

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

There is a net overspend of £0.5m, which will be funded from the DSG earmarked fund.

The main variances are:

	£000	% of Budget
High Needs Block (HNB)		
Special Educational Needs (SEN)	3,918	7%
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. Additional complex cases moved into the county after the budget was set and the actuals reflects these additional costs. A High Needs Recovery Plan has been established and consultation is underway on the development of additional local provision.		
Inclusion Partnerships	153	n/a
Pilot at Loughborough Inclusion Partnership - new initiative, inclusive practices and reduce the number of children attending more expensive provision.		
Dedicated Schools Grant HNB	-1,614	3%
Additional 2018/19 HNB DSG allocated in December 2018.		
Specialist Services to Early Years	-118	10%
Underspend largely due to the service restructure and subsequent resignations.		
Schools		
School Growth	-1,108	84%
The Schools Forum approved a £1.3m allocation within the 2018/19 for meeting the revenue costs associated with new schools and also for meeting the costs of some funding protection for schools with falling rolls as a result of age range change in other schools. The funding requirements have now been confirmed and a subsequent underspend of £1.1m in 18/19; this will be transferred to the DSG earmarked fund to fund pupil growth in future years.		
Early Years		
Early Years Dedicated Schools Grant	-502	
Surplus of grant over expenditure. The Department for Education will finalise the grant allocation in July 2019. The current unspent balance will be held in the Dedicated Schools Grant earmarked fund. The Early Years Grant is paid to providers on a termly basis and the grant income from the DfE is calculated based on annual censuses. The grant does not therefore equal the expenditure. Any differences are transferred into or out of the Dedicated Schools Grant earmarked fund.		
Other variances	-209	n/a
TOTAL	520	n/a

Local Authority Budget

The Local authority budget is overspent by £0.5m (0.8%). The main variances are:

	£000	% of Budget
Children's Social Care Field Work Teams / First Response / CSE	739	7%
Recruitment and retention pressures among the Children's Social Workers workforce across various teams have resulted in a number of positions being filled by agency workers. Agency workers have also been engaged to provide additional capacity while new permanent staff gain experience.		

CFS Placements Budget (LAC)	691	3%
This is because of some unusually higher than average placement costs in the residential and supported accommodation budget areas. For example, this has resulted in one residential placement with a weekly cost over £8k to ensure the needs of the child, which are of a CSE nature, can be met fully, in comparison to the weekly average of £3.5k. The average weekly unit cost of supported accommodation has also risen by £200 from last financial year and is due to a planned step down approach and transition of children with more complex needs from residential placements in preparation for adulthood. This budget also includes additional costs arising from the increase in foster fees and invests to save costs arising from the Therapeutic Wrap Around Support contract (MISTLE). The position will continue to be closely monitored in the new financial year.		
Fostering and Adoption Service	357	12%
Some substantive positions within the service are being filled by agency workers. Increased volumes of assessments which require completing in relation to kinship, mainstream and adoption as resulted in externally commissioning these assessments to ensure compliance within court timescales.		
Asylum Seekers	353	108%
Demand on this budget has significantly increased over the last couple of financial years and has done the same this financial year, which has resulted in increased need for additional staffing to manage demand. In the last 3 months of the financial year UASC numbers increased from 68 to 83 . 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	272	14%
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.		
Psychology Service	171	27%
Demand for first time statutory assessments exceeding service capacity which has resulted in additional Locums to manage demand.		
Early Help	-623	6%
Early Help cost centres forecasting an underspend largely due to managed vacancies and staff turnover as a result of transition to the new service as a result of the Early Help Review.		
Admin and Committees / Business Support	-588	13%
Underspend of £464k due to managed vacancies during the implementation of the Business Support review. The actual charge in relation to the business support Service Level Agreement between children's social care and adults resulted in £124k underspend for 2018/19.		
Disabled Children Service	-320	7%
Reduced demand on direct payments budget.		
Education Quality Improvement	-57	21%
Underspend due to vacancies and DfE grant above what was expected.		
Social Care Legal Costs	-118	11%
The number of care cases that have been instructed to issue proceedings continues to be needs led, and whilst there is a continuing pressure on this budget, actual expenditure in 18/19 is slightly less than anticipated based on the assumptions which the budget was set. Demand will continue to be monitored in the new financial year.		
Safeguarding and Improvement	-73	4%
Impact of in year restructuring resulted in a number of vacant posts for a period of time. Additional income received through its traded activities also contributes to the overall underspend for the service.		
Governor Development Service	-60	97%
Combination of staff turnover and additional income generated through traded activities with out of county schools.		
Virtual School	-199	25%
Transition planning for the 2019/20 MTFS savings requirement has resulted in early achievement of the required £200,000 saving.		
Other variances	3	n/a
TOTAL	548	n/a

