

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	23,535	24,366	831	1	574	925
0	Planned A&CM savings from management action	0	0	Cr 171	Cr 171		Cr 340	Cr 340
406	Direct Services	144	144	144	0	2	0	0
32,070	Learning Disabilities	33,551	33,733	34,401	668		566	1,275
0	Planned LD savings from management action	0	0	Cr 123	Cr 123	Cr 464	Cr 268	
6,018	Mental Health	6,273	6,169	6,329	160	3	129	323
0	IBCF Expenditure	0	500	0	Cr 500	4	0	0
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	Cr 369	Cr 369	5	Cr 100	0
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0		0	0
60,386		63,430	64,081	64,577	496		365	1,915
Programmes								
1,639	Programmes Team	1,986	2,460	2,327	Cr 133	6	Cr 28	0
3,152	Information & Early Intervention	2,505	2,505	2,382	Cr 123		0	0
Cr 3,152	- Net Expenditure	Cr 2,420	Cr 2,505	Cr 2,382	123	0	0	
	- Recharge to Better Care Fund							
	Better Care Fund							
21,680	- Expenditure	21,183	21,949	21,949	0	0	0	0
Cr 21,819	- Income	Cr 21,275	Cr 22,041	Cr 22,041	0	0	0	0
	Improved Better Care Fund							
4,184	- Expenditure	4,490	7,675	7,675	0	0	0	0
Cr 4,184	- Income	Cr 5,363	Cr 8,548	Cr 8,548	0	0	0	0
	NHS Support for Social Care							
28	- Expenditure	0	1,500	1,500	0	0	0	0
Cr 28	- Income	0	Cr 1,500	Cr 1,500	0	0	0	0
1,500		1,106	1,495	1,362	Cr 133		Cr 28	0
Strategic & Business Support Services								
300	Learning & Development	372	372	372	0	7	0	0
1,961	Strategic & Business Support	2,383	2,383	2,353	Cr 30		Cr 29	0
2,261		2,755	2,755	2,725	Cr 30		Cr 29	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	68,386	68,719	333		308	1,915
1,419	TOTAL NON CONTROLLABLE	221	400	395	Cr 5	8	11	0
2,364	TOTAL EXCLUDED RECHARGES	2,546	2,106	2,106	0		0	0
67,937	TOTAL ADULT CARE & HEALTH PORTFOLIO	70,113	70,892	71,220	328		319	1,915

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £660k Net of Management Action**

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	285
- FYE Management Action	Cr 62
- Domiciliary Care / Direct Payments	Cr 63
	<u>160</u>
Services for 18 - 64	
- Placements	365
- FYE Management Action	Cr 108
- Domiciliary Care / Direct Payments	257
	<u>514</u>
Other	
- Day Care	Cr 500
- D2A	486
	<u>660</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 £160k

Numbers in residential and nursing care continue to be above the budget provision , currently by 16 placements above the budget of 414, with an overspend being projected of £285k for the year. This is an increase of 20 places since the last report in May. Income in relation to court of protection cases continues to partly offset this increase in costs.

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 £62k . This has been reduced since the last monitoring from £123k as this has not been achieved so far, therefore projections for the remainder of the year have been adjusted accordingly.

The overall position on the domiciliary care and direct payments budgets is an underspend of £63k, which is a change from the overspend position of £151k projected in May, a swing of Cr £214k. This consists of:-

1) There is an overspend of £150k relating to a saving that had already been included in the 2018/19 budget with the expected transfer of the Reablement Service to Bromley Health Care in 2017/18. This did not happen as envisaged, however the saving had already been included in the budget, so currently remains as an overspend.

2) Domiciliary care is currently projected to underspend by £22k , moving from an overspend of £214k in May. An analysis of the budget shows no significant change in hours being delivered, with the majority of the swing from overspend to underspend attributable to increased income from client contributions. As mentioned in the report for May the new charges for domiciliary care only took effect from 4th June, therefore an estimation of the additional income to be received had to be made for that months monitoring, actual income received has exceeded that estimation as shown in the revised projections. Direct payments are projected to underspend by £191k, a reduction of £22k from the May projection.

