

# Corporate Director's Report on Financial Performance

## Communities Directorate

### Quarter One 2014/15

#### 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				
Corporate Director	279	0				
Adult Social Care	36,932	0				
Care Commissioning, Housing & Safeguarding	6,649	0				
Children's Services	13,023	220				
Education	11,667	81				
Adult Social Care Change Programme	752	0				
<b>Total</b>	<b>68,581</b>	<b>301</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 £301k against the budget of £69 million net.

#### Adult Social Care

Adult Social Care is forecasting a year end position of on line.

#### Care Commissioning, Housing and Safeguarding

Care Commissioning, Housing & Safeguarding is forecasting a year end position of on line.

#### Children's Services

Children's Services is forecasting a year end overspend of £220k. This is a net forecast over spend. Forecast placement pressures of £448k against a total placement budget of £4.5m have been identified, these pressures are being offset through forecast under spends within Early Intervention Services resulting from increased contributions from Public Health.

#### Education

Education Services is forecasting a year end over spend of £81k. Pressures have been forecast within the Disabled Children's placement budgets, which have been subject to significant savings in the current and prior years, and the Pre School Teacher Counselling Budget.

### **Adult Social Care Change Programme**

The Adult Social Care Change Programme is forecasting a year end position of on line.

#### **Risks identified**

Potential risks include:

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

#### **NHS Continuing Healthcare**

Work to implement the Action plan following the South Central Health Authority independent review into the implementation of the CHC Framework in Berkshire continues with joint (WBC and NHS) staff training now underway. We are beginning to see some improvements on the ground and receiving more CHC funding from the West of Berkshire CCGs.

#### **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 26 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.

It should be noted that the overall forecast position holds a large risk in that it is based on the ability to hold demand at a static level. This has proved to be difficult in the past. New management controls are in place but the service is always vulnerable to sudden spikes in demand or new, very high cost clients appearing.

#### **Children's Services risks**

Children's Services placement budgets remain a financial pressure point.

The pressure on the Looked After Children budgets are anticipated to continue in 2014-15 and be compounded by a the £455k savings removed

from non placement budgets for financial year 14-15 which historically have deliberately been utilised to generate under spends to partially offset placement pressures. There is a total Placements budget of £4.5 million meeting the needs of approx 170 -240 children who are looked after in any twelve month period. Between the financial years 2010-12 we ended the year with 125 Looked After Children, this rose to 144 at the end of the 2012/13 and 151 at the end of financial year 2013-14.

Tight controls are maintained on children entering the care system, but overall numbers cannot be fully controlled and we are not always able to meet the needs through WBC placements. The average costs per child have been increasing due to complexity of need requiring external residential and fostering placements. With regard to Children's Services, precise forecasts are difficult to make in respect of looked after numbers and types of placements required and the consequent pressure on placement budgets.

The Directorate has put a number of actions in place to control spend, and these will have an impact over time.

This includes:

- Gate keeping process for all new placements agreed at HoS level
- Scrutiny of all budgets to reduce/suspend expenditure where it can be safely managed
- Holding some posts vacant where safe and appropriate to do so
- Programme of activity aimed to reduce reliance on agency staffing

The Children's Efficiency Programme has a programme of actions in place to identify potential efficiencies within the service and address current budgetary pressures. Projects have been initiated focusing on reducing placement costs and a social worker restructure designed to reduce agency pressure in future financial years.

## Section 2: Capital

Service	2014/15 Original Capital Programme	2014/15 Revised Capital Programme	Amount spent/ committed to Quarter One	Forecast spend in year	Forecast under/over spend in year
	£000	£000	£000	£000	£000
Adult Social Care	323	452	7	452	0
Care Commissioning, Housing & Safeguarding	1,454	2,013	186	2,013	0
Children's Services	20	33	1	33	0
Education	15,840	16,673	4,168	14,675	(1,998)
<b>Total</b>	<b>15,840</b>	<b>16,673</b>	<b>4,168</b>	<b>14,675</b>	<b>(1,998)</b>

22.8% of the revised budget has been committed at the end of Quarter One.

No variance from the revised budget is reported for Adult Social Care. Expenditure on Housing grants may be affected by concerns about the performance of the Home Improvement Agency (HIA), although no under spend is currently forecast.

The Education programme has been revised to take account of the latest estimated scheme costs, updated priorities and scheduling of schemes. This is expected to result in the re-profiling of £1,988,000 to 2015/16 and later years.