

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	21,022	22,200	1,178	1	1,027	1,519
2,516	Direct Services	1,241	1,044	961	Cr 83	2	Cr 74	0
774	Commissioning & Service Delivery	2,700	1,168	1,175	7	3	19	0
28,980	Learning Disabilities	30,685	30,405	30,954	549	4	944	514
6,092	Mental Health	5,947	5,881	5,833	Cr 48	5	105	168
Cr 312	Better Care Funding - Protection of Social Care	0	0	Cr 371	Cr 371	6	Cr 207	0
60,702		60,907	59,520	60,752	1,232		1,814	2,201
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	7,210	7,009	Cr 201	7	75	146
	Housing funds held in contingency		0	201	201		0	0
1,413	Supporting People	1,051	1,051	1,144	93	8	76	Cr 72
5,426		5,497	6,353	6,446	93		151	74
Children's Social Care								
16,768	Care and Resources	15,978	15,852	18,157	2,305		2,361	2,066
1,853	Safeguarding and Quality Assurance	1,494	2,665	2,567	Cr 98		85	0
2,508	Social Care Referral Services	2,695	2,802	2,905	103		0	Cr 70
3,174	Safeguarding and Care Planning	2,967	2,944	4,146	1,202	9	1,459	284
1,113	Early Intervention and Family Support	998	958	967	9		10	0
2,343	Children's Disability Service	2,342	2,281	2,279	Cr 2		0	0
27,759		26,474	27,502	31,021	3,519		3,915	2,280
Health Integration								
330	Health Integration Programme	0	330	208	Cr 122		Cr 37	0
	Carers							
1,301	- Net Expenditure	1,434	1,434	1,184	Cr 250		Cr 135	0
Cr 1,301	- Recharge to Better Care Fund	Cr 1,434	Cr 1,434	Cr 1,184	250		135	0
	Information & Early Intervention							
1,187	- Net Expenditure	1,163	1,163	1,380	217		Cr 72	0
Cr 1,187	- Recharge to Better Care Fund	Cr 1,163	Cr 1,163	Cr 1,380	Cr 217	10	72	0
	Better Care Fund							
18,692	- Expenditure	19,027	20,158	20,158	0		0	0
Cr 18,651	- 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	Cr 0	Cr 348	Cr 348	0		0	0
171		Cr 153	177	55	Cr 122		Cr 37	0
Strategic & Business Support Services								
242	Learning & Development	308	308	300	Cr 8		0	0
1,972	Strategic & Business Support	2,279	2,170	2,079	Cr 91		0	0
2,214		2,587	2,478	2,379	Cr 99	11	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
94,835	TOTAL CONTROLLABLE ECHS DEPT	94,940	95,658	100,281	4,623		5,843	4,555
2,690	TOTAL NON CONTROLLABLE	366	366	456	90		86	0
12,835	TOTAL EXCLUDED RECHARGES	8,291	10,013	10,013	0		0	0
110,360	TOTAL ECHS DEPARTMENT	103,597	106,037	110,750	4,713		5,929	4,555
Environmental Services Dept - Housing								
189	Housing Improvement	195	195	229	34	12	34	0
189	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	195	195	229	34		34	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		34	0
111,283	TOTAL CARE SERVICES PORTFOLIO	103,170	105,610	110,357	4,747		5,963	4,555

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £1,178k**

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	133
<i>less management action</i>	0
- Domiciliary Care / Direct Payments	1,159
<i>less management action</i>	0
Services for 18 - 64	
- Placements	-40
- Domiciliary Care / Direct Payments	-5
Extra Care Housing	-31
Staffing	-38
	<u>1,178</u>

The budget for 2016/17 included savings of £2.15m in relation to the Assessment & Care Management budgets. In August a projected overspend of £827k was being reported, which included management action of £750k to be achieved during the year, so at that stage an overspend of £1,577k had been assumed. The figures for December show a projected overspend of £1,178k, assuming no further management action, indicating that £399k of the £750k management action has been achieved.

Services for 65+ - Dr £1,292k

Services for the 65's and over age group are currently showing a projected overspend of £1,292k, assuming no further management action being achieved.

Placements are currently projected to be overspent by £133k. This is analysed as (i) Residential care overspend of £71k (ii) Nursing care overspend of £39k (iii) supported living and shared lives overspend of £23k. The combined client numbers are currently 409 which is 8 above the budgeted number of 401.

The budget 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 councils financial ceiling rates.

Domiciliary care and direct payments are currently projected to overspend by £1.159m. 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 - Cr £31k

The 3 externally run extra care housing schemes are projected to underspend by £31k 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 voids 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 - Cr £45k

Placements for the 18 - 64 age group are currently showing a projected underspend of £40k, however client numbers are above those budgeted for by 2. There are now 45 placements for this age group compared to 40 in August. Domiciliary care and direct payments are projected to underspend by £5k.

