

WIRRAL COUNCIL

FAMILIES AND WELLBEING POLICY & PERFORMANCE COMMITTEE

28 JANUARY 2014

SUBJECT	FINANCIAL MONITORING 2013/14 MONTH 8 (NOVEMBER 2013)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the financial monitoring information for this Committee to ensure consistency across the Policy and Performance Committees and aims to give Members sufficient detail to scrutinise budget performance for the Directorate. Financial information for Month 8 (November 2013) reported to Cabinet on 16 of January is included.

2 BACKGROUND AND KEY ISSUES

- 2.1 Members of the Policy and Performance Committees have requested that financial monitoring information is provided as a standard item at each Committee.
- 2.2 Since September 2012 monthly revenue and capital monitoring reports have been submitted to Cabinet as a means of providing regular, detailed updates on budget performance.
- 2.3 At its meeting on 3 September 2013, the Policy and Performance Coordinating Committee reviewed the most recent revenue and capital monitor reports submitted to Cabinet in July.
- 2.4 The Coordinating Committee agreed that in order to fulfil its corporate and strategic scrutiny role, it will continue to review the full versions of the most up to date monitor reports at its future scheduled meetings.

3 PROPOSED REPORTING TO POLICY & PERFORMANCE COMMITTEES

- 3.1 It is proposed that for the three Policy and Performance Committees aligned to the Directorates, the relevant sections from the most recent revenue and capital monitoring reports are summarised into a bespoke report for each of the Policy and Performance Committees. This will include the following:
- Performance against revenue budget
 - Performance against in year efficiency targets
 - Performance against capital budget

3.2 The following sections have been extracted from the Financial Monitoring reports presented to Cabinet on 16 January 2014.

PERFORMANCE AGAINST REVENUE BUDGETS MONTH 8 (NOV 2013)

3.3 CHANGES TO THE AGREED BUDGET

3.3.1 2013/14 Original & Revised Net Budget £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 8	Revised Net Budget
People - Adult Social Services	82,951	-220	30	82,761
People – Children & YP, & Schools	91,738	-6,851	75	84,962
People – Asset Mgmt & Transport	-	5,534	-	5,534
People – Safeguarding	685	1,396	-	2,081
People – Sports and Recreation	8,904	-42	-	8,862

3.3.2 Changes to the Budget agreed since the 2013/14 Budget was set

Items	£m
The Anti-Social Behavior team is part of the Families and Well Being Directorate - Children and Young People and the budget has therefore been transferred from Housing and community safety.	0.569
A number of training and legal posts have been transferred from Children and Young People to Transformation and Resources	-0.353
Transfer of staffing budgets from DASS in Families & Wellbeing to Financial Services within Transformation & Resources	-0.170
Transfer of 2 Constituency Committee Posts to Chief Executive from CYP.	-0.095
Staff transfer from CYPD to Financial services following recent restructure.	-0.044
Strategic Directors costs moved to People and Places from Chief Exec Dep	0.150
Transfer of Allotments budget from Asset Management (CYP) to Parks and Countryside (R&E).	-0.090
Performance officer transferred from DASS to Chief Exec Dep	-0.045

3.3.3 All of the budget changes have been virements to reflect the re-alignment of functions, and the related budgets, between the Regeneration and Environment Directorate and other Directorates. There have been no changes approved by Cabinet which increase the Directorate and Council spending.

3.4 VARIATIONS

3.4.1 The report will use RAGBY ratings that will highlight under and overspends and place them into 'risk bands'. The 'risk band' classification is:

- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
- Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

3.4.2 2013/14 Projected Budget variations £000's

Directorate	Revised Budget	Forecast Outturn	(Under) Overspend Month 8	RAGBY Classification	Change from prev mnth
People - Adult Social Services	82,761	82,761	-	G	-
People – Children & YP, & Schools	84,962	84,962	-	G	-
People – Asset Mgmt & Transport	5,534	5,534	-	G	-
People – Safeguarding	2,081	2,197	116	G	74
People – Sports and Recreation	8,862	8,652	-210	B	-8

3.4.3 RAGBY full details

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Adult Social Services	2	0	0	2	0	0
Children & Young People, & Schools	7	1	0	4	2	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	0	1	0

3.4.4 A £94k under spend is forecast at present. Early implementation in 2013/14 of some measures to repay one-off funding, which supports the 2013/14 budget has occurred. These were originally scheduled to commence in 2014/15 and have enabled monies to be used:

Adults: There is significant progress on Learning Disabilities through realignment of community care budgets and an overall Directorate underspend is forecast. Management actions previously planned have delivered reductions in residential placements and increased NHS income. Accordingly £1.4m is currently projected as available in 2013/14. Any monies identified will be earmarked to contribute towards an adjustment to income of £2m to reflect the actual in year income performance as detailed in Annexe 12 or against the 2013/14 loan repayment.