Adults & Communities

There is a net underspend of £5.1m (3.7%). The main variances are:

	£000	% of Budget
Home Care	1,439	9%
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 homecare costs. In addition approximately £300k of the overspend relates to late 2017/18 payments being greater than accrued. This overspend is offset in small part through falling health funded clients. Currently there are 1,865 packages with average package costs of £175 per week.		
Extra Care	157	22%
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.		
Community Life Choices (CLC)	153	4%
Over the course of the financial year, average costs per service user have increased as more service users have been placed on the higher cost CLC bands. In addition accruals for Health funded service users were higher than expected in Period 12.		
Care Pathway West - Countywide Services	134	11%
Additional agency staffing recruited To cover vacancies in a range of services e.g. emergency duty team, CSC and additional support for mental health assessment.		
Residential Care and Nursing	-2,106	-4%
Reduction in number of service users and lower average cost of packages (£0.6m) and increased service user income is anticipated (£1.5m). There are an average of 2,355 service users with an average gross care package cost of £727per week.		
Better Care Fund and Winter Pressures Grant	-1,859	n/a
Element of £2.4m Winter Pressures specific grant and additional Better Care Fund Income offset by a contribution to the A&C future developments fund.		
Direct Payments (DP)	-964	-3%
The underspend mostly relates to clawback achieved in excess of the MTFs saving for 2018/19 of £2.0m 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. This is offset by the increase in average package size of £1.0m. 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 2,498 service users per week receiving an average package of £292.11 and 492 carers per week receiving an average package of £45.32.		
Reablement (HART) & Crisis Response	-689	-15%
Staffing underspend caused by a high level of vacancies to deliver savings and significantly lower health referrals.		
Community Life Choices (CLC) / Day Services	-387	-15%
Underspend due to changes within the services and numbers of service users (CLC policy) and vacancies being held pending the implementation of action plans for co-location as part of saving. Review of service users is still ongoing, action plan will take place once this has occurred.		
Business Support	-265	-16%
Staffing vacancies pending stabilisation of services and possible changes to internal service provided to C&FS.		
Supported Living	-143	-1%
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 315.		
Community Care Finance	-170	-12%
Staffing vacancies pending action plan.		
Supported Living, Residential and Short Breaks	-138	-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.		
Care Pathway East - Review Teams	-132	-10%
Staffing underspend caused by vacancies.		

Care Pathway West - Older Adults Team	-101	-4%
Staffing underspend caused by vacancies.		
Aids, Adaptations and Assistive Technology	-110	-4%
Staffing underspend caused by vacancies.		
Other variances (under £100k)	80	n/a
TOTAL	-5,101	n/a

Public Health

The outturn is in line with the budget. The main variances are:

	£000	% of Budget
Public Health Leadership	125	6%
Reduction in contribution from earmarked funds due to underspends across the department.		
Health Checks	-111	-20%
Numbers of checks are reducing due to a targetted provision and improved software to check claims received.		
Other variances (under £100k)	-14	n/a
TOTAL	0	n/a

Environment and Transport

There is a net underspend of £0.7m (1.0%). The main variances are:

	£000	% of Budget
Highways		
Environmental Maintenance	155	4%
Overspend due to additional costs for outsourced strimming services of alleyways. A review of this service is now underway. There is also additional sign cleaning costs undertaken in the summer.		
Winter Maintenance	154	9%
Overspend forecast due to: - necessity to treat roads in April, - under-accruing for the cost of farmers ploughing roads in 2017/18 on behalf of the County Council, - additional costs for yardmen and loading shovel to fill empty barns with salt, -additional runs being completed to ensure road safety.		
Highways Commissioning - Staffing & Admin Commissioning	130	7%
Overspends on Transport Strategy and Policy (£197k) due to lower than expected recharges to the capital programme, Highway Development Management (£467k) due to a delay in commencing charging for pre application advice and additional consultancy to cover long term sick, HS2 (£58k) arising from staffing costs over and above the budgeted level, a growth for this has been approved for next financial year. These overspends are partially offset by forecast underspends for, Safe and Sustainable Travel (£231K) additional contribution from the Access fund and revised procedures to enable drawdown of income from S106 contributions, Additional income of (£123K) from the Network Data & Intelligence team, Asset Management & Major Projects (£180k) arising from additional recharging to capital projects and traffic and signals (£73K) additional income.		
Road Safety	109	43%
Overspend due to the overall departmental position being able to fund the road safety activity. The funding from earmarked funds not used in 2018/19 will be retained and reviewed to fund emerging capital pressures, for example Zouch Bridge.		
Speed Awareness	50	n/a
Overspend due to average speed camera pilot. It is anticipated there will be no ongoing cost for this scheme but due to the gap between people being captured on average speed cameras and attending driver education courses there is a cost in 2018/19.		
Street Lighting Maintenance	-192	-8%
Underspend due to works costs on routine maintenance being less than expected and small savings in energy budgets.		

