

APPENDIX A – DIRECTORATE COMMENTARY

Social Care, Health and Housing (SCHH)

1. The Directorate General Fund forecast outturn is above budget by £0.9M as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing											
Director of Social Care, Health, Housing	195	437	(235)	7	260	604	344	(352)	(8)	247	375
Procurement and Customer Services	768	1,107	-	339	1,024	1,412	389	(7)	382	1,426	1,406
Housing Solutions (GF)	2,327	2,628	(92)	209	3,103	3,500	397	(122)	275	3,642	3,463
Care and Support	9,399	8,529	-	(870)	12,535	11,585	(950)	-	(950)	12,615	12,134
OPPD - Care Management	25,456	26,892	(203)	1,233	33,941	35,840	1,899	(270)	1,629	28,866	32,042
LD Care Management & MH Packages	16,297	16,735	-	438	21,729	22,848	1,119	-	1,119	21,376	20,638
Head of Integrated Services + Other IS	613	583	-	(30)	818	768	(50)	-	(50)	946	770
Commissioning	7,427	6,250	-	(1,177)	9,894	8,415	(1,479)	-	(1,479)	8,883	9,310
Resources	(7,841)	(8,117)	324	48	(10,454)	(10,871)	(417)	357	(60)	(8,701)	(10,301)
Total Social Care and Health	54,641	55,044	(206)	197	72,849	74,101	1,252	(394)	858	69,300	69,837

2. The December forecast incorporates technical adjustments in the establishment of the ASC Transformation Reserve (where £1.7M has been transferred into the reserve from the SCHH baseline budget for 2017/18). £0.7M has been drawn down from the Precept Reserve in recognition that there has been 4% uplift in the cost of care by external providers.
3. To support the pressure around transitional accommodation and the usage of B&B accommodation, the Council agreed to invest £3.7M in purchasing transitional accommodation. To the end of December (including the 2 previous financial years) 14 purchases have been completed, one of which is to be developed to provide multiple units. In addition, lower cost “leasing” options are being progressed to provide further bed spaces for transitional accommodation. A “guaranteed rent” model is being trialled for private accommodation, which could save around £0.009M per property used per year.
4. The service is also using private self-contained accommodation on a nightly let basis where the net cost is significantly lower than B&B accommodation but still costly. The Council is utilising an additional 28 “satellite” properties and 5 Aragon properties as transitional accommodation, as well as specific supported accommodation in Houghton Regis and Leighton Buzzard. The previous peak of November 2017, of 205 households in transitional accommodation, has decreased slightly at the end of December 2017 to 194. The reduction is welcome but the high number is due to the high number of households approaching the Council for housing advice, and also the limited supply of permanent affordable housing to move people into. 1,354 households have approached the Council for advice and assistance to the end of December, many of whom are approaching as homeless on the day and many with complex needs.

5. The Adult Social Care service (Care & Support, Older People with Physical Disabilities, Learning Disabilities, Integrated Services) is forecasting an overspend of £1.849M after use of reserves but excluding customer contributions. A £0.7M contribution from reserves has partly mitigated this variance.
6. This division has to absorb the risk of increasing Older People, Physical and Learning Disability package volumes and costs. People are living longer and the costs of dementia are on the increase. Demographic, complex needs and fair cost of care pressures amounting to £4.038M has been built into the budget to reflect the impact of both an ageing population and the additional costs associated with the transition of younger people with disabilities into Adult Social Care. There are, however, significant efficiency targets for this area totalling £1.264M.
7. The Commissioning Service is projecting an under spend of £1.479M. The key variances are under spends within Learning Disability Block Contracts (including one off benefits arising out of 2016/17 accounting transactions) and the Dementia Premium.
8. SCHH Resources is showing a projected underspend of £0.06M. Within Resources there is a projected £0.853M over achievement in customer contributions (see also paragraph 5 above). A transfer to the ASC Transformation reserve of £0.774M is also reported here.
9. The Directorate continues to track the impact of former self funders who exert pressure on residential and nursing placements budgets. Seventeen have required Council support during 2017/18 compared to twenty three that required support for the same period in 2016/17. The full year cost is estimated to be £0.447M.
10. There remain risks relating to the funding of customers being assessed under the Clinical Treatment Review in a response to the Winterbourne View national programme.

Better Care Fund (BCF)

11. The overall funding for the financial year 2017/18, and corresponding programme, is still to be determined given that final BCF planning guidance has been delayed. The new improved BCF funding equates to £1.81M and proposals have been shared with various partners on the use of this additional funding.
12. HRA is subject to a separate report.