2. Direct Care - Cr £83k**Extra Care Housing - Dr £42k**

The 3 in house units providing extra care services are now showing a projected overspend, comprising of a staffing overspend of £36k and reduced client contributions of £9k. Staffing of the units vary depending on the needs of clients placed there, with some clients needing more care hours than the budget provides for. Although some of these additional hours are offset by additional client contributions, unless the client is a full cost payer there is an additional net cost to the council.

Reablement Service - Cr £125k

The reablement service continues to achieve good results in the service it provides, continuing to reduce ongoing domiciliary care costs through its reablement of clients. Staff resignations over the past year and the difficulty in recruiting to the subsequent vacant posts however is having an impact on the level savings that can be achieved. As a result of these vacancies the service is currently predicting an underspend of £125k.

3. Adult Social Care Commissioning & Service Delivery - Dr £7k (net)

There are a number of variations within the net overspend of £7k on Adult Social Care Commissioning:

	£000
Adult Social Care Commissioning staffing	37
Deprivation of Liberty Safeguards (DOLS) *	0
Legal expenses	22
Taxicard	-30
Other, including contracts	-22
	<u>7</u>

* Further budget pressures are anticipated relating to Deprivation of Liberty Safeguards but these require clarification. Some funding remains within the central contingency.

4. Learning Disabilities - Dr £549k

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 continues to be 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.

There continues to be a level of assumption relating to uncertainties included in the projections e.g. increased care needs, carer breakdowns, attrition, health funding, start dates for new packages etc. However given that we are now in the latter stages of the year this is a less significant element of the projection. Based on the information currently available an overall net overspend of £549k is anticipated.

5. Mental Health - Cr £48k

The original 2016/17 MH placements budgets included £254k savings which were fully achieved in advance in 2015/16. A further £40k has been added to the savings target for MH in-year to include a share of departmental savings that had previously not been identified from a specific area.

The previous report outlined that it was thought there had been a degree of mis-classification of new clients' Primary Support Reasons (PSRs) which was distorting the projections and overstating MH projected spend. This has now been rectified.

Overall an underspend of £48k is currently anticipated on Mental Health budgets.

6. Better Care Fund - Protection of Social Care - Cr £371k

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 £371k in 2016/17 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

7. Housing Needs - £0k

A underspend of £276k is currently projected for Temporary Accommodation budgets. This is due to the drawdown of budget for this year already taken place and a lower than expected increase in clients during November and December. The client numbers for January have returned to the expected level. Despite the lower than expected increase in client numbers, the pressures that we have been experiencing for a while are continuing with rising unit costs, and increasing numbers of clients.

Due to the increase in the number of new Homelessness clients being recorded by the Council earlier in the year (including 30 in one week), we have increased the number of new clients we are expecting each month in the forecast from 15 to 17 per month.

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 £146k 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.

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

8. Supporting People - Dr £93k

Savings totalling £370k were built in to the 2016/17 Supporting People budget and it is currently estimated that only £277k 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.

9. Childrens Social Care - Dr £3,519k

The current projected overspend in Childrens Social Care is £3,519k, a reduction of £396k since August. The main areas of under / overspending are shown below. The August projections included savings assumptions from management action for the remainder of the year of £250k and these have been achieved by amongst other things a freeze on spending on various budgets implemented by the Chief Executive in November 2016. No further management action is included in the projections, although officers continue to work to reduce expenditure.

Care and Resources - Dr £2,305k

Placements - Dr £1,092k

The budget for 2016/17 for childrens placements included savings of £1,119k. Projections for December indicate a projected overspend in the region of £1.092m, a reduction of £450k from the figure reported in August. A high level of this reduction relates to the impact of changes in the fostering allowances, the effects of which are now able to be seen. This figure includes assumptions around future placements for the final 3 months of the financial year, although the level of volatility around this budget makes predictions difficult.

Leaving Care - Dr £824k

The costs in relation to clients leaving care continues to rise for both the 16-17 age group and the 18+ age group for whom housing benefit contributes towards the costs.

The costs in relation to clients leaving care at the age of 16 or 17 continues to rise from the figure reported in August, with an overspend of £475k being projected compared to an overspend of £302k in August, an increase of £173k. Cost have increased as children are having to be placed in accommodation with higher levels of support than they previously had.

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. In addition we have seen an increase in older LAC who entered the care system as older teenagers. The current overspend is projected at £349k based on the current numbers of clients in the service, an increase of £158k on the last reported figure. This amount could rise if net client numbers increase.

Staffing - Dr £389k

See note below relating to staffing budgets across the Division.

