

**Subject:** Finance Report at TBM 5  
**Date of Meeting:** 25 November 2013  
**Report of:** Executive Director of Finance & Resources  
**Contact Officer: Name:** Anne Silley **Tel:** 29-5065  
**Email:** Anne.silley@brighton-hove.gcsx.gov.uk  
**Ward(s) affected:** All

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

1.1 This reports sets out the financial position on Adults Services, NHS Trust Managed S75 Budgets and Public Health budgets as assessed at August 2013.

**2. RECOMMENDATIONS:**

2.1 That the Committee notes the financial position for the 2013/14 financial year as reported at TBM5 (August 2013).

**3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

3.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast outturn position as at Month 5 as reported to Policy & Resources Committee on 17 October 2013.

**Adult Services**

3.2 The Adult Services forecast is an overspend of £2.587m (4.2% above budget) as set out in the table below. The main reason for the overspend is the underachievement against savings targets at the same time as continuing demand pressure on the budget as described in Appendix 1. The mitigation strategy to manage the overspend includes implementing savings plans, management of placements, corporate strategic work and continuing to identify appropriate funding streams.

Forecast Variance Month 2 £'000	Unit	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2,153	Adults Assessment	48,112	49,946	1,834	3.8%
737	Adults Provider	13,593	14,355	762	5.6%
0	Commissioning & Contracts	516	507	(9)	-1.7%
2,890	Total Adult Services	62,221	64,808	2,587	4.2%

- 3.3 The Community Care budget, included within the total Adult Services budget (Adults Assessment) 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 forecast to overspend by £1.841 million (4.4%) in 2013/14 as explained in Appendix 1.

Forecast Variance Month 2 £'000		2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2,153	<b>Corporate Critical</b> Community Care	41,427	43,268	1,841	4.4%

- 3.4 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 Mental Health, and Community Equipment.

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 (after risk share) is an underspend of £0.289 million ( 2.4%). More detailed explanation of the variances can be found in Appendix 1.

Forecast Variance Month 2 £'000		2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
	<b>S75 Partnership</b>				
147	Sussex Partnership Foundation NHS Trust (SPFT)	11,430	11,658	228	2.0%
65	Sussex Community NHS Trust (SCT)	641	702	61	9.5%
212	Total Revenue - S75	12,071	12,360	289	2.4%

- 3.5 The CCG contracts with SCT and SPFT are currently forecast to breakeven. Regular discussions are being held with the Trusts during the year to ensure that pressures materialising are addressed.

## Public Health

3.6 The expenditure forecast is within the ring-fenced public health grant from the Department of Health of £18.2 million . There is a significant potential financial risk of £1 million against the grant as a result of a dispute between local authorities and Public Health England in relation to prescribing costs as described in Appendix 1.

The table below sets out the forecasts for the areas within the public health portfolio not covered by the grant.

Forecast Variance Month 2 £'000	<b>Service</b>	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Public Health	35	35	0	0.0%
0	Community Safety	1,595	1,595	0	0.0%
0	Civil Contingencies	177	185	8	4.5%
0	Total Revenue- Public Health	1,807	1,815	8	0.0%

*The figures in the table above are net of the ring- fenced public health grant of £18.2m from the Department of Health*

## 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 set out in the main report.

*Finance Officer Consulted: Anne Silley*

*Date: 05/11/13*

### Legal Implications:

5.2

The Information within this Report has already been presented to the relevant decision making Committee (Policy and Resources) and therefore is for noting only.

*Lawyer Consulted: Sandra O'Brien Date: 12/11/2013*

### Equalities Implications:

5.3 There are no direct equalities implications arising from this report.

Sustainability Implications:

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

Crime & Disorder Implications:

- 5.5 There are no direct crime and 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 movement and /or meet exceptional items.

Public Health Implications:

- 5.7 There are no direct public health implications arising from this report other than as discussed in paragraph 3.6 above.

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 No alternative options identified.

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 Budget monitoring is a key element of good financial management, which is necessary in order for the council to maintain financial stability and operate effectively.

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. Appendix 1- Revenue Budget Performance Adult Services
2. Appendix 1-Revenue Budget Performance Public Health

**Documents in Members' Rooms: None**

**Background Documents: None**