Children's Services

13. The Directorate forecast outturn is £0.1M below budget as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn		
	Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services												
Director of Children's Services	181	434	(39)	214	241	307	66	(66)	-	1,012	994	
Children's Services Safeguarding & Early Help	17,390	16,652	(120)	(858)	23,077	22,591	(486)	(244)	(730)	23,061	22,052	
LAC Placement Costs	6,737	7,037	(71)	229	8,988	9,489	501	(95)	406	9,068	9,725	
Education and Transformation	4,287	4,129	348	190	5,245	5,551	306	(115)	191	3,637	3,502	
Partnerships	479	535	(56)	-	534	620	86	(86)	-	555	556	
Education Services (Now reported in Education & Transformation)	-	-	-	-	-	-	-	-	-	665	553	
Total Children's Services (ex Schools / Overheads)	29,074	28,787	62	(225)	38,085	38,558	473	(606)	(133)	37,998	37,382	
DSG + ESG Contribution to Central Support	(1,293)	(1,293)	-	-	(1,724)	(1,724)	-	-	-	(1,356)	(1,361)	
Total Children's Services (excluding Schools)	27,781	27,494	62	(225)	36,361	36,834	473	(606)	(133)	36,642	36,021	

The tables below reflect the increased number of LAC and non care placements.

14.

	Dec 2016	Dec 2017	% change
Number of LAC :	241	264	9.5%
In House Foster Placements	109	129	18.3%
Independent Foster Placements (Inc. Mother & Baby IFA's)	65	73	12.3%
Residential Homes & Schools	6	7	16.7%
Parent & Baby (Inc. mother & baby IFA's)	2	6	200%
St Christopher's (Clophill & Bunyan Road)	7	5	(28.6%)
St Christopher's (Stewartby)	1	0	(100%)
Semi - Independent Living (aged 16 & 17)	12	11	(8.3%)
Supported Lodgings (16-18)	0	1	n/a
Placed for Adoption/ with Parents	26	24	(7.7%)
Children with Disabilities (Maythorn, Children's homes and Residential School)	9	3	(66.7%)
Young Offenders serving custodial sentences /Temp Accom / Youth Offending/ NHS	4	5	25%
Unaccompanied Asylum Seeking Children:	60	39	(35%)
In House Foster Placements	10	11	10%
Independent Foster Placements	7	2	(71.4%)
Semi Independent Living (aged 16 & 17)	43	26	(39.5%)
Total Number of LAC:	301	303	0.7%

	Dec 2016	Dec 2017	% change
Non care placements :			
Special Guardianship Orders	139	143	2.9%
Residential Orders	41	33	(19.5%)
Adoption Allowances	49	53	8.2%
Other information:			
Child Protection Plan	172	229	33%
Children in Need	1350	1343	<1%
Number of Referrals (YTD)	1354	1401	3%

(including UASC)	Movement YTD
LAC (28 th March Panel 307)	+4
In House Placements (April 134)	+6
Independent Foster Placements (April 75)	n/c
Semi Independent Living (April 45)	(8)
Special Guardianship Orders (April 136)	+7

15. During December there were 59 fte vacant posts across Children's Services Safeguarding and Early Help (excludes other areas of Children's). There are 19 fte agency staff of which 14 fte are covering vacant posts and five fte are covering maternity/sick leave, leaving 45 fte posts not being covered.
16. The forecast outturn for looked after children (LAC) placement costs is above budget by £0.4M, This is mainly due to the non achievement of an ongoing efficiency related to the 'invest to save' pressure that was funded in 2015/16 to increase the number of in house foster carers and reduce the expensive independent fees. Over a 3 year period although there has been success in increasing the proportion of children in CBC in-house foster care which has reduced reliance on IFAs (Independent Fostering Agencies), the efficiency was to be achieved by moving IFA placements into In house. This has not been possible either due to the individual needs of the child or sibling groups
17. The forecast outturn for Children's Services safeguarding and Early Help is £0.7M below budget. The Fostering and Adoption Service is forecast £0.3M under budget due to delays in recruiting to staff vacancies in the Fostering Service and Adoption and Permanent Team (£0.1M). Budgets for Special Guardianship and Residential Orders are also underspent. The Children's Services Safeguarding and Early Help service is also forecast £0.3M below budget primarily due to staff vacancies.

