

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 29th June 2021

Decision Type: Non-Urgent Executive Non-Key

Title: FINAL OUTTURN REPORT 2020/21

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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 2020/21 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 £547k on controllable expenditure at the end of 2020/21 and consider any issues arising from it.

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

- i) Endorse the 2020/21 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: £69.1m
 5. Source of funding: AC&H approved budget
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Personnel

1. Number of staff (current and additional): 330 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 2020/21 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 2020/21, 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 2020/21 is a net underspend of £547k compared to the last reported figure of a net underspend of £591k which was based on activity at the end of December 2020.

Summary of Major Variations

- 3.3 The main variations comprising the £547k net underspend are summarised in the table below:

	£'000
<u>Adult Social Care</u>	
Assessment & Care Management (underspends on staffing, day services, CDOLs & D2A part offset by overspends on care packages)	Cr 265
Direct Services (mainly staffing)	Cr 27
Quality Assurance & Safeguarding (staffing)	Cr 73
Learning Disabilities (mainly care packages)	114
Mental Health (mainly care packages)	523
Better Care Fund (Protection of Social Care)	Cr 180
CCG Support for Social Care (one-off funding)	<u>Cr 535</u>
	Cr 443
<u>Other</u>	
Integrated Commissioning (mainly staffing)	Cr 101
Public Health (MOPAC funding requested for carry forward)	Cr 5
Better Care Fund (non-controllable)	<u>2</u>
	Cr 104
	<u>Cr 547</u>

Public Health

- 3.4 Public Health underspent by £321k in year in 2020/21. As part of the 2019/20 budget it was agreed that £603k funding from the Public Health reserve would be used to fund the Health Support to Schools contract. The underspend means that only £245k was required from the reserve in 2020/21. The balance on the Public Health reserve now stands at £1,855k, which remains ring-fenced 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 2021/22 by £4,995k. Growth of £4,362k has been included in the 2021/22 budget for full year effect cost pressures, along with a further £1,572k for growth pressures (excluding the fall out of one-off IBCF and funding set aside in Central Contingency for the ongoing impact of COVID-19).
- 3.6 Given the significant financial savings that the Council will need to make over the next four years, it is important that all future cost pressures are contained and that savings are identified early to mitigate these pressures. Further details are contained within Appendix 3.

Carry Forward Requests

- 3.7 On the 30th June the Executive is being recommended 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 2021/22.
- 3.8 Appendix 2 provides a detailed breakdown of all of the carry forward requests for Adult Care & Health Portfolio. 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 2021/22. Future reports to the Portfolio Holder will be required to approve their release from the 2021/22 Central Contingency.

Comments from the Director of Adult Social Care

- 3.9 Staff within social care have continued to largely work remotely as the pandemic has continued. Demand for assessments resulting in support have continued to increase and we have kept pace with the increase in demand to discharge patients from acute settings. Our year-end financial position is positive, sadly in part, due to the impact of Covid on a number of our most vulnerable service users. We are now moving into the endemic phase of the infection and are monitoring progress of the new variants.
- 3.10 As services have re-opened we have continued to provide support to providers of care in order to assist them with delivering safe services.
- 3.11 Relationships with partners have continued to be strong and we have jointly used the learning from the pandemic and embedded this in our practice and forward planning. Health have committed to fund discharge arrangements for the first quarter of the new financial year, and we are jointly working to find a sustainable way of funding new discharge arrangements.
- 3.12 The Department successfully facilitated the transfer of available Government Grants to providers and kept in regular contact with them to monitor the impact on their staffing and financial levels. This ensured sufficient supply of services throughout the entire pandemic.
- 3.13 Work continues to deliver savings identified through the Transformation programme and progress is monitored on a monthly basis. New targets are being developed to help offset the overall pressures on the Council's budget as we move out of the pandemic.

4. POLICY IMPLICATIONS

- 4.1 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to ensure good strategic financial management and robust discipline to deliver within our budgets.
- 4.2 The "2020/21 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2021/22 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 2021/22. 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.
- 5.3 “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, Commissioning and Contracts Management Portfolio. Other examples include cross departmental recharges and capital financing costs.
- 5.4 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)	2020/21 Budget Monitoring files in ECHS Finance Section