Services for 18-64+ - Dr £514k

Placements for 18-64 age group are projected to overspend by £365k this year based on current service user numbers, an increase of £182k since the May position. The main pressure area relates to clients with a primary support reason (PSR) of memory and cognition where the actual number has increased by 3, since May, and several service users having their care packages increased. This is partly offset by those with a PSR of Physical Support reducing by 1. Overall client numbers are currently 51 compared to the budget of 43.

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 £108k . This has been reduced since the last monitoring from £217k as this has not been achieved so far, therefore projections for the remainder of the year have been adjusted accordingly.

The overall position on the domiciliary care and direct payments budgets is an overspend of £257k, an increase of £100k since May. Domiciliary care is currently projected to overspend by £73k, and direct payments by £184k. The main increase relates to a service user where we have had to pick up, via a direct payment, the cost of care which has been backdated.

Day Care Services - Cr £500k

Day Care services continue to show reduced use of the service with low numbers compared to the budget provision. In addition contracts that we had with some providers for the provision of transport to their centres have ended, with the main Greenwich Services Plus (GSP) transport contract taking on these clients. This has resulted in a current projected underspend of £500k.

Discharge to Assess (D2A) - Dr £486k

At its meeting on 27th June the Executive agreed to extend the Discharge to Assess (D2A) pilot for another year. The packages of care provided under the D2A scheme have cost £486k so far this year. Any savings arising from this would show under the appropriate care package heading (ie placements or domiciliary care/direct payments), so would already be taken account of in the projections shown above.

2. Learning Disabilities - Dr £545k Net of Management Action

This set of projections is based both on current care packages and also assumptions regarding clients expected to be placed this financial year, planned savings, 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.

As outlined in the May 2018 monitoring report, the 2018/19 LD budget included 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. The 2017/18 final outturn report highlighted that both of these included assumptions on planned savings from management action. The delivery of a balanced budget position in 2018/19 was therefore dependent on these savings being achieved as well as the successful management of continued demand pressures.

Currently an overspend of £545k is anticipated after allowing for management action in relation to planned savings. If management action is excluded, the position is a projected overspend of £668k. The equivalent figures in May 2018 were £102k and £566k respectively.

While this is a significant increase, the impact on the full year effect is even more pronounced, increasing from an overspend of £177k in May 2018 to the current overspend position of £1,007k (both net of management action).

There are many reasons for this increase but the single largest factor is the high number of new and increased care packages over and above those included in the previous forecast. This has in part been mitigated by other factors, including the achievement of savings and the removal of assumptions and / or delay in some previously assumed new / increased packages.

The projections continue to include a number of assumptions so the position is likely to vary as the year progresses. There is nothing factored in to reflect any continued increase in new and increased care packages so projected spend may rise further.

Progress on achieving planned savings is being monitored closely as this is a key element in managing the budget position. The dedicated 'invest to save' team tasked with delivering the savings ceased at the end of September. However there is a number of savings where delivery is still anticipated and the associated 'tail-end' work is embedded within the core care management team. This current set of projections assumes that further savings of Cr £93k will be achieved this year (Cr £268k in a full year). There is also an assumption that management action will result in an additional £30k contribution from health regarding particular CHC cases

There is a projected overspend on LD Care Management of £78k. This has arisen mainly from the use of agency staff and additional staff brought in to undertake review work.

3. Mental Health - Dr £160k

Similar to Learning Disabilities above, the 2018/19 MH budget included 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 one of the main factors giving rise to the projected overspend of £160k.

The net increase in 2018/19 overspend since May 2018 is relatively small (up £31k from £129k). However this masks an underlying increasing trend (new and increased care packages) which has been mitigated by factors outside Bromley's control e.g. attrition, charging income. The impact on the full year effect is greater and this is now an overspend of £323k, an increase of £167k since the last report.

4. IBCF - Cr £500kIBCF (Cr £500k)

Additional budget from the IBCF has been drawn down to offset in year costs in Adult Social Care. This amounts to £500k credit

5. Better Care Fund - Protection of Social Care - Cr £369k

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 £369k in 2018/19 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

6. Programmes Division - Cr £133kProgrammes Team (Cr £133k)

An underspend of £133k is currently anticipated on Programmes Team budgets and this relates principally to staffing budgets (Cr £88k) and contracts (Cr £39k). There has been a high level of staff turnover and interim staff. The additional cost associated with interim staff has been offset by other posts remaining vacant.

