

## Care Services Portfolio Budget Monitoring Summary

2015/16 Actuals £'000	Division Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>							
	<b>Adult Social Care</b>							
22,665	Assessment and Care Management	20,334	20,837	21,290	453	1	0	748
	Saving to be identified		Cr 250	0	250		0	250
2,516	Direct Services	1,241	1,491	1,491	0		0	
3,657	Learning Disabilities Care Management	3,842	3,842	3,899	57	2	0	21
838	Learning Disabilities Day and Short Breaks Service	0	0	0	0		0	
745	Learning Disabilities Housing & Support	0	0	0	0		0	
<b>30,421</b>		<b>25,417</b>	<b>25,920</b>	<b>26,680</b>	<b>760</b>		<b>0</b>	<b>1,019</b>
	<b>Operational Housing</b>							
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	
Cr 2,350	Housing Benefits	Cr 1,907	Cr 1,907	Cr 1,907	0		0	
6,364	Housing Needs	6,354	6,354	6,884	530	3	0	796
	Housing funds held in contingency	0	0	Cr 530	Cr 530		0	Cr 796
<b>4,013</b>		<b>4,446</b>	<b>4,446</b>	<b>4,446</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>Children's Social Care</b>							
16,747	Care and Resources	15,978	16,478	17,457	979		0	1,567
	Budget Saving not achievable	0	Cr 500	0	500		0	500
1,853	Safeguarding and Quality Assurance	1,494	1,494	1,494	0	4	0	
5,682	Safeguarding and Care Planning	5,662	5,662	5,909	247		0	213
1,113	Early Intervention and Family Support	998	998	998	0		0	
2,343	Children's Disability Service	2,342	2,342	2,342	0		0	
<b>27,738</b>		<b>26,474</b>	<b>26,474</b>	<b>28,200</b>	<b>1,726</b>		<b>0</b>	<b>2,280</b>
	<b>Commissioning</b>							
	Commissioning							
3,899	- Net Expenditure	4,134	4,334	4,334	0		0	
Cr 1,301	- Recharge to Better Care Fund	Cr 1,434	Cr 1,434	Cr 1,434	0	5	0	
	Saving to be identified		Cr 200	0	200		0	200
	Information & Early Intervention							
1,187	- Net Expenditure	1,163	1,163	1,163	0		0	0
Cr 1,187	- Recharge to Better Care Fund	Cr 1,163	Cr 1,163	Cr 1,163	0		0	0
23,740	Learning Disabilities	26,843	26,843	27,490	647	6	0	814
6,092	Mental Health Services	5,947	5,947	5,947	0	7	0	0
1,413	Supporting People	1,051	1,051	1,051	0	8	0	Cr 72
	Better Care Fund							
18,692	- Expenditure	19,027	19,408	19,408	0		0	0
Cr 18,851	- Income	Cr 19,180	Cr 20,311	Cr 20,311	0		0	0
Cr 312	- Variation on Protection of Social Care	0	0	0	0		0	0
	NHS Support for Social Care							
266	- Expenditure	0	348	348	0		0	0
Cr 266	- Income	0	Cr 348	Cr 348	0		0	0
<b>33,372</b>		<b>36,388</b>	<b>35,638</b>	<b>36,485</b>	<b>847</b>		<b>0</b>	<b>942</b>
	<b>Public Health</b>							
13,578	Public Health	15,106	15,106	15,106	0		0	
Cr 13,936	Public Health - Grant Income	Cr 15,478	Cr 15,478	Cr 15,478	0		0	
<b>Cr 358</b>		<b>Cr 372</b>	<b>Cr 372</b>	<b>Cr 372</b>	<b>0</b>		<b>0</b>	<b>0</b>
Cr 1,079	Savings achieved early in 2015/16 for 2016/17	0	0	0	0			
<b>94,107</b>	<b>TOTAL CONTROLLABLE ECHS DEPT</b>	<b>92,353</b>	<b>92,106</b>	<b>95,439</b>	<b>3,333</b>		<b>0</b>	<b>4,241</b>
2,594	<b>TOTAL NON CONTROLLABLE</b>	363	363	452	89			0
8,950	<b>TOTAL EXCLUDED RECHARGES</b>	10,881	10,881	10,881	0		0	0
<b>105,651</b>	<b>TOTAL ECHS DEPARTMENT</b>	<b>103,597</b>	<b>103,350</b>	<b>106,772</b>	<b>3,422</b>		<b>0</b>	<b>4,241</b>
	<b>Environmental Services Dept - Housing</b>							
189	Housing Improvement	195	195	195	0		0	0
<b>189</b>	<b>TOTAL CONTROLLABLE FOR ENV SVCES DEPT</b>	<b>195</b>	<b>195</b>	<b>195</b>	<b>0</b>		<b>0</b>	<b>0</b>
407	<b>TOTAL NON CONTROLLABLE</b>	Cr 942	Cr 942	Cr 942	0		0	0
327	<b>TOTAL EXCLUDED RECHARGES</b>	320	320	320	0		0	0
<b>923</b>	<b>TOTAL FOR ENVIRONMENTAL SVCES DEPT</b>	<b>Cr 427</b>	<b>Cr 427</b>	<b>Cr 427</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>106,574</b>	<b>TOTAL CARE SERVICES PORTFOLIO</b>	<b>103,170</b>	<b>102,923</b>	<b>106,345</b>	<b>3,422</b>		<b>0</b>	<b>4,241</b>

