

Adult Care and Health Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	Division Service Areas	2018/19 Original Budget £'000	2018/19 Latest Approved £'000	2018/19 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
23,836	Assessment and Care Management	23,462	23,462	24,036	574	1	0	508
0	Planned A&CM savings from management action	0	0	Cr 340	Cr 340		0	Cr 340
406	Direct Services	144	144	144	0	2	0	0
32,070	Learning Disabilities	33,551	33,551	34,117	566		0	941
	Planned LD savings from management action	0	0	Cr 464	Cr 464	0	Cr 764	
6,018	Mental Health	6,273	6,259	6,388	129	3	0	156
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	Cr 100	Cr 100	4	0	0
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0		0	0
60,386		63,430	63,416	63,781	365		0	501
Programmes								
1,639	Programmes Team	1,986	2,000	1,972	Cr 28	5	0	0
	Information & Early Intervention						0	0
3,152	- Net Expenditure	2,505	2,505	2,505	0		0	0
Cr 3,152	- Recharge to Better Care Fund	Cr 2,420	Cr 2,420	Cr 2,420	0		0	0
	Better Care Fund							
21,680	- Expenditure	21,183	21,279	21,279	0		0	0
Cr 21,819	- Income	Cr 21,275	Cr 21,371	Cr 21,371	0		0	0
	Improved Better Care Fund							
4,184	- Expenditure	4,490	7,675	7,675	0		0	0
Cr 4,184	- Income	Cr 5,363	Cr 8,548	Cr 8,548	0		0	0
	NHS Support for Social Care							
28	- Expenditure	0	0	0	0		0	0
Cr 28	- Income	0	0	0	0		0	0
1,500		1,106	1,120	1,092	Cr 28		0	0
Strategic & Business Support Services								
300	Learning & Development	372	372	372	0	6	0	0
1,961	Strategic & Business Support	2,383	2,383	2,354	Cr 29		0	0
2,261		2,755	2,755	2,726	Cr 29		0	0
Public Health								
15,103	Public Health	14,763	14,763	14,763	0		0	0
Cr 15,096	Public Health - Grant Income	Cr 14,708	Cr 14,708	Cr 14,708	0		0	0
7		55	55	55	0		0	0
64,154	TOTAL CONTROLLABLE ADULT CARE & HEALTH	67,346	67,346	67,654	308		0	501
1,419	TOTAL NON CONTROLLABLE	221	373	384	11	7	0	0
2,364	TOTAL EXCLUDED RECHARGES	2,546	2,546	2,546	0		0	0
67,937	TOTAL ADULT CARE & HEALTH PORTFOLIO	70,113	70,265	70,584	319		0	501

REASONS FOR VARIATIONS**1. Assessment and Care Management**

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

	<u>Current</u>
	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	83
- Savings included in 17/18 budget Cr	123
- Domiciliary Care / Direct Payments	151
	<u>111</u>
Services for 18 - 64	
- Placements	183
- Savings included in 17/18 budget Cr	217
- Domiciliary Care / Direct Payments	157
	<u>123</u>
	<u>234</u>

The 2018/19 budget includes funding for the full year effect of the 2017/18 overspend, less savings agreed as part of management action to reduce this overspend.

Services for 65+ - Dr £111k

Numbers in residential and nursing care continue to be above the budget provision, currently by 6 placements above the budget provision of 398, with an overspend being projected of £83k for the year. Income in relation to court of protection cases continues to partly offset this increase in costs, resulting in a reduced overspend.

In addition to the above, there is the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements that has been factored in of £123k. This has not yet been achieved, although the projections assume that this will be by the year end. If this is not the case then the reported overspend will increase. This will be closely monitored during the year.

The overall position on the domiciliary care and direct payments budgets is an overspend of £151k. £150k of this relates to a saving as a result of the Reablement Service being transferred to Bromley Health Care in 2017/18. This did not happen as envisaged, however the saving had already been included in the 2018/19 budget, so currently remains as an overspend.

Domiciliary care is currently projected to overspend by £214k, mainly due to lower levels of client contributions than anticipated, whilst direct payments are projected to underspend by £213k, resulting in a net overspend of £1k. The new charges for domiciliary care only take effect from 4th June, therefore an estimation of the additional income to be received for the remainder of the year has had to be made, and the actual amount received will vary from this estimate. By the time of the next budget monitoring cycle we will know how much actual additional income has been generated.

Services for 18-64+ - Dr £123k

Placements for 18-64 age group are projected to overspend by £183k this year based on current service user numbers. The main pressure area relates to clients with a primary support reason (PSR) of memory and cognition where the actual number of 17 is 5 above the budget provision of 12. This is partly offset by those with a PSR of Physical Support being under budget by 2 placements.

In addition as per the over 65's, there is the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements that has been factored in of £217k. This has not yet been achieved, although the projections assume that this will be by the year end. If this is not the case then the reported overspend will increase. This will be closely monitored during the year.

The overall position on the domiciliary care and direct payments budgets is an overspend of £157k. Domiciliary care is currently projected to overspend by £55k, and direct payments by £102k.

