have offered some small capacity to support the discharge of out of borough patients. I would propose therefore to allocate two locums to the hospital team for a period of four months to ensure we maintain our high rate of discharge. This amounts to around £40k, depending on the seniority of the staff identified.

Further, we are already coming under pressure to divert A&E attenders, for example, to emergency placements. I would propose therefore to allocate a further £60k based on projections from the manager on site for emergency placements from the PRUH in addition to the £85k shown above but only to be drawn upon after the urgent care money has been used.

The model underpinning the extra care housing (ECH) scheme was predicated on individuals moving from home into ECH, or, indeed, in some cases, from more expensive provision into ECH, when appropriate. Only if very specialised nursing support was necessary would we consider a nursing home placement. This policy implies moving residents from one type of provision to another depending on their level of need. We have a number of clients in our in-house provision that are very high need and should be moved-on. To do so, would take-up nursing home beds, but would save the LA money due to the complex needs of this group. However, to do so would also serve to reduce nursing home capacity at a time when it is most needed and representations have been made to the Director that it may be appropriate to keep these older and very vulnerable residents in their existing provision. This requires additional care staff to be on duty 24 hours a day but would allow residents near to end of life to remain in what they would consider to be their homes, and would allow some small additional capacity to be available for the spot purchase of nursing home beds both to the LA but also the health sector more widely, increasing the net number of beds available locally. This is estimated at a cost of around £100k.

To limit further any escalation of clients requiring admission, we should also increase the resource to the domiciliary budget to ensure that where small additional packages of care could help avoid admission, they are available. This might require a further £150k.

Finally, last year 52 emergency placements were reported. We are confident that we have very robust mechanisms in place and in spite of the increased pressures we would aim not to exceed that number. This is an estimated cost of £220k, some of which might be recoverable following robust continuing health care assessments.

Waiver of Financial Regulations:

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

(a) There were 9 contract waivers agreed for the extension or continuation of current contracts and 1 contract waiver agreed for a new service. The annual values of these ranged from £31k to £199k.

(b) There were 3 waivers agreed for placements over £50k in Adult Social Care and 2 waivers agreed in Children's Social Care

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" are included in financial monitoring reports to the Portfolio Holder. Since the last report to the Executive, the following virements have been actioned:

	2013/14 £'000	Full Year £'000
Transfer of funding for Placements / Brokerage posts from Adult Social Care to Commissioning (within ECHS)	18	70

Description	2013/14 Latest Approved Budget £'000	Variation To 2013/14 Budget £'000	Potential Impact in 2014/15
Residential and Domiciliary care			
- Older People	18,706	1,286	The full year effect of the overspend currently projected is expected to be £829k. This assumes that ongoing work on reducing placement and domiciliary care costs continues and the ongoing invest to save relating to clients with dementia avoids the need for more expensive placements.
Learning Disabilities - Day Care	1,683	Cr 250	The day care budgets are expected to underspend by £250k this year. This has been achieved by the reorganisation of the management of the service, relocation of PCT staff formally working at the Bassetts Centre resulting in better utilisation of those staff and ongoing vacancies in the service. It is expected that this underspend continues into 2014-15, with a FYE of £300k.
Children's Social Care - Placements	10,199	82	The full year effect of the current projection is calculated at £256k overspend. Officers continue to work towards increasing the number of inhouse foster carers so that expensive external placements can be avoided. Included in this figure is £30k relating to the new Youth on Remand responsibilities.
Children's Social Care - No Recourse to Public Funds	100	447	The full year effect of clients who have no recourse to public funds and Bromley are having to pay for has been calculated at £465k 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.
Education Division - Children's Disability Placements	2,693	Cr 10	The trend continues to rise in terms of the number of placements and the costs. Officers continue to work towards limiting placements where possible, providing alternative provision and driving down the costs where necessary. Current predictions estimate a pressure of £29k in 2014/15
Extra Care Housing/Reablement	350	350	The projected overspend arises mainly from the delay in the achievement in 2013/14 of the budgeted savings from outsourcing reablement (£250k) and market testing extra care housing services (£100k). This looks likely to continue into 2014/15
Residential, Supported Living, Shared Lives - Learning Disabilities	23,038	Cr 450	The projected net underspend on residential, supported living and shared lives in the current year is forecast to produce a full year underspend of £373k, based on activity to 31/3/14 only (i.e. doesn't include changes to activity levels in future years).
Residential Care, Supported Living, Flexible Support, Direct Payments - Mental Health	3,064	Cr 200	The full year effect of the 2013/14 underspend is forecast to be Cr £133k based on planned activity in the current year.
Housing Needs - Temporary Accommodation (net of HB)	2,261	116	The full year effect of the projected overspend is currently anticipated to be a pressure of £690k in 2014/15. However, this only takes account of projected activity to the end of March 2014, net of assumptions on savings arising from approved invest to save initiatives, and it does not include any projected further growth in numbers beyond that point. Officers are currently modelling different scenarios to quantify the effect of further possible initiatives and also the most appropriate deployment of existing initiatives to maximise the financial benefit.
Supporting People - Contracts	3,100	Cr 200	The current year's projected underspend of £200k relates to the full year effect of savings achieved on contracts in previous years and re-tendering / extending contracts in 2013/14 at a reduced cost. The full year effect of this is estimated to be an underspend of £270k.
Drugs & Alcohol	237	Cr 237	It is anticipated that Drugs & Alcohol expenditure will continue to be funded from Public Health substance misuse budgets in future years, generating a full year effect saving of £237k.

