

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	22,759	23,817	1,058	1	831	954
0	Planned A&CM savings from management action	0	0	62	Cr 62		Cr 171	Cr 340
406	Direct Services	144	144	144	0		0	0
0	Quality Assurance & Safeguarding	0	121	121	0		0	0
32,070	Learning Disabilities	33,551	33,706	34,303	597	2	668	1,542
0	Planned LD savings from management action	0	0	19	Cr 19		Cr 123	Cr 220
6,018	Mental Health	6,273	6,169	6,311	142	3	160	161
0	IBCF Expenditure	0	0	0	0	4	Cr 500	0
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	519	Cr 519	5	Cr 369	Cr 33
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0		0	0
0	Winter Pressures Grant	0	0	1,190	Cr 1,190	6	0	0
60,386		63,430	62,899	62,906	7		496	2,064
Programmes								
1,639	Programmes Team	1,986	2,356	2,347	Cr 9	7	Cr 133	0
3,152	Information & Early Intervention	2,505	2,505	2,332	Cr 173		Cr 123	Cr 33
Cr 3,152	- Net Expenditure	Cr 2,420	Cr 2,505	Cr 2,332	173		123	33
	Better Care Fund							
21,680	- Expenditure	21,183	21,949	21,949	0		0	0
Cr 21,819	- Income	Cr 21,275	Cr 22,041	Cr 22,041	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	1,500	1,500	0		0	0
Cr 28	- Income	0	Cr 1,500	Cr 1,500	0		0	0
1,500		1,106	1,391	1,382	Cr 9		Cr 133	0
Strategy, Performance & Engagement								
300	Learning & Development	372	362	357	Cr 5	8	0	0
1,961	Strategy, Performance & Engagement	2,383	2,142	2,136	Cr 6		Cr 30	0
2,261		2,755	2,504	2,493	Cr 11		Cr 30	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	66,849	66,836	Cr 13		333	2,064
1,419	TOTAL NON CONTROLLABLE	221	400	369	Cr 31	9	Cr 5	0
2,364	TOTAL EXCLUDED RECHARGES	2,546	2,116	2,116	0		0	0
67,937	TOTAL ADULT CARE & HEALTH PORTFOLIO	70,113	69,365	69,321	Cr 44		328	2,064

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £996k 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	31
- FYE Management Action	Cr 62
- Domiciliary Care / Direct Payments	Cr 72
	<u>Cr 103</u>
Services for 18 - 64	
- Placements	325
- Domiciliary Care / Direct Payments	155
	<u>480</u>
Other	
- Day Care	Cr 600
- Transport	Cr 93
- Staffing	100
- Community Equipment	230
- D2A	982
	<u>996</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+ - Cr £103k

Numbers in residential and nursing care continue to be above the budget provision, currently by 25 placements above the budget of 414, with an overspend being projected of £31k for the year. This is an increase of 8 places since the last report in September. Although the numbers are much higher than the budget numbers, the variation is relatively small at £31k as 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 remained the same since the last monitoring, with £51k of this now achieved, and £11k still projected to be achieved.

The overall position on the domiciliary care and direct payments budgets is an underspend of £72k, which is a change from the overspend position of £63k projected in September, a change of Cr £9k. This underspend 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 £5k, moving from an underspend of £19k last time. Domiciliary care hours have remained fairly constant since the introduction of the D2A service, implying that the expected effect of D2A in reducing domiciliary care packages has not happened. Direct payments are projected to underspend by £217k, an increase in the underspend of £23k from the September projection, partly due to the recovery of unused direct payments from service users.

Services for 18-64+ - Dr £480k

Placements for 18-64 age group are projected to overspend by £325k this year based on current service user numbers, an increase of £68k since the September position. The main pressure area relates to clients with a primary support reason (PSR) of memory and cognition where the actual number of 16 is 8 above the budget provision. This has however decreased by 2 since September, with overall placement costs reducing by £40k.

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 removed since the last monitoring as it is now not expected to be achieved this year, although officers continue to work to ensure joint funding is appropriately received.

The overall position on the domiciliary care and direct payments budgets is an overspend of £155k, a reduction of £102k since September. Domiciliary care is currently projected to overspend by £11k, a reduction of £62k from last time, and direct payments by £144k, a reduction of £40k since September. The main reduction relates to the recovery of unused direct payments from service users.

Day Care Services - Cr £600k

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 £600k.

Transport - Cr £93k

The reduced use of Day Care services has impacted on the service provided by Greenwich Services Plus (GSP), with an underspend now projected of £93k for the year.

Staffing - Dr £100k

Within Assessment & Care Management, additional agency staff have had to be brought in to deal with a backlog of reviewing both current service users and those who are coming through the "front door" . This has resulted in additional costs of circa £100k.

Community Equipment - Dr £230k

The Community Equipment budget is projected to overspend by £400k this year. As detailed in the report to Executive in July 2017, Bromley's contribution is capped at £600k, so any overspend needs to be financed by the CCG, with a request to draw funds from the Better Care Fund. With the announcement of the Winter Pressures Funding Grant this year, £230k has been allocated to offset this overspend, which is included in the amount shown at note 6 below.

Discharge to Assess (D2A) - Dr £982k

At it's 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 are projected to cost £982k 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 £578k 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' is 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. This risk is minimised given the late stage in the financial year.

As outlined in previous monitoring reports, 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 £578k is anticipated after allowing for management action in relation to planned savings. This compares to £545k reported for September 2018.

