

# Corporate Director's Report on Financial Performance

## Communities Directorate

### Quarter Two 2014/15

#### Section 1: Revenue

Service	Net Budget £000	Forecast (under)/over spend				Change from last quarter £000
		Quarter One £000	Quarter Two £000	Quarter Three £000	Year End £000	
DSG	(721)	0	0			0
Corporate Director	282	0	0			0
Adult Social Care	36,646	0	0			0
Care Commissioning, Housing & Safeguarding	6,649	0	(59)			(59)
Children's Services	13,444	220	475			255
Education	11,683	81	81			0
Adult Social Care Change Programme	1,169	0	0			0
<b>Total</b>	<b>69,152</b>	<b>301</b>	<b>497</b>	<b>0</b>	<b>0</b>	<b>196</b>

#### Overview

The forecast revenue over spend for the Communities Directorate as a whole is £497k against the budget of £69 million net, which equates to 0.7% of the directorate budget. This represents an increase in the directorate overspend of £196k from quarter one. This is the net result of an increase in the Children's Services overspend offset partially by an under spend in Care Commissioning, Housing and Safeguarding.

#### Adult Social Care

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

#### Care Commissioning, Housing and Safeguarding

Care Commissioning, Housing and Safeguarding is forecasting an under spend of £59k. This is mainly due to a reduction in the commissioning activity in Supporting People funded services as a consequence of the implementation of the charging policy and preparation for an overall reduction in the programme spend to achieve 2015/16 and 2016/17 savings.

#### Children's Services

Children's Services is forecasting a year end over spend of £475k. This is an increase from the over spend forecast in quarter one. Placements pressures have increased and are currently forecasting a pressure of £856k against a total placement budget of £4.5m, a pressure equivalent to 19% of the placement budget. The placement pressure is partially being offset through forecast under spends within youth services and from increased in year contributions from Public Health.

## **Education**

Education Services is forecasting a year end over spend of £81k, this is consistent with the quarter one forecast. Pressures have been forecast within the Disabled Children's placement budgets and the SEN Home to School Transport budgets. Both Home to School Transport and Disabled Children's budgets have been subject to significant savings in the current and in prior years.

## **Adult Social Care Change Programme**

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

## **Risks identified**

### **Adult Social Care**

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 31 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 ASC 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 increased demand or new, very high cost clients appearing.

### **Children's Services**

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 the £455k savings removed from non placement budgets for financial year 2014/15 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 approximately 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. At the end of September 2014 there were 172 looked after children in our care.

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. 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 £000	2014/15 Revised Capital Programme £000	Amount spent/ committed to Quarter Two £000	Forecast spend in year £000	Forecast under/over spend in year £000
Adult Social Care	323	458	106	458	0
Care Commissioning, Housing & Safeguarding	1,454	2,229	353	2,199	(30)
Children's Services	20	33	3	33	0
Education	15,840	14,726	9473	12,583	(2,143)
<b>Total</b>	<b>17,637</b>	<b>17,446</b>	<b>9,935</b>	<b>15,273</b>	<b>(2,173)</b>

56.9% of the revised budget has been committed at the end of quarter two.

In Care Commissioning, Housing and Safeguarding, an under spend of £30k is forecast in Home Repair Assistance Grants due to performance issues with the Housing Improvement Agency.

In Education a further under spend of £2.2m is forecast, mainly because of changes to the scheduling of works at the Willows, Kennet Valley, Spurcroft Primary Schools, and a reduction in the estimated cost of the John Rankin Infant and Junior Schools' scheme. In addition, the relocation of the Reintegration Service has been postponed because of a lack of suitable premises.

There are no variances forecast in Adult Social Care or Children's Services.