

# Supplemental Items for Executive

**Thursday 10 September 2015 at 6.00pm**  
in Council Chamber Council Offices  
Market Street Newbury

## Part I

	Page No.
7. <b>Home to School Transport Policies (EX2989)</b> (CSP: P+S, HQL, MEC, HQL1 & MEC1) Purpose: To review the consultation feedback on the proposed policies for 2015/16 and 2016/17 and determine the Council policy.	3 - 4
9. <b>Financial Performance Report 2015/16 - Quarter One (EX3019)</b> (CSP: MEC & MEC1) Purpose: To inform Members of the latest financial performance of the Council.	5 - 26

Andy Day  
Head of Strategic Support

For further information about these items, or to inspect any background documents referred to in Part I reports, please contact Democratic Services Team on (01635) 519462  
e-mail: [executivecycle@westberks.gov.uk](mailto:executivecycle@westberks.gov.uk)

Further information and Minutes are also available on the Council's website at [www.westberks.gov.uk](http://www.westberks.gov.uk)

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If you require this information in a different format or translation, please contact Moira Fraser on telephone (01635) 519045.



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## Appendix B – Home to School Transport Policy Consultation

Following the Consultation, the following amendments have been made:

### 2015/16 Policy

- Page 3 – The Statutory Position. Additional paragraph added:  
*The Statutory Guidance states that “A child’s “home” is the place where he/she is habitually and normally resident”. Where parents are separated or divorced, entitlement is assessed from the home where the child spends the majority of their time. Where a child spends equal amounts of school days with each parent, travelling from two addresses to school, entitlement will be assessed from both addresses. Evidence may be required.*
- Page 6 – Pupils attending a Pupil Referral Unit – para 1 amended to: *Parents may wish to transport pupils themselves. If the pupil is entitled to free transport, a bus or train pass to the Pupil Referral Unit for those pupils who are not attending mainstream schools may be provided. Free transport entitlement is subject to statutory age and distance criteria.*
- Page 7 summary list: add to the summary d) *Post-19 students with an EHC Plan or Learning Difficulty Assessment* (content already in the Policy on page 9).
- Under section 18 – Appeals. Additional paragraph added:  
*The timings are recommended and not compulsory. We envisage that many appeals will be dealt with much sooner than these timings, particularly those which have a time pressure, whilst complex cases may take longer. Where there is an urgent matter which has safeguarding implications or the case relates to a Looked After Child, the Appeal will be processed at Stage 1 as a priority.*
- Under section 18 – Appeals. Clarification added:  
*Once an application has been considered (including the use of the Appeals process, where applicable), we will not accept a further application for transport for the same child at the same school unless:*
  - a) *Your circumstances have materially changed (i.e. change of address, exceptional circumstances see 5b) OR*
  - b) *You believe you are now entitled because the Council’s policy has been amended*

### 2016/17 Policy

The changes above will also be transcribed into the 2016/17 Policy.

### Post-16 Transport Statement 2016/17

No changes.

### Fare Payer Scheme 2016/17

- How to apply – para 3: Text amended to “Where there are more applications than available places *from those who do not qualify for a guaranteed place...*”
- How to apply – para 4 – Text amended to “Late applications will be added to the waiting list *in order of receipt...*”
- Waiting List – first bullet removed.
- Spaces on Contracted School Transport and Withdrawal of places on Contract School Transport – text updated to make the guarantee clearer.

September 2015

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# Agenda Item 9.

<b>Title of Report:</b>	<b>Financial Performance Report 2015-16 Quarter One</b>
<b>Report to be considered by:</b>	Executive on 10 September 2015
<b>Forward Plan Ref:</b>	EX3019

**Purpose of Report:** To inform members of the latest financial performance of the Council.

**Recommended Action:** For Members to note this report

**Reason for decision to be taken:** To ensure that Members are fully aware of the latest financial position of the Council.

**Other options considered:** None

**Key background documentation:** Papers held in Accountancy

The proposals will help achieve the following Council Strategy aim:

**MEC – Become an even more effective Council**

The proposals contained in this report will help to achieve the following Council Strategy priority:

**MEC1 – Become an even more effective Council**

The proposals contained in this report will help to achieve the above Council Strategy aims and priorities by:

Portfolio Member Details	
<b>Name &amp; Telephone No.:</b>	Councillor Roger Croft - Tel (01635) 868638
<b>E-mail Address:</b>	rcroft@westberks.gov.uk
<b>Date Portfolio Member agreed report:</b>	2 September 2015

Contact Officer Details	
<b>Name:</b>	Andy Walker
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## Implications

<b>Policy:</b>	n/a
<b>Financial:</b>	If the forecast position occurs at the end of the financial year, there will be a corresponding impact on the Council's General Reserves of a reduction of £987k.
<b>Personnel:</b>	n/a
<b>Legal/Procurement:</b>	n/a
<b>Property:</b>	n/a
<b>Risk Management:</b>	n/a
<b>Corporate Board's Recommendation:</b>	For the report to be considered by Management Board.