While this is a relatively small increase in the current year, the impact on the full year effect is more significant, increasing from an overspend of £1,007k in September 2018 to the current overspend position of £1,322k (both net of management action).

There are many reasons for both the overall overspend and the increase since the last report but the single largest factor is the high number of new and increased care packages over and above those included in the budget / 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.

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 £19k will be achieved this year (Cr £220k in a full year). If these savings aren't achieved, the impact in a full year would be significant and would give rise to budget pressures in 2019/20.

There is a projected overspend on LD Care Management of £59k. This has arisen mainly from the use of agency staff and additional staff brought in to undertake review work.

3. Mental Health - Dr £142k

Similar to Learning Disabilities above, the 2018/19 Mental Health budget included funding for the full year effect of the 2017/18 overspend based on the position at the time the budget was prepared. This included an assumed level of savings from management action.

An overspend of £142k is currently anticipated in 2018/19 which is a reduction from the previously reported figure of £160k. The full year effect has reduced from an overspend of £323k to £161k which is a significantly improved position.

The reduction is partly due to increased "move through" the system which is more in line with the expected trend for Mental Health placements. While new care packages continue to be agreed, there is also evidence of clients moving on, either to independent living or with less intensive care packages.

In addition, one high cost client was previously misclassified with Mental Health as their primary support reason. This has now been adjusted and this has also contributed to the reduction in overspend on Mental Health (although the change will be cost neutral across the whole of Adult Social Care).

Budget pressures relating to the Emergency Duty Team have partly offset the reduced projected spend on care packages.

4. IBCF - Nil

Additional budget from the IBCF (£500k) had been drawn down in the previous monitoring report to offset in-year costs in adult social care but this is being returned to the contingency this cycle as a result of the Winter Pressures Grant allocation (see note 6).

5. Better Care Fund - Protection of Social Care - Cr £519k

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 £519k 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. Winter Pressures Grant - Cr £1,190k

In October 2018 the Department of Health and Social Care announced the allocation of Winter Pressures Grant funding to local authorities. The grant must be used in addition to planned spending and to support the local health and social care system to manage demand pressures on the NHS between November 2018 and March 2019 and help promote people's independence. Bromley's grant allocation is £1,190,460.

7. Programmes Division - Cr £9k

Programmes Team - Cr £9k

An underspend of £9k is currently anticipated on Programmes Team budgets and this relates principally to staffing budgets and contracts. 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 £173k

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, and independent advocacy.

An underspend of £173k is anticipated across the whole service. The main element of this is reduced expenditure funded by 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 in note 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 is held 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. In order to balance adult social care growth pressures in 2019/20 a carry forward of £1.566m IBCF funding has been assumed in the 2019/20 budget. In addition there will be further IBCF carry forwards, partly as a result of the initial allocations in 2017/18 being agreed relatively late in the financial year.

8. Strategy, Performance & Engagement Division - Cr £11k

An underspend of £11k is anticipated on the Strategy, Performance & Engagement Division. This principally relates to underspends on staffing and central departmental running expenses budgets, as well as higher than budgeted income from schools.

9. Non-Controllable - Rent - Cr £31k

There is a £31k 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, 6 waivers for Adult placements has been agreed for between £50k and £100k and 1 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 has been three virements: 1) contributions from ECHS divisions to create a Customer Relations Officer as part of the Strategy, Performance and Engagement restructure (£21k) 2) Virement of budgets in relation to agreed changes to the Liberata contract for the provision of Payments and Income services to ECHS. 3) Virement to CSC from the Programmes and Strategy Divisions to offset pressures in CSC of £250k.

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Assessment and Care Management - Care Placements	21,930	377	The full year impact of the current overspend is estimated at Dr £903k . Of this amount £885k of this relates to residential and nursing home placements and £18k to domiciliary care / direct payments . This is based on client numbers as at the end of December. 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	33,706	578 (net of planned management action)	The full year effect (FYE) is estimated at a net overspend of £1,322k. This figure is net of planned savings from management action, without which the FYE overspend would be £1,542k. The FYE positions reported in Q1 and Q2 monitoring were £177k and £1,007k respectively (net of planned savings), so the current position shows a continued trend of increased budget pressures. Anticipated 2018/19 growth and pressures from 2017/18 were both fully funded in the 2018/19 budget so this pressure is over and above that. There are many reasons for the overspend but the single largest factor is the high number of new and increased care packages. The projections continue to include a number of assumptions so the full year effect position may still vary between now and the end of the year.
Mental Health - Care Placements	6,169	142	The full year overspend of £161k anticipated on Mental Health care packages is an improved position in comparison to the previous forecast. While new care packages continue to be agreed, there is an almost equivalent level of clients who are progressing through the service, either to independent living arrangements or requiring reduced care support. This is the more usual trend for mental health-related placements but one which hadn't been evident in recent monitoring cycles.

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	70,113
 Carry forwards 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
Budget Transfer - Rent of Queen Mary's Hospital (CLDT) - adjustment	Cr 27
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
Strategic and Business Support Services restructure	10
Customer Relations Officer post	12
Liberata contract	Cr 28
Winter Pressures Grant drawdown	
- expenditure	1,190
- income	Cr 1,190
Return IBCF funding to contingency	Cr 500
Adult Social Care Support Grant drawdown	Cr 744
Virement from Programmes and Strategy divisions to Children's Social Care	Cr 250
 Latest Approved Budget for 2018/19	 <u><u>69,365</u></u>