

Adult Care and Health Portfolio Budget Monitoring Summary

2019/20 Actuals £'000	Division Service Areas	2020/21 Original Budget £'000	2020/21 Latest Approved £'000	2020/21 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PEOPLE DEPARTMENT							
	Adult Social Care							
23,910	Assessment and Care Management	22,253	22,253	21,870	Cr 383	1	213	1,339
Cr 850	- Better Care Funding - Discharge to Assess	0	0	0	0		0	0
120	Direct Services	149	149	125	Cr 24	2	0	0
323	Quality Assurance & Safeguarding	1,533	1,533	1,533	0		0	0
36,120	Learning Disabilities	36,506	36,506	36,898	392	3	202	2,191
7,051	Mental Health	7,211	7,211	7,918	707	4	413	832
Cr 770	Better Care Funding - Protection of Social Care	0	0	Cr 10	Cr 10		0	0
Cr 900	Better Care Funding - Additional Pressures	0	0	0	0		0	0
65,004		67,652	67,652	68,334	682		828	4,362
	Programmes							
2,354	Programmes Team	2,141	2,141	2,138	Cr 3	5	0	0
1,049	Information & Early Intervention	1,158	1,158	1,148	Cr 10		0	0
Cr 1,049	- Net Expenditure	Cr 1,158	Cr 1,158	Cr 1,148	Cr 10		0	0
	Better Care Fund							
23,764	- Expenditure	22,876	22,946	22,946	0	6	0	0
Cr 23,823	- Income	Cr 22,902	Cr 22,972	Cr 22,972	0		0	0
	Improved Better Care Fund							
11,471	- Expenditure	8,794	10,060	10,060	0	7	0	0
Cr 11,471	- Income	Cr 9,004	Cr 10,270	Cr 10,270	0		0	0
	Health Support for Social Care							
3,593	- Expenditure	0	0	0	0		0	0
Cr 3,593	- Income	0	0	0	0		0	0
2,295		1,905	1,905	1,902	Cr 3		0	0
	Public Health							
14,181	Public Health	14,629	14,830	14,830	0		0	0
Cr 14,320	Public Health - Grant Income	Cr 14,770	Cr 14,971	Cr 14,971	0		0	0
Cr 139		Cr 141	Cr 141	Cr 141	0		0	0
67,160	TOTAL CONTROLLABLE ADULT CARE & HEALTH	69,416	69,416	70,095	679		828	4,362
Cr 1,121	TOTAL NON CONTROLLABLE	302	331	405	74	8	74	0
4,865	TOTAL EXCLUDED RECHARGES	5,390	5,390	5,390	0		0	0
70,904	TOTAL ADULT CARE & HEALTH PORTFOLIO	75,108	75,137	75,890	753		902	4,362

Reconciliation of Latest Approved Budget

£'000

2020/21 Original Budget

75,108

Carry forwards

Better Care Fund

- expenditure

70

- income

Cr 70

Improved Better Care Fund

- expenditure

2,766

- income

Cr 2,766

Public Health Grant

- expenditure

1,534

- income

Cr 1,534

Repairs & Maintenance

29

Grants included within Central Contingency

PrEP grant (Public Health)

- expenditure

53

- income

Cr 53

Latest Approved Budget for 2020/21

75,137

REASONS FOR VARIATIONS**1. Assessment and Care Management - Cr £383k Net of Savings to be delivered**

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	65
- Savings to be delivered	Cr 155
Respite Care	Cr 20
Domiciliary Care / Direct Payments	351
- Savings to be delivered	Cr 246
	<u>Cr 5</u>
Services for 18 - 64	
Placements	378
Respite Care	Cr 5
Domiciliary Care / Direct Payments	<u>144</u>
	517
Other	
- Staffing	11
- Day Care	Cr 184
- Transport	Cr 127
- Extra Care Housing	Cr 180
- Community DoLS	Cr 251
- Discharge to Assess (D2A)	Cr 164
	<u>Cr 895</u>
	<u>Cr 383</u>

The 2020/21 budget includes funding for the 2019/20 budget overspend calculated at the July interim budget monitoring, less savings and mitigation agreed to reduce this overspend.

Services for 65+ - Cr £5k

Although numbers in residential and nursing care are currently projected to be below the budget by 17 placements, there is an overspend of £279k projected, an increase of £108k from the May position. There has been a much higher than usual attrition in April, likely linked to Covid-19, resulting in these reduced numbers, but this has been offset by increased costs of placements having to be made above the council's guide rates. Part of the 2020/21 budget savings relate to reducing these additional placement costs where possible. The main pressure area in relation to these additional costs relates to clients with a primary support reason (PSR) of memory and cognition.

