

Revenue Budget 2018/19 – forecast main variances**Children and Family Services**Dedicated Schools Grant

A net overspend of £3.3m is forecast, which will be funded from the DSG earmarked fund.

The main variances are:

	£000	% of Budget
High Needs		
Special Educational Needs	3,160	6%
The 2018/19 MTFS included potential savings of £1.5m . Some savings have been achieved but the increased school population, increased demand for support and full year effect of changes in SEND legislation is offsetting these savings. The final choice of place often is not made until the young people get their exam results in August and is not known at the time of budget setting. A full reconciliation of July leavers and September starters has been started and will be completed in October. Some budget areas could have additional pupils arriving during the remainder of the year if they move into the area or are assessed later. Additional complex cases moved into the county after the budget was set and the forecast reflects these additional costs. A number of savings options are being considered to reduce the overspend.		
Education of Children with Medical Needs	100	17%
An overspend is reported based on pupil numbers for April and May and the reduction in hours offered from 10 hours down to 5 hours. The overspend is expected to reduce from £260k in 2017/18 to £97k in 2018/19. Forecast based on pupils numbers to date and expected leavers in July 2018. Unknown factors are the number of high cost placements and new starters in September 2018; numbers usually rise in the autumn term. A main provider has stopped taking new cases and alternative more costly provision may be needed if more pupils are identified that need support.		
TOTAL	3,260	n/a

Local Authority Budget

The Local authority budget is forecast to overspend by £1.3m (1.8%). The main variances are:

	£000	% of Budget
Asylum Seekers	420	128%
Demand on this budget has significantly increased over the last couple of financial years and is projected to do the same this financial year, which has resulted in increased need for additional staffing to manage demand. The majority of these children arrive 'spontaneously' and on arrival are the statutory responsibility of the local authority in which they arrive.		
Children's Social Care Field Work Teams / First Response / CSE	375	3%
Recruitment and retention pressures among the Children Social Workers workforce across various teams have resulted in a number of positions being filled by agency workers.		
Children in Care Service	165	9%
Legislation changes around the Personal Advisor duty has resulted in budget pressures for 2018/19 which will require close monitoring. The Social Care Act 2017 has extended the duty for local authorities to provide support for young people through personal advisors from age 21 to age 25.		
Safeguarding and Quality Assurance	140	8%
Part year additional staffing costs above budgeted establishment levels as a result of inherent unfunded posts in the service which were required to manage demand and Ofsted recommendations.		
Fostering and Adoption Service	125	4%
Staff absence has resulted in an interim period where external providers will complete assessments for fostering kinship carers. LCC recruitment drive for foster carers and adopters has led to further need for assessment to be completed externally where internal capacity is at maximum.		
Other variances	35	n/a
TOTAL	1,260	n/a

Adults & Communities

The Department is forecasting a net underspend of £3.4m (2.5%). The main variances are:

	£000	% of Budget
Home Care	400	3%
Increase in service user numbers (£250k) and increase in package hours (£50k), in addition backdated payments (pre-18/19) are now in excess of estimated accruals - an additional forecast £100k has been forecast for the rest of the year, £420k has been incurred to date. There are 1,775 home care packages at an average cost of £160.		
Community and Wellbeing Efficiency Saving	190	n/a
Efficiency saving of £188k forecast is to be achieved by staff vacancies, reduction in running costs, a range of one-off income and underspends through the service (contained within Other variances (under £0.1m) below).		
Extra Care	145	20%
Overspend due to a combination of factors. New contracts from Nov-18 to Mar-19 are more expensive than budgeted for £45k and other one off contract payments of £100k.		
Commissioning & Quality Team	125	9%
Additional Commissioning staffing required to manage contracts and find placements.		
Community Income	110	1%
Reduced income from Learning Disability pooled budget due to lower number of transitioning service users than expected.		
Residential Care and Nursing	-1,235	-2%
Reduction in number of service users and lower average cost of packages (£0.7m) and increased service user income is anticipated (£0.5m). There are 2,317 service users with an average gross care package cost of £751 per week.		
Supported Living	-670	-5%
Transforming Care service users have not yet transferred to Supported Living from health.		
Direct Payments (DP)	-505	1%
The main underspend relates to the clawback of unused balances on direct payment cards (£1.7m), offset by increasing costs of service users packages (£1.2m). There are 2,613 service users per week receiving an average package of £270.56 and 415 carers per week receiving an average package of £45.20.		
Community Life Choices (CLC) / Day Services	-390	-14%
Underspend due to changes within the services and service users (CLC policy) and vacancies being held pending the implementation of action plans for co-location as part of saving AC6. Review of service users is still ongoing, action plan will take place once this has occurred.		
Supported Living, Residential and Short Breaks	-310	-6%
Reduction in service users in Hamilton Court residential and managing vacancies at Hamilton Court and The Trees. Reviews of service users are still ongoing. Action plans for The Trees and Carlton Drive are due for implementation in late Autumn.		
Business Support	-240	-14%
Staffing vacancies pending stabilisation of services.		
Reablement (HART) & Crisis Response	-205	4%
Staffing underspend caused by vacancies to deliver savings and lower health referrals.		
Community Care Finance	-155	-11%
Staffing vacancies pending action plan.		
Adult Learning	-140	N/A
Additional Transitions Learning Project income being forecast (£40k) and additional income from Skills Funding Agency expected for overperformance in 17/18 academic year (approx £100k).		
Care Pathway West -Working Age Adults Team	-125	-4%
Staffing underspend caused by vacancies.		
Aids, Adaptations and Assistive Technology	-120	-5%
Staffing budget and running cost budget being held as a saving for AC1 - Review of Equipment and Therapy Services.		
Care Pathway West - Older Adults Team	-110	-4%
Staffing underspend caused by vacancies.		
Other variances (under £100k)	205	n/a

