

ADULT CARE & HEALTH COMMITTEE

Agenda Item 48

Brighton & Hove City Council

Subject: Finance Report
Date of Meeting: 18 March 2013
Report of: Director of Finance
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Ward(s) affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report sets out the forecast outturn position for the 2012/13 financial year at Month 9 for Adult Social Care and NHS Trust Managed S75 Budgets as reported to Policy & Resources on 14 February 2013.
- 1.2 The report also provides information on the agreed 2013/14 budget for Adult Care and Health and NHS Trust Managed S75 Budgets set by Budget Council on 28 February 2013.

2. RECOMMENDATIONS:

- 2.1 That the Committee notes the forecast outturn at month 9 for Adult Social Care and NHS Trust Managed S75 Budgets.
- 2.2 That the Committee notes the agreed budget for Adult Social Care and NHS Trust Managed S75 Budgets for the 2013/14 financial year.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Adult Social Care Performance (Appendix 1)

- 3.1 The Targeted Budget Management Reporting Framework focuses on identifying and managing financial risks on a regular basis throughout the year. The table below shows the provisional outturn at month 9 for Council controlled Adult Social Care revenue budgets as £1.386 million underspend (2.1%), an increase over month 7 as reported to Policy & Resources Committee on 14 February 2013. The overall Council budget position is shown for information. A more detailed explanation of the variances can be found in Appendix 1.

Forecast Variance Month 7 £'000	Strategic Area	2012/13 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
(947)	People (Adult Social Care)	65,881	64,495	(1,386)	-2.1%
(3,534)	Total Council Controlled Budgets	221,359	217,146	(4,213)	-1.9%

- 3.2 The Community Care budget, included within the total Adult Social Care budget above, is classed as a Corporate Critical budget as it carries potentially higher financial risks and therefore could have a material impact on the council's overall financial position. Community Care is predicted to underspend by £2.055 million (4.7%) in 2012/13.

Forecast Variance Month 7 £'000		2012/13 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
(1,474)	Corporate Critical Community Care	43,919	41,864	(2,055)	-4.7%

NHS Controlled S75 Partnership Performance (Appendix 1)

- 3.3 The NHS Trust-managed Section 75 Services represent those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Foundation Trust (SPFT) and Sussex Community NHS Trust (SCT) and include health and social care services for Adult Mental Health, Older People Mental Health, Substance Misuse, AIDS/HIV, Intermediate Care and Community Equipment.
- 3.4 These partnerships are subject to separate annual risk-sharing arrangements and the monitoring of financial performance is the responsibility of the respective host NHS Trust provider. The forecast outturn (before risk share) is an underspend of £0.727 million (5.6%). More detailed explanation of the variances can be found in Appendix 1.

Forecast Variance Month 7 £'000		2012/13 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
(388)	Section 75 NHS Trust managed S75 Services	13,081	12,354	(727)	-5.6%

Budget 2013/14 (Appendix 2 & 3)

- 3.5 The General Fund budget for 2013/14 was agreed at Budget Council on 28 February setting the budget allocation for Adult Social Care (including S75) at £74.807 million after savings of £5.574 million and investment of £1.000 million for service pressures. The budget strategy, summary budget savings proposals and detailed savings proposals are set out in Appendix 2.
- 3.6 The investment of £1million reflects the demographic pressures on Learning Disability transitions and Mental Health services.
- 3.7 Additional grant funding from the Department of Health for Adult Social Care has been used partly to protect existing eligibility criteria which otherwise might have had to change. A further £0.581 million will be subject to joint plans with Health to ensure ongoing joined up investment in preventative services that will secure long term financial benefits to the council. (Budget Council reduced the investment by £0.169 million from £0.750 million; this will require negotiation with Health partners.)
- 3.7 The Value for Money approach within Adult Social Care is focussed on introducing new models of delivery and 'Personalisation' to provide greater choice (i.e. Self Directed Support and Personal Budgets) and more effective 'reablement' of people needing care.
- 3.8 The draft allocation of the budget of £74.807 million against services is shown in Appendix 3 in the form of a pie chart and a more detailed summary. The summary also shows the budget for residential and nursing placements distinguishing between in city and out of area placements. The detailed Budget Book will be circulated to members in due course. The detailed budget allocation will be the basis of the Targeted Budget Management approach for 2013/14.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 No specific consultation has been undertaken in relation to this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The financial implications are covered in the main body of the report.

Finance Officer Consulted: Anne Silley

Date: 20/02/13

Legal Implications:

- 5.2 Under the terms of the Council's constitution the annual Budget is set by Full Council. Policy and Resources Committee has overall responsibility for the financial and other resources of the Council. Quarterly reports are provided to Policy and Resources for the purpose of identifying and managing financial risks. This Report, which is for noting only, provides Committee with financial and budget information contained in the most recent quarterly report to Policy and Resources Committee pertaining to Adult Social Care in addition to further

information on Adult Social Care budget. This information provides Committee with a context on the overall budget to inform and assist in discharging its functions and decision making on specific recommendations concerning commissioning and delivery of Adult Social Care.

There are no other specific legal or Human Rights Act 1998 implications arising from this Report.

Lawyer Consulted: Sandra O'Brien

Date: 27/2/13

Equalities Implications:

- 5.3 The process for assessing the equalities implications of the budget changes for 2013/14 and an assessment of the cumulative impact was presented as part of the report to Budget Council.

Sustainability Implications:

- 5.4 There are no direct sustainability implications arising from this report.

Crime & Disorder Implications:

- 5.5 There are no direct crime & disorder implications arising from this report.

Risk and Opportunity Management Implications:

- 5.6 The Council's revenue budget and Medium Term Financial Strategy contain risk provisions to accommodate emergency spending, even out cash flow movements and/or meet exceptional items. The council maintains a minimum working balance of £9.000m to mitigate these risks as recommended by the Audit Commission and Chartered Institute of Public Finance & Accountancy (CIPFA). The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments.

Public Health Implications:

- 5.7 There are no public health implications arising from this report

Corporate / Citywide Implications:

- 5.8 The Council's financial position impacts on levels of Council Tax and service levels and therefore has citywide implications.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Not applicable.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The Committee requested detailed financial information on performance in the current financial year and plans for 2013/14.

SUPPORTING DOCUMENTATION

Appendices:

1. Revenue Budget Performance- Adult Social Care and NHS Trust Managed S75 Budgets.
2. Adult Social Care budget strategy 2013/14 and savings proposals.
3. Summary of Adult Social Care budget 2013/14.

Documents in Members' Rooms

1. None.

Background Documents

1. Targeted Budget Management 2012/13 (Month 9) report to Policy & Resources Committee 14 February 2013.
2. General Fund Revenue Budget & Council Tax 2013/14 report to Budget Council 28 February 2013.