Information and Early Intervention (Dr & Cr £123k)

This budget area encompasses any adult social care-related service or support for which there is no test of eligibility and no requirement for review. It includes: information and advice; screening and signposting; prevention and low-level support; independent advocacy.

An underspend of £123k is anticipated across the whole service. The main element of this is reduced expenditure from the Primary and Secondary Intervention Services Innovation Fund. The underspend on the Fund is shared with Bromley CCG and the Better Care Fund and the element reported here is the net amount for LB Bromley. There are savings in other areas, principally due to minor inflationary savings across a number of contracts and lower than anticipated volumes on the new single advocacy contract. This contract is still relatively new and projected spend may fluctuate until a volume pattern becomes clearer.

The whole Information and Early Intervention Service is one of a range of services protected by the Better Care Fund and, as such, the underspend on this service has been used to offset other pressures within adult social care in line with the intentions of the funding. This is reflected at ref 5 above.

Better Care Fund (nil variation)

Other than variations on the protection of social care element, any underspends on Better Care Fund budgets will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG.

Improved Better Care Fund (nil variation)

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.

Spend is underway on a number of schemes but some funding remains unallocated. As outlined in the report to the Executive on 10th October 2017, underspends can be carried forward to support expenditure in future years.

7. Strategic and Business Support Services Division - Cr £30k

An underspend of £30k is anticipated on the Strategic and Business Support Services Division. Although there are minor compensating variations across the Division the underspend mainly relates to central departmental running expenses budgets.

8. Non-Controllable - Rent

There is an £5k variation relating to Day Centre rent income.

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, 1 waiver 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

APPENDIX 1b

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) £38k for a Head of Mental Health post for an initial short term period and 2) the transfer of a Contracts Administrator post from Corporate Procurement and Commissioning (£20k).

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Assessment and Care Management - Care Placements	22,423	674	The full year impact of the current overspend is estimated at Dr £925k, an increase of £417k from the last reported figure of £508k in May. £885k of this relates to residential and nursing home placements and £40k to domiciliary care / direct payments . This is based on client numbers as at the end of September. The fye is reduced by management action relating to additional joint funding income from the CCG of an expected £340k, although it should be noted that this target has not yet been achieved for the current financial year.
Learning Disabilities - including Care Placements, Transport and Care Management	33,733	545 (net of planned management action)	The full year effect (FYE) is estimated at a net overspend of £1,007k. This figure is net of planned savings from management action, without which the FYE overspend would be £1,275k. The position reported in May 2018 monitoring was a £177k FYE overspend, net of planned savings, so this is a significant increase. There are many reasons for this but the single largest factor is the high number of new and increased care packages over and above that assumed in the previous forecast. The projections continue to include a number of assumptions so the position is likely to vary as the year progresses. There is nothing factored in to reflect any continuation of the increase in new and increased care packages so the figure may rise further.
Mental Health - Care Placements	6,169	160	Based on current placements and Panel agreements there is a full year overspend of £323k anticipated on Mental Health care packages. Similar to Learning Disabilities above, there has been a number of new and increased care packages since the last forecast but with Mental Health these have been mitigated to a greater extent by other factors (placements ending, attrition, charging income).

Reconciliation of Latest Approved Budget	£'000
2018/19 Original Budget	78,500
Transfer of Housing to Renewal, Recreation & Housing Portfolio	<u>Cr 8,387</u>
2018/19 Revised Original Budget	70,113
 Carry forward requests:	
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
Budget Transfer - Rent of Queen Mary's Hospital (CLDT)	80
Transfer of Contracts Administrator post	20
Fire Risk Assessment and Cyclical Maintenance	27
IBCF Expenditure	500
Drawdown of health funding	
- expenditure	1,500
- income	Cr 1,500
 Latest Approved Budget for 2018/19	 <u><u>70,892</u></u>