

## WIRRAL COUNCIL

### FAMILIES AND WELLBEING POLICY & PERFORMANCE COMMITTEE

8 APRIL 2014

<b>SUBJECT</b>	<b>FINANCIAL MONITORING 2013/14 MONTH 10 (JANUARY 2014)</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF RESOURCES</b>

#### **1 EXECUTIVE SUMMARY**

- 1.1 This report sets out the financial monitoring information for this Committee in a format consistent across the Policy and Performance Committees. The report aims to give Members sufficient detail to scrutinise budget performance for the Directorate. Financial information for Month 10 (January 2014) reported to Cabinet on 13 March 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 The Coordinating Committee has 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 REPORTING TO POLICY & PERFORMANCE COMMITTEES**

- 3.1 The relevant sections from the most recent revenue and capital monitoring reports reported to Cabinet are summarised into a bespoke report for each Policy and Performance Committee. 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 13 March 2014.

### PERFORMANCE AGAINST REVENUE BUDGETS MONTH 10 (JAN 2014)

### 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 10	Revised Net Budget
People - Adult Social Services	82,951	-190	308	83,069
People – Children & YP, & Schools	91,738	-6,776	-166	84,796
People – Asset Mgmt & Transport	-	5,534	-16	5,518
People – Safeguarding	685	1,396	-29	2,052
People – Sports and Recreation	8,904	-42	-83	8,779
<b>Net Cost of Services</b>	<b>184,278</b>	<b>-78</b>	<b>14</b>	<b>184,214</b>

#### 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
Allocation of 4 day unpaid leave saving/Hrs and overtime saving.	-1.071
Allocation of T&C Car allowance saving 13-14 Part Year	-0.208
Market Supplement Uplift	0.360
Reducing Council Management Slippage	0.217
Modernisation of Leisure Slippage	0.125
Respite (short breaks for People with Disabilities) Slippage	0.160
Transformation of Day Services and Day time provision Slippage	0.431

3.3.3 A number of the budget changes were virements reflecting the re-alignment of functions, and the related budgets, between the Families and Wellbeing Directorate and other Directorates.

3.3.4 In month 10 a number of budget virements were made across the council. These reflect the allocation to directorates (where applicable) of a number of previously centrally held budgets. Changes include allocations for terms and conditions savings, market supplements, slippage and constituency

committee budgets. As these adjustments were virements the overall impact of the month 10 allocations did not alter the net cost of services for the council as a whole.

### 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

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 10	RAGBY Classification	Change from prev mnth
People - Adult Social Services	83,069	83,069	0	G	-
People – Children & YP, & Schools	84,796	84,796	0	G	-
People – Asset Mgmt & Transport	5,518	5,518	0	G	-
People – Safeguarding	2,052	2,167	115	G	-
People – Sports and Recreation	8,779	8,559	-220	B	-59
<b>TOTAL</b>	<b>184,214</b>	<b>184,109</b>	<b>-105</b>		<b>-59</b>

#### 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	5	1	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	0	1	0
<b>Total</b>	<b>11</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>2</b>	<b>0</b>

3.4.4 A £105k under spend is forecast at present. In addition 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: As previously reported, reductions in high cost Learning Disabilities packages are expected to deliver in 2014-15 rather than in 2013-14. The Adults budget overall is forecast to underspend by £1m, demonstrating the containment of community care spending pressures.

Income from client contributions is increased by £267,000. This reflects the delivery of management actions and the reduction of processing backlogs in the Personal Finance Unit. However there remains a large workload to deal with the historical debt still outstanding and raise current assessment and collection efficiency to an acceptable level.

Further work is proceeding to ensure the full value of assessed client contributions is billed by 31st March 2014, and that income recovery in-year is maximised.

Accordingly £1.0m is currently projected as available in 2013/14. Any monies identified will be earmarked to contribute towards an adjustment to income of up to £2m to reflect any issues arising from actual in year income performance as detailed in Annexe 12 or against the 2013/14 loan repayment.

- Childrens: A number of variances are covered by the corporate savings profiling account. £1.7 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	1.000	1.700	2.700
Use in 2013/14	-1.000	-0.000	-1.000
C/forward to 2014/15	0.000	1.700	1.700

- 3.4.5 The red rated business area relates to Specialist Services within People Children's: The over spend in this area relates mainly to agency costs and the demand for semi-residential placements. The over spend 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 Jan	Still to be Delivered
B - delivered	14	4,449	4,411	38
G – on track	10	4,914	3,535	1,379
A - concerns	2	1,726	1,216	510
R - failed	1	300	0	300
<b>Total at M10 Jan</b>	<b>27</b>	<b>11,389</b>	<b>9,162</b>	<b>2,227</b>

- 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 Red rated option relates to the following area:

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

The Amber rated areas relate to:

- Children's Centres and Sure Start
- Assistive Technology

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 10 (JAN 2014)

### 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	-9,325	0	0	1,700
People – CYP	10,286	1,233	-600	0	10,919

Significant variations to be approved or noted by Cabinet for Period 10 are set out in the following table.

: A summary of Reprofile to be approved

	<b>Changes to be approved or noted</b>	<b>Explanation (A) Policy (B) Items previously deferred (C) Additional funding (D) Re-profiling (E) Reduced requirement</b>
People – CYP	-350	Relates to the Pensby Primary School, £2.165m expected to be completed, with only the retention amount due to be outstanding (due 2014/15) <b>(D)</b> .
	-235	Funding for 2 year olds, amounts have been allocated to individual sites, however some sites will not be completed in 2013/14 therefore to be re-profiled into 2014/15 <b>(D)</b>

### 3.6.2 Spend to date January (10/12 = 83.3%)

	<b>SPEND TO DATE</b>		<b>COMMENTS ON VARIATION RAG</b>
	£000	%	
People – Adults	39	2	Green -acceptable
People – CYP	6,613	61	Green -acceptable

#### **People – Adults**

With regard to the Learning Disabilities Extra Care Housing scheme procurement has now been completed and a delivery plan agreed. The 2014-15 capital programme has now been amended to just show the anticipated Council contribution to the overall scheme as opposed to including the estimated private sector contribution of £8.6 million. Expenditure on the Integrated IT scheme will be incurred in the final quarter of the year.

