

## Adult Care and Health Portfolio Budget Monitoring Summary

2020/21 Actuals £'000	Division Service Areas	2021/22 Original Budget £'000	2021/22 Latest Approved £'000	2021/22 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Adult Social Care</b>								
20,905	Assessment and Care Management	23,789	23,789	24,914	1,125	1	0	836
83	Direct Services	94	94	94	0		0	0
1,505	Quality Assurance & Safeguarding	1,606	1,606	1,606	0		0	0
37,198	Learning Disabilities	38,666	38,666	38,856	190	2	0	784
7,734	Mental Health	8,019	8,019	7,727	Cr 292	3	0	Cr 281
Cr 180	Better Care Funding - Protection of Social Care	0	0	0	0		0	0
Cr 535	CCG Support for Social Care	0	0	0	0		0	0
0	COVID grants	0	0	Cr 1,000	Cr 1,000		0	0
<b>66,710</b>		<b>72,174</b>	<b>72,174</b>	<b>72,197</b>	<b>23</b>		<b>0</b>	<b>1,339</b>
<b>Integrated Commissioning Service</b>								
2,019	Integrated Commissioning Service	2,207	2,227	2,227	0		0	0
1,096	Information & Early Intervention							
Cr 1,096	- Net Expenditure	1,160	1,160	1,160	0		0	0
	- Recharge to Better Care Fund (Prot of Soc Care)	Cr 1,160	Cr 1,160	Cr 1,160	0		0	0
	Better Care Fund							
22,835	- Expenditure	23,605	23,718	23,718	0	4	0	0
Cr 22,859	- Income	Cr 23,631	Cr 23,744	Cr 23,744	0		0	0
	Improved Better Care Fund							
10,269	- Expenditure	7,503	10,050	10,050	0	5	0	0
Cr 10,269	- Income	Cr 7,503	Cr 10,050	Cr 10,050	0		0	0
<b>1,995</b>		<b>2,181</b>	<b>2,201</b>	<b>2,201</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>Public Health</b>								
14,835	Public Health	14,971	14,976	14,976	0		0	0
Cr 14,971	Public Health - Grant Income	Cr 15,112	Cr 15,112	Cr 15,112	0		0	0
<b>Cr 136</b>		<b>Cr 141</b>	<b>Cr 136</b>	<b>Cr 136</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>68,569</b>	<b>TOTAL CONTROLLABLE ADULT CARE &amp; HEALTH</b>	<b>74,214</b>	<b>74,239</b>	<b>74,262</b>	<b>23</b>		<b>0</b>	<b>1,339</b>
3,400	<b>TOTAL NON CONTROLLABLE</b>	439	405	405	0		0	0
5,150	<b>TOTAL EXCLUDED RECHARGES</b>	4,991	4,991	4,991	0		0	0
<b>77,119</b>	<b>TOTAL ADULT CARE &amp; HEALTH PORTFOLIO</b>	<b>79,644</b>	<b>79,635</b>	<b>79,658</b>	<b>23</b>		<b>0</b>	<b>1,339</b>

## Reconciliation of Latest Approved Budget

£'000

## 2021/22 Original Budget

79,644

## Items Requested this Cycle:

## Carry forwards requests

## Better Care Fund

- expenditure

113

- income

Cr 113

## Improved Better Care Fund

- expenditure

2,547

- income

Cr 2,547

## Public Health Grant

- expenditure

1,855

- income

Cr 1,855

## Test and Trace Service Support Grant

- expenditure

747

- income

Cr 747

## Contain Outbreak Management Fund

- expenditure

3,968

- income

Cr 3,968

## Review of s31 Mental Health arrangements

20

## Public Health - MOPAC funding

5

## Other:

## 2021/22 Repairs &amp; Maintenance Programme

Cr 34

## Latest Approved Budget for 2021/22

79,635

**REASONS FOR VARIATIONS****1. Assessment and Care Management - Dr £1,125k**

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 &amp; Cognition</u>	
<b>Services for 65 +</b>	
- Placements	1,794
- Domiciliary Care / Direct Payments	Cr 804
	<u>990</u>
<b>Services for 18-64</b>	
- Placements	294
- Domiciliary Care / Direct Payments	179
	<u>473</u>
<b>Other</b>	
- Extra Care Housing	Cr 50
- Day Care	Cr 62
- Transport	Cr 50
- Community DoLS	Cr 100
- D2A	Cr 76
	<u>1,125</u>

The 2020/21 budget includes funding for the full year effect of the September 2020 overspend as reported to committee as part of the September Budget Monitoring report.

Services for 65+ - Dr £990k

Numbers in residential and nursing care continue to be above the budget provision, currently 29 placements above the budget number of 457, with an overspend being projected of £1,794k for the year. Of this amount £733k relates to costs being incurred for both placements above the Council's guide rates and additional 1-2-1 care required for some service users in some of the residential settings. One of the budget savings from the 2020/21 budget was to minimise placements above the guide rates and officers continue to consider costs when placement's are being agreed, whilst at the same time needing to ensure the service users needs are met.

The overall position on the domiciliary care and direct payments budgets is a projected underspend of £804k. Domiciliary care is projected to underspend by £927k and direct payments to overspend by £123k.

Services for 18-64+ - Dr £473k

Placements for 18-64 age group are projected to overspend by £294k this year based on current service user numbers. The main pressure area relates to service users with a primary support reason (PSR) of Physical Support where the actual number of 38 is 3 above the budget provision. Due to the expensive nature of placements for this age group, this has resulted in the large overspend despite the relatively small number above budget.

