

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	18	Cr 28		Cr 8	0
31,979	Assessment and Care Management (exc. CE below)	28,237	28,648	30,058	1,410	1	1,402	1,108
	Community Equipment	768	768	768	0		0	
4,203	Direct Services	3,492	3,635	3,654	19	2	44	0
2,621	Learning Disabilities Care Management	2,520	2,962	2,902	Cr 60	3	Cr 95	0
1,853	Learning Disabilities Day and Short Breaks Service	1,889	1,976	1,764	Cr 212	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	39,143	40,181	1,038		1,002	808
	Operational Housing							
3,773	Housing Needs	3,150	4,559	4,749	190	6	190	690
Cr 1	Enabling Activities	Cr 4	Cr 4	Cr 1	3		3	0
Cr 1,815	Housing Benefits	Cr 964	Cr 904	Cr 904	0		0	0
1,957		2,182	3,651	3,844	193		193	690
	Strategic and Business Support Services							
2,077	Performance & Information	2,799	2,398	2,198	Cr 200	7	Cr 190	0
194	Quality Assurance	231	241	218	Cr 23		Cr 10	0
7	Transforming Social Care	0	0	0	0		0	0
2,278		3,030	2,639	2,416	Cr 223		Cr 200	0
	Children's Social Care							
9,802	Care and Resources - Youth on remand	13,962	13,965	14,182	217	8	52	253
		0	500	500	0		30	0
1,787	Safeguarding and Quality Assurance	1,353	1,413	1,413	0		0	0
5,527	Safeguarding and Care Planning	3,238	3,478	3,440	Cr 38	Cr 38	38	0
4,024	Referral and Assessment	3,123	3,181	3,562	381		447	465
837	Bromley Youth Support Programme	913	926	804	Cr 122		Cr 106	0
4,209	Children's Disability Service	4,629	4,644	4,378	Cr 266	9	Cr 10	29
26,186		27,218	28,107	28,279	172		375	747
	Commissioning							
3,819	Commissioning	3,696	3,662	3,822	160	10	223	350
14,056	Learning Disabilities	24,391	23,038	22,338	Cr 700	11	Cr 550	Cr 201
4,618	Mental Health Services	4,924	4,932	4,673	Cr 259	12	Cr 207	Cr 120
3,096	Supporting People	3,100	3,100	2,890	Cr 210	13	Cr 200	Cr 280
163	Drugs and Alcohol	237	237	0	Cr 237	14	Cr 237	Cr 237
0	PCT Funding (Social Care & Health)	0	0	0	0		0	0
25,752		36,348	34,969	33,723	Cr 1,246		Cr 971	Cr 488
	Public Health							
0	Public Health	11,000	11,000	10,422	Cr 578		Cr 301	0
0	Public Health - Grant Income	Cr 11,000	Cr 11,000	Cr 10,422	578		301	0
0		0	0	0	0		0	0
98,049	TOTAL CONTROLLABLE FOR ECHS DEPARTMENT	106,965	108,509	108,443	Cr 66		399	1,757
	ENVIRONMENTAL SERVICES DEPARTMENT							
	Environmental Services - Housing							
179	Housing Improvement	109	117	147	30	15	0	0
243	Housing Enforcement	254	256	256	0		0	0
422	TOTAL CONTROLLABLE FOR ENV SERV DEPT	363	373	403	30		0	0
98,471	TOTAL CONTROLLABLE BUDGET FOR THE PORTFOLIO	107,328	108,882	108,846	-36		399	1,757
3,436	TOTAL NON CONTROLLABLE	3,597	3,471	3,480	9		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	122,090	Cr 27		409	1,757

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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 £1,410k**