- Childrens: A number of variances are assumed as covered by the corporate savings profiling account. £1.5 million is forecast to be available in the year to contribute towards bridging the 2013/14 loan in 2014/15.

	Adults	Children	Total
Saving 2013/14	1.400	1.500	2.900
Use in 2013/14	-1.400	-0.000	-1.400
C/forward to 2014/15	<u>0.000</u>	<u>1.500</u>	<u>1.500</u>

3.4.5 The red rated business area relates to Specialist Services within People – Children & Young People & Schools. This is due to an increase in residential placements forecasting a £541,000 net overspend. The overspend will be covered from other areas of the directorate.

3.5 IMPLEMENTATION OF 2013/14 SAVINGS

3.5.1 Budget Implementation Plan 2013/14 £000's

BRAG	Number of savings Options	Approved Budget Reduction	Amount Delivered at Nov	Still to be Delivered
B - delivered	12	3,319	3,281	38
G – on track	12	6,044	4,368	1,676
A - concerns	1	1,576	1,066	510
R - failed	2	450	0	450
Total at M8 Nov	27	11,389	8,715	2,674

3.5.2 The Savings Tracker is Annex 5 of the Cabinet report and appended to this report details those areas classed under Families & Wellbeing. The two Red rated options relate to the following areas:

- Review of Residential Care for Learning Disabilities. Information is currently awaited for verifying the movement of this indicator from a Red to Amber rating
- Assistive Technology

The Amber rated area relates to:

- Children's Centres and Sure Start

Any shortfall in budget will be found from general savings within the Directorate.

3.5.3 Budgetary Issues £000's

Description	£000	Action
Income was included at 100% of billed, rather than at the (lower) level of collection. Improved collection would reduce the loss but this should be evidence led.	2,000	Entered into M1 Monitor. 2013/14 from Directorate. 2014/15+ Bad debt provision will cover
Shortfall in accommodation budget; resolution depends on service and asset disposal	33	Agreed can be met from permanent budget reduction
Foster Care placements - with improved work routines, amenable to reduction.	100	Funding from M8 increased grants
Learning Disabilities additional supported living packages	2,700	Management actions resolving shortfall including additional NHS support, increased income and budget realignment. Future year impact being assessed

3.5.4 At this stage the issues that have been identified of concern are reported at Annex 12 Budgetary Issues of the Cabinet report and this identifies solutions to those savings where delivery is not anticipated in 2013/14.

3.6 PERFORMANCE AGAINST CAPITAL BUDGETS MONTH 8 (NOV 2013)

3.6.1 Table 1: Capital Budget

	Capital strategy	Changes approved by Cabinet	Reprofile to be approved	Other changes to be noted or approved	Revised Capital Programme
People – Adults	11,025	-9,125	-400	600	2,100
People – CYP	10,286	1,233	0	0	11,519

Significant variations to be approved or noted by Cabinet for Period 8 are set out in Table 1. The majority of changes approved are made up of slippage from 12/13.

A summary of Reprofile to be approved:

People - Adults	-400	Projections for the Integrated IT scheme indicates further re-profiling is necessary with contractor payments now commencing in December (D)
-----------------	------	--

3.6.2 Spend to date November (8/12 = 66.6%)

	SPEND TO DATE		COMMENTS ON VARIATION RAG
	£000	%	
People – Adults	0	0	Green -acceptable
People – CYP	5,650	49	Green -acceptable

Expenditure on capital to date is compared to budget in Table 2. Details of issues within the outlined areas are:

With regard to the Learning Disabilities Extra Care Housing scheme (£0.4 million), procurement has now been completed and the successful providers agreed.

3.6.3 Projected Outturn compared to Revised Budget £000's

	REVISED	PROJECTED	VARIATION
	BUDGET	OUTTURN	
People – Adults	2,100	2,100	0
People – CYP	11,519	11,519	0

Budgets are revised throughout the financial year to reflect the projected outturn.