#### **People - Children**

Spend to date increased by £0.5 million in period 10. The majority of this related to Modernisation of Basic Needs and Funding for 2 year old schemes areas of spend. The Pensby Primary Schools and an element of the Funding for 2 year old schemes have been reprofiled to 2014/15 as outlined in table 2 above.

### 3.6.3 Projected Outturn compared to Revised Budget £000's

	<b>REVISED</b>	<b>PROJECTED</b>	<b>VARIATION</b>
	<b>BUDGET</b>	<b>OUTTURN</b>	
People – Adults	1,700	1,700	0
People – CYP	10,919	10,919	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 £105k under spend as at the 31 January 2014.

#### **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.

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## **APPENDICES**

Extracted from the Revenue Monitoring report to Cabinet on 13 March 2014:-

Annex 5 Savings Tracker

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

Annex 12 Budgetary Issues

Extracted from the Capital Monitoring report to Cabinet on 13 March 2014:-

Annex 2 Proposed Capital Programme and Funding Cabinet March 2014

## **SUBJECT HISTORY**

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



## EXTRACT FROM FINANCIAL MONITORING REPORT MONTH 10 (JAN 2014)

### Annex 5 SAVINGS TRACKER

#### Families and Well Being – Childrens

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M10 Jan 14 £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 £76k is anticipated in relation to late vacation of premises and employees not leaving 1st April.	G	611	76
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
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### Families and Well Being – DASS

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M10 Jan 14 £000	To be delivered £000
Review of VCF Sector Grants	705	Savings achieved	B	705	0
Community Meals	169	Savings achieved	B	169	0
Charging for Non Residential Services	880	Savings achieved	B	880	0
Transport Policies	250	Savings achieved	B	250	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
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). - New contract starts 1.1.2014 (£84k).	B 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
Assistive Technology	150	Charges now to be introduced in 2014-15. Income budget delivered by a range of other measures in 2013-14.	A	150	0
Review of Residential Care for Learning Disabilities	300	LD packages currently overspending	R	0	300

\*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 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementation
No delivery of savings to replace equivalent one-off 2013-14 funding is assumed in 2013-14. However it is expected that £1.376m of these savings will be delivered in 2013-14.					
Savings proposals requiring member approval		0.655	3.530	0.900	Details of proposals provided as part of the 2014-15 budget consultation
Management Action		0.362	3.328	0.790	Details of proposals provided as part of the 2014-15 budget consultation
		1.017	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	200			Funded by schools' budget.
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		
Additional in year underspend identified at month 10		200			
<b>Total</b>	<b>1,500</b>	<b>1,700</b>	<b>1500</b>	<b>1800</b>	

## EXTRACT FROM FINANCIAL MONITORING REPORT MONTH 10 (JANUARY 2014)

### Annex 12 BUDGETARY ISSUES

	Service area	Issue	2013/14	2014/15	2015/16	2016/17	Resolution
<b>People</b>							
	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
<b>Totals</b>			<b>4,833</b>	<b>2,083</b>	<b>2,033</b>	<b>2,033</b>	
<b>Solutions</b>			<b>2013/14</b>	<b>2014-15</b>	<b>2015/16</b>	<b>2016/17</b>	
	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
<b>Current additional resource required from savings</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## ANNEX 2

## PROPOSED CAPITAL PROGRAMME AND FUNDING CABINET MARCH 2014

Department	Total Programme	Borrowing	Receipts	Revenue / Reserves	Grants	Total Funding
<b>People - Children &amp; Young People</b>						
Children's Centres	25				25	25
Aiming Higher for Disabled Children	390				390	390
Condition/Modernisation	3,997			21	3,976	3,997
Family Support Scheme	60	60			-	60
Formula Capital Grant	1,235			42	1,193	1,235
Schools- Access Initiative	165				165	165
Woodchurch One School Pathfinder	144	33		8	103	144
Birkenhead High Girls Academy	602			69	533	602
Private Finance Initiative	55			-	55	55
Pensby Primary School	2,165			85	2,080	2,165
School Meals Uptake	138				138	138
Co-Location Fund	74				74	74
Vehicle Procurement	18			18	-	18
Park Primary	180				180	180
Rosclare Childrens Hotel	1			1	-	1
Early Years access	78				78	78
Youth Capital	160	98			62	160
School remodelling and additional classrooms	586	300			286	586
Somerville primary school mobile replacement	450	200			250	450
Wirral Youth Zone	147	30	-		117	147
Funding for 2 year olds	249				249	249

<b>People - Children &amp; Young People Total</b>	<b>10,919</b>	<b>721</b>	<b>-</b>	<b>244</b>	<b>9,954</b>	<b>10,919</b>
<b>People – Adults</b>						
Transformation of Day Service	<b>500</b>				500	<b>500</b>
Integrated IT	<b>1,200</b>	200			1,000	<b>1,200</b>
LD Extra Care Housing	-	-			-	-
<b>People – Adults Total</b>	<b>1,700</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>1,500</b>	<b>1,700</b>
<b>Grand Total</b>	<b>12,619</b>	<b>921</b>		<b>244</b>	<b>11,454</b>	<b>12,619</b>