	<u>Current</u> <u>Variation</u>	<u>Last reported</u> <u>Variation</u>	<u>Change</u>
	£'000	£'000	£'000
The variation can be analysed as follows:-			
a) Residential/Nursing care and respite for older people	335	385	(50)
b) Extra Care Housing (ECH)	335	339	(4)
c) Domiciliary care & direct payments for older people less management action - review of care packages	752 0	715 0	37 0
d) Residential and domiciliary care for people with physical disabilities	(1)	(26)	25
e) Community Equipment Service less agreed management action on community equipment	0 0	0 0	0 0
f) Staffing	(11)	(11)	0
	<u>1,410</u>	<u>1,402</u>	<u>8</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) The numbers of nursing and residential care placements has reduced since the last reported figures for November, and the projected overspend £50k to £335k. This is net of an increase in projected costs relating to emergency placements of £40k.
- b) Latest monitoring of the budgets for the new ECH schemes shows a slight reduction in the projected overspend from £339k to £335k. 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 by £37k bringing the projected overspend to £752k. The increase relates mainly to reduced income from domiciliary care clients and increased costs of direct payments

An invest to save proposal was agreed at Executive on 19 October 2011 relating to services for people with physical disabilities. Savings from this were reflected in the budgets for 2012/13 (£100k) and 2013/14 (£150k), bringing the total saving required to £250k.

- d) Services for clients with physical disabilities are currently projected to be almost on budget . Domiciliary care and direct payments are currently underspending by £57k, whilst residential and nursing placements are overspent by £56k.
- 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 December and January. Bromley CCG have committed an extra £185k for this year 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 £19k

- a) Extra Care Housing - Dr £150k
There is a significant pressure on the in-house 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 £102k
Latest monitoring of the transport budget has identified a projected underspend of £73k, £25k in relation to staffing costs and £77k for transport related costs.
- c) Reablement - Cr £28k
The underspend in this service relates to staffing.

3. Learning Disabilities Care Management - Cr £60k

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

4. Learning Disabilities Day and Short Breaks Service - Cr £212k

The day care budgets are expected to underspend by £212k 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. This is a reduction on the figure reported last time of £38k, mainly due to additional costs of the contract relating to the LD supported employment service.

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

The underspend in the service mainly relates to vacant posts.

6. Housing Needs - Dr £190k

The budget now includes the £1m that had been held in the central contingency for the impact of welfare reform. The projected overspend takes this into account, i.e. it would have been £1m higher if this funding hadn't been drawn down.

So far in 2013/14 the number of B&B placements has 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 16; 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 £91k in 2013/14 and £288k 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 projected underspend on staffing (a result of a restructure and continued difficulties / delays in recruitment) and a potential increase in bad debt provision.

7. Strategic & Business Support Services - Cr £223k

The projected underspend on Strategic & Business Support Services relates mainly to: staffing (Cr £112k - vacant posts and reduced hours); overachievement of trading account income budget (Cr £30k); below budget spend on staff advertising (Cr £25k) and various other underspends on departmental general running expenses budgets.

8. Children's Social Care - Dr £438k

The main areas of projected under / overspending are:

Placements - Dr £38k

In 2012/13 the children's placement budget outturned with an overspend of £268k. The latest projection for this year is a small overspend of £38k, 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 children's placements and this is referred to in the early warnings paragraph in the body of the report.

Youth on Remand - Dr £0k

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 to budget.

Leaving Care Clients - Dr £178k

The budget for leaving care clients accommodation costs is projected to overspend by £178k net of housing benefits. This is an increase of £50k from the last reported figure, as allowance has been made for the write off of debts no longer considered recoverable.

No Recourse to Public Funds - Dr £381k

The cost to Bromley for people with no recourse to public funding has increased this period, with current projected costs of £486k against a budget of £105k. This represents a reduction of £66k from last month as some payments have ended. An assumption has been made on further likley costs, although the budget remains volatile.

Bromley Youth Support Programme - Cr £121k

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.

9. Children's Disability Services - Cr £266k

	Projected Variations £'000
Short Breaks	Cr 191
Children's Disability Team	Cr 75
Total Children's Disability Services	Cr 266

There is a projected underspend on children's disability placement of £75k, which is a reduction on the figure last reported. This included assumption for children coming into the system, but these have not yet materialised.

The short breaks service is expected to underspend by £191k, 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.

10. Commissioning - Dr £160k

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 £100k underspend on other Commissioning contracts and running expenses budgets.

11. Learning Disabilities Services - Cr £700k

A projected underspend of £700k 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 draws to a close.