4 RELEVANT RISKS

4.1 There are none relating to this report.

5 OTHER OPTIONS CONSIDERED

5.1 Any option to improve the monitoring and budget accuracy will be considered.

6 CONSULTATION

6.1 No consultation has been carried out in relation to this report.

7 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are no implications arising directly from this report.

8 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

8.1 In respect of the Revenue Budget the Families and Wellbeing Directorate after loan repayment and annex 12 funding is projecting a £94k under spend as at the 30 November 2013.

9 LEGAL IMPLICATIONS

9.1 There are no implications arising directly from this report.

10 EQUALITIES IMPLICATIONS

10.1 The report is for information and there are no direct equalities implications at this stage.

11 CARBON REDUCTION IMPLICATIONS

11.1 There are no implications arising directly from this report.

12 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no implications arising directly from this report.

13 RECOMMENDATIONS

13.1 Members are requested to review the information presented to determine if they have any specific questions relating to the budget for the Families and Wellbeing Directorate.

14 REASONS FOR THE RECOMMENDATIONS

14.1 To ensure Members have the appropriate information to review the budget performance of the directorate.

REPORT AUTHOR

Telephone

E-mail

Peter Molyneux

(0151) 666 3389

petemolyneux@wirral.gov.uk

APPENDICES

Extracted from the Revenue Monitoring report to Cabinet on 16 January 2014:-

Annex 5 Savings Tracker

Annex 6 ADULTS/CHILDREN'S REPLACING ONE-OFF 2013/14 FUND

Annex 12 Budgetary Issues

SUBJECT HISTORY

Council Meeting	Date
Monthly financial monitoring reports for Revenue and Capital have been presented to Cabinet since September 2012.	

EXTRACT FROM FINANCIAL MONITORING REPORT MONTH 8 (NOV 2013)

Annex 5 SAVINGS TRACKER

Families and Well Being – Childrens

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M8 Nov 13 £000	To be delivered £000
Education Psychology Service	80	Savings achieved	B	80	0
Schools Budget	250	Savings achieved	B	250	0
Careers, Education and Advice	700	Savings achieved	B	700	0
Schools Music Service	21	Savings achieved	B	21	0
Oaklands Outdoor Education Centre	23	Savings achieved	B	23	0
Foundation Learning	121	Savings achieved	B	121	0
Commissioning of Parenting Services	700	Savings achieved	B	700	0
Youth Challenge	200	Savings achieved	B	200	0
Short Breaks for Children with Disabilities	150	Savings achieved	B	150	0
Area Teams for Family Support	200	Savings achieved	B	162	38
School Improvement and Income from Schools	160	The school improvement programme has been reduced. However there is a shortfall in the buy back from Academies in respect of PFI of £45k.	G	115	45
Youth and Play Services	687	Restructure complete, but slippage of £83k is anticipated in relation to late vacation of premises and employees not leaving 1st April.	G	604	83
Child and Adolescent Mental Health Service	250	Confirmation that staff have left with slippage of £45k.	G	205	45

Children's Centres and Sure Start	1,576	There is slippage in relation to the Management restructure of £57k and slippage in the transfer of day care, £453k, for which only 2 tenders were received. There are discussions with Primary Schools in relation to the remaining 4 sites. Options are continuing to progress however the revised timescale of 1 January 2014 is unlikely to be met with resources being identified to offset any costs till the end of the year.	A	1066	510
-----------------------------------	-------	--	---	------	-----

Families and Well Being – DASS

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M8 Nov 13 £000	To be delivered £000
Review of VCF Sector Grants	705	Savings achieved	B	705	0
Community Meals	169	Savings achieved	B	169	0
Review of Support for Carers	250	Letter issued and reviews progressed for one-off payments, payments not related to client assessed need, and payments to related individuals	G	250	0
Day Care and Day Services Transformation	750	Service changes implemented	G	750	0
Charging for Non Residential Services	880	New charges implemented	G	590	290
Transport Policies	250	Additional grant funding CYP	G	250	0
Targeted Support through NHS Contracts	1,828	- All clients no longer requiring double handling identified contract performance to be monitored (£83k).	G	1000	828
		- Use of Social Fund Grant Allocation. (£800k).	B		
		- New contract starts 1.1.2014 (£84k).	G		

