

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
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
22,652	Assessment and Care Management	20,334	20,597	21,424	827	1	703	904
2,516	Direct Services	1,241	844	770	Cr 74	2	0	0
774	Commissioning & Service Delivery	2,700	1,168	1,187	19		0	0
28,980	Learning Disabilities	30,685	30,400	31,344	944	3	864	813
6,092	Mental Health	5,947	5,881	6,186	305	4	40	444
Cr 312	Better Care Funding - Protection of Social Care	0	0	Cr 207	Cr 207	5	0	0
60,702		60,907	58,890	60,704	1,814		1,607	2,161
Operational Housing								
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 2,350	Housing Benefits	Cr 1,907	Cr 1,907	Cr 1,907	0		0	0
6,364	Housing Needs	6,354	7,114	7,727	613	6	530	841
	Housing funds held in contingency	0	0	Cr 538	Cr 538	7	Cr 530	Cr 841
1,413	Supporting People	1,051	1,051	1,127	76		0	Cr 72
5,426		5,497	6,257	6,408	151		0	Cr 72
Children's Social Care								
16,768	Care and Resources	15,978	15,985	18,346	2,361		1,479	1,704
1,853	Safeguarding and Quality Assurance	1,494	2,457	2,542	85		0	0
5,682	Safeguarding and Care Planning	5,662	5,662	7,121	1,459	8	247	889
1,113	Early Intervention and Family Support	998	998	1,008	10		0	0
2,343	Children's Disability Service	2,342	2,342	2,342	0		0	0
27,759		26,474	27,444	31,359	3,915		1,726	2,593
Health Integration								
330	Health Integration Programme	0	330	293	Cr 37		0	0
	Carers							
1,301	- Net Expenditure	1,434	1,434	1,299	Cr 135		0	0
Cr 1,301	- Recharge to Better Care Fund	Cr 1,434	Cr 1,434	Cr 1,299	Cr 135		0	0
	Information & Early Intervention							
1,187	- Net Expenditure	1,163	1,163	1,091	Cr 72		0	0
Cr 1,187	- Recharge to Better Care Fund	Cr 1,163	Cr 1,163	Cr 1,091	Cr 72	9	0	0
	Better Care Fund							
18,692	- Expenditure	19,027	20,158	20,158	0		0	0
Cr 18,851	- Income	Cr 19,180	Cr 20,311	Cr 20,311	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
171		Cr 153	177	140	Cr 37		0	0
Public Health								
13,578	Public Health	15,106	15,106	15,106	0		0	0
Cr 13,936	Public Health - Grant Income	Cr 15,478	Cr 15,478	Cr 15,478	0		0	0
Cr 358		Cr 372	Cr 372	Cr 372	0		0	0
Cr 1,079	Savings achieved early in 2015/16 for 2016/17	0	0	0	0		0	0
92,621	TOTAL CONTROLLABLE ECHS DEPT	92,353	92,396	98,239	5,843		3,333	4,682
2,594	TOTAL NON CONTROLLABLE	363	363	449	86		89	0
10,424	TOTAL EXCLUDED RECHARGES	10,881	12,355	12,355	0		0	0
105,639	TOTAL ECHS DEPARTMENT	103,597	105,114	111,043	5,929		3,422	4,682
Environmental Services Dept - Housing								
189	Housing Improvement	195	195	229	34	10	0	0
189	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	195	195	229	34		0	0
407	TOTAL NON CONTROLLABLE	Cr 942	Cr 942	Cr 942	0		0	0
327	TOTAL EXCLUDED RECHARGES	320	320	320	0		0	0
923	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 427	Cr 427	Cr 393	34		0	0
106,562	TOTAL CARE SERVICES PORTFOLIO	103,170	104,687	110,650	5,963		3,422	4,682

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £827k**

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

	<u>Current Variation</u> £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	216
<i>less management action</i>	-210
- Domiciliary Care / Direct Payments	1,419
<i>less management action</i>	-540
Services for 18 - 64	
- Placements	-61
- Domiciliary Care / Direct Payments	73
Extra Care Housing	-32
Staffing	-38
	<u>827</u>

The budget for 2016/17 included savings of £2.15m in relation to the Assessment & Care Management budgets. The current projected overspend of £827k assumes that management action of £750k continues for the remainder of the year to bring down costs. If this does not materialise, the overspend will increase.

Services for 65+ - Dr £885k

Services for the 65's and over age group are currently showing a projected overspend of £885k, taking account of management action in relation to savings still to be achieved of £750k.