Sustainable Travel	-122	-39%
Underspend due to Wheels to work scheme being cancelled earlier than anticipated.		
Traffic Controls	-56	-4%
Underspend from additional income relating to Developer Traffic Regulation Order and savings in the traffic signals energy budget.		
Highways Delivery - Staffing, Admin & Depot Overhead Costs	-55	2%
Underspend due to additional recharges to capital works, external bodies and network management income.		
Reactive Maintenance	-54	-3%
Underspend due to Public Rights of Way budget not being fully utilised this financial year.		
Transportation		
Special Educational Needs	1,030	10%
Overspend due to increased demand and complexity of need. There have been an increased number of solo occupancy journeys for pupils during 2018/19, the need for which has been highlighted as part of the risk assessment process. The average daily cost of transport has increased significantly in 2018/19. Growth has been included in the 2019/20 budget to fund these ongoing increased costs.		
Public Bus Services	199	8%
Overspend due to the cost of subsidising additional bus services / routes that are no longer commercially viable.		
Social Care Transport	193	5%
Spending on children's social care transport has been higher than expected due to more contact visits being arranged and more corporate parenting transport requests. In addition, there have been delays implementing contract and service changes that are due to deliver savings.		
Developer Funded Projects	109	n/a
Bus route spending has been funded by the E&T department in 2018/19 rather than using earmarked funds. The funding from earmarked funds not used in 2018/19 will be retained and reviewed to fund emerging capital pressures, for example Zouch Bridge.		
Mainstream School Transport	-556	-12%
Underspend due to reduction in pupil numbers and fewer contracted services required.		
Fleet Transport	-152	-72%
Underspend has arisen partly due to £93k underspend of staffing that has been achieved by a drive to reduce high sickness absence rates (and therefore agency costs). In addition, fuel costs have been £94k lower than budget in 2018/19 due to the use of new vehicles since September 2018 and additional income of £55k has been received (including unbudgeted additional income from Health to reflect the true cost of the service being received). These underspends are partially offset by a £95k overspend on vehicle repairs and maintenance due to higher charges and vehicle repairs to older vehicles in the fleet.		
Concessionary Travel & Joint Arrangements	-59	-1%
Underspend of £59k realised due to production of a lower number of concessionary travel passes during 2018/19 (13% fewer passes produced due to lower demand). This has resulted in lower operational equipment and printing costs. Contract re-procurements during 2018/19 have also led to lower costs.		
Transport Operations: Staffing & Admin	-50	-4%
Underspend due to ongoing vacant posts.		
Environment & Waste Management		
Recycling and Household Waste Sites (RHWS)	301	11%
Overspend includes £176k relating to RHWS haulage. This overspend has arisen due to prolonged vehicle hire following a road traffic accident (£28k additional costs), hire of agency staff to cover long term sickness / vacancies and higher vehicle repair & maintenance and fuel costs. Final spend figure also includes additional spending at RHWS sites on repairs and maintenance, CCTV improvements, concreting works, tree maintenance, office refurbishments, compaction refurbishments and container upgrades.		
Dry Recycling	-580	-34%
Market values received for Dry Recycling Materials (DRM) were considerably higher than budget leading to greater than expected income. In particular, there was a significant increase in paper and card prices. Changes to district collection services did not impact on the material composition and tonnages as much as expected.		

