

Adult Care and Health Portfolio Final Outturn Summary

2017/18 Actuals £'000	Division Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional 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	22,083	23,299	1,216	1	996	619
406	Direct Services	144	144	139	Cr 5	2	0	0
0	Quality Assurance & Safeguarding	0	122	103	Cr 19	3	0	0
32,070	Learning Disabilities	33,551	33,708	34,198	490	4	578	1,113
6,018	Mental Health	6,273	6,169	6,416	247	5	142	331
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	Cr 677	Cr 677	6	Cr 519	Cr 492
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0		0	0
0	Winter Pressures Grant	0	0	Cr 1,190	Cr 1,190	7	Cr 1,190	0
60,386		63,430	62,226	62,288	62		7	1,571
Programmes								
1,639	Programmes Team	1,986	2,364	2,316	Cr 48		Cr 9	0
3,152	Information & Early Intervention	1,127	1,126	932	Cr 194		Cr 173	Cr 33
Cr 3,152	- Net Expenditure	Cr 1,042	Cr 1,126	Cr 932	194		173	33
	Better Care Fund							
21,680	- Expenditure	21,183	22,435	22,377	Cr 58		0	0
Cr 21,819	- Income	Cr 21,275	Cr 22,527	Cr 22,469	58	8	0	0
	Improved Better Care Fund							
4,184	- Expenditure	4,490	8,548	8,548	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	1,100	1,100	0		0	0
Cr 28	- Income	0	Cr 1,100	Cr 1,100	0		0	0
1,500		1,106	2,272	2,224	Cr 48		Cr 9	0
Strategy, Performance & Engagement								
300	Learning & Development	372	363	355	Cr 8		Cr 5	0
1,961	Strategy, Performance & Engagement	2,383	2,145	2,091	Cr 54	9	Cr 6	0
2,261		2,755	2,508	2,446	Cr 62		Cr 11	0
Public Health								
15,103	Public Health	14,763	14,764	14,764	0		0	0
Cr 15,096	Public Health - Grant Income	Cr 14,708	Cr 14,708	Cr 14,708	0		0	0
7		55	56	56	0		0	0
64,154	TOTAL CONTROLLABLE ADULT CARE & HEALTH	67,346	67,062	67,014	Cr 48		Cr 13	1,571
1,419	TOTAL NON CONTROLLABLE	221	1,673	1,673	0		Cr 31	0
2,364	TOTAL EXCLUDED RECHARGES	2,546	2,271	2,271	0		0	0
67,937	TOTAL ADULT CARE & HEALTH PORTFOLIO	70,113	71,006	70,958	Cr 48		Cr 44	1,571

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £1,216k**

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

	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	Cr 349
- Respite Care	Cr 48
- Domiciliary Care / Direct Payments	Cr 114
	<u>Cr 511</u>
Services for 18 - 64	
- Placements	429
- Respite Care	1
- Domiciliary Care / Direct Payments	100
	<u>530</u>
Other	
- Day Care	Cr 683
- Transport	Cr 187
- Extra Care Housing	Cr 122
- Staffing	273
- Community Equipment	230
- D2A	1,121
- Other	Cr 80
- Contribution to Provision for Bad Debts	645
	<u>1,197</u>
	<u>1,216</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 £511k

The average numbers of service users in residential and nursing care across the year was 420 which was 6 above the budget provision of 414. Despite this, the final outturn was an underspend of £349k for the year. Income in relation to court of protection cases continued to partly offset the cost of the higher numbers, as well as average net placement costs being lower than what was budgeted for.

Included in the £349k underspend 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. This was budgeted at £340k, however only £51k of this was achieved.

Offsetting the underspend in long term placements, there was a high number of temporary and emergency placements during the year, resulting in an overspend of £176k on the budget. At the end of March, there were 35 service users still in these placements.

The budget for respite care for this age group was £48k underspent at year end.

The overall position on the domiciliary care and direct payments budgets is an underspend of £114k, which is a change of Cr £42k from the underspend position of £72k reported in December. This underspend consists of:

1) 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 underspend of £61k; an additional underspend of £55k from the figure reported in December. Although it is difficult to quantify the reasons for the changes in domiciliary care costs as the income and expenditure varies with each service user, the effects of the Discharge to Assess extended pilot would be impacting on these costs. Direct payments outturned with an underspend of £203k, a reduction in the underspend last reported which was Cr £217k.

Services for 18-64+ - Dr £530k

Placements for 18-64 age group outturned with an overspend of £374k this year, an increase of £50k since the December 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.

In addition, as with the budget for over 65's, the £374k overspend above includes the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements of £108k. This target was not achieved this year and therefore forms part of the reported overspend.

During the year there were also temporary and emergency placements made, resulting in an overspend of £55k on the budget. At the end of March there were 5 service users still in these placements.

The budget for respite care for this age group was £1k overspent at year end.