Residential care placements are currently showing a projected overspend of £288k, whilst Nursing care is projected to underspend by £72k. The savings in this area relate to better management of both internal and external void apartments in extra care housing 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 425 which is 27 above the budgeted number. Management action to reduce spend in this area is £210k.

Domiciliary care and direct payments are currently projected to overspend by £1.419m. 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. Management action to reduce spend in this area is £540k.

Extra Care Housing - Cr £32k

The 3 externally run extra care housing schemes are projected to underspend by £32k based on the latest client data. Although average care packages continue to be above the level budgeted for, additional income from client contributions is offsetting some of this additional cost. 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 £12k

Placements for the 18 - 64 age group are currently showing a projected underspend of £61k, with client numbers slightly below budget. Domiciliary care and direct payments are projected to overspend by £73k

2. Direct Care - Cr £74k**Reablement Service**

The reablement service continues to achieve good results in the service it provides, however staff resignations over the past year and the difficulty in recruiting to the subsequent vacant post's is having an impact on the savings that can be achieved. As a result of these vacancies the service is currently predicting an underspend of £74k.

3. Learning Disabilities - Dr £944k

Since the last report the Commissioning restructure has been reflected in budget structures and now all LD services are reported within this line, including LD Care Management, former Commissioning-managed budgets and former LD direct services.

The original 2016/17 LD budget included £1.6m savings for the year. This target has increased during the year to a) include a share of departmental savings that had previously not been identified from a specific area (£160k) and b) to fund the net cost of the temporary team of staff working on delivering the savings (£145k net). Progress on achieving the savings is being closely monitored and the projections take into account both savings achieved to date and planned savings for the remainder of the year. If action to deliver the planned savings doesn't materialise, or materialises to a lesser extent, then the projected overspend may increase.

Cost pressures relating to transition clients, increased client needs and Ordinary Residence cases have been partly mitigated by the overachievement of savings on supported living contracts.

At this stage in the financial year the projections continue to include a level of assumption relating to uncertainties e.g. increased care needs, carer breakdowns, attrition, health funding, start dates for new packages etc. Based on the information currently available a net overspend of £944k is anticipated but this could still vary significantly as the year progresses.

4. Mental Health - Dr £305k

The original 2016/17 MH placements budgets included £254k savings which, at the end of 2015/16, had been fully achieved in advance. Since then, however, some pressures have emerged with additional demand for services. It is also thought that there has been a degree of mis-classification of new clients' Primary Support Reasons (PSRs) which could be distorting the projections. This may be overstating spend on Mental Health but not the overall Care Services position as, if the clients are not MH, they will move to another PSR budget but still within Care Services.

Work is currently underway to investigate this and adjust accordingly.

A further £40k has been added to the savings target for MH to include a share of departmental savings that had previously not been identified from a specific area.

5. Better Care Fund - Protection of Social Care - Cr £207k

A number of local authority adult social care services are funded by the element of the Better Care Fund set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services are currently projected to underspend by £207k in 2016/17 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

6. Housing Needs - £75k

A variation of £613k 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 and rising unit costs, and the projections assume the trend continues for the rest of the financial year.

Due to the recent increase in the number of new Homelessness clients being recorded by the Council (including 30 in one week), the projected number of new clients we are expecting each month in the forecast has increased from 15 to 17 per month. This has had the effect of increase the forecast in this period by £89k for the year.

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 £841k 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.

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

One of the Traveller sites is experiencing a high use of utilities (overspend of £75k) due to the site not have meters. This has been a pressure for some time and have previously has been covered by underspends in other areas of the budget which is unlikely to happen in the current financial year. There is a Capital Project to install meters on the site in question that has been delayed.

7. Supporting People - Dr £76k

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.

8. Children's Social Care - Dr £3,915k

The current projected overspend in Children's Social Care is £3,915k, 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 £2,361k

Placements - Dr £1,541k

The budget for 2016/17 for children's placements included savings of £1,119k. Projections for August indicate a projected overspend in the region of £1,791k, however there are savings targets to reduce this in year. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult.

Leaving Care - Dr £493k

The cost's in relation to clients leaving care at the age of 16 or 17 has risen drastically from the figure reported in May, with an overspend of £302k being projected compared to an underspend of £19k in May.

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 £190k based on the current numbers of client's in the service, although this is a reduction of £76k on the last reported figure. This amount could rise if net client numbers increase.