**REASONS FOR VARIATIONS****1. Assessment and Care Management - Dr £703k**

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Current Variation</u> £'000
<u>Physical Support / Sensory Support / Memory &amp; Cognition</u>	
Services for 65 +     - Placements	42
- Domiciliary Care / Direct Payments	255
Services for 18 - 64   - Placements	11
- Domiciliary Care / Direct Payments	91
Extra Care Housing	54
Efficiency Savings to be identified	<u>250</u>
	<u>703</u>

The budget for 2016/17 included savings of £2.15m in relation to the Assessment & Care Management budgets. The current projected overspend of £703k assumes that management action of £1,369k continues for the remainder of the year as per the budget savings. If this does not materialise, the overspend will increase

**Services for 65+ - Dr £297k**

Services for the 65's and over age group are currently showing an overspend of £297k, taking account of savings still to be achieved.

Residential care placements are currently showing a projected overspend of £33k, whilst Nursing care is projected to overspend by £9k. The savings in this area relate to better management of both internal and external void apartments in extra care housing so as to reduce numbers placed in residential care, as well as ensuring no placements are made above the council's financial ceiling rate's. The combined client numbers are currently 432 which is 27 above the budget number.

Domiciliary care and direct payments are currently projected to overspend by £255k taking account of savings still to be achieved. This area of the budget has the highest savings target to achieve at £1.26m. The savings in this area relate to reviewing packages of care, increasing the capacity of the reablement service so that more clients can be reabled and reduce the reliance on care packages, and additional charging for day and transport services.

**Extra Care Housing - Dr £54k**

The 3 external extra care housing schemes are projected to overspend by £54k this year, as average care packages continue to be above the level budgeted for. As mentioned above, avoidance of void's in these schemes is a key element of the 2016/17 budget savings, and there is also a financial cost to the council where a property remains vacant for more than 28 days.

**Services for 18 - 64 year olds - Dr £102k**

Placements for the 18 - 64 age group are currently showing a minor projected overspend of £11k, with client numbers on budget at 43. Domiciliary care and direct payments are projected to overspend by £91k.

General efficiency savings of £250k were allocated to ECHS Adult Social Care Division as part of the 2016/17 budget process. At this stage no additional savings have been identified, so an overspend is currently reported.

**2. Learning Disabilities Care Management - Dr £57k**

An overspend of £88k relates to the provision of domiciliary care services and direct payments for adults aged 18 and over with a learning disability.

The budget for staffing in the team that manages the Shared Lives scheme is projected to underspend by £31k as a result of a vacant post.

**3. Housing Needs - £0k**

A variation of £405k is currently projected for Temporary Accommodation budgets. This pressure is expected to be covered via a request to draw down funds held in contingency later in the year. The increase is due to higher client numbers (average increase of 14 per month for 2015/16 to date, inclusive of welfare reform) and rising unit costs are evident, and the projections assume the trend continues for the rest of the financial year.

These increases 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 numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

In addition, by necessity there has been increasing use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the housing benefit subsidy is capped at the Jan 2011 LHA rates (without the 90% + £40 admin formula that self contained accommodation attracts), thus often making these placements more costly than those in London, especially when the monitoring and furniture storage costs are factored in.

The full year effect of the projected overspend is currently anticipated to be a pressure of £796k in 2016/17. However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point.

Currently there is a £125k pressure relating to the storage of furniture for client's who have had to go into Temporary Accommodation.

#### **4. Children's Social Care - Dr £1,726k**

The current projected overspend in Children's Social Care is £1,726k, with the main areas of under / overspending shown below. The budget includes savings assumptions from management action for the remainder of the year as per the budgeted savings targets. If this does not materialise then the overspend will increase

##### Care and Resources - Dr £979k

###### Placements - Dr £731k

The budget for 2016/17 for children's placements included savings of £619k. Projections for May indicate a projected overspend in the region of £731k. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult.

###### Leaving Care - Dr £248k

The budget for the cost of clients leaving care continues to underspend for 16 and 17 year olds, with a figure of Cr £19k currently being projected. For the 18 plus client group there continues to be differences between the amount being paid in rent and the amount reclaimable as housing benefit, mainly due to lack of supply of suitable accommodation and the rental price. The current overspend is £266k based on current client in the service. This figure could increase if net client numbers increase.

##### Savings not achievable - Dr £500k

This area has a savings target of £500k relating to placements and additional income generation. The Director of Children's services has indicated that there are difficulties in realising these savings. This will be closely monitored throughout the year.