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Outcome</b> (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at <a href="http://www.westberks.gov.uk/eia">www.westberks.gov.uk/eia</a>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input checked="" type="checkbox"/>

# Executive Summary

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## 1. Introduction

- 1.1 This report presents the financial performance for Quarter One of the 2015/16 financial year. At Quarter One, the forecast revenue position is an over spend of £987k.
- 1.2 The over spend comes predominantly from Children's Services who are forecasting an over spend of £1.9m. The Service and Directorate are putting a range of actions in place to help bring this over spend down by year end. Adult Social Care is forecasting an under spend of £877k, as a result of releasing £400k from the risk reserve and capitalising over £400k of equipment expenditure which was previously funded from revenue budgets.
- 1.3 All other services are reporting close to budget.

## 2. Proposals

- 2.1 For Members to note this report.

## 3. Equalities Impact Assessment Outcomes

- 3.1 This report is not relevant to equality.

## 4. Conclusion

- 4.1 The Quarter One position is showing a forecast over spend of £1m. The Council remains in a challenging financial environment, and is faced with delivering savings of just under £6m, as well as addressing significant in year pressures in the Communities Directorate. The Council is taking steps to maintain financial discipline and ensure that savings are deliverable.

# Executive Report

## 1. Introduction

- 1.1 The financial performance reports provided to Members throughout the financial year are concerned with the under or over spend against the Council's approved budget. At Quarter One the forecast revenue position is an over spend of £987k.

## 2. Background to the 2015/16 Budget

- 2.1 In order to meet the funding available, the 2015/16 budget was build with a £5.9m savings programme.

