

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

A net overspend of £3.5m is forecast, which will be funded from the DSG earmarked fund.

The main variances are:

	£000	% of Budget
High Needs		
Special Educational Needs	3,640	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 developed to reduce the overspend.		
Other variances	-100	n/a
TOTAL	3,540	n/a

Local Authority Budget

The Local authority budget is forecast to overspend by £0.8m (1.1%). The main variances are:

	£000	% of Budget
Children's Social Care Field Work Teams / First Response / CSE	585	5%
Recruitment and retention pressures among the Children Social Workers workforce across various teams		
Asylum Seekers	535	164%
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 in Care Service	225	12%
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. Usage of agency as result of recruitment difficulties also contributes to the additional spend.		
Early Help	-280	-3%
Early Help cost centres forecasting an underspend largely as a result of staff leaving prior to their restructuring.		
Admin and Committees / Business Support	-205	-4%
Underspend of £102k due to managed vacancies during the implementation of the Business Support review. There is more certainty around the value of the business support Service Level Agreement between children's social care and adults and resulted in circa £100k underspend for 2018/19.		
Virtual School	-95	-12%
Transition planning for the 2019/20 MTFS savings requirement has resulted in early achievement of the required £200,000 saving.		
Disabled Children Service	-75	-2%
Reduced demand on direct payments budget.		
Other variances	-40	n/a
TOTAL	790	n/a

Adults & Communities

The Department is forecasting a net underspend of £2.9m (2.1%). The main variances are:

	£000	% of Budget
Home Care	970	6%
There has been an increase in ASC service users being managed through Help to Live at Home (HTLAH) providers partially corresponding to a decrease in numbers in direct cash payments. Efforts to keep Older Adults out of residential placements either in their own existing homes or transfer to supported accommodation Waterside Court Extra Care scheme in Loughborough has reduced residential costs but increase homeware costs. In addition approximately £400k of the overspend relates to late 17/18 payments being greater than accrued. This overspend is offset in small part through falling health funded clients. Currently there are 1,815 packages with average package costs of £162 per week.		
Community Income	330	2%
Reduced income from Learning Disability pooled budget due to lower number of transitioning service users than expected. Also a significant fall in health funded HTLAH income due to a lower number of continuing healthcare service users than in 2017/18.		
Extra Care	140	20%
Overspend due to a combination of factors. New contracts from November 2018 to March 2019 are more expensive than budgeted for £45k and other one off contract payments of £100k.		
Residential Care and Nursing	-1,520	-3%
Reduction in number of service users and lower average cost of packages (£0.4m) and increased service user income is anticipated (£1.1m). There are 2,362 service users with an average gross care package cost of £717 per week.		
Supported Living	-610	-4%
Transforming Care service users have transferred more slowly than expected from in patient placements in health to supported living community based settings. Current service user numbers are 300.		
Direct Payments (DP)	-560	2%
The underspend relates in the majority to clawback achieved in excess of the MTFs saving for 2018/19 of £1.5m and in part to a fall in the number of service users linked to new starters choosing HTLAH arrangements instead of taking a Direct Payment. In 2016/17 there was a significant migration from homecare to cash payments which allowed service users to retain their provider ahead of the HTLAH lead providers taking over lots, this is now unwinding. There are 2,573 service users per week receiving an average package of £277.81 and 437 carers per week receiving an average package of £48.13.		
Reablement (HART) & Crisis Response	-405	-9%
Staffing underspend caused by a high level of vacancies to deliver savings and significantly lower health referrals.		
Safeguarding, Deprivation of Liberties (DOLS) & Court of Protection	-335	-11%
Staffing underspends related to vacancies including new posts included as growth in the current MTFs.		
Community Life Choices (CLC) / Day Services	-320	-10%
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.		
Business Support	-280	-16%
Staffing vacancies pending stabilisation of services and possible changes to internal service provided to C&FS.		
Community Care Finance	-145	-11%
Staffing vacancies pending action plan.		
Supported Living, Residential and Short Breaks	-140	-3%
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.		
Care Pathway West - Older Adults Team	-115	-4%
Staffing underspend caused by vacancies.		
Other variances (under £100k)	50	n/a
TOTAL	-2,940	n/a

Public Health

The net forecast is in line with the updated budget. The main variances are:

	£000	% of Budget
Public Health Leadership	80	6%
Lower income will be brought in from earmarked funds due to a number of underspends across the department.		
Sexual Health	-70	-2%
An underspend is forecast as a result of reduced demand for Out of Area services (recharged to the County Council).		
Other Commissioned Activity	50	18%
Increased resources are being directed to Mental Health Promotion, Suicide Prevention Activity.		
Other variances (under £100k)	-60	n/a
TOTAL	0	n/a

