
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 27th June 2023

Decision Type: Non-Urgent Executive Non-Key

Title: FINAL OUTTURN REPORT 2022/23

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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 2022/23 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 £156k on controllable expenditure at the end of 2022/23 and consider any issues arising from it.**

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

- i) **Endorse the 2022/23 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. 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: £80.8m
 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 This report provides the final outturn position for the Adult Care and Health Portfolio for 2022/23, 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 2022/23 is a net underspend of £156k compared to the last reported figure of a net underspend of £57k which was based on activity at the end of December 2022.

Summary of Major Variations

- 3.3 The main variations comprising the £156k net underspend are summarised in the table below:

	£'000
Adult Social Care	
Assessment and Care Management	359
Direct Services	31
Quality Assurance & Safeguarding	Cr 175
Learning Disabilities	Cr 24
Mental Health	Cr 54
Placement and Brokerage	Cr 11
Better Care Fund - Protection of Social Care	Cr 255
	Cr 129
Integrated Commissioning Service	
Integrated Commissioning Service	Cr 27
	Cr 27
Total	Cr 156

Public Health

- 3.4 Public Health underspent by £910k in year in 2022/23. The balance on the Public Health reserve now stands at £2,874k, which remains ring-fenced for Public Health activities.

Full Year Effect

- 3.5 The cost pressures identified in this report are projected to impact in 2023/24 by £4,657k. Growth of £1,542k has been included in the 2023/24 budget for full year effect cost pressures, along with a further £4,622k for growth pressures. Transformation programme savings of £1,832k have been identified and included in the 2023/24 budget.
- 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 5th July 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 2023/24.
- 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 2023/24. Future reports to the Portfolio Holder will be required to approve their release from the 2023/24 Central Contingency.

Comments from the Director of Adult Social Care

- 3.9 The service has maintained a tight grip on expenditure during the year and made good use of available grants to offset areas of pressure, particularly in relation to the management of hospital discharge where our performance has remained high. However, cost pressures continue in this area.
- 3.10 The late notification of the Protection of Social Care grant meant that it was not possible to spend in year, but there is agreement to carry this forward into the current financial year. This will help to address the ongoing pressures of the full year effect of spend in the last year.
- 3.11 There remain some pressures in agreeing affordable uplifts on fees, but these have been agreed with the majority of providers. Those remaining will be agreed within the available budgets that the directorate holds. This is largely due to the expectations raised by the Fair Cost of Care work carried out late in 2022, one of the reforms that has subsequently been delayed thus removing a substantial pressure in 2023/24.
- 3.12 I am pleased with the outturn position, as this reflects the robust and challenging response from all services to manage a challenging financial position. I 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 “2023/24 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2023/24 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 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 2023/24. 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)	2022/23 Budget Monitoring files in ECHS Finance Section

Adult Care and Health Portfolio Budget Monitoring Summary								
2021/22 Actuals	Division Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PEOPLE DEPARTMENT							
	Adult Social Care							
25,374	Assessment and Care Management	24,473	23,195	23,554	359	1	174	3,102
117	Direct Services	86	87	118	31	2	0	0
1,779	Quality Assurance & Safeguarding	1,930	2,509	2,334	Cr 175	3	Cr 239	0
39,170	Learning Disabilities	43,583	43,831	43,807	Cr 24	4	57	1,313
8,380	Mental Health	8,198	8,704	8,650	Cr 54	5	Cr 25	242
885	Placement and Brokerage	914	918	907	Cr 11	6	0	0
Cr 312	Better Care Fund - Protection of Social Care	0	0	Cr 255	Cr 255		0	0
Cr 920	CCG Support for Social Care	0	0	0	0		0	0
Cr 1,650	COVID grant to support impact of COVID on service areas	0	0	0	0		0	0
72,823		79,184	79,244	79,115	Cr 129		Cr 33	4,657
	Integrated Commissioning Service							
1,222	Integrated Commissioning Service	1,336	1,326	1,299	Cr 27	7	Cr 24	0
1,101	- Net Expenditure	1,205	1,205	1,205	0		0	0
Cr 1,101	- Recharge to Better Care Fund	Cr 1,205	Cr 1,205	Cr 1,205	0		0	0
	Better Care Fund							
24,175	- Expenditure	25,117	25,602	25,602	0	8	0	0
Cr 24,201	- Income	Cr 25,137	Cr 25,622	Cr 25,622	0		0	0
	Improved Better Care Fund							
10,050	- Expenditure	7,503	10,327	10,327	0	9	0	0
Cr 10,050	- Income	Cr 7,503	Cr 10,327	Cr 10,327	0		0	0
1,196		1,316	1,306	1,279	Cr 27		Cr 24	0
	Public Health							
15,197	Public Health	15,475	16,166	16,166	0		0	0
Cr 15,325	Public Health - Grant Income	Cr 15,185	Cr 15,876	Cr 15,876	0		0	0
Cr 128		290	290	290	0		0	0
73,891	TOTAL CONTROLLABLE ADULT CARE & HEALTH	80,790	80,840	80,684	Cr 156		Cr 57	4,657
2,602	TOTAL NON CONTROLLABLE	434	421	421	0		0	0
5,249	TOTAL EXCLUDED RECHARGES	3,489	4,092	4,092	0		0	0
81,742	TOTAL ADULT CARE & HEALTH PORTFOLIO	84,713	85,353	85,197	Cr 156		Cr 57	4,657