TOTAL	-3,430	n/a
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Public Health

A net overspend of £60k is forecast. The main variance is:

	£000	% of Budget
Other Commissioned Activity	50	18%
Increased resources are being directed to Mental Health Promotion, however it is expected that during the year this will be met from underspends in demand led areas.		
Other variances	10	n/a
TOTAL	60	n/a

Environment and Transportation

The Department is forecasting a net overspend of £1.2m (1.8%). The main variances are:

	£000	% of Budget
<u>Highways</u>		
Highways Delivery - Staffing, Admin & Depot Overhead Costs	555	22%
Forecast overspend is in part linked to the introduction of the agreed market premia in 2018/19. In addition, it looks unlikely that staffing costs will be fully met by the level of income that can be generated. This position will be kept under review during 2018/19.		
Highways Commissioning - Staffing & Admin Commissioning	370	22%
Overspends are forecast for Transport Strategy and Policy (£209k) due to lower than originally budgeted expected recharges to the capital programme, Highway Development Management (£211k) due to a delay in commencing charging for pre application advice and Asset Management & Major Projects (£144k) arising from additional staffing costs over and above the budgeted level. Traffic and Signals team (£38k) arising from additional agency staff and market premia. These overspends are partially offset by forecast underspends for Infrastructure (£146k) due to anticipated additional S38 and S278 income Safe and Sustainable Travel (£77K) additional contribution from the Access fund.		
Winter Maintenance	215	13%
Overspend forecast due to: - necessity to treat roads in April, - under-accruing for the cost of farmers ploughing roads in 2017/18 behalf of the County Council, - additional costs for yardmen and loading shovel to fill empty barns with salt.		
Management & Training Costs	-70	-9%
Underspend forecast due to two graduate vacancies. Recruitment of replacements is underway.		
Traffic Controls	-65	-5%
Underspend from additional income relating to Developer Traffic Regulation Order and savings in the traffic signals energy budget		
<u>Transportation</u>		
Special Educational Needs	510	5%
Overspend forecast due to the increased number of solo occupancy journeys for pupils since the start of the new financial year, the need for which has been highlighted as part of the risk assessment process. Work is being undertaken to examine how these additional costs can be minimised in 2018/19 by optimising the number of pupils travelling on Fleet transport.		
Fleet Transport	75	36%
Overspend forecast due to high staff costs, including higher than expected use of agency staff. There is a continued focus on attendance management in an attempt to reduce costs. Unexpected significant repairs to a number of vehicles have also contributed to the overall forecast overspend position.		
Public Bus Services	70	3%
Overspend forecast due to the cost of subsidising additional bus services / routes that are no longer commercially viable.		
Concessionary Travel & Joint Arrangements	60	1%
Forecasting overspend largely due to £42k payment relating to 2017/18 being made in 2018/19.		
Mainstream School Transport	-195	-4%
Underspend forecast based on reduction in pupil numbers and fewer contracted services required.		

Environment & Waste Management		
Landfill	75	12%
Overspend forecast due to increased waste tonnages. This is partly due to increased trade waste and also because rigid plastics now go to landfill.		
Treatment Contracts	-140	-1%
Underspend forecast due to contract price reduction for wood.		
Composting Contracts	-100	-6%
Underspend forecast due to decrease in green waste tonnage due to weather (drier and therefore lower growth).		
Income	-80	-6%
Extra income forecast from increased trade waste.		
Haulage & Waste Transfer	-60	-4%
Underspend forecast due to an increase in direct deliveries.		
Management & Admin	75	6%
Forecast overspend due to additional staffing costs, including £50k for Special Projects Coordinator post.		
Other variances (under £50k)	-135	n/a
TOTAL	1,160	n/a

Chief Executives

A net underspend of £0.3m (3.1%) is forecast. The main variances are:

	£000	% of Budget
Democratic Services and Administration	-140	-10%
There are vacancies due to staff turnover, however these posts are not being recruited to at the moment whilst an assessment of the workloads is being carried out.		
Planning Services	-105	-22%
The underspend is due to vacancies for which recruitment is progressing. Planning fee income and Section 106 income is also higher than budgeted.		
Legal Services	-75	-4%
The underspend is on staffing, mainly due to delays in recruiting to new posts.		
TOTAL	-320	n/a

Corporate Resources

An underspend of £0.2m (0.6%) is forecast. The main variances are:

	£000	% of Budget
Strategic Property	110	7%
Staff maternity leave and subsequent cover has led to spend higher than budgeted.		
County Hall and Locality Premises Costs	95	4%
Uncertainty remains over level of charge from Harborough District Council towards capital works to replace lifts and roof at Symington Building which has not been included in the budget.		
Library & Community Premise Costs	90	0%
Awaiting outcome of Rates revaluation exercise by a ratings expert with regards to former Snibston Industrial Museum site.		
Information & Technology	-250	-3%
Underspends as a result of vacancies across several teams within the service.		
Human Resources	-125	-11%
Variance principally as a result of staff vacancies which are not currently intended to be filled (including a post being funded by the Fit For The Future project).		
Commissioning Support Unit	-115	-12%
Service carrying vacancies which it has been unable to fill, alongside additional income generation for external works.		
Other variances	-5	n/a
TOTAL	-200	n/a