Staffing - Dr £327k

See note below relating to staffing budgets across the Division.

Safeguarding & Care Planning - Dr 1,459k

No Recourse to Public Funds - Cr £45k

The projected cost to Bromley for people with no recourse to public funding continues to underspend, with a current projection of Cr £45k reported. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget. Currently there are 28 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 £988k

Cost's in relation to care proceedings are currently expected to be £988k above the budget provision of £542k. This is an increase of £704k from the figure reported for May. The main area of overspend is in community based and residential based parenting assessments which are largely outside the control of the council.

Staffing - Dr £516k

See note below relating to staffing budgets across the Division.

Safeguarding and Quality Assurance / Early Intervention and Family Support - Dr £95k

Staffing - Dr £95k

See note below relating to staffing budgets across the Division.

Children's Social Care Staffing

Analysis of the staffing budgets across the whole of Children's Social Care has identified possible overspend's across most of the teams. Officers are currently working to understand the reason for this large overspend and appropriate action will need to be taken to bring this projection down. The main reason appears to be the use of more costly locum staff.

9. Health Integration Division - Cr £37k

The Health Integration Division is newly formed as a result of the Commissioning restructure and includes the budgets for: Information and Early Intervention; Carers; Better Care Fund; NHS Support for Social Care and the Health Integration Programme Team.

The total projected underspend for the Division is currently £244k. Of this, £207k relates to services funded by the Better Care Fund and referred to at ref 5 above. The remaining underspend of £37k relates to vacancies in the Programme Team.

10. Environmental Services Department - Housing Improvement - Dr £34k

There is a projected shortfall within renovation grant agency fee income of £34k, due to a delay in assessments and referrals for work to be carried out which has a corresponding effect on the fees earned by the Housing Improvement Team. A review of OT referral times is underway.

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:

- (a) There were 12 contract waiver's agreed for a contract's valued over £50k.
- (b) There were 17 waiver's agreed for care placement's in both adults and children's social care services over £50k but less than £100k and 20 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, the following virement has been actioned.

There has been one virement of £145k (net) approved by the Portfolio Holder for a non-recurrent investment in LD resources to support the efficiency project to deliver the required budget savings.

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	75	The full year effect of the projected overspend is currently anticipated to be a pressure of £841k 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. This cost expected to be covered by a contingency bid during the 2017/18 as has been the case for a number of years.
Assessment and Care Management - Care Placements	18,716	865	The full year impact of the current overspend is estimated at Dr £904k, mainly in relation to domiciliary care packages.
Learning Disabilities - Care Placements and Care Management	30,400	944	The full year effect is estimated at an overspend of £813k which is slightly lower than the current year's overspend. This is because savings achieved during 2016/17 will have only a part year effect in the current financial year, with the full benefit not being realised until 2017/18. This figure is likely to vary as the year progresses and assumptions are replaced with actual activity.
Mental Health - Care Placements	5,881	305	The current full year overspend on Mental Health is estimated to be £444k. Currently we are seeing an increased demand for services which will have a full year impact in 2017/18.
Supporting People	1,051	76	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.
Children's Social Care	27,444	3,915	The current full year effect impact for CSC is estimated at £2,593k. This can be analysed as Dr £1,441k on placements, Cr £38k for no recourse to public funds clients, Dr £263k on leaving care clients and Dr £927k on Care Proceedings (Public Law Outline)

Reconciliation of Latest Approved Budget

£'000

2016/17 Original Budget **103,170****Carry forwards:***Social Care Funding via the CCG under S256 agreements*

Adult Social Care Invest to Save Schemes

- expenditure 48

- income Cr 48

Integration Funding - Better Care Fund

- expenditure 300

- income Cr 300

Better Care Fund

- expenditure 381

- income Cr 381

Adoption Reform Grant

- expenditure 132

- income Cr 132

DCLG Preventing Homelessness Grant

- expenditure 200

- income Cr 200

Implementing Welfare Reforms Changes

- expenditure 56

- income Cr 56

Tackling Troubled Families

- expenditure 138

- income Cr 138

Other:

Better Care Fund allocation from contingency Cr 750

Additional income linked to National Living Wage - return to contingency 503

Commissioning restructure Cr 12

Children's Social Care OFSTED report 950

Items requested this cycle:

Deprivation of Liberty Safeguards 66

Homelessness 760

Tackling Troubled Families - Expenditure 610

Tackling Troubled Families - Income Cr 610

1,517**Latest Approved Budget for 2016/17**

104,687