<u>Carry Forwards from 2022/23 to 2023/24</u>			
MEMBERS' APPROVAL REQUIRED			
<u>Grants with Explicit Right of Repayment</u>			
<u>ADULT CARE AND HEALTH PORTFOLIO</u>			
1	Supplementary Substance Misuse Treatment & Recovery Funding	57,217	
	In June 2022, Executive approved the drawdown of £264k grant from the Office for Health Improvements and Disparities (OHID) to continue with the improvements in the quality and capacity of drug and alcohol treatment and to support delivery of the ambitions of the national drugs plan, 'From Harm to Hope: a 10-year drugs plan to cut crime and save lives' at local level. £57k of this amount was unspent by year end and it is requested that this is carried forward to 2023/24.		
2	Test and Trace service support grant	368,138	
	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 £1,002k has been spent to date and the balance of £368k is requested to be carried forward to 2023/24.		
3	Contain Outbreak Management Fund grant	54,300	
	An element of the Contain Outbreak Management Fund allocated for the Homeless Health Project remains unspent and it is requested the balance of £54k is carried forward to 2023/24 to meet committed spend.		
Adult Care and Health Portfolio			479,655
Total Expenditure to be Carried Forward			479,655
Total Grant Income			-479,655

<u>Grants with no Explicit Right of Repayment</u>		
ADULT CARE AND HEALTH PORTFOLIO		
12	Improved Better Care Fund (IBCF)	1,911,026
	A total of £10,328k Improved Better Care Funding (IBCF) was available for spending in 2022/23. This included both the Winter Pressures Grant and non-recurrent IBCF allocation, along with an amount brought forward from 2021/22. Some of the funding earmarked for spending in 2022/23 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. £400k of the proposed carry forward has been used in the 2023/24 budget to part-mitigate adult social care growth pressures.	
13	Public Health Grant	2,874,494
	The cumulative underspend for the ring-fenced Public Health Grant brought forward from 2021/22 was £1,964k. An underspend during the year of £910k has increased this to £2,874k and this amount is requested to be carried forward to fund public health initiatives in future years.	
14	LD/Autism Funding from South East London ICB	207,904
	As part of health and care pandemic recovery arrangements SELICB awarded each of the six South East London boroughs one-off ringfenced funds to support the development of learning disability and autism services to residents. Funds were to be used to better identify and understand population health needs, enhance day activities and access to employment, reduce waiting times for paediatric support and to raise awareness of autism across universal public services and commercial services. LBB received £247K. It is requested that £208K of these funds is carried forward into 2023/24. In agreement with SELICB it is planned to spend the funds as follows: Commission of population health intelligence work to collect, create and analyse data to plan for future demand - £35k Pump priming to enable the development of social enterprises and other employment opportunities to support people with learning disabilities - £60k Commission a project to reduce waiting times for children waiting for diagnosis assessment - £62k Commission an autism awareness campaign aimed at universal services - £50k	
15	Discharge Transformation Funding from South East London ICB	256,065
	In December 2022 the Council was allocated by the Department for Health and Social Care £992,046 Discharge Transformation Funds. These funds were ringfenced to support the safe and timely discharge of residents from hospital with monies spent on additional care packages and other activities in support of hospital discharge. It is requested that £256K of these funds is carried over into this financial year to cover the cost of hospital discharge pressures that have continued into 2023/24.	
16	Winter Resilience Funding	400,000
	In November 2021, South East London CCG confirmed they had allocated one-off financial support to the six local authorities to help maintain a robust social care offer over the remainder of the financial year, with £1,430k allocated to Bromley. This funding was used to help offset some of the additional care packages and other pressures during the pandemic and to manage the additional pressures of winter and Covid demand with funding carried forward to into 2022/23 to meet continued pressures. £400k of these funds, allocated to support the recruitment and retention of frontline care workers, was underspent in 2022/23. It is requested these funds be carried forward to 2023/24 as part measures to provide continued support to local care providers in recruiting and retaining staff.	
17	Charging Reform Implementation Support Grant	104,250
	A carry forward of the £104k Charging Reform Implementation Support Grant to is requested to continue the work needed to prepare for the implementation of the charging reform. This includes funding the Reform Programme Team and working with the Social Care Institute of Excellence (SCIE) develop a forward strategy and help facilitate its delivery	