Safeguarding & Care Planning - Dr 1,202kNo Recourse to Public Funds - Cr £29k

The projected cost to Bromley for people with no recourse to public funding continues to underspend, however the underspend has reduced since the August monitoring which showed a figure of £45k under. The current projected underspend is £29k. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget. Currently there are 39 children with families receiving funding, compared to 28 in August. At the end of 2015-16 there were 48 receiving funding. This budget does however remain volatile.

Public Law Outline - Court Ordered Care Proceedings - Dr £920k

Costs in relation to care proceedings are currently expected to be £920k above the budget provision of £542k. This is a reduction of £68k from the figure reported for August. 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 £311k

See note below relating to staffing budgets across the Division.

Safeguarding and Quality Assurance - Cr £98kStaffing - Dr £193k

See note below relating to staffing budgets across the Division.

Various Expenditure Budgets - Cr £291k

In November 2016, the Chief Executive initiated a freeze on budgets that were underspending at that time. An amount of budget equal to these underspends has been moved to a specific code within Childrens Social Care to ensure that they are not spent.

Social Care Referral Service - Dr £103kNurseries Recharge to Childrens Social Care - Cr £172k

The underspend is being caused by a reduction in the income recharge to the Education Division in relation to the in-house nurseries. This underspend is offset by an overspend in the Education Division, and therefore has a £0 effect across the council.

Staffing - Dr £275k

See note below relating to staffing budgets across the Division.

Early Intervention and Family Support / Childrens Disability Service - Dr £6kStaffing - Dr £6k

See note below relating to staffing budgets across the Division.

Childrens Social Care Staffing

Analysis of the staffing budgets across the whole of Childrens Social Care has identified overspends across most of the teams. The majority of the overspend relates to the use of costly locum staff, where it has not been possible to recruit permanently to posts. A HR recruitment and retention strategy is in place to address this

10. Health Integration Division - Cr £122k

The Health Integration Division was newly formed in 2016/17 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 £493k. Of this, £371k relates to services funded by the Better Care Fund and referred to at ref 6 above. The remaining underspend of £122k relates to vacancies in the Programme Team and one off funding identified to contribute to the cost of the team.

11. Strategic & Business Support Service - Cr £99k

Since the last budget monitoring report, Strategic & Business Support Services Division has returned to ECHS Department from Corporate Services.

The projected underspend of £99k arises from variations across a number of budget heads including staffing, centrally controlled running expenses (including printing, stationery and DBS checks), training and income.

12. 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 OT assessments and referrals for work to be carried out which has a corresponding effect on the fees earned by the Housing Improvement team. Officers are investigating options for increased use of DFG funding in line with 'Better Care' funding guidelines and whether additional external occupational therapy support could be brought in to deal with the backlog. This will not impact on the fee income until next financial year.

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 there were 21 waivers agreed for care placements in both adults and childrens social care services over £50k but less than £100k and 14 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts.

Virements Approved to date under Directors 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 the Executive there have been the following virements: £30k transferred from Environmental Services to contribute to domestic violence-related expenditure; £13k transferred to Corporate Services to part fund a post; £8k transferred to Corporate Services for additional Liberata costs relating to service changes. In addition, posts have been created following reports to Members relating to Childrens Social Care Improvement plans and Deprivation of Liberty Safeguards.

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	7,110	Cr 275	The full year effect of the projected overspend is currently anticipated to be a pressure of £146k 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	19,417	1,216	The full year impact of the current overspend is estimated at Dr £1,519k, mainly in relation to domiciliary care packages.
Learning Disabilities - Care Placements and Care Management	30,405	549	The full year effect is estimated at an overspend of £514k 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 will continue to vary as the year draws to a close and remaining assumptions are replaced with actual activity. The full year effect in this report does not include any planned activity beyond 31/3/17.
Mental Health - Care Placements	5,881	Cr 48	There is currently a full year overspend of £168k anticipated on Mental Health. The 2016/17 position is an underspend because of non-recurrent variations relating to prior years and the underlying trend is one of upward cost pressures, including reduced joint funding contributions.
Supporting People	1,051	93	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	27,361	3,691	The current full year effect impact for CSC is estimated at £2,280k. This can be analysed as Dr £729k on placements, Cr £70k for no recourse to public funds clients, Dr £961k on leaving care clients and Dr £660k 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 748

- income Cr 748

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

Deprivation of Liberty Safeguards 66

Homelessness 760

Funding for Liberata re spot day care placements and transport invoices Cr 8

Part funding for Corporate post Cr 13

Environmental Services contribution to domestic violence services 30

Transfer of budget from ECHS to Commissioning (Transport BSO) Cr 13

Items requested this cycle:

National Living Wage 686

Retained Welfare Fund 100

Children's Services Improvement Plan Phase 3 141

Community Housing Fund

- expenditure 31

- income Cr 31

 2,440

Latest Approved Budget for 2016/17

 105,610