		- Targets implemented for residential placement numbers plus scheme of delegation. (£454k) - Continuing Health Care – correct application of law and policy. (£377k).	G G		
Modernisation of leisure	429	Revised shift rotas have now been implemented. The delay in implementation is expected to result in slippage of £125k on this budget saving option.	G	304	125
Residential and Respite Care	160	Director implementing action plan to reduce Supported Living costs	G	100	60
Review of Equipment Service	100	Revised S75 in place for 2013/14 with Community Trust. Discussions commenced with NHS re revised hosting arrangements	G	0	100
Extra Care Housing/External Respite and Short-term Provision	300	- Extra Care Housing Provider Negotiations continue. - Revised Respite Policy to be produced and review the feasibility for block contracts for respite	G G	200	100
Review of Residential Care for Learning Disabilities	300	LD packages currently overspending	R*	0	300
Assistive Technology	150	Charges delayed by further consultation requirements; April 2014 implementation	R ↓	0	150

*Learning Disabilities: Information is currently awaited for verifying the movement of this indicator from a Red to Amber rating

Annex 6 ADULTS/CHILDREN'S REPLACING ONE-OFF 2013/14 FUNDING

ADULTS

Details	Proposed 2013/14 (£000)	Delivered 2013/14 (£000)	Proposed 2014/15 (£000)	Proposed 2015/16 (£000)	Comments / progress on implementation
Live savings					
Service Reviews (for development and future discussion with members)	1,014		3,530	900	
Management action	362		3,328	790	
Total all categories	1,376		6,858	1,690	

Note: 2013/14 monies may be allocated first to annexe 12 issues in 2013/14

CHILDRENS

Details	Proposed 2013/14 (£000)	Delivered 2013/14 (£000)	Proposed 2014/15 (£000)	Proposed 2015/16 (£000)	Comments / progress on implementation
Commissioning (saving achieved in advance)	250	250			Saving achieved in advance of 2014/15 requirement
Connexions/CEI AG (saving achieved in advance)	300	300	200		Saving achieved in advance of 2014/15 requirement
Transfer Pension costs to Schools Budget	100	100			Costs to be transferred as in 2012/13
Uncommitted Adoption Grant	200	200			As per Cabinet report June 2013
Further reduction in Schools PPM programme	200				Reduction taken into account in the available programme
Springboard / School Readiness add'l budget	400	400			Budget not committed
YOS bring forward service review	50	50			To be met from vacancies and spend controls
Children's Centres			500	1500	
Efficiencies			400		
Family Parenting			200	300	
Partnership Working			200		
Total	1,500	1,300	1500	1800	

EXTRACT FROM FINANCIAL MONITORING REPORT MONTH 8 (NOVEMBER 2013)

Annex 12 BUDGETARY ISSUES

	Service area	Issue	2013/14	2014/15	2015/16	2016/17	Resolution
People							
	Adults overstated income	Income was included at 100% of billed, rather than at the (lower) level of collection. Improved collection would reduce the loss but this should be evidence led.	2,000	2,000	2,000	2,000	Entered into M1 Monitor. 2013/14 from Directorate. 2014/15+ Bad debt provision will cover
	Willowtree	Shortfall in accommodation budget; resolution depends on service and asset disposal	33	33	33	33	Agreed can be met from permanent budget reduction
	Legal Fees ex CYP Adults	Foster Care placements - with improved work routines, amenable to reduction. Learning Disabilities additional supported living packages	100 2,700	50 0	0 0	0 0	Funding from M8 increased grants Management actions resolving shortfall including additional NHS support, increased income and budget realignment. Future year impact being assessed
Totals			4,833	2,083	2,033	2,033	
Solutions			2013/14	2014-15	2015/16	2016/17	
	Agreed redns	Willowtree Facilities Management	-33	-33	-33	-33	Agreed can be met from permanent budget reduction
	In M1 monitor	Adults income – in 2013/14 funded from bad debt provision in later years	-2,000	-2,000	-2,000	-2,000	2013/14 in year savings and bad debt provision
		Foster Care placements	-100	-50	0	0	Funding from increased grants per Directorate M8
		Learning Disabilities additional supported living packages	-2,700	0	0	0	Management actions resolving shortfall including additional NHS support, increased income and budget realignment. Future year impact being assessed
Current additional resource required from savings			0	0	0	0	