Treatment Contracts	-448	-4%
Mechanical Biological Treatment (MBT) tonnage has been lower than expected during 2018/19 leading to an underspend of £61k in this area. Energy from Waste (EfW) tonnages to Stoke are also significantly lower than the budgeted level resulting in a £295k underspend. This has arisen due to a restriction on tonnages imposed by Stoke. A further underspend of £53k has arisen for Hazardous Waste due to lower than anticipated chemical and paint spend, which may be a result of the paint reuse trial. The remaining £39k underspend is due to lower than budgeted expenditure on Refuse Derived Fuel (RDF) and other treatments.		
Composting Contracts	-194	-12%
Underspend forecast due to significant decrease in green waste tonnage due to weather (dry summer and therefore lower growth).		
Income	-184	15%
Extra income achieved due to increased trade waste. This income is offset by additional costs for treatment and disposal.		
Haulage & Waste Transfer	-170	-10%
The budget for 18/19 was set on the basis that the New Albion landfill site would be closed. The affected district would therefore deliver to the Waste Transfer Station and require bulk haulage. New Albion Landfill had planning permission extended until December 2018 however, meaning the forecasted bulk haulage was not required for the full year. This led to a £138k underspend. An additional underspend of £31k arose from Waste Transfer Station haulage.		
Waste Electrical and Electronic Equipment (WEEE) Funding	-84	n/a
Increased tonnages and favourable market values for WEEE have led to additional income of £84k.		
Environment & Waste Management, Policy and Strategy - Staffing & Admin.	-82	-8%
Underspend due to staffing vacancies.		
Landfill	-56	-1%
Landfill tonnage was lower than forecast in 2018/19, against both budget profile and compared to 2017/18 tonnage. Additional tonnage was sent to Coventry Energy from Waste (EfW) plant and more waste to Refuse Derived Fuel (RDF) plants.		
Other variances	-2	n/a
TOTAL	-666	n/a

Chief Executives

There is a net underspend of £0.5m (5.1%). The main variances are:

	£000	% of Budget
Planning Services	-300	-63%
The underspend is due to an increase in planning fee income and also there are a number of vacancies for which recruitment is proving difficult.		
Strategy & Business Intelligence	-110	-3%
The underspend is due to vacancies across the service, including some difficult to fill posts. There has also been an increase in external income within the Business Intelligence Service.		
Democratic Services and Administration	-81	-5%
There are vacancies due to staff turnover; these are being held whilst a review of support staff across Member Services and Civic Support is carried out.		
Other variances	-44	n/a
TOTAL	-535	n/a

Corporate Resources

There is a net underspend of £0.2m (0.7%). The main variances are:

	£000	% of Budget
Corporate Projects	416	149%
Mainly relates to Key Supplier saving not achieved in 2018/19 (£250k) and also funding for Ash Dieback identification work.		
Commercial Services	367	18%
Overall, Leicestershire Traded Services, delivered a contribution of £1.6m, which was £0.4k below the £2m target. Sales in Sites Development were down (£240k short), and while income at Beaumanor Hall & Activity Park was up, additional costs resulted in a shortfall to budget of £166k. These were partly offset by better than expected sales performance in School Food, HR and H&S Trading, Soft FM and Traded Premises Officers.		
Library & Community Premise Costs	128	14%
Overspend reflects large Rates bill for former Snibston Industrial Heritage Museum site, which is currently being reviewed with the hope that this charge can be challenged. Additionally, security costs for the Snibston site have increased to reflect additional security required while the Snibston Masterplan is being delivered.		
Locality Premises Costs	102	8%
Variance relates to charge from Harborough District Council for Capital works at Symington Building which the Authority rents. These charges were not budgeted for and are being challenged.		
Major Condition Improvement Works	75	3%
Expenditure on the School Maintenance Fund exceeded the level of contributions to the Fund from schools. Consideration is being given as to how this has occurred and what can be done to control this in future years. This has been offset in part by an under spend on the Central Maintenance Fund, as a result of more efficient procurement practices.		
EMSS	71	5%
Increased ICT costs to end the contract with the external hosting provider of the ERP system earlier than planned - will lead to reduced costs in future years.		
Information & Technology	-664	-7%
Underspends as a result of vacancies and staff turnover across several teams within the service. The impact on service provision has been managed and will be reviewed in 2019/20 for potential future savings.		
Commissioning Support Unit	-163	-16%
Service carrying vacancies which it was unable to fill, alongside additional income generation for external works.		
Learning & Development	-147	11%
Underspend as a result of unplanned retirements and delays in replacing posts		
Human Resources	-75	-8%
Variance principally as a result of staff vacancies which were not filled (including a post being funded by the Fit For The Future project).		
Internal Audit	-65	-18%
Variance has occurred as a result of long term staff absences and vacancies held. Despite this, income has remained strong as the service has still been able to deliver its service requirements both internally and for external clients.		
County Farms	-58	-12%
The County Farms estate produced a surplus as a result of a reduced amount of expenditure required on maintenance of the estate.		
Support Service	-51	-4%
A small underspend was a result of the service carrying some vacancies, alongside a reduced expenditure on Occupational Health reviews and the Storafile contract.		
Other variances	-170	n/a
TOTAL	-234	n/a

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