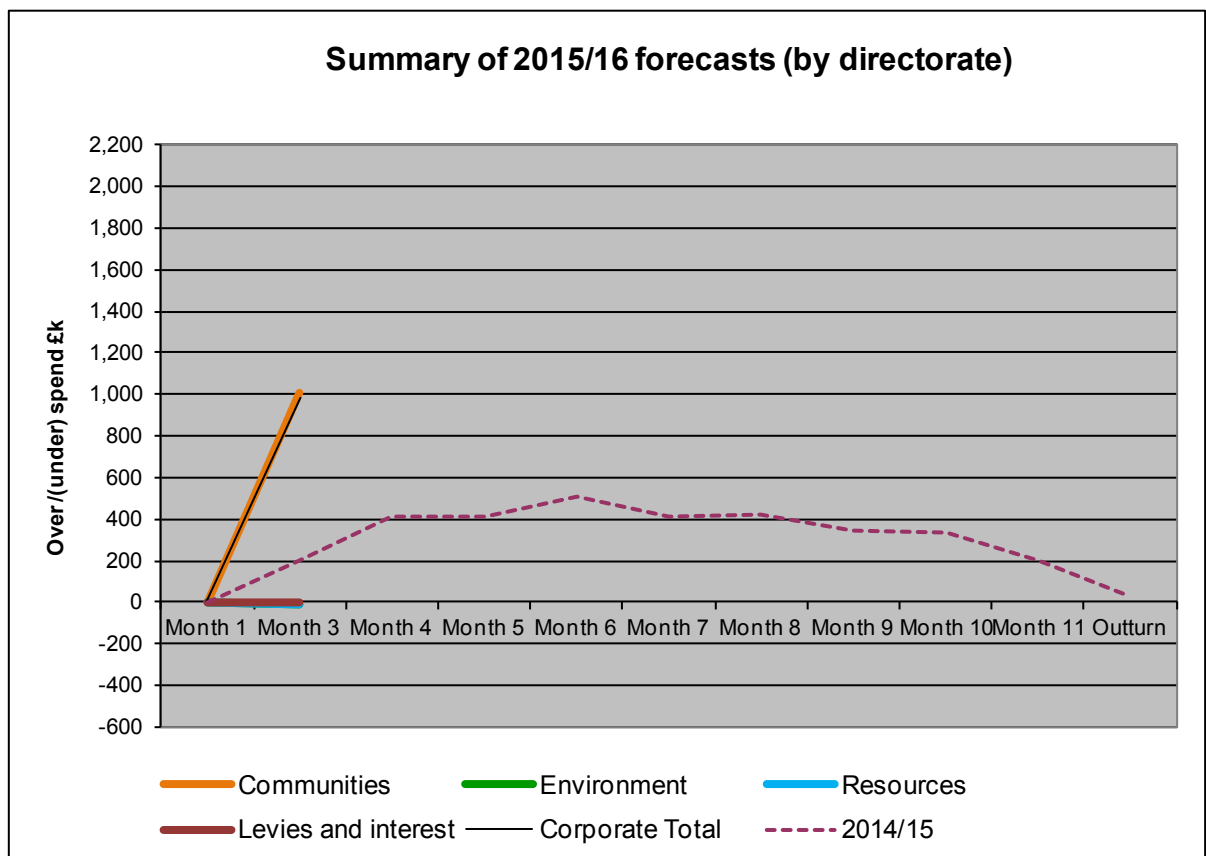
## 3. Summary Revenue Forecast

Service	Current Net Budget	Annual Net Forecast	Forecast (under)/over spend			Change from last quarter
			Quarter One	Quarter Two	Quarter Three	
	£000	£000	£000	£000	£000	£000
DSG	(721)	(721)	0			0
Corporate Director - Communities	275	275	0			0
Adult Social Care	40,800	39,923	(877)			0
Care Commissioning, Housing & Safeguarding	6,184	6,121	(63)			0
Children's Services	13,494	15,439	1,945			0
Education	10,867	10,867	0			0
Adult Social Care Change Programme	804	804	0			0
<b>Communities</b>	<b>71,703</b>	<b>72,707</b>	<b>1,004</b>			<b>0</b>
Corporate Director	167	167	0			0
Highways & Transport	7,819	7,753	(66)			0
Planning & Countryside	3,761	3,761	0			0
Culture & Environmental	21,610	21,669	59			0
<b>Environment</b>	<b>33,357</b>	<b>33,350</b>	<b>(7)</b>			<b>0</b>
Chief Executive	569	569	0			0
Customer Services	1,989	1,989	0			0
Finance	1,871	1,871	0			0
Human Resources	1,126	1,142	16			0
Information Technology	2,802	2,790	(12)			0
Legal	962	962	0			0
Public Health	(80)	(80)	0			0
Strategic Support	3,584	3,570	(14)			0
<b>Resources</b>	<b>12,823</b>	<b>12,813</b>	<b>(10)</b>			<b>0</b>
<b>Levies and Interest</b>	<b>7,448</b>	<b>7,448</b>	<b>0</b>			<b>0</b>
<b>Total</b>	<b>125,331</b>	<b>126,318</b>	<b>987</b>			<b>(0)</b>

Nb rounding differences may apply to nearest £k



- 3.1 The Communities Directorate is forecasting an over spend of £1m. The whole of this over spend predominantly sits within Children’s Services, who are forecasting a net over spend of £1.9m. The key financial pressures within the service are placements and allowances (£780k), joint arrangements (£305k across childcare lawyers and emergency duty team), agency expenditure in child protection teams/management (£711k) and the youth service (£150k from delayed team restructure). The Service and Directorate are reviewing a range of actions in consultation with their Portfolio Members to help bring this over spend down by year end. Adult Social Care are forecasting an under spend of £877k as a result of releasing £400k from the risk reserve and capitalising over £400k of equipment expenditure which was previously funded from revenue budgets.
- 3.2 The Environment Directorate is forecasting an under spend of £7k, which consists of a £66k under spend in Highways & Transport due to increased car parking income and a £59k over spend in Culture & Environmental Protection.
- 3.3 The Resources Directorate is forecasting an under spend of £10k with all services forecasting close to budget.
- 3.4 Levies and Interest is forecasting on line.
- 3.5 The following chart shows the forecasts per Directorate together with a corporate total and a comparison to last year.



#### **4. Summary Capital Forecast**

4.1 56.1% of the 2015/16 capital programme is committed as at the end of June 2015. Forecast capital spend in the year is currently £42.3 million against a revised budget of £44.6 million with a further £2.2 million now expected to be re-profiled into 2016/17. A breakdown of capital spend and commitments to date is shown in Appendix 1b.

4.2 Appendix 1b also explains the changes from the original capital programme which was approved by the Council in March to the current revised capital programme. The changes mainly consist of budgets which were unspent at the end of 2014/15 which have been brought forward to 2015/16 to enable the continuation/completion of schemes already underway and additional external funding (mainly government grants and S106 contributions which have been allocated since March).

##### Communities

4.3 56.5% of the Communities Programme is committed at the end of Quarter One. In Adult Social Care funds will be moved between projects to accommodate an increase in the cost of the Notrees project. Funds set aside for Prepayment cards are no longer needed for that purpose but will be used for a financial self assessment tool for the Client Financial Services.

4.4 In Care Commissioning, Housing and Safeguarding a feasibility study is being undertaken for the redevelopment of the Four Houses Corner gypsy and travellers' site. It is likely that a contribution towards the cost of the scheme will be made from Council funding for the Disabled Facilities Grant programme, provided grants allocated but not paid at the end of the financial year can be paid from next year's budget. The contract for the replacement for the RAISE system is expected to be let in September.

4.5 Underlying pressure of £494,000 has arisen in 2014/15 and 2015/16 on the cost of a number of Education schemes, including the permanent provision of universal infant free school meals. This is offset in the current financial year by £690,000 funding for schemes which needs to be re-profiled, including the expansion of Spurcroft and the Willows primary schools which continue to be delayed due to planning and environmental issues. Spend in 2015/16 is therefore expected to be £196,000 lower than the current year budget. However the additional cost pressures are forecast in 2016/17, giving a total pressure of approximately £1.2m expected to be felt in 2016/17 programme. Officers are actively seeking savings in other schemes in the 2016/17 programme to help offset this pressure.

##### Environment

4.6 57.9% of the total capital budget for Environment has been committed as at the end of June 2015. Good progress is being made with the majority of Highways schemes including two major new schemes funded by Challenge Fund grant from the Department for Transport (DfT), which were added to the capital programme by the Executive in April – the replacement of street lights with LEDs (£4.3m planned spend in 2015/16) and improvements to the A339 corridor (£2.5m spend in 2015/16). However it will be necessary to re-profile £1.97m of the highways programme. This is mainly due to the need to resolve land issues for the new access road to the London Road Industrial Estate.