2. Learning Disabilities - Dr £102k Net of Management Action

The 2018/19 LD budget includes funding for both the full year effect of the 2017/18 overspend (based on the position at the time the budget was prepared) and 2018/19 demand-related pressures. As highlighted in the final outturn report, both of these included assumptions on planned savings from management action. The delivery of a balanced budget position in 2018/19 is dependent on these savings being achieved as well as the successful management of continued demand pressures.

Currently an overspend of £102k is anticipated after allowing for management action in relation to planned savings. If management action is excluded, the position is a projected overspend of £566k.

This set of projections is based on both actual information on current care packages and also assumptions regarding clients expected to be placed this financial year, attrition etc. The assumptions include packages that have already been agreed at Panel but where the placement has not yet taken place (where the uncertainty is mainly around start dates) and those clients expected to require new placements or have increased needs this year but for whom costs and start dates are uncertain.

To avoid overstating the assumptions, a 'probability factor' has been applied to reflect experience in previous years which has shown that there tends to be either slippage on planned start dates or clients aren't placed as originally expected. However there is a risk attached to this in that the majority of placements may go ahead as and when planned or there may be clients placed who aren't included in the forecast.

Given the early stage in the financial year, a large amount of the current forecast is based on assumptions and may therefore vary significantly as the year progresses.

Progress on achieving planned savings will be monitored closely throughout the year as this is key to managing the budget position. The dedicated 'invest to save' team of staff working on delivering the savings is funded until the end of September.

3. Mental Health - Dr £129k

Similarly to Learning Disabilities above, the 2018/19 MH budget includes funding for the full year effect of the 2017/18 overspend based on the position at the time the budget was prepared. The final outturn report highlighted that this assumed a level of savings from management action and that an overspend would result if this was not the case.

The level of savings achieved towards the end of 2017/18 was lower than planned and it is not anticipated that any further savings can be achieved. This is the main factor giving rise to the projected overspend of £129k. Given the early stage in the financial year this position is likely to shift as the year progresses.

4. Better Care Fund - Protection of Social Care - Cr £100k

A number of local authority adult social care services are funded by an 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 £100k in 2018/19 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

5. Programmes Division - Cr £28k

A relatively small underspend of £28k is currently anticipated for the Programmes Division and this relates to staffing budgets (part-year vacancies) and is non-recurrent. There is a relatively high level of staff turnover and interim staff and, as such, there is scope for the projections to change significantly in the remaining 10 months of the year.

There is a number of contracts managed within the Division where the payment varies in line with demand and variations therefore may arise on these during the year. The new single advocacy contract commenced on 1st April 2018 and there is, as yet, insufficient data on which to base a forecast so it has been assumed this is contained within budget.

The Improved Better Care Fund allocation for 2018/19 is £5.376m; of this, £873k remains within the Council's central contingency and the balance of £4.503m is within ECHS budgets. In addition, because 2017/18 allocations were agreed relatively late in the financial year, £3.172m of unspent 2017/18 funding was carried forward to 2018/19.

6. Strategic and Business Support Services Division - Cr £29k

At this early stage in the financial year an underspend of £29k is anticipated on central departmental running expenses budgets.

7. Non-Controllable - Rent

There is an £11k variation relating to Day Centre rent income, with the opposite entry to this shown within Resources Portfolio.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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, 3 waivers for Adult placements have been agreed for between £50k and £100k and 2 for more than £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, there have been two virements: 1) £140k to continue the LD Efficiencies Team to the end of September 2018 and 2) the creation of a part-time Business Support Officer post.

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Assessment and Care Management - Care Placements	22,241	234	The full year impact of the current overspend is estimated at Dr £508k. £218k of this relates to residential and nursing home placements and £290k to domiciliary care / direct payments . This is based on client numbers as at the end of May. In addition, the fye is reduced by management action relating to additional joint funding income from the CCG of an expected £340k.
Learning Disabilities - including Care Placements, Transport and Care Management	33,551	102 (net of planned management action)	The full year effect is estimated at a net overspend of £177k. This figure is net of planned savings from management action, without which the full year effect overspend would be £941k, so the delivery of the savings is critical. At this early stage in the financial year the projections include a number of assumptions so the position is likely to vary as the year progresses.
Mental Health - Care Placements	6,259	129	Based on current placements and Panel agreements there is a full year overspend of £156k anticipated on Mental Health care packages. As with Learning Disabilities above, it is still very early and this position is likely to shift during the year.

Reconciliation of Latest Approved Budget	£'000
2018/19 Original Budget	78,500
Transfer of Housing to Renewal, Recreation & Housing Portfolio	Cr 8,387
2018/19 Revised Original Budget	<u>70,113</u>
 Carry forwards requested this cycle:	
Better Care Fund - Good Gym	
- expenditure	8
- income	Cr 8
Better Care Fund	
- expenditure	28
- income	Cr 28
Improved Better Care Fund	
- expenditure	3,172
- income	Cr 3,172
Public Health Grant	
- expenditure	1,018
- income	Cr 1,018
 Other:	
2018/19 Improved Better Care Fund allocation - adjusted amount:	
- expenditure	13
- income	Cr 13
Short term assistance to day centres	152
 Latest Approved Budget for 2018/19	 <u><u>70,265</u></u>