

COMMUNITIES DIRECTORATE POSITION AS AT QUARTER TWO

Revenue:

	Quarter Two forecast £000
DSG	0
CORPORATE DIRECTOR – COMMUNITIES	10
ADULT SOCIAL CARE	0
CARE COMMISSIONING, HOUSING AND SAFEGUARDING	(102)
CHILDRENS SERVICES	324
EDUCATION	(30)
ADULT SOCIAL CARE CHANGE PROGRAMME	0
Total	202

Note: The forecast for Learning Disability is an over spend of £446k. This is being offset by savings in Older People's budgets and use of some of the ASC Risk Fund.

Corporate Director's summary:

Overview

The forecast position at the end of Quarter Two is an over spend of £202k. This is a £8k increase on the position in month five. The increase has been the net result of the Children's Services overspend decreasing in respect of placement spend (£12k reduction), the under spend on Education Services reducing due to increased agency spend due to sickness absence (£49k reduction). The under spend on Community Care, Housing & safeguarding increasing through increased income yields on temporary accommodation and revision down of the forecast overspend on reactive maintenance for these properties (£29k increase).

The Directorate is forecasting a year end overspend as a result of the level of children currently in Looked After Placements. The current LAC total is 154 versus an average of approximately 130 children during the period of the last five years. In order to address the increased projected overspend, expenditure across Children's non placement budgets and all Communities Services' budgets is being deliberately slowed. The current forecast outturn is therefore net of these projected savings.

Adult Social Care

Adult Social Care is forecasting that the Service will come in on budget at year end.

There are forecast pressures in both Mental Health and Learning Disability budgets due to the high cost of a small number of new clients. These overspends are currently primarily being offset by savings being achieved on Older People's budgets but certain costs may also need to be covered from the ASC Risk Fund where the identified risk has materialised to ensure the service achieves financial balance at year outturn.

Care Commissioning, Housing and Safeguarding

Care Commissioning, Housing and Safeguarding is forecasting a £102k under spend at year end. The under spend has increased by £29k on that forecast in month 5. This increase has been through increased income yields on temporary accommodation and the revision down of the forecast overspends on reactive maintenance for these properties.

There is in total a £149,318 under spend in this service driven mainly by a reduction in the level of SP LD demand. This has been used to offset a total pressure of £47,000 arising from a loss of income on rents from vacant plots on the GT site and MVF - leaving a forecast under spend of £102,318.

Children's Services

Children's Services is forecasting a £324k over spend at year end. The forecast overspend has decreased by £12k against the month 5 forecast. This is the result of a number of changes in placements during the month, the net effect being a reduction of four children within the care system. The table below shows the changes in placements between months 5 and 6.

Figure 1 Current Children's Placement Levels

Placements	Budget	Current No of Children	Change on Month 5	Month 6 Forecast
RESIDENTIAL	1,870,360	11	1	7,375
IN-HOUSE FOSTERING	1,193,361	73	-10	142,488
KINSHIP CARERS	178,760	18	0	56,388
INDEPENDENT FOSTERING	588,150	21	-3	243,564
SPECIAL GUARDIANSHIP	161,970	31	8	155,852
Total LAC	3,992,601	154	-4	605,666
ADOPTION & ALLOWANCES	110,690	19	0	-131
RESIDENCE ORDERS	253,580	36	0	-15,481

Total Children	4,356,871	209	-4	590,054
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The placement budgets are demand led, the fostering services have incurred higher demand over and beyond that anticipated for the financial year.

The service is also incurring increased pressure on the Referral & Assessment and Locality Team budgets through increasing agency costs (forecast £453k), as a result of covering sickness, vacancies and increasing workloads as a result of more children accessing the care system. This increase has led to a net pressure of £140k. This pressure is being partially offset through deliberately reducing expenditure in non placement budgets, under spends are being forecast against Youth Services, Youth Offending, Family Placement Services, Connexions and the overarching Management cost centre.

Education

Education Services is forecasting an under spend of £29K at year end, this is a £49k reduction in the under spend on month 5. The move has been the result of increased agency usage within the Disabled Children's Team to cover sickness absence.