The overall position on the domiciliary care and direct payments budgets is a projected overspend of £179k. Domiciliary care is currently projected to overspend by £130k and direct payments by £49k.

Extra Care Housing - Cr £50k

The hours being delivered in the Extra Care Housing unit continue to remain at the minimum level resulting in a current year to date underspend of £50k. This underspend may increase during the course of the year if hours delivered remain low and the level of vacancies in the units continue.

Day Care Services - Cr £62k

The continued uncertainty around day care resuming after the closure of the day centres during the pandemic is resulting in a continued underspend on the budget. The year to date underspend is estimated at £62k, and may increase if services continue to be affected.

Transport - Cr £50k

The reduced use of Day Care services has impacted on the service provided by our external transport providers, with an underspend to date of £50k reported. As with day care, this could change depending on the rate that day services return to normal.

Community Deprivation of Liberty Service (CDoLS) - Cr £100k

This service continues to underspend as there have been delays to implementing the required changes, which are now expected to happen this year. A year to date underspend only is therefore being reported of £100k.

Discharge to Assess (D2A) - Cr £76k

Due to Covid-19, discharges from hospital continue to follow a revised pathway in unison with health, funded by government grants. This meant that the budget allocation for the discharge to assess service is only minimally being utilised, so an underspend is currently being reported. This could continue if covid related services continue to be used.

**2. Learning Disabilities (LD) - Dr £190k**

The 2021/22 LD budget includes funding for anticipated 2021/22 demand-related pressures and the full year effect (FYE) of the 2020/21 overspend but also reductions relating to planned savings.

An overspend of £190k is currently anticipated and this is mainly due to pressures arising from increased client needs in the early months of 2021/22. Growth funded in the budget for the 2020/21 overspend FYE slightly exceeded the actual full year effect of the 2020/21 outturn so this is not a factor. Given the early stage in the financial year a significant element of projected spend is based on assumptions, for example future services for young people transitioning to adult social care services and increased client needs during the year. In view of the relatively high proportion of the forecast based on future assumptions rather than actual data, this position is likely to change as the year progresses.

In addition there are uncertainties in relation to COVID and the impact this may have in 2021/22. Reduced expenditure was seen in 2020/21 in relation to the temporary cessation of day services, transport, some clients returning home from their placements and a higher than usual number of deaths. While there is hope that the impact of the pandemic may be less in the current year, considerable uncertainty remains.

The 2021/22 LD budget includes a total of £1.1m savings in relation to: increasing the uptake of Shared Lives services; voluntary and community sector support to promote independence; strengths based provision from out of borough providers and action to mitigate growth pressures. This is an ambitious target and activity may be curtailed by the COVID pandemic. As was the case in 2020/21, it may be possible to attribute part of any shortfall to COVID Grant funding.

**3. Mental Health (MH) - Cr £292k**

Similar to Learning Disabilities above, the 2021/22 Mental Health budget includes funding for the full year effect of the 2020/21 overspend. The amount was based on the September 2020 budget monitoring forecast (£832k) but the full year effect of the outturn at the end of the year had reduced to £436k. The effect of this in isolation equates to a starting point for the year of a £396k underspend.

Activity in the early months of the financial year has increased projected expenditure and a lower level of underspend is currently anticipated, of £292k. The reasons for this include new packages of care, some of which relate to hospital discharges expected to start imminently, and increased expenditure on domiciliary care. The budget holder is closely scrutinising the latter to exclude primary support reason misclassification as a reason for the increased spend. The effect of any misclassification would be cost neutral across the whole of Adult Social Care but would create a false picture of pressures across the individual services.

**4. 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 South East London Clinical Commissioning Group (CCG).

**5. Improved Better Care Fund (IBCF) - Nil Variation**

The total amount of funding available in 2021/22 is:

	£'000
2021/22 IBCF allocation - recurrent	4,636
2021/22 IBCF allocation - non-recurrent (extended for 5th year)	1,677
2021/22 Winter Pressures Grant	1,190
Carry forward from previous years	<u>2,547</u>
	<u>10,050</u>

The non-recurrent IBCF funding of £1,677k has been extended for a fifth year and, for the second year running, this will 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.

**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, 8 waivers for Adult placements have been agreed for between £50k and £100k and 6 for more than £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.

Description	2021/22 Latest Approved Budget £'000	Variation To 2021/22 Budget £'000	Potential Impact in 2022/23
Assessment and Care Management - Care Placements	26,217	1,462	The full year impact of the current overspend is estimated at £836k . Of this amount £1,183k relates to residential and nursing home placements for the 65+ age group and £336k for the 18-64 group. The balance of Cr £683k relates to domiciliary care / direct payments for both groups, with the 65+ group having an underspend of £929k and the 18-64 group an overspend of £246k
Learning Disabilities	38,666	190	The full year effect (FYE) is estimated at an overspend of £784k. This figure is higher than the in-year overspend as demand-related growth pressures, for example transition and increased client needs, have only a part year impact in 2021/22 but a greater financial impact in a full year. Given the early stage in the financial year and the uncertainties that remain in relation to the impact of COVID, the delivery of savings and the transition cohort, the FYE is likely to change as the year progresses and things become clearer.
Mental Health	8,019	Cr 292	The full year underspend of £281k anticipated on Mental Health care packages is similar to the anticipated in-year position and assumes no growth in costs or packages during the year beyond clients expected to be placed imminently. Figures are based on care packages at May 2021 so, with much of the year still to come, this position may change.