

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 22nd November 2022

Decision Type: Non-Urgent Executive Non-Key

Title: BUDGET MONITORING 2022/23

Contact Officer: James Mullender, Head of Finance, Adults, Health & Housing
Tel: 020 8313 4196 E-mail: James.Mullender@bromley.gov.uk

Chief Officer: Director of Adult Social Care

Ward: All Wards

1. Reason for report

1.1 This report provides the budget monitoring position for 2022/23 for the Adult Care and Health Portfolio based on activity up to the end of September 2022.

2. RECOMMENDATION(S)

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

- i) Note the projected net underspend of £53k on controllable expenditure based on information as at July 2022;
- ii) Note the full year effect cost pressures of £1,924k in 2023/24 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 net underspend of £53k on controllable expenditure based on information as at September 2022; and
- ii) Recommend that Executive agree the release of funds from the Central Contingency 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. MBEB Priority: For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices. To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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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: £79.2m
 5. Source of funding: AC&H approved budget
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Personnel

1. Number of staff (current and additional): 312 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 2022/23 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 2022/23 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 underspend of £53k 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 £53k overspend. The main reasons for this are:

Assessment and Care Management - £50k underspend

3.3.2 Assessment and Care Management is currently estimated to underspend by £50k. This is mainly due to projected underspends on Extra Care Housing, Day Care and Transport budget, which are partly offset by overspends on care packages, particularly those relating to hospital discharges.

Quality Assurance & Safeguarding - £92k underspend

3.3.3 A net underspend of £92k is projected for this service area as a result of underspends on Community Deprivation of Liberty Safeguards (CDoLS), partly offset by an overspend on hospital/care home DoLS.

Learning Disabilities - £68k overspend

3.3.4 The overspend in Learning Disabilities is currently projected to be £68k, mainly due to the under achievement of savings, partly offset underspends on day and respite services, transport and care packages.

Mental Health - £21k overspend

3.3.5 Projected spend on mental health placements is an overspend of £21k, mainly due to care packages for 65+, particularly care home placements, partly offset by underspends on care packages for 18-64.

3.4 FULL YEAR EFFECT GOING INTO 2023/24

3.4.1 The cost pressures identified in section 3.3 above are projected to impact in 2022/23 by £1,924k as detailed in Appendix 2.

3.5 REQUESTS FOR DRAWDOWNS FROM CENTRAL CONTINGENCY

Winter Pressures Funding from the Integrated Care Board – Dr £612k & Cr £612k

3.5.1 This is non recurrent funding and has been used to enable the continuation of 2021/22 Winter Pressures schemes into the 2022/23 financial year in line with continued discharge demand and to fund additional capacity over winter 2022/23. Specific activities that will be funded over this winter include additional capacity for social care teams and the Placement Service and the provision of an admissions avoidance bed.

3.6 COMMENTS FROM THE DIRECTOR OF ADULT SOCIAL CARE

- 3.6.1 The service has continued to maintain performance on the discharge of patients from hospital although we are seeing a demand for higher costs of placements both due to the acuity of patients and potentially in response to the recently completed cost of care exercise. Whilst we have seen an increase in numbers of people being discharged compared to pre-pandemic, more importantly the needs of individuals needing support has remained high.
- 3.6.2 We have robust plans in place to respond to the impact of Winter, these have been developed across the whole social care and health system and are based on our previous experiences of what is most effective.
- 3.6.3 The work to respond to the cost of care exercise was completed on time and we await formal confirmation of the timing of any reforms from central government once the returns have been evaluated at a national level. The work to prepare for the changes in policy are progressing, with an emphasis on mitigating any risk, but this is expected to be a feature in future years as more people fall into government funding.
- 3.6.4 Work has almost reached completion on proposals for further transformation savings, in order to assist the Council with balancing its books for next year and onwards. These will be presented in detail at the next meeting as part of the budget setting process.
- 3.6.5 I am pleased with the current reported budget position as this reflects the robust and challenging response from all services to manage a challenging financial position and would like to express my thanks to all managers within the service for their work to deliver this whilst maintaining good services to the Bromley population.

4. POLICY IMPLICATIONS

- 4.1 One of the “Making Bromley Even Better” ambitions is to manage our resources well, providing value for money, and efficient and effective services for Bromley’s residents and to meet this we will need to maintain a relentless focus on efficiency, outcomes of services and prudent management of our finances.
- 4.2 The “2022/23 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2022/23 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 projected underspend position stands at £53k (£1,924k overspend full year effect), although as there are a number of significant assumptions within the forecasts, for example relating to younger people transitioning to adult’s services, these figures are likely to change during the year.
- 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)	2022/23 Budget Monitoring files in ECHS Finance Section