The projected underspend on Emergency and temporary placements has increased from £27k to £214k as less placements are being made at the moment.

Respite care is currently showing a projected underspend of £20k as less service users are using this service currently.

The projected position on the domiciliary care and direct payments budgets is an overspend of £351k. Domiciliary care is projected to overspend by £176k which is a reduction of £171k from the May position, as the number of hours has fallen. Direct payments is projected to overspend by £175k which is an increase of £42k from the May position. Part of the 2020/21 budget savings relate to reviewing packages of care to ensure they meet the needs of the service user.

Offsetting the above are savings still to be delivered of £401k. Due to the current Covid-19 pandemic, it has not been possible to progress the delivery of savings as expected, so included in this is amount is £134k which is being offset against the Covid-19 funding. This therefore leaves £267k still to be delivered by the department.

Services for 18-64+ - Dr £517k

Placements for 18-64 age group are projected to overspend by £535k this year based on current service user numbers, with numbers being 6 above the budget provision. This is an increase of £79k from May. As with the 65+ age group, the unit cost of placements is higher than the budgeted unit cost, adding further to the overspend.

The projected underspend on Emergency and temporary placements has increased from £50k to £157k as less placements are being made at the moment.

Respite care is currently showing a projected underspend of £5k as less service users are using this service currently.

The overall position on the domiciliary care and direct payments budgets is a projected overspend of £144k, a reduction of £18k from the overspend in May. Domiciliary care is currently projected to overspend by £41k, moving from an underspend of £71k in May. Direct payments is projected to overspend by £103k, reducing from an overspend of £238k in May.

Staffing - Dr £11k

Staffing in the care management teams is expected to overspend by £11k based on current staffing levels. This is due to a combination of the use of agency staff and the vacancy factor of 3% that was factored into the 2020/21 budget not being fully achieved.

Day Care Services & Transport Services - Cr £311k

Day Care and related transport services are currently suspended due to Covid-19, resulting in a current underspend of £184k and £127k respectively. This relates to the period April to September, there may be a further underspend if centres remain closed after that period.

Extra Care Housing - Cr £180k

The hours being delivered in ECH units continue to be at the minimum level, resulting in a projected underspend of £180k, after allowing for possible void payments.

Community Deprivation of Liberty Service (CDoLS) - Cr £251k

As reported in the 2019/20 budget monitoring and outturn reports, there was a large underspend on the Community DoLS budget. This underspend is expected to continue into the current financial year.

D2A - Cr £164k

Due to Covid-19, discharges from hospital are following a revised pathway in unison with health. This means that the budget allocation for the discharge to assess service is only minimally being utilised, so an underspend is being reported for the period to the end of September.

2. Direct Services - Cr £24kReablement - Cr £24k

Staffing within the reablement service is expected to underspend due to the retirement of a member of staff.

3. Learning Disabilities (LD) - Dr £392k

The 2020/21 LD budget includes funding for anticipated 2020/21 demand-related pressures, a contribution to the full year effect of the 2019/20 overspend but also reductions relating to planned savings.

An overspend of £392k is currently anticipated and this is due to a combination of the impact in 2020/21 of the high full year effect of 2019/20 spending (in excess of the amount funded in the 2020/21 budget), a shortfall in savings and new and increased care packages. This is partly offset by the impact of Covid and the associated significant reduced take up of services.

The forecast continues to include assumptions on packages expected to start in the remainder of the financial year, for example, young people transitioning from children's services and packages that have been agreed but not yet started. This position may change significantly as the year progresses and, to avoid overstating projections, a 'probability factor' has been applied to future assumptions to reflect experience in previous years. This is on the basis that there tends to be 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 planned.

The 2020/21 LD budget includes savings totalling £896k. For this set of projections, it is estimated there will be a shortfall of £480k in the current year, however a proportion of this (£300k) is because of delays due to the impact of Covid-19 which will therefore be attributed to Covid Grant funding. The remainder of the shortfall relates to the target for increased uptake of the Shared Lives service. Progress is being made in relation to reviewing packages and this will continue to be monitored closely.

Similar to Assessment and Care Management above, there have been reduced costs in the first half of the financial year that are likely to be Covid-related: temporary cessation of day services and associated reduced cost of transport, reduced numbers of domiciliary care packages (client preference), some clients returning home from their residential placements and, sadly, a higher than average number of deaths. There continues to be considerable uncertainty regarding the future impact of this.