4.7 In Planning and Countryside, the cost of repairs to flood damaged rights of way are still expected to be contained within the amount of the Severe Weather Recovery grant brought forward from 2014/15. In Culture and Environmental protection capital maintenance programmes for leisure centre facilities and libraries and Shaw House are expected to be completed on schedule.

#### Resources

4.8 34.6% of the Resources programme is committed at the end of Quarter One. There have been further delays to the finalisation of the London Road Industrial Estate development agreement and there is a risk of overspending on legal and consultancy costs for the scheme. The Agresso upgrade has been successfully implemented. Phase one of the Superfast Broadband project is due to be completed in the autumn and the contract for phase 2 has now been let and work on phase 2 is expected to begin in October.

### 5. Conclusion

5.1 The Quarter One position is showing a forecast over spend of £987k. The Council remains in a challenging financial environment, and is faced with delivering savings of just under £6m, as well as addressing significant in year pressures in the Communities Directorate. The Council is taking steps to maintain financial discipline and ensure that savings are deliverable.

### Appendices

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Appendix 1a) - Summary revenue forecasts

Appendix 1b) - Summary capital forecasts

Appendix 2a-c – Directorate summaries

### Consultees

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**Local Stakeholders:** \*

**Officers Consulted:** \*

**Trade Union:** \*

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## 2015/16 Budget Monitoring for Period 201503. Run on 23/07/2015 at 14:44:26.

	Budget		Forecasted Performance						Net Net Variance £
	Original Budget for 2015/16 £	Revised Budget for 2015/16 £	Expenditure			Income			
			Annual Expenditure Budget for 2015/16 £	Annual Expenditure Forecast for 2015/16 £	Expenditure Variance for 2015/16 £	Annual Income Budget for 2015/16 £	Annual Income Forecast for 2015/16 £	Income Variance for 2015/16 £	
Education (DSG Funded)	-720,891	-720,891	96,607,369	89,631,080	-6,976,289	-97,328,260	-90,351,970	6,976,290	1
Corporate Director - Communities	275,000	275,000	275,000	395,000	120,000	0	-120,000	-120,000	0
Adult Social Care	39,992,838	40,800,218	51,089,738	49,684,750	-1,404,988	-10,289,520	-9,761,700	527,820	-877,168
Care Commissioning, Housing & Safeguarding	5,710,989	6,184,039	10,114,279	10,025,870	-88,409	-3,930,240	-3,905,240	25,000	-63,409
Childrens Services	13,425,398	13,493,998	14,449,288	16,920,730	2,471,442	-955,290	-1,482,110	-526,820	1,944,622
Education	10,595,347	10,866,527	13,918,626	13,578,640	-339,986	-3,052,100	-2,712,110	339,990	3
ASC Efficiency Programme	1,160,850	804,130	804,130	804,130	0	0	0	0	0
<b>Communities</b>	<b>70,439,531</b>	<b>71,703,021</b>	<b>187,258,430</b>	<b>181,040,200</b>	<b>-6,218,230</b>	<b>-115,555,409</b>	<b>-108,333,130</b>	<b>7,222,279</b>	<b>1,004,049</b>
Corporate Director - Environment	166,750	166,750	166,750	166,750	0	0	0	0	0
Highways & Transport	7,623,299	7,819,199	12,550,339	12,588,340	38,001	-4,731,140	-4,835,140	-104,000	-65,999
Planning & Countryside	3,803,089	3,803,089	5,786,979	5,841,980	55,001	-1,983,890	-2,038,890	-55,000	1
Culture & Environmental Protection	21,616,507	21,568,617	27,560,246	27,488,370	-71,876	-5,991,629	-5,860,280	131,349	59,473
<b>Environment</b>	<b>33,209,644</b>	<b>33,357,654</b>	<b>46,064,313</b>	<b>46,085,440</b>	<b>21,127</b>	<b>-12,706,659</b>	<b>-12,734,310</b>	<b>-27,651</b>	<b>-6,524</b>
Chief Executive	568,900	568,900	568,900	568,900	0	0	0	0	0
Customer Services	1,948,169	1,988,749	41,026,719	41,052,550	25,831	-39,037,970	-39,063,800	-25,830	1
Finance	1,862,960	1,871,160	3,833,070	3,828,060	-5,010	-1,961,910	-1,956,900	5,010	0
Human Resources	1,126,190	1,126,190	1,476,910	1,399,840	-77,070	-350,720	-257,350	93,370	16,300
ICT & Corporate Support	2,801,949	2,801,949	3,688,139	3,667,180	-20,959	-886,190	-877,580	8,610	-12,349
Legal Services	962,160	962,160	1,204,480	1,204,480	0	-242,320	-242,320	0	0
Public Health & Wellbeing	-80,000	-80,000	4,769,030	4,769,030	0	-4,849,030	-4,849,030	0	0
Strategic Support	3,455,599	3,584,099	3,889,879	3,898,340	8,461	-305,780	-328,240	-22,460	-13,999
<b>Resources</b>	<b>12,645,926</b>	<b>12,823,206</b>	<b>60,457,126</b>	<b>60,388,380</b>	<b>-68,746</b>	<b>-47,633,920</b>	<b>-47,575,220</b>	<b>58,700</b>	<b>-10,046</b>
Movement Through Reserves	-117,000	-1,377,780	-1,377,780	-1,377,780	0	0	0	0	0
Capital Financing & Management	8,753,210	8,825,210	9,229,060	9,229,060	0	-403,850	-403,850	0	0
<b>Levies &amp; Interest</b>	<b>8,636,210</b>	<b>7,447,430</b>	<b>7,851,280</b>	<b>7,851,280</b>	<b>0</b>	<b>-403,850</b>	<b>-403,850</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>124,931,312</b>	<b>125,331,312</b>	<b>301,631,149</b>	<b>295,365,300</b>	<b>-6,265,849</b>	<b>-176,299,837</b>	<b>-169,046,510</b>	<b>7,253,327</b>	<b>987,478</b>