Environment and Transport

The Department is forecasting a net overspend of £0.8m (1.2%). The main variances are:

	£000	% of Budget
Highways		
Highways Delivery - Staffing, Admin & Depot Overhead Costs	500	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	285	15%
Overspends are forecast for Transport Strategy and Policy (£209k) due to lower than originally budgeted expected recharges to the capital programme, and Highway Development Management (£297k) due to a delay in commencing charging for pre application advice. These overspends are partially offset by forecast underspends for Infrastructure (£192k) due to forecast additional S38 and S278 income and additional income achieved (£52k) in the Network Data & Intelligence team.		
Winter Maintenance	205	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.		
Traffic Controls	-110	-8%
Underspend from additional income relating to Developer Traffic Regulation Order and savings in the traffic signals energy budget		
Transportation		
Special Educational Needs	600	6%
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	100	48%
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.		
Social Care Transport	100	3%
Current spend on children's higher than expected due to more contact visits being arranged and more corporate parenting transport requests. May reduce as we enter new Academic Year.		
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	-440	-10%
Underspend forecast based on reduction in pupil numbers and fewer contracted services required.		
Transport Operations - Staffing and Admin.	-55	-4%
Underspend forecast due to vacancies.		
Environment & Waste Management		
Landfill	105	2%
Overspend forecast due to increased waste tonnages. This is partly due to increased trade waste and also because rigid plastics now go to landfill.		
Recycling and Household Waste Sites	125	5%
Overspend forecast largely due to staffing overtime costs higher than anticipated for the sites and additional repairs and maintenance to plant and vehicles. This will be rectified for 2019/20.		
Treatment Contracts	-330	-3%
Underspend forecast due to lower wood tonnages in addition to a contract price reduction for wood. Energy from Waste (EfW) tonnages are also lower than the budgeted level, however this is offset by greater expenditure on Refuse Derived Fuel (RDF) due to higher tonnages.		
Composting Contracts	-195	-12%
Underspend forecast due to decrease in green waste tonnage due to weather (drier and therefore lower growth).		
Haulage & Waste Transfer	-170	-10%
Underspend forecast partly due to an increase in direct deliveries rather than waste being bulk hauled. Also, when setting budgets it was assumed that the new Albion landfill site would close and therefore more waste would be bulk hauled. New Albion has not closed and waste continues to be direct delivered, therefore contributing to the underspend.		
Income	-80	-6%
Extra income forecast from increased trade waste.		
TOTAL	770	n/a

Chief Executives

A net underspend of £0.5m (4.7%) is forecast. The main variances are:

	£000	% of Budget
Planning Services	-220	-47%
The underspend is due to an increase in planning fee income and Section 106 income and also there are a number of vacancies for which recruitment is proving difficult.		
Trading Standards	-135	-9%
Mainly due to an underspend on staffing as there have been a number of resignations and also changes in agency staff, for whom replacements are difficult to source. There is also additional income being received to cover prosecution costs.		
Legal Services	-75	-4%
The underspend is on staffing, mainly due to delays in recruiting to new posts.		
Democratic Services and Administration	-50	-4%
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.		
Other variances	-10	n/a
TOTAL	-490	n/a

Corporate Resources

An underspend of £0.3m (0.8%) is forecast. The main variances are:

	£000	% of Budget
Strategic Property	165	10%
Staff maternity leave and subsequent cover has led to spend higher than budgeted, and additional investment for the development of the Property Asset Management System (PAMS) Business Improvement programme, funded from the overall departmental position.		
Commercial Services	140	-7%
Potential overspend forecast at this stage, due to uncertainty over the achievement of income targets in services such as Printing, Sites Development and Beaumanor Hall, alongside risks attached to the delivery of savings targets within the service. The service are reviewing options to achieve a balanced position by year end.		
County Hall and Locality Premises Costs	90	4%
Uncertainty remains over the level of charge from Harborough District Council towards capital works to replace lifts and roof at the Symington Building which has not been included in the budget.		
Library & Community Facilities Premise Costs	65	6%
Awaiting outcome of Rates revaluation exercise by a ratings expert with regards to former Snibston Industrial Museum site.		
Information & Technology	-340	-4%
Underspends as a result of vacancies across several teams within the service.		
Commissioning Support Unit	-115	-11%
Service carrying vacancies which it has been unable to fill, alongside additional income generation for external works.		
Human Resources	-95	-8%
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).		
Other variances	-170	n/a
TOTAL	-260	n/a

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