The full year effect overspend of £2,191k is much higher than the in-year overspend of £392k. The reduced costs that have been experienced in the first part of 2020/21 due to the impact of Covid are largely non-recurrent and it has been assumed that services resume to normal levels in 2021/22. This may not be the case and the situation will be kept under review.

4. Mental Health (MH) - Dr £707k

Similar to Learning Disabilities above, the 2020/21 Mental Health budget includes part-funding for the full year effect of the 2019/20 overspend.

An overspend of £707k is currently anticipated which is an increase of £294k compared to the position reported in Q1. Part of the overspend (£400k) is the result of the full year effect of 2019/20 spending exceeding the amount funded in the 2020/21 budget. The remainder of the increased pressure (£307k) can largely be attributed to a net increase in placements and care packages, with new and increased packages exceeding those ending or reducing. Some of these have been agreed on an emergency basis and it may be possible to reduce the costs going forward. The position will be closely monitored throughout the year with a view to reducing this pressure through effective management action.

5. Programmes Division - Cr £3k net

There is a number of minor compensating variations on Programmes Team budgets (staffing, running expenses) with a net effect of Cr £3k. It is currently anticipated that, across the division as a whole, the vacancy rate saving will be achieved but this will be kept under review.

The underspend of £10k on the Information and Early Intervention (I&EI) Service comprises Cr £13k from inflationary efficiencies on contracts offset in part by a small shortfall of £3k on the Local Reform and Community Voices Grant. The whole I&EI net budget is funded from the element of the Better Care Fund set aside to protect social care services. This £10k underspend has therefore been used to offset other budget pressures within social care in line with the intentions of the funding.

6. Better Care Fund (BCF) - 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.

7. Improved Better Care Fund (IBCF) - Nil Variation

The total amount of funding available in 2020/21 is as follows:

	£'000
2020/21 IBCF allocation - recurrent	4,636
2020/21 IBCF allocation - non-recurrent (extended for 4th year)	1,677
2020/21 Winter Pressures Grant	1,191
Carry forward from previous years	<u>2,766</u>
	<u>10,270</u>

Of the above, a budget of £210k (expenditure) is held within the Council's central contingency. The carry forward of £2,766k includes £1,500k to fund adult social care growth pressures in 2020/21.

The non-recurrent IBCF funding of £1,677k has been extended for a fourth year and it was agreed as part of setting the 2020/21 budget that this would fund a contribution to a new, 'whole system' reserve that can be called upon in relation to any crisis in the joint health and social care systems.

8. Non-Controllable - Rent - Dr £74k

The closure of the Bertha James day centre has reduced income against budget by £74k.

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. The Director of Adult Social Care has additional authority in respect of placements.

Since the last report to the Executive, 21 waivers for Adult placements have been agreed for between £50k and £100k and 7 for more than £100k, all of which were agreed by the Director of Adult Social Care.

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.

Description	2020/21 Latest Approved Budget £'000	Variation To 2020/21 Budget £'000	Potential Impact in 2021/22
Assessment and Care Management - Care Placements	25,113	512	The full year impact of the current overspend is estimated at Dr £1,339k . Of this amount £748k relates to residential and nursing home placements and £591k to domiciliary care / direct payments . This is based on service user numbers as at the end of September, so is likely to change as the year progresses.
Learning Disabilities - including Care Placements, Transport and Care Management	36,506	392	<p>The full year effect (FYE) is estimated at a net overspend of £2,191k which is considerably higher than the in-year overspend and this is broadly a result of two main factors:</p> <p>1) The reduced costs that have been experienced in the first part of 2020/21 due to the impact of Covid are largely short term and non-recurrent and it has been assumed that services resume to normal levels in 2021/22. There continues to be a considerable degree of uncertainty and this may not be the case. The situation will be kept under review.</p> <p>2) The impact of growth pressures from transition and increased / new care packages has only a part-year impact in 2020/21 with a far greater impact in a full year.</p> <p>In addition, an element of the forecast continues to be based on assumptions for packages that have not yet started and the full year effect position will vary between now and the end of the year as things become clearer.</p>
Mental Health - Care Placements	7,211	707	Based on current placements and assumptions there is a full year overspend of £832k anticipated on Mental Health care packages. This is partly due to a recent net increase in placements and care packages. The FYE assumes no further growth in costs or packages during the remainder of the year so the pressure may increase as the year progresses. The position will be closely monitored throughout the year with a view to reducing this pressure through effective management action.