

**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 Thursday 9<sup>th</sup> September 2021

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** BUDGET MONITORING 2021/22

**Contact Officer:** James Mullender, Head of Finance, Adults, Health & Housing  
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**Chief Officer:** Director of Adult Social Care

**Ward:** All Wards

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1. Reason for report

- 1.1 This report provides the budget monitoring position for 2021/22 for the Adult Care and Health Portfolio based on activity up to the end of May 2021.
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2. RECOMMENDATION(S)

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

- i) Note the net overspend of £23k on controllable expenditure based on information as at May 2021;
- ii) Note the full year effect cost pressures of £1,339k in 2022/23 as set out in section 3.4;
- iii) Note the comments of the Director of Adult Social Care in section 3.6; and
- iv) Refer the report to the Portfolio Holder for approval.

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

- i) Note the projected overspend of £23k on controllable expenditure based on information as at May 2021; and
- ii) Agree the release of amounts carried forward from 2020/21 as set out in section 3.5.

### 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: £74.2m
  5. Source of funding: AC&H approved budget
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### Personnel

1. Number of staff (current and additional): 334 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 2021/22 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 The 2021/22 projected outturn for the Adult Care and Health Portfolio is detailed in Appendix 1A, broken down over each division within the service. Appendix 1B gives explanatory notes on the movements in each service. The current position is a projected overspend of £23k on the controllable budget, and some of the main variances are highlighted below.

3.2 Senior officers meet on a regular basis to scrutinise and challenge the expenditure position and formulate management action to address any issues.

#### 3.3 Adult Social Care

3.3.1 Overall the position for Adult Social Care is a projected £23k overspend. The main reasons for this are:

Assessment and Care Management - £1,125k overspend

3.3.2 Assessment and Care Management is currently estimated to overspend by £1,125k. This is mainly due to Placements, partly offset by projected underspends and Domiciliary Care/Direct Payments, Day Care, Transport, Extra Care Housing and Community DoLS.

Learning Disabilities - £190k overspend

3.3.3 The overspend in Learning Disabilities is currently projected to be £190k, mainly due to pressures from increased client needs. These figures assume the savings of £1.1m will be delivered during the year.

Mental Health - £292k underspend

3.3.4 Projected spend on mental health placements is an underspend of £292k, mainly as a result of the full year effect of 2020/21 spend being lower than the growth included in the 2021/22 budget.

COVID grants - £1,000k credit

3.3.5 The overspends above have been mostly offset by £1,000k of COVID Grant funding.

#### 3.4 FULL YEAR EFFECT GOING INTO 2022/23

3.4.1 The cost pressures identified in sections 3.3 and 3.4 above are projected to impact in 2022/23 by £1,339k as detailed in Appendix 2.

#### 3.5 AGREEMENT TO RELEASE OF AMOUNTS CARRIED FORWARD FROM 2020/21 BY THE PORTFOLIO HOLDER

Better Care Fund – Dr £113k & Cr £113k

3.5.1 Bromley's Better Care Fund (BCF) allocation for 2020/21 was £22,902k. Some areas within BCF, including those for intermediate care and dementia support, were not fully spent by 31st March 2021. Under the pooled budget arrangement with South East London CCG underspends are carried forward for spending on BCF activities in 2021/22. This funding will be allocated to agreed projects together with new BCF funding for 2021/22.

Improved Better Care Fund (IBCF) - Dr £2,547k & Cr £2,547k

3.5.2 A total of £10,270k Improved Better Care Funding (IBCF) was available for spending in 2020/21. This included both the Winter Pressures Grant and non-recurrent IBCF allocation,

along with an amount brought forward from 2019/20. Some of the funding earmarked for spending in 2020/21 was not spent and, in line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years.

Public Health Grant - Dr £1,855k & Cr £1,855k

3.5.3 The Public Health Grant underspent as follows:

£141k in 2014/15  
£152k in 2015/16  
£330k in 2016/17  
£395k in 2017/18  
£761k in 2018/19  
£358k in 2019/20

This total balance of £2,137k was carried forward to 2020/21 to fund public health initiatives as per the terms of the grant. Of this amount, £603k was used as a contribution to the Health Support to Schools service as agreed as part of the 2020/21 budget setting. In addition for 2020/21 the grant underspent by £321k. The net cumulative balance of £1,855k was carried forward to fund public health initiatives in future years.

Test and Trace Service Support Grant – Dr £747k & Cr £747k

3.5.4 The Council received an allocation of £1,370k for the Test and Trace Service Support Grant to cover expenditure in relation to the mitigation against and management of local outbreaks of COVID-19. A total of £623k was spent during 2020/21 and the balance of £747k was carried forward to 2021/22.

Contain Outbreak Management Fund – Dr £3,968k & Cr £3,968k

3.5.5 The Council received a total allocation of £8,024k for the Contain Outbreak Management Fund to cover expenditure in relation to the mitigation against and management of local outbreaks of COVID-19. A total of £4,056k was spent during 2020/21 and the balance of £3,968k was carried forward to 2021/22.

Review of S31 Mental Health arrangements – Dr £20k

3.5.6 The Council and the Oxleas NHS Foundation Trust have agreed to undertake a review of the s31 arrangements and plan to employ an external contractor to carry out this work. The review will look at amongst other things the support given to staff seconded from the Council to the NHS Trust and an audit of the NHS Trust's implementation of the Care Act 2014 responsibilities it performs on behalf of the Council. This work is scheduled to take place over the Summer 2021 and will be funded from the 2020/21 underspend by both organisations. It is estimated that the Council's contribution to the review will be up to £20k.

Public Health Underspend 2020/21 – Dr £5k

3.5.7 MOPAC funding through the Bromley Safer Neighbourhood Board had been secured by Public Health during 2020/21. Due to the pandemic the funding was not able to be used during the year, so it was carried forward to 2021/22.

3.5.8 It is requested that the Portfolio Holder agrees to release these items of funding above.

### **3.6 COMMENTS FROM THE DIRECTOR OF ADULT SOCIAL CARE**

- 3.6.1 Staff within social care have continued to largely work remotely in line with government guidance. 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. However keeping pace with demand will remain a challenge as health partners seek to deal with the backlog of admissions and their waiting lists. This will have an inevitable knock on to the Adult Social Care budget.
- 3.6.2 As services have re-opened we have continued to provide support to providers of care in order to assist them with delivering safe services.
- 3.6.3 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 delivered funding to support 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 in the longer term.
- 3.6.4 We will focus efforts on our work in the process of hospital discharge to make every effort to avoid placements through support plans that focus on support at home and promoting independence and by careful development of the Trusted Assessor arrangements.
- 3.6.5 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. Additional funding has just been released which again will be passported to care providers as required.
- 3.6.6 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 "2020/22 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.
- 4.3 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 A detailed breakdown of the projected outturn by service area is shown in appendix 1A with explanatory notes in appendix 1B. Appendix 2 shows the latest full year effects. Other financial implications are contained in the body of this report and Appendix 1B provides more detailed notes on the major services.
- 5.2 Overall the current overspend position stands at £23k (£1,339k overspend full year effect). The majority of the full year effect has been included as growth in the financial forecast; however due to the Council's "budget-gap", this is currently unfunded.

5.3 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.

<b>Non-Applicable Sections:</b>	Legal, Personnel and Procurement Implications
Background Documents: (Access via Contact Officer)	2021/22 Budget Monitoring files in ECHS Finance Section