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Report Name: BU006

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## West Berkshire Capital Programme: 2015/16 Quarter 1

### Summary by Service

Service Area	Original Budget 2015/16	14/15 Slippage	Other Agreed Changes to 2015/16 Budget (2)	Revised Budget for 2015/16 (1)	Total Expenditure 2015/16	Variance from Revised Budget		Committed (order placed, not yet paid)	Revised Budget Uncommitted
	£	£	£	£	£	£	%	£	%
<b><u>Resource Directorate</u></b>									
Chief Exec	45,000	-	0	45,000	17,792	27,209	60.5%	10,000	38.2%
Finance	105,000	207,230	0	312,230	137,875	174,355	55.8%	14,961	51.1%
ICT and Corporate Support	1,294,440	335,600	0	1,630,040	371,257	1,258,783	77.2%	121,034	69.8%
Strategic Support	61,000	30,030	16,500	107,530	52,525	55,005	51.2%	-	51.2%
<b>Total for Resource Directorate</b>	<b>1,505,440</b>	<b>572,860</b>	<b>16,500</b>	<b>2,094,800</b>	<b>579,448</b>	<b>1,515,352</b>	<b>72.3%</b>	<b>145,995</b>	<b>65.4%</b>
<b><u>Communities Directorate</u></b>									
Adult Social Care	875,460	229,990	0	1,105,450	64,878	1,040,572	94.1%	197,195	76.3%
Care Commissioning, Housing & Safeguarding	2,063,500	1,104,340	364,270	3,532,110	658,850	2,873,260	81.3%	25,432	80.6%
Childrens Services	20,000	2,210	0	22,210	0	22,210	100.0%	-	100.0%
Education Services	15,574,660	768,310	988,020	17,330,990	2,069,196	15,261,794	88.1%	9,410,207	33.8%
<b>Total for Communities Directorate</b>	<b>18,533,620</b>	<b>2,104,850</b>	<b>1,352,290</b>	<b>21,990,760</b>	<b>2,792,924</b>	<b>19,197,836</b>	<b>87.3%</b>	<b>9,632,835</b>	<b>43.5%</b>
<b><u>Environment Directorate</u></b>									
Culture & Environmental Protection (CEP)	506,080	937,570	0	1,443,650	106,365	1,337,285	92.6%	332,083	69.6%
Highways & Transport	10,188,920	762,570	7,800,000	18,751,490	2,600,088	16,151,402	86.1%	8,593,580	40.3%
Planning & Countryside	135,000	153,440	0	288,440	115,075	173,365	60.1%	111,802	21.3%
<b>Total for Environment Directorate</b>	<b>10,830,000</b>	<b>1,853,580</b>	<b>7,800,000</b>	<b>20,483,580</b>	<b>2,821,528</b>	<b>17,662,052</b>	<b>86.2%</b>	<b>9,037,466</b>	<b>42.1%</b>
<b>Council Totals</b>	<b>30,869,060</b>	<b>4,531,290</b>	<b>9,168,790</b>	<b>44,569,140</b>	<b>6,193,900</b>	<b>38,375,240</b>	<b>86.1%</b>	<b>18,816,296</b>	<b>43.9%</b>

(1) Revised budget includes additional grants and contributions received and/or allocated in 2015/16, less funds reprofiled into 2016/17

(2) **Resources**

Additional grant to Greenham Common Trust funded from Local Area Agreement reward fund

16,500

16,500

**Communities**

Additional S106 funding for Purchase of DYSOs approved by Asset Management Group

364,270

Reprofiling of Schools schemes approved by CSG in January 2015 not included in original budget

988,020

1,352,290

**Environment**

Reprofiling from 14/15 approved at CSG Dec 14 but not included in original budget

81583 A4 Calcot Widening

500,000

81508 LRIE A339 Access

290,000

81594 Upgrading Parking Equipment

190,000

2015/16 Budget for LED Street Lighting approved by Executive on 23rd April 2015

4,344,000

(Includes £3.0m from DFT Challenge fund grant)

2015/16 Budget for A339 Improvements approved by Executive on 23rd April 2015

2,476,000

(100% funded from DFT Challenge Fund Grant)

7,800,000

**Total Budget changes approved by Capital Strategy Group**

**9,168,790**

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# Corporate Director's Report on Financial Performance

## Communities Directorate

### Quarter One 2015/16

## Section 1: Revenue

Service	Net Budget	Forecast (under)/over spend				Change from last quarter
		Quarter One	Quarter Two	Quarter Three	Year End	
	£000	£000	£000	£000	£000	£000
DSG	(721)	0				0
Corporate Director	275	0				0
Adult Social Care	40,800	(877)				0
Care Commissioning, Housing & Safeguarding	6,184	(63)				0
Children's Services	13,494	1,945				0
Education	10,867	0				0
Adult Social Care Change Programme	804	0				0
<b>Total</b>	<b>71,703</b>	<b>1,004</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Overview

The forecast revenue over spend for the Communities Directorate as a whole is £1.004 million against the budget of £71.7 million net.