The overall position on the domiciliary care and direct payments budgets is an overspend of £100k, a reduction of £55k since December. Domiciliary care was underspent by £28k, compared to an overspend of £11k last monitoring, and direct payments was overspent by £128k, a reduction of £67k in the overspend since December. The main reduction relates to the recovery of unused direct payments from service users.

Other costs as detailed below - Dr £1,197k

Day Care - Cr £683k

Day Care services continued to show reduced use of the service during the year 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 final underspend of £683k.

Transport - Cr £187k

The reduced use of Day Care services has impacted on the service provided by Greenwich Services Plus (GSP), with an underspend of £187k for the year, despite the unit cost for each return journey being paid to GSP having increased from £32.67 to £37.43 in December 2018.

Extra Care Housing - Cr £122k

The budget for the provision of Extra Care Housing has underspent by £122k for the year, made up of an underachievement of income of £16k and an underspend of £138k on payments to the external provider's who provide the personal care services, mainly as a result of the level of voids during the year.

Staffing - Dr £273k

Within Assessment & Care Management, additional agency staff have had to be brought in to deal with the high number of reviews of current service users care packages, and those who are coming through the "front door". This, together with the additional costs of having to employ agency staff due to recruitment issues has resulted in additional costs of £273k for the year.

Community Equipment - Dr £230k

The Community Equipment budget has overspent by £230k 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 7 below.

Discharge to Assess (D2A) - Dr £1,121k

At it's meeting on 27th June the Executive agreed to extend the Discharge to Assess (D2A) pilot for another year. The total cost of the D2A service has been calculated at £1,098k this year, which includes both the costs of packages of care and staffing and associated costs. In addition, costs of £23k relating to 2017/18 which the Council were not made aware of by the CCG had to be paid from this years budget, bringing the total costs to £1,121k. Any savings arising from this are shown under the appropriate care package heading (ie placements or domiciliary care/direct payments), so would already be taken account of in the final figures shown above. £439k of the Winter Pressures Funding Grant has been allocated to offset this overspend, which is included in the amount shown at note 7 below.

A report on the outcome of the extended pilot is due to be reported to the Executive in July 2019.

Other costs - Cr £80k

Other costs for assessment and care management were underspent by £80k overall. These mainly relate to services provided to the hearing and visually impaired.

Contribution to Provision for Bad Debts - Dr £645k

A contribution of £645k to the bad debt provision has been made to ensure there is sufficient provision to cover expected levels of bad debt.

2. Direct Services - Cr £5k**Direct Services Management - Cr £5k**

The underspend relates to staffing costs of £2k and leased cars of £3k.

3. Quality Assurance & Safeguarding - Cr £19k

The underspend relates to staffing costs of the Quality Assurance team within Adults Social Care.

4. Learning Disabilities - Dr £490k

As outlined in budget monitoring reports throughout the year, 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.

The final outturn position is an overspend of £490k, which compares to an anticipated overspend of £578k reported in December budget monitoring, a net reduction of £88k. This is a relatively small change in the context of the size of the budget. This net reduction comprises many variations but the single largest factor is slippage in the start dates of planned new and increased care packages. This means that these cost pressures are postponed rather than avoided.

Broadly the overspend can be attributed to the high number of new and increased care packages over and above that allowed for in the budget i.e. in excess of the estimated growth for the year, and lower than budgeted savings from management action. Demand pressures will continue to be monitored closely going into 2019/20.

Savings totalling £467k were achieved in 2018/19 (£636k in a full year), without which the overspend would have been higher. The dedicated 'invest to save' team tasked with delivering the savings ceased at the end of September 2018 with the intention that ongoing savings-related work would be embedded within the core care management team. Pressures within the core team have had an adverse impact on the capacity to undertake this work and this has contributed to lower than budgeted savings.

There was an overspend on LD Care Management of £36k which mainly arose from the use of agency staff and additional staff brought in to undertake review work.

5. Mental Health - Dr £247k

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.

The final outturn position is an overspend of £247k compared to £142k reported in December. The net increase is due to a number of factors but is principally a result of a number of additional clients placed in the final three months of the year and assumed responsibility for a client under Ordinary Residence. The impact on the full year effect is greater, moving to an estimated overspend of £331k.

It is suspected that some of the new clients may have been misclassified with Mental Health as their primary support reason but it hasn't been possible to clarify this in time to close the accounts. If this is the case it will reduce the full year impact on Mental Health (although the change will be cost neutral across the whole of Adult Social Care).

6. Better Care Fund (BCF) - Protection of Social Care - Cr £677k

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

These services underspent by £677k in 2018/19 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

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

In November 2018, the Department of Health and Social Care announced the Winter Pressures Grant to support Adult Social Care services. 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.

8. Programmes Division - Cr £48k**Programmes Team - Cr £48k**

The underspend of £48k relates principally to staffing and contracts. During 2018/19 there has been a high level of staff turnover and interim staff in this area. The increase in underspend from the £9k included in the previous report is largely due to staff leaving and starting at different times to those anticipated. The additional cost associated with interim staff has been offset by other posts remaining vacant.