##### Safeguarding & Care Planning - Dr 247k

###### No Recourse to Public Funds - Cr £37k

The projected cost to Bromley for people with no recourse to public funding continues to underspend, with a current projection of Cr £37k reported. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget. Currently there are 40 children with families receiving funding, compared to 48 at the end of 2015-16. This budget does however remain volatile.

###### Public Law Outline - Court Ordered Care Proceedings - Dr £284k

Cost's in relation to care proceedings are currently expected to be £284k above the budget provision of £542k due to high demand. The main areas of overspend are in independent social worker assessments and parenting residential assessments which are largely outside the control of the council.

**5. Commissioning - Dr £200k**

General efficiency savings of £250k were allocated to ECHS Commissioning Division as part of the 2016/17 budget process. It is anticipated that £50k savings can be realised from contract efficiencies but, at this early stage in the year, plans to achieve the remainder are still to be identified.

**6. Learning Disabilities - Dr £647k**

The 2016/17 LD budget included £1.6m savings for the year. At this stage it is assumed that profiled savings will continue for the rest of the year as per the budget. This amounts to £1.02m for the remainder of the year. If the management action does not materialise then the overspend may increase. Anticipated cost pressures from transition clients have been partly mitigated by the overachievement of savings on supported living contracts.

At this early stage in the financial year the projections include a considerable level of assumption relating to uncertainties e.g. transition clients, increased care needs, carer breakdowns, attrition, health funding, start dates etc. Based on the information currently available a net overspend of £647k is anticipated but this could vary significantly as the year progresses.

**7. Mental Health - Dr £0k**

The 2016/17 MH placements budgets included £254k savings and these have not yet been fully achieved. It has been assumed that these will be found through management action for the remainder of the year.

**8. Supporting People - Dr £0k**

Savings totalling £370k were built in to the 2016/17 Supporting People budget and it is currently estimated that only £294k will be delivered in 2016/17. However 2016/17 tendering activity should deliver the savings required in a full year and this is assumed in the modelling.

**Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

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

There were 6 waiver's agreed for care placement's in both adults and children's social care services over £50k but less than £100k and 5 waiver's agreed for over £100k.

**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.

**FULL YEAR EFFECTS**

Description	2016/17 Latest Approved Budget £'000	Variation To 2016/17 Budget £'000	Potential Impact in 2017/18
Housing Needs - Temporary Accommodation	6,354	0	The full year effect of the projected overspend is currently anticipated to be a pressure of £796k in 2017/18. However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point.
Assessment and Care Management - Care Placements	18,373	453	The full year impact of the current overspend is estimated at Dr £748k, mainly on domiciliary care packages.
Learning Disabilities Care Management	2,753	88	The full year effect on client projections is estimated at £21k in relation to Domiciliary Care and Direct Payments budgets.
Residential, Supported Living, Shared Lives - Learning Disabilities	26,843	647	The full year effect is estimated at an overspend of £814k which is slightly higher than the current year's overspend. This is because the forward assumptions are based on an increasing number of LD clients (clients expected to be placed in-year in 2016/17 will only have a part year cost in 2016/17 but a full year cost in 2017/18). Given the early stage in the financial year this figure is likely to vary as the year progresses.
Supporting People	1,051	0	There is anticipated to be an underspend of £72k in a full year. This is a result of estimated savings arising from tendering activity in 2016/17.
Further 2016/17 efficiency savings	Cr 500	450	General efficiency savings of £500k were allocated to ECHS Department as part of the 2016/17 budget process. It is anticipated that £50k savings can be realised from contract efficiencies within the Commissioning Division but, at this early stage in the year, plans to achieve the balance are still to be identified resulting in a FYE overspend of £450k.
Children's Social Care	26,474	1,726	The current full year effect impact for CSC is estimated at £2,280k. This can be analysed as Dr £1,731k on placements, Cr £70k for no recourse to public funds clients, Dr £335k on leaving care clients and Dr £284k on Care Proceedings (Public Law Outline)

<b>Reconciliation of Latest Approved Budget</b>	<b>£'000</b>
<b>2016/17 Original Budget</b>	<b>103,170</b>
<b>Carry forwards requested this cycle:</b>	
<i>Social Care Funding via the CCG under S256 agreements</i>	
Adult Social Care Invest to Save Schemes	
- expenditure	48
- income	Cr 48
Integration Funding - Better Care Fund	
- expenditure	300
- income	Cr 300
<i>Better Care Fund</i>	
- expenditure	381
- income	Cr 381
<i>Adoption Reform Grant</i>	
- expenditure	132
- income	Cr 132
<b>Other:</b>	
Better Care Fund allocation from contingency	Cr 750
Additional income linked to National Living Wage - return to contingency	503
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	Cr 247
<b>2016/17 Latest Approved Budget</b>	<hr/> <b>102,923</b>