The main area of pressure within the directorate is within the Children's Services which is forecasting a year end £1.9 million overspend. The pressure in Children's Services is being partly offset by under spends in other services.

Adult Social Care is forecasting a £877k under spend, however the service is subject to a very significant degree of change at the moment and therefore this should be treated with more than the usual degree of caution.

Care Commissioning, Housing and Safeguarding is forecasting a year end under spend of £63k.

## **Corporate Director's Cost Centre, the Adult Social Care Change Programme and Educations Services**

The Corporate Director's cost centre and the Adult Social Care Change Programme and Education Services are forecasting online positions.

The Education Service has incurred pressures in respect of expenditure against Disabled Children's residential care and community based provision. The service also has a particularly challenging income target for the financial year. The service is reviewing opportunities to mitigate these risks in year and has forecast on line.

### **Adult Social Care**

The Adult Social Care Service is forecasting a year end under spend of £877k.

The under spend is being generated through:

A forecast under spend on support for Carers. This is an area where the rate of spend is increasing each month but the take up has been slower than anticipated as the reviews of existing clients are taking longer than expected.

In year capitalisation of the Berkshire Equipment Store contract (BCES), which was previously funded from revenue budgets.

Release of £400k of funding from the risk reserve in year as a means of offsetting the overspend position forecast against Children's Services.

Although the service is forecasting a year end under spend, a pressure has arisen in year as a result in two recent changes in the Deprivation of Liberty Safeguarding (DOLs) legislation. As of 1.4.15 the eligibility for assessment has increased from individuals in residential settings to all community based settings. As expected this has had a major impact on the volume of cases to be dealt with and therefore the costs being incurred.

Where possible Adult Social Care offsets financial pressures through the utilisation of the Adult Social Care Risk Fund, which has financial provision against a number of identified and named risks. The DOLs obligation is a named risk and therefore eligible for offset against the Fund.

### **Care Commissioning, Housing and Safeguarding**

The Care Commissioning, Housing and Safeguarding Service is forecasting a year end under spend of £63k.

The under spend is net of a pressure of £37k against the Conference and Review Team offset through a forecast under spend against the Communities Grant. The Communities Grant is being used to deliberately generate an under spend to offset the pressure forecast against Children's Services.

## Appendix 2a

The pressure has occurred within the Conference and Review (CAR) Team as a result of the increased demand processed within the Contact Advice and Assessment Service (Children's and Family Services), due to the post-inspection Improvement Plan. This is leading to increased numbers of child protection conferences, which are the responsibility of the CAR team. Additional agency staff have been recruited to process the increased workloads. It is likely to be necessary to create establishment posts to cover this additional work and to enable permanent recruitment.

From Month Four the CAR team will transfer across to a new service, the Prevention and Developing Community Resilience Service, Quarter Two budget monitoring reporting will be adjusted to reflect this change.

### **Children's Services**

Children's Services is forecasting an over spend of £1.9 million.

The key financial pressures within the service are:

- Placements and allowances (£780k against a net budget of £5.5 million).
- Pressures within the three Child Protection Teams predominately as a result of employing high cost agency staff to cover vacant social worker posts. (Contact Advice and Assessment Team £420k over spend against a total team budget of £661k. West Locality Team £123k against a total team budget of £839k. East Locality Team £28k against a total team budget of £672k).
- Joint arrangements (£305k across Childcare Lawyers and the Emergency Duty Team, over a combined net budget of £465k).
- Youth Services (£150k pressure against a budget of £394k), as a result of a delay in the new service structure implementation, arising from the delayed consultation. The new service structure will be operational as of 1.9.15.

The forecast includes a number of modelling assumptions around the recruitment of permanent staff (the Recruitment & Retention Strategy). Currently 14 of the 31 social worker posts across the three child protection teams are covered by members of agency staff. Over the course of the financial year the Recruitment & Retention Strategy is anticipated to achieve replacement of 11 agency workers with permanent members of staff. There is also £140k of agency expenditure in the management team relating to supernumerary posts which have been commissioned in order to respond to the recent Ofsted judgement of inadequate.

### **Risks identified**

#### **Adult Social Care:**

#### **Care Act**

## Appendix 2a

Historically the overall ASC forecast position held a large risk in that it was based on the ability to hold demand at a static level. The change in eligibility created through the Care Act is anticipated over the course of the financial year to see a growth in care packages provided to existing clients plus additional clients accessing care that previously would have fallen under the Council's eligibility threshold. Whilst still very early to make firm judgements on the impact of the Care Act as we still have a significant numbers both of existing clients to review and people to deal with at the 'front door', we are seeing a significant increase in the average cost of care packages however client numbers are remaining fairly static. To some extent this may be accounted for by both the new ways of working in Adult Social Care and the fact that we still have a significant number of people to deal with.

