

Decision Maker: PORTFOLIO HOLDER FOR ADULT CARE AND HEALTH

Date: For Pre-Decision Scrutiny by the Adult Care and Health Policy Development and Scrutiny Committee on Tuesday 25th June 2019

Decision Type: Non-Urgent Executive Non-Key

Title: FINAL OUTTURN REPORT 2018/19

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Chief Officer: Director of Adult Social Care

Ward: All Wards

1. Reason for report

1.1 This report provides details of the final outturn position for 2018/19 for the Adult Care and Health Portfolio.

2. RECOMMENDATION(S)

2.1 The Adult Care and Health PDS Committee is invited to:

i) Note the net underspend of £48k on controllable expenditure at the end of 2018/19 and consider any issues arising from it.

2.2 The Adult Care and Health Portfolio Holder is requested to:

i) Endorse the 2018/19 final outturn position for the Adult Care and Health Portfolio.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None directly arising from this report
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Corporate Policy

1. Policy Status: Existing Policy: Sound financial management
 2. BBB Priority: Excellent Council, Supporting Independence, Healthy Bromley
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: AC&H Portfolio Budgets
 4. Total current budget for this head: £71.0m
 5. Source of funding: AC&H approved budget
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Personnel

1. Number of staff (current and additional): 349 Full time equivalent
 2. If from existing staff resources, number of staff hours: Not applicable
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Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 2002
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: Not Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2018/19 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 This report provides the final outturn position for the Adult Care and Health Portfolio for 2018/19, which is broken down in detail in Appendix 1, along with explanatory notes.
- 3.2 The final outturn for the “controllable” element of the Adult Care and Health budget in 2018/19 is a net underspend of £48k compared to the last reported figure of a net underspend of £13k which was based on activity at the end of December 2018.

Summary of Major Variations

- 3.3 The main variations comprising the £48k net underspend is summarised in the table below:

	£'000
Adult Social Care (mainly placements, D2A and staffing, partly offset by day care, transport and ECH)	1,929
Better Care Fund - Protection of Social Care	Cr 677
Winter Pressures Grant	Cr 1,190
	62
Programmes (mainly staffing and contracts)	Cr 48
Strategy Performance & Engagement (mainly staffing, running expenses and income from schools)	Cr 62
	Cr 48

Public Health

- 3.4 Public Health underspent by £761k in year in 2018/19. In accordance with the terms of the grant funding this amount has been transferred to a Public Health reserve which can be used in future years for Public Health activities. Further details are given in Appendix 2.

Full Year Effect

- 3.5 The cost pressures identified in this report are projected to impact in 2019/20 by £1,571k, and this has been included in the 2019/20 budget. There are still some management actions that were assumed to be taken that have not been fully delivered in 2018/19. If these are not addressed in 2019/20 then there will be an additional pressure on the budget. Further details are contained within Appendix 3.

Carry Forward Requests

- 3.6 On the 21st May 2019 the Executive were asked to approve a number of carry forward requests relating to either unspent grant income, or delays in expenditure where cost pressures will follow through into 2019/20. Appendix 2 provides a detailed breakdown of all of the carry forward requests. The carry forwards included in section 1 will have repayment implications if not approved, and those in section 2 relate to grants which will not have to be repaid if not agreed but will impact on service delivery in 2019/20. Future reports to the Portfolio Holder will be required to approve their release.

Comments from the Director of Adult Social Care

- 3.7 The final outturn for the Adult, Care and Health Services Portfolio is an underspend of £48k for the year. This is a demand led service that has scrutiny of spend and quality built into the process such as PRG and other case discussion forums for each service area.

- 3.8 The main areas of pressure are in Assessment and Care Management, Learning Disabilities and Mental Health, and relate to the growing number of service users supported, which is above the numbers and baseline of the budget that was agreed in this financial year. As a demand led service, we are statutorily bound to provide support and care to residents based on their assessed needs. In addition, we are providing more support to carers to ensure they adequately support their loved ones to reduce escalation to statutory care services.
- 3.9 The pressure reflects the growing number of young people with statutory statements of need who are being transferred from children's services. We are also seeing a number of providers managing challenging behaviour of older people with dementia and requesting additional staffing to care for them in a safe and humane way. These cases are automatically referred to the CCG for joint funding decisions which will continue as stated above.
- 3.10 The overspend in Assessment and Care Management also include the unrealised savings of £150k that was predicated on the transfer of re-ablement to BHC.
- 3.11 Bromley health and social care had a very busy summer with higher than ever recorded attendances at the PRUH, in turn we have seen a spike in both residential and nursing care placements (an average of 14 above budget during the year) having to be made.
- 3.12 There remain pressures within the domiciliary care area, as we see increasing numbers of people supported to live at home compounded with an increasing reliance on assessments and care management packages to support older people to live independently. Underspends in other areas within the department and the utilization of the Better Care Fund with our health colleagues helped in mitigating these pressures overall. We are seeing high demand from very complex cases where frailty and conditions relating to disability and ageing are compounded by the need for double handed care, sometimes 1 to 1 care provision to stabilise challenging behaviour.
- 3.13 The main risks in the Adult Care and Health Portfolio are:-
- i) Impact of the national living wage across Care Services and the impact on contracts
 - ii) Increased complexity of clients coming through the system
 - iii) Increasing number of clients coming through the system

4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.
- 4.2 Bromley's Best Value Performance Plan "Making a Difference" refers to the Council's intention to remain amongst the lowest Council Tax levels in outer London and the importance of greater focus on priorities.
- 4.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2019/20 to minimise the risk of compounding financial pressures in future years.
- 4.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council's budgetary control and monitoring arrangements.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial implications are included in the body of the report. A detailed breakdown of the projected outturn by service area is shown in appendix 1A with explanatory notes in appendix

1B. Appendix 2 outlines the requested carry forwards to 2019/20. Appendix 3 shows the latest full year effects and Appendix 4 gives the analysis of the latest approved budget.

5.2 Costs attributable to individual services have been classified as “controllable” and “non-controllable” in Appendix 1. Budget holders have full responsibility for those budgets classified as “controllable” as any variations relate to those factors over which the budget holder has, in general, direct control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as “non-controllable” within services but “controllable” within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations relating to portfolios in considering financial performance.

Non-Applicable Sections:	Legal, Personnel and Procurement Implications
Background Documents: (Access via Contact Officer)	2018/19 Budget Monitoring files in ECHS Finance Section