

FINANCE AND PERFORMANCE REPORT – JULY 2018

To: Communities and Partnership Committee

Meeting Date: 27th September 2018

From: Executive Director: People and Communities
Chief Finance Officer

Electoral division(s): All

Forward Plan ref: Not applicable **Key decision:** No

Purpose: To provide the Committee with the July 2018 Finance and Performance report for People And Communities Services (P&C).

The report is presented to provide the Committee with the opportunity to comment on the financial and performance position as at the end of July 2018.

Recommendation: The Committee is asked to review and comment on the report

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1.0 BACKGROUND

- 1.1 A Finance & Performance Report (FPR) for People and Communities (P&C) is produced monthly and the most recent available report is presented to the Communities and Partnership (C&P) Committee when it meets.
- 1.2 The report is presented to provide the Committee with the opportunity to comment on the financial and performance position of the services for which the Committee has responsibility.
- 1.3 This report is for the whole of the P&C Service, and as such, not all of the budgets contained within it are the responsibility of this Committee. Members are requested to restrict their attention to the proposed budget lines for which this Committee is responsible for. These are detailed below;

Forecast Variance Outturn (June) £000	Directorate	Budget 2018/19 £000	Actual July 2018 £000	Forecast Outturn Variance £000
0	Strategic Management - Communities & Safety	-61	43	0
0	Central Integrated Youth Support Services	953	170	0
0	Safer Communities Partnership	970	405	0
0	Strengthening Communities	509	175	0
0	Adult Learning and Skills	2,660	912	0
0	Total Expenditure	5,031	1,705	0
0	Grant Funding (including Dedicated Schools Grant etc.)	-3,070	-1,584	0
0	Total	1,961	121	0

1.4 Financial Context

The major savings agenda continues with £99.2m of savings required across the Council between 2017 and 2022. The planned savings for P&C in the 2018/19 financial year total £21,287k, of which those that are directly attributable to C&P total £0k. However the workstreams within C&P are integral to the overall delivery of many of the savings proposals.

Although significant savings have been made across P&C, the directorate continues to face demand pressures, particularly in children's services related to the rising number of looked after children.

Nationally there has been a rise in children in care, also; however as identified by the service and supported by Oxford Brooks, we are not moving children through the system quickly enough and also previous practice of supporting children at home for perhaps longer than is best practice has led to children entering the care system later and then remaining, rather than them being adopted at an earlier stage.

This, combined with the scale of change needed for the new model of operational delivery, makes any reductions in numbers in care this year unlikely and for only a gradual reduction in numbers and improvement in placement mix to take place in 2019/20.

As a result further work is ongoing to quantify the extent of the pressure in 2018/19 as original budgets were predicated on lower numbers in care than is likely to be achievable. The overall pressure across Looked After Children and associated budgets will therefore increase in coming months to reflect these realities.

2.0 MAIN ISSUES IN THE JULY 2018 P&C FINANCE & PERFORMANCE REPORT

2.1 The July 2018 Finance and Performance report is attached at Appendix 1. At the end of July, the overall P&C position is a forecast overspend of £4,365k. Of this forecast overspend £0k is attributable to C&P budget lines.

2.2 Significant Issues.

The key areas currently reporting over and underspends within P&C are detailed below, alongside potential mitigating actions:

- Learning Disabilities are forecasting an overspend of £1,986k. As at the end of June, a £1,232k shortfall is expected against the reassessment saving proposal and from the conversion of residential to supported living care packages. For both savings programmes, the shortfall is as a result of slippage of planned work and a lower level of delivery per case than anticipated. In addition demand pressure are higher than anticipated despite positive work that has reduced the overall number of people in high-cost out-of-area in-patient placements. This overspend has been mitigated by the use of Adult social care grant which is reported under Strategic Management – Adults as a £1,970k underspend.
- The Looked After Children Placements budget is forecasting an overspend of £3m. This is a result of underlying pressures brought forward from the previous year, alongside continued additional demand in-year to date. This includes five additional high cost placements made during the month of July. This position will be closely monitored throughout the year, with subsequent forecasts updated to reflect any change in this position. Mitigating actions include, reconstitution of panels to ensure greater challenge, provider meetings to negotiate packages, investment in recruitment and retention of in house foster carer to increase numbers.
- The Home to School Transport – Special budget is forecasting to be £750k over budget. This is as a result of increasing demand for SEN Transport, primarily due to increasing numbers of pupils attending special school and an increase in children with Education Health and Care Plans (EHCPs) requiring transport to other provision, an additional burden has been added placed on us with post 19 transport and also that we deliver only statutory provision in this area and our charging is in line with stat neighbours. Mitigating actions include a review of processes to a review of processes in the Social Education Transport and SEND teams with a view to reducing costs along with a strengthened governance system around requests for costly exceptional transport requests.
- The Children in Care budget is forecasting an overspend of £275k due to the higher than budgeted number of supervised contact sessions being provided. Alongside this work is currently underway to quantify the pressure around care of unaccompanied asylum seekers both in the under 18 and over 18 cohorts. Our Unaccompanied Asylum Seeking Children (UASC) cohort remains high and we are currently working with Regional colleagues in terms of agreeing an equitable allocation of UASC across Local Authority areas. Discussions are also ongoing with the Home Office over expected time scales over confirming UASC status once they turn 18, which impacts on our ability to accurately forecast expected spend. High cost UASC packages are being reviewed in order to reduce costs where possible. It is expected that a considered forecast will be available in September. Mitigating issues including reviewing the structure of Children's

Services. This will focus on creating capacity to meet additional demand.

2.5 Performance

There are four new C&P Performance Indicators, these have no target and are therefore not RAG-rated. The new performance indicators being reported are;

- Number of young first time entrants into the criminal justice system, per 10,000 of population compared to statistical neighbours
- Victim-based crime per 1,000 of population compared to statistical neighbours (hate crime)
- Proportion of new apprentices per 1,000 of population, compared to national figures
- Engagement with learners from deprived wards as a proportion of the total learners engaged

3.0 2018-19 SAVINGS TRACKER

- 3.1 As previously reported the “tracker” report – a tool for summarising delivery of savings – will be updated throughout the year and the overall position reported to members on a quarterly basis.

4.0 ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

- 4.1.1 There are no significant implications for this priority.

4.2 Helping people live healthy and independent lives

- 4.2.1 There are no significant implications for this priority

4.3 Supporting and protecting vulnerable people

- 4.3.1 There are no significant implications for this priority

5.0 SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

- 5.1.1 This report sets out details of the overall financial position of the P&C Service.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

- 5.2.1 There are no significant implications within this category.

5.3 Statutory, Risk and Legal Implications

- 5.3.1 There are no significant implications within this category.

5.4 Equality and Diversity Implications

- 5.4.1 There are no significant implications within this category.

5.5 Engagement and Consultation Implications

5.5.1 There are no significant implications within this category.

5.6 Localism and Local Member Involvement

5.6.1 There are no significant implications within this category.

5.7 Public Health Implications

5.7.1 There are no significant implications within this category.

Source Documents	Location
As well as presentation of the F&PR to the Committee when it meets, the report is made available online each month.	https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&-performance-reports/