18	Omicron Support Fund	136,312	
	The Council received £297k of Omicron Support Fund grant in January 2022 of which £148k was allocated for Occupational Therapy equipment. It is requested that the remaining balance of £136k is carried forward to 2023/24 to purchase a range of digital devices in preparation for the digital switchover in 2025.		
	Adult Care and Health Portfolio		5,890,051
	Total Expenditure to be Carried Forward		5,890,051
	Total Grant Income		-5,890,051

Description	2022/23 Latest	Variation To	Potential Impact in 2023/24
	Approved	2022/23	
	Budget	Budget	
	£'000	£'000	
Assessment and Care Management - Care Placements	28,764	1,270	The full year impact of the current overspend is estimated at £3,102k. Of this amount £1,327k relates to residential and nursing home placements for 65+ and £476k for 18-64's. and £825k for Domiciliary care & direct payments for 65+ and £474k for 18-64's.
Learning Disabilities - including Care Placements, Transport and Care Management	42,270	Cr 24	The full year effect (FYE) is estimated at a net overspend of £1,313k. This figure is considerably higher than the in-year variation as demand-related growth pressures, for example transition and increased client needs, have only a part year impact in 2022/23 but a greater financial impact in a full year.
Mental Health - Care Placements	6,767	69	A full year overspend of £242k is anticipated on Mental Health care packages, with residential, nursing and supported living placements £137k overspent and domiciliary care and direct payments £105k overspent.

Reconciliation of Latest Approved Budget		£'000
2022/23 Original Budget		84,713
Carry forwards requests		
Improved Better Care Fund		
- expenditure		2,597
- income	Cr	2,597
Better Care Fund		
- expenditure		83
- income	Cr	83
Public Health Grant		
- expenditure		1,964
- income	Cr	1,964
Winter Resilience Funding		
- expenditure		400
- income	Cr	400
Shared Lives Transformation Posts		
		100
Other:		
Better Care Fund		
- expenditure		402
- income	Cr	402
Improved Better Care Fund		
- expenditure		227
- income	Cr	227
Public Health Grant		
- expenditure		427
- income	Cr	427
ICB funding:		
- Hospital Discharges		
- expenditure		3,308
- income	Cr	3,308
- LD/Autism		
- expenditure		247
- income	Cr	247
- Discharge Transformation Funds		
- expenditure		361
- income	Cr	361
- Winter Pressures Funding		
- expenditure		612
- income	Cr	612
King's funding for SPA		
- expenditure		500
- income	Cr	500

Market Sustainability and Fair Cost of Care Fund			
- expenditure			804
- income		Cr	804
Charging Reform Implementation Support Grant			
- expenditure			104
- income		Cr	104
Supplementary Substance Misuse Treatment & Recovery Grant			
- expenditure			264
- income		Cr	264
Additional Winter Pressures Funding			
- expenditure			2,314
- income		Cr	2,314
Grant to Streamline Local Authority Adult Social Care Assessments			
- expenditure			130
- income		Cr	130
Repairs and Maintenance			91
Provision for agency workers contract savings		Cr	72
Adj to NI budget following reversal of 2022-23 increase in November		Cr	60
Merit Awards			82
Memorandum Items:			
	Capital Charges	Cr	201
	Insurance		71
	Repairs & Maintenance	Cr	22
	IAS19 (FRS17)		
	Rent income		48
	Excluded Recharges		603
Latest Approved Budget for 2022/23			85,353