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

12. Mental Health Services - Cr £259k

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 mental health and this is referred to in the early warnings paragraph in the body of the report

13. Supporting People - Cr £210k

There is a projected underspend of £210k 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 £210k 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.

14. Drugs & Alcohol - Cr £237k

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

15. ENVIRONMENTAL SERVICES DEPT - Housing Improvement - Dr £30k

The £30k shortfall in fee income is a result of the Occupational Therapy team being unable to progress grant referrals quickly enough (leading to a backlog) and staffing issues (e.g. maternity leave) in the Housing Improvement team. The staffing issues will soon be resolved and a new process has been developed with the Occupational Therapy managers to identify ways to speed up the grant process and increase the rate of referral.

Directors Comments

This has been a very challenging year for budgets across the Council, but with particular pressures seen on both housing and social care. The first monitoring report of 2013/14 suggested in-year pressures on the Portfolio budget of £2.5m. The present projection is to return a small surplus. This will have been supported by around £1.5m of planned contingencies and £1m of additional in-year savings from across the portfolio which excludes returning unused a £900k contingency sum for Learning Disabilities.

The demands on our statutory housing budget have continued to grow as is reflected in the whole year effect of what we see in the outturn. A number of innovations and interventions have helped to reduce the pressures, but we approach the year end with significant numbers in temporary accommodation. However, the pressures were predicted and have been well managed where possible, for example, the innovative work at Bellegrave, but with the contingency identified at the start of the year nonetheless proving necessary to drawdown. The projected outturn makes it clear that significant pressure continues into next year. It was recognised this year that the ability of housing to manage these wider social pressures, and to make the concomitant savings from its budget, is limited and that a whole council approach was found.

Revised approaches to the brokerage of placements in both children and adults' services, a better shared understanding of continuing health care assessments across our health partners and a greater robustness in care planning, reviewing and in assessing those qualifying for Ordinary Residence led to significant in-year savings but also changes to ways of working that will drive down costs in the future. In a year which has seen a number of providers of services to adults fail, members of the PDS will particularly want to be aware of the efforts of staff across the Council at such times to ensure that the services received by our qualifying residents, continued often with no discernable break as we moved by necessity from one provider to another.

We also saw continuing significant transfers of responsibilities from central government to ourselves often without any significant matching of funds. This saw pressures from those with no recourse to public funds, including asylum seekers, and for children on remand. However, the very good performance of our team working with our most troubled families saw considerable success in achieving the drawdown targets for the funding, preventing further pressures on the children's social care budgets.

As we plan for next year, we see continuing pressures in children's from those with no recourse to public funds, but also higher numbers in our various adults housing schemes than we would wish. The former were managed effectively in-year by children's social care. A major programme of redesigning services to adults is underway which will facilitate new ways of working in year and looking at different approaches to delivering services to our most vulnerable adults. However, it remains the case that the model around the extra care housing schemes has not been achievable in practice. Better integration with our health partners will continue across the coming year. This will help reduce pressures on the acute hospital services whilst also ensuring more residents remain in their homes for longer reducing the need for placements out of the home. This will include the work on the proMISE programme.

Pressure continues at the Princess Royal University Hospital site, and the PDS is taking a report from the management of King's.

Waiver of Financial Regulations:

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

- (a) There was 1 contract waiver agreed for the continuation of a current contract for £65k.

(b) There were 3 waivers agreed for placements over £50k in Adult 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, no virements have been actioned.

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	1,422	The full year effect of the overspend currently projected is expected to be £1,108k. 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 212	The day care budgets are expected to underspend by £212k 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	10,539	99	The full year effect of the current projection is calculated at £253k overspend. Officers continue to work towards increasing the number of inhouse foster carers so that expensive external placements can be avoided.
Children's Social Care - No Recourse to Public Funds	100	381	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.
Children's Disability Placements	2,693	Cr 75	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).
Residential, Supported Living, Shared Lives - Learning Disabilities	23,038	Cr 585	The projected net underspend on residential, supported living and shared lives in the current year is forecast to produce a full year underspend of £201k, 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 230	The full year effect of the 2013/14 underspend is forecast to be Cr £120k 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 210	The current year's projected underspend of £210k 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 £280k.
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
2013/14 Budget Adjustments	
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