Information and Early Intervention - Dr & Cr £194k

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.

The main element of the £194k underspend 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 included here is the net amount for Bromley. There are also 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.

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 6 above.

Better Care Fund (BCF) - net nil variation

The underspends on the protection of social care element of Better Care Fund (Cr £677k) have been used to offset other budget pressures within Adult Social Care as outlined in note 6 above. The remaining underspend of £58k will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG. This results in a net nil variation on Better Care Fund overall.

Improved Better Care Fund (IBCF) - nil variation

The Improved Better Care Fund allocation for 2018/19 was £5.376m. In addition £3.172m of unspent 2017/18 funding was carried forward to 2018/19.

There was a degree of slippage in 2017/18, the first year of IBCF, partly because allocations were agreed relatively late in the financial year and this has had a knock on effect in year 2 of the programme resulting in underspends totalling £3,967k. In line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years and spending commitments are in place in 2019/20. These commitments include contributions to balance Adult Social Care growth pressures in 2019/20.

9. Strategy, Performance & Engagement Division - Cr £62k

The underspend of £62k on the Strategy, Performance & Engagement Division principally relates to underspends on staffing and central departmental running expenses budgets, as well as higher than budgeted income from schools.

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, 2 waivers for Adult placements have been agreed for between £50k and £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 no virements.

Carry Forwards from 2018/19 to 2019/20 - Adult Care and Health Portfolio**MEMBERS' APPROVAL REQUIRED****Grants with Explicit Right of Repayment****1 Better Care Fund (BCF) 58,328**

Bromley's Better Care Fund (BCF) allocation for 2018/19 was £20,672k. Some areas within BCF, including those for reablement and resilience, were not fully spent by 31st March 2019 and, under the pooled budget arrangement with Bromley CCG, underspends are carried forward for spending on BCF activities in 2019/20. This funding will be allocated to agreed projects together with new BCF funding for 2019/20.

Total Expenditure to be Carried Forward 58,328

Total Grant Income -58,328

Grants with no Explicit Right of Repayment**8 Improved Better Care Fund (IBCF) 3,967,290**

A total of £8,548k Improved Better Care Funding (IBCF) was available for spending in 2018/19, which comprised both 2018/19 grants and an amount brought forward from 2017/18. There was a degree of slippage in 2017/18, the first year of IBCF, partly because allocations were agreed relatively late in the financial year and this has had a knock on effect in year 2 of the programme resulting in underspends totalling £3,967k. In line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years and spending commitments are in place in 2019/20. These commitments include contributions to balance Adult Social Care growth pressures in 2019/20.

9 Public Health Grant 1,779,069

The Public Health Grant underspent as follows:

£141k in 2014/15

£152k in 2015/16

£330k in 2016/17

£395k in 2017/18

This total balance of £1,018k was carried forward to 2018/19 to fund public health initiatives as per the terms of the grant, however it was not required this year as there was a further underspend of £761k. This cumulative balance is requested to be carried forward to fund public health initiatives in future years, including the contract for health support to school age children which was reported to the Executive in November 2018.

Total Expenditure to be Carried Forward 5,746,359

Total Grant Income -5,746,359

TOTAL CARRY FORWARD TO 2019/20 0

APPENDIX 3

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Assessment and Care Management - Care Placements	20,735	664	The full year impact of the current overspend is estimated at Dr £959k . Of this amount £749k relates to residential and nursing home placements and £210k to domiciliary care / direct payments . This is based on client numbers as at the end of March. 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 only £51k of this target was achieved in the current financial year. This figure is further reduced by £492k relating to BCF
Learning Disabilities - including Care Placements, Transport and Care Management	33,708	490	The full year effect (FYE) of the outturn is a net overspend of £1,113k. This figure is net of savings from management action, without which the FYE overspend would have been £1,749k. Throughout 2018/19 the FYE has shown a continuing 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 in excess of that. There are many reasons for the overspend but the single largest factor is the high number of new and increased care packages.
Mental Health - Care Placements	6,169	247	The full year overspend of £331k on Mental Health care packages is a worsened position in comparison to the previous forecast, mirroring the in-year 2018/19 position. Earlier in the year there had been evidence of clients 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 this progress has tailed off towards the end of the financial year.

Adult Care and Health Portfolio Final Outturn

Reconciliation of Final 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
Transfer of resources from ECHS to Liberata contract budget	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 Childrens Social Care	Cr 250
IBCF expenditure drawdown	873
Merit awards	31
National Living Wage funding returned to contingency	Cr 567
 Memorandum Items:	
Capital Charges	179
Insurance	Cr 17
Rent income	Cr 38
Repairs & Maintenance	Cr 70
IAS19 (FRS17)	1,219
Excluded Recharges	31
 Final Approved Budget for 2018/19	 71,006