LATEST APPROVED BUDGET 2013/14
Care Services Portfolio

BUDGET VARIATIONS

	£'000
2013/14 Original Budget	120,753
Localisation of pay and conditions	365
Provision for homelessness	1,000
Learning Disabilities - return of growth no longer required	Cr 903
Youth on remand	500
Local Reform and Community Voices (Exec 3/4/13):	
- grant related expenditure 2013/14	64
- grant related income 2013/14	Cr 64
NHS Social Care Funds - Gateway Review business case (Exec 24/7/13):	
- expenditure	50
- income	Cr 50
Adoption Reform - Exec 12/06/13	
- expenditure	150
- income	Cr 150
Step up to Social Work (cohort 2 2012/13) - Exec 12/06/13	
- expenditure	105
- income	Cr 105
Step up to Social Work (cohort 3 2013/14) - Exec 12/06/13	
- expenditure	264
- income	Cr 264
Step up to Social Work (cohort 3 2014/15) - Exec 12/06/13	
- expenditure	881
- income	Cr 881
Social Housing Fraud (2013/14)	
- expenditure	100
- income	Cr 100
New Adult Social Care Data Collection Funding (Exec 11/9/13):	
- expenditure	59
- income	Cr 59
<i>Carry Forwards (Care Services PDS 3/9/13):</i>	
NHS Social Care Funding (s256 Agreements)	
- expenditure	1,055
- income	Cr 1,055
Healthwatch	
- expenditure	15
- income	Cr 15
Homelessness Grant	
- expenditure	35
- income	Cr 35
Preventing Repossessions Fund	
- expenditure	75
- income	Cr 75
Step Up to Social Work	
- expenditure	171
- income	Cr 171
Troubled Families	
- expenditure	258
- income	Cr 258
Public Health Winter Health Grant	
- expenditure	12
- income	Cr 12
Public Health Transition Fund	
- expenditure	6
- income	Cr 6
Homelessness former grant	85
<u>2013/14 Budget Adjustments</u>	
Short breaks post transfer	Cr 21
Training Savings	Cr 3
Education Access post transfer to Commissioning	44
Transfer of IT post to Resources	Cr 36
Minor works transferred from Carelink to Liberata	Cr 3
Data cleansing	10
BSSD transfer	71
Recharge of nursery costs to Children's Social Care	254
SEN complaints transferred from Education	1
Total Variations	1,364
2013/14 Latest Approved Budget	122,117