### **Risk Register**

ASC maintains a Risk Register to identify potential budget pressures. The key risks include:

### **NHS Continuing Healthcare**

The Continuing Health Care (CHC) Framework provides for the CCG to review cases where CHC funding is in place. In the event of the service users health condition having improved they may no longer be eligible for such funding and therefore the costs would fall back on the Council.

### **Ordinary Residence**

There are always risks surrounding ordinary residence with claims made by other local authorities that WBC should be funding a person's care package. WBC has no means to identify when further claims will be made but is ensuring that it has chased up all WB residents living in supported living in other areas and made OR claims where appropriate.

### **Learning Disability – unknown clients presenting**

Whilst young people with learning disabilities living in our area are carefully monitored, there are on occasion, clients that present with significant needs for whom we have no prior knowledge.

### **Learning Disability clients at risk**

There are currently 22 clients at risk of their circumstances changing due to family carers becoming frail or unstable family home situations. If the risk materialises, there would be significant pressure on the Service.

### **Deprivation of Liberty Safeguarding**

New legislation has resulted in a significant increase in the number of referrals to be dealt with and therefore costs. A report on the likely impact was considered by Members last year and it was agreed that this would be held as a risk item for 2015/16. It will need to be considered as a base budget pressure for future years.

### **Children's Services**

**Placements and Allowances**

The pressure on the Looked after Children budgets are anticipated to continue in 2015-16. At the start of the current financial year 282 children are in receipt of care or allowances funded via the placement budget. Tight controls are maintained on children entering the care system, but because children must be protected from the risk of significant harm overall numbers cannot be fully controlled and we are not always able to meet the needs through WBC placements.

**Churn and Instability in the Workforce**

Significant levels of churn in both agency staff and the permanent work force in 2014-15 created a significant financial pressure which is anticipated to continue in 2015-16. The national shortage in qualified Child Protection workers has resulted in a very competitive recruitment market and demand for high cost agency staff. The Recruitment and Retention Strategy was implemented with support from members to address the dependency on agency staff in 2014-15.

## Section 2: Capital

Service	2015/16 Original Capital Programme £000	2015/16 Revised Capital Programme £000	Amount spent/ committed to Quarter Three £000	Forecast spend in year £000	Forecast under/over spend in year £000
Adult Social Care	875	1,105	262	1,105	0
Care Commissioning, Housing & Safeguarding	2,064	3,532	684	3,532	0
Children's Services	20	22	0	22	0
Education	15,575	17,331	11,479	17,135	(196)
<b>Total</b>	<b>18,534</b>	<b>21,990</b>	<b>12,425</b>	<b>21,794</b>	<b>(196)</b>

56.5% of the Communities Programme is committed at the end of Quarter One.

In Adult Social Care funds will be moved between projects to accommodate an increase in the cost of the Notrees project. Additional spending on Telecare, allowed for in the current year budget is proceeding well, but funds set aside for Prepayment cards are no longer needed for that purpose but will be used for a financial self assessment tool for the Client Financial Services.

In Care Commissioning, Housing and Safeguarding, the Homes Improvement Agency (HIA) has given notice on its contract to manage Home Repair Assistance grants, so the management of this programme is under review. A feasibility study is being undertaken for the redevelopment of the Four Houses Corner gypsy and travellers' site. Proposals for the timing of and funding of this scheme will be reported at the end of quarter 2. It is likely that a contribution towards the cost of the scheme will be made from Council funding for the Disabled Facilities Grant programme, provided grants allocated but not paid at the end of the financial year can be paid from next year's budget. The contract for the replacement for the RAISE system is expected to be let in September.

The Children's Services budget for building works to foster carers' homes is expected to be spent in full this year.

Underlying pressure £494,000 has arisen in 2014/15 and 2015/16 on the cost of a number of Education schemes, including the permanent provision of universal infant free school meals. This is offset in the current financial year by £690,000 funding for schemes which needs to be re-profiled, including the expansion of Spurcroft and the Willows primary schools which continue to be delayed due to planning and environmental issues. Spend in 2015/16 is therefore expected to be £196,000 lower than the current year budget. However the additional cost pressures are forecast in 2016/17, giving a total pressure of approximately £1.2m expected to be felt in 2016/17 programme. Officers are actively seeking savings in other schemes in the 2016/17 programme to help offset this pressure.

## Corporate Director's Report on Financial Performance

### Environment Directorate

#### Quarter One 2015/16

#### Section 1: Revenue

Service	Net Budget	Forecast (under)/over spend				Change from last quarter
		Quarter One	Quarter Two	Quarter Three	Year End	
	£000	£000	£000	£000	£000	£000
Corporate Director	167	0				0
Highways & Transport	7,819	(66)				0
Planning & Countryside	3,761	0				0
Culture & Environmental Protection	21,610	59				0
<b>Total</b>	<b>33,357</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Overview

The forecast revenue under spend for the Environment Directorate as a whole is £7k.