The main areas of under spend within the service are:

- Home to School Transport (HTST) is forecasting an under spend of £67k. HTST is demand led service, final take up figures are not known until the Autumn Term, robust forecasting is not possible until month 7 onwards.
- Contractual savings on Health Related Therapies (£47k) and Flexible Partnership Arrangements (£30k).
- Increasing income from trading services with Academies, Education Welfare Officers and Educational Psychologists (£80k).

The service is experiencing pressures which are forecast to be offset by the aforementioned under spends. The main areas of pressure are Children's Centres and Early Years provision which have been subject to significant savings in prior years which are forecasting a year end overspend of approximately £90k. The Disabled Children's Budgets which have also been subject to significant savings are also under pressure as a result of the complexity of child needs (approx £60k over spend forecast). The increasing number of LAC is creating a pressure on the Children in Public Care budget (£15k).

MVF

The Directorate is forecasting that MVF will be achieved across all services.

Pressures on the 2013-14 budget

Placements (Children's)

There is a total Placements budget of £4 million meeting the needs of approx 170 - 200 children who are looked after in any twelve month period. Of this, £1.15 million is allocated to residential placements, but we would normally expect any overspends on this line to be offset by under-spends elsewhere in the overall Placements budget. 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 financial year. At the end of 2011/12 West Berks had 33.75 children per 10,000 population looked after, the South East rate was 58.3 per 10,000. Currently 154 children are in the Council's care (figure 1), with eleven children in high cost residential placements.

£650k of additional budget was invested into the Children's placement budgets as part of the budget build process for financial year 13-14. The investment was against Residential Care and Independent Fostering Services. Currently Residential Care is showing an overspend of £7k, Independent Fostering Services continue to forecast a £244k overspend position due to higher than anticipated numbers of children being placed.

Management action to address the emerging pressures

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

Children's Services

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. This year has seen average costs per child 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.

A summary of the main risks identified for Children's Services are as follows:

		Most Likely £	Worst Case £
1	Looked After Children's Placements increasing	400,000	1,000,000
2	Increasing Agency Usage	300,000	600,000
3	Young person placed on remand (average cost of a single placement is £200k)	0	200,000

	Total	700,000	1,800,000
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Adult Social Care

The ASC Efficiency Programme Board has a programme of actions in place to manage spend within budget.

An overview is taken of budgets and expenditure across the Directorate as a whole, and spend curtailed in as many areas as possible in order to identify ways of offsetting overspends on those budgets which are under particular pressure.

Risks identified

ASC maintains a Risk Register to identify potential budget pressures. This is reviewed regularly by the Head of ASC and the Finance Manager: Communities. 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 yet to see any improvements on the ground and we remain bottom of the table for receiving CHC funding from the West of Berkshire CCGs. A Berkshire group of CHC and LA senior managers continues to monitor this activity on a monthly basis.

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. The Berkshire LA s are also discussing a protocol to prevent OR claims on one another.

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.

CAPITAL BUDGET MONITORING 2013/14 QUARTER TWO –COMMUNITIES

Summary of Overall Position for the Communities Directorate

Service	2013/14 capital programme £000	Amount Spent/ Committed to 30-9-13 £000	Forecast Spend in Year £000	Forecast Under/ Over Spend in Year £000
Adult Social Care	768	409	668	-100
Care Commissioning, Housing and Safeguarding	2,213	614	2,183	-30
Children's Services	91	63	91	0
Education Services	10,611	8,647	9,891	-720
Total	13,683	9,733	12,833	-850

70% of the Communities capital programme as so far been committed.

Schemes in Adult Social care for care home refurbishment and to improve the efficiency of service provision are progressing as planned.

In Care Commissioning Housing and Safeguarding a lower than expected take up of Home Repair Assistance grants is expected to result in an under spend of approximately £30,000.

In Education Services, good progress is being made with schemes to deliver additional primary school places. The programme has already been re-profiled to take account of the latest pupil number forecasts, more accurate estimates of schemes to provide additional school places and assumptions about external funding. However further unavoidable delays to projects including the relocation of the Reintegration Service and expansion of Purley Infants and Francis Bailey primary schools are expected to result in a further under spend of approximately 8% of the revised programme.