#### Highways and Transport

The Highways and Transport Service is forecasting an under spend of £66k. The under spend is mainly due to increased income in Car Parking, specifically season tickets.

#### Planning and Countryside

The Planning and Countryside Service is forecasting an on line year end position with some in year pressures due to tree safety works and a withdrawn contribution from Newbury Town Council towards the Newbury Public Conveniences are being managed within the Service.

#### Culture and Environmental Protection

Culture and Environmental Protection is forecasting an over spend of £59k mainly due to a payment from Kennet Leisure which has not yet been agreed.

#### Risks identified

None

## Section 2: Capital

Service	2015/16 Original Capital Programme £000	2015/16 Revised Capital Programme £000	Amount spent/ committed to Quarter Three £000	Forecast spend in year £000	Forecast under/over spend in year £000
Highways & Transport	10,189	18,751	11,194	16,832	(1,919)
Planning & Countryside	135	288	227	288	0
Culture & Environmental Protection	506	1,444	438	1,444	0
<b>Total</b>	<b>10,830</b>	<b>20,483</b>	<b>11,859</b>	<b>18,564</b>	<b>(1,919)</b>

57.9% of the total capital budget for Environment has been committed as at the end of June 2015.

Good progress is being made with the majority of Highways schemes including 2 major new schemes funded by Challenge Fund grant from the Department for Transport (DfT), which were added to the capital programme by the Executive in April – the replacement of street lights with LEDs (£4.3m planned spend in 2015/16) and improvements to the A339 corridor (£2.5m spend in 2015/16). However it will be necessary to re-profile £1.97m of the highways programme. This is mainly due to the need to resolve land issues for the new access road to the London Road Industrial Estate and the A340 footpath at Aldermaston Wharf. It will also be necessary to reschedule of the Great Shefford Flood alleviation scheme to comply with Environment Agency funding requirements.

In Planning and Countryside, the cost of repairs to flood damaged rights of way are still expected to be contained within the amount of the Severe Weather Recovery grant brought forward from 2014/15 and additional investment in play area improvements will be funded from section 106 contributions.

In Culture and Environmental protection capital maintenance programmes for leisure centre facilities and libraries and Shaw House are expected to be completed on schedule.



## Corporate Director's Report on Financial Performance

### Resources Directorate

#### Quarter One 2015/16

#### Section 1: Revenue

Service	Net Budget	Forecast (under)/over spend				Change from last quarter
		Quarter One	Quarter Two	Quarter Three	Year End	
	£000	£000	£000	£000	£000	£000
Chief Executive	569	0				0
Customer Services	1,989	0				0
Finance	1,871	0				0
Human Resources	1,126	16				0
ICT and Corporate Support	2,802	(12)				0
Legal	962	0				0
Public Health	(80)	0				0
Strategic Support	3,584	(14)				0
<b>Total</b>	<b>12,823</b>	<b>(10)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Overview

The forecast revenue under spend for the Resources Directorate as a whole is £10k against the budget of £13 million net.

#### Human Resources

The HR Service is predicting an over spend of £16k due to a reduction of training income.

#### ICT

The ICT Service is forecasting an under spend of £12k. Pressures identified have been managed within the Service and additional income is forecast from our in house printing facilities.

#### Legal Services

Legal Services is forecasting to budget.

#### Strategic Support

Strategic Support is currently forecasting an under spend of £14k. The service has an in year pressures due to Members' allowances being increased. These pressures are currently being managed within the Service with savings generated in IT, postage, a vacancy and lower salary costs.

#### Customer Services

Customer Services is forecasting to budget with any in year pressures being managed within the Service.

### Finance

The Finance Service is forecasting to budget with any in year pressures being managed within the Service.

### Public Health

Public Health is forecasting to budget within the Public Health ring fenced grant. However, following the Chancellor's announcement on 4<sup>th</sup> June whereby he announced in year cuts of £200m to "Department of Health non NHS" funding, it is expected that Public Health may have to find savings in 2015 of up to 8% of their total budget.

### Risks identified

None

## Section 2: Capital

Service	2015/16 Original Capital Programme £000	2015/16 Revised Capital Programme £000	Amount spent/ committed to Quarter Three £000	Forecast spend in year £000	Forecast under/over spend in year £000
Chief Executive	45	45	28	45	0
ICT and Corporate Support	1,294	1,630	492	1,519	(111)
Finance	105	312	153	312	0
Strategic Support	61	108	53	108	0
<b>Total</b>	<b>1,505</b>	<b>2,095</b>	<b>726</b>	<b>1,984</b>	<b>(111)</b>

34.7% of the Resources programme is committed at the end of Quarter One.

There have been further delays to the finalisation of the London Road Industrial Estate development agreement and there is a risk of overspending on legal and consultancy costs for the scheme.

In Finance the Agresso upgrade has been successfully implemented. The remainder of the members' bids budget for 2014/15 was allocated to schemes in March 2015 and another panel meeting is planned for September.

Phase one of the Superfast Broadband project is due to be completed in the autumn and the contract for phase 2 has now been let and work on phase 2 is expected to begin in October.

The Council's 2015/16 contribution to shop mobility has been paid in full. Parish planning and vibrant village grants outstanding from 2014/15 have also been paid and the current year's grants will be allocated later in the year.