Community Services

18. The Directorate forecast outturn is above budget by £1.0M as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services											
Community Services Director	210	184	(7)	(33)	280	252	(28)	(7)	(35)	327	270
Highways Transportation	12,058	13,909	(494)	1,357	16,165	18,884	2,720	(1,392)	1,328	17,874	19,052
Environmental Services - Waste	14,845	15,524	(383)	296	19,528	20,396	868	(775)	93	19,117	18,470
Environmental Services - Other	3,268	6,738	(3,798)	(328)	4,513	8,157	3,644	(3,830)	(186)	4,966	4,980
IT	3,919	4,617	(694)	4	5,225	6,300	1,076	(977)	99	6,045	6,651
Assets (including Working Smarter)	3,384	3,121	(197)	(460)	4,181	4,141	(40)	(254)	(294)	4,368	3,721
Total Community Services	37,684	44,093	(5,573)	836	49,891	58,130	8,240	(7,235)	1,005	52,697	53,144

19. Highways and Transport is forecasting an overall overspend of £1.3M.

20. Educational Transport is forecasting an overspend of £2.4M this is due to an increased forecast on Special Education Needs (SEN) transport, this is due to the cost and number of children being transported. This includes £1.6M overspend on SEN transport, £0.2M overspend on Mainstream schools, £0.3M overspend on Extended Right and an increase in recharges to Fleet of £0.4M.
21. Highways Contracts are forecasting an underspend of £0.3M. This is as a result of additional income of £0.3M in relation to Section 278 and Temporary Traffic Regulation orders.
22. Passenger Transport Services are forecasting an underspend of £0.8M. There is additional income forecast of £0.4M, as the transport service is running more school routes this year. There are also underspends of £0.6M due to a reduction in concessionary fares. This is partially offset by an overspend of £0.2M on staffing costs as agency staff are being used within fleet, as retention of drivers is problematic.

Environmental Services

23. Environmental Services are forecasting an overall overspend of £0.094M after the use of reserves of £4.6M for one off specific projects.
24. Libraries are forecasting a £0.2M underspend. There are forecast underspends against staffing £0.3M due to the restructure of hours within the library service which has meant that vacant positions are not currently being recruited to although there is use of casual staff, Car Mileage £0.014M as a result of fewer staff and a £0.013M underspend on fuel and repair costs for the library link van. There is a forecast £0.1M reduction in income against both Leighton Buzzard Theatre (£0.044M) due to lower ticket sales and bar receipts, and the library service and fines (£0.055M). There is also a slight underspend of £8K for box storage.
25. Public Protection is forecasting a £0.2M overspend primarily due to staffing costs as a result of delays in the restructure.
26. Community Safety is forecasting a £0.1M underspend, of this £0.089M is due to underspends in staffing due to vacancies within the service. There is also a forecast underspend of £0.02M as the service is no longer leasing a Land Rover.
27. Waste Service is forecasting a £0.1M overspend, which is due to an overspend of £0.234M on landfill tax due to increased tonnage and changes in the haulage cost for the new contract for North. These have been partially offset by underspends on the Biffa contract for kerbside collection of £0.053M, street cleansing costs of £0.021M, £0.032M on maintenance costs of recycling centres and £0.062M due to staffing costs.
28. Leisure & Active Lifestyles is forecasting a £0.05M overspend. This is due to an overspend of £0.1M against private contractors as a result of the closure of Dunstable Leisure Centre which includes the relocation of the bowling club.

29. Parking is forecasting a £0.06M underspend. This is due to £0.047M additional income for Visitors and Residents parking permits and a forecast salary underspend of £0.05M. This is partially offset by a £0.03M overspend on NNDR at Steppingley road car park.

Assets

30. The service area is currently forecasting an underspend of £0.294M.
31. Corporate Assets are forecasting an underspend of £0.35M after use of reserves. The main reasons for this are additional rental income from Farms and Commercial units of £0.263M, lower consultancy and legal costs for surplus properties £0.09M.
33. Facilities Management is forecasting an overspend of £0.075M primarily due to ongoing pressures for delayed vacation of Stephenson Court and Houghton Lodge. This is partly offset by forecast underspends due to lower demand for online printing and underspends on business rates.
34. Capital Construction is forecasting an underspend of £0.05M due to lower staff and agency costs, as well as lower demand for consultancy.
35. The Chief Assets Officer is forecasting an overspend of £0.03M due to staff costs.

IT

36. The full year budget for the service of £5.225M is made up of IT Operations £2.253M and IT Corporate £2.972M. The current forecast is £0.1M over budget after use of earmarked reserves.
37. Within IT Operations there is a forecast underspend of £0.072M as a result of underspends on staffing due to vacancies and a reduction in planned IT staff training during 2017/18.
38. There is a forecast overspend in IT Corporate of £1.069M as a result of contract & software expenses and efficiencies against PSN, networks and data centre that are not expected to be achieved. There is proposed drawdown of £0.9M of earmarked reserves, which results in a forecast overspend after use of reserves of £0.169M. This combined with the forecast underspend on IT Operations results in a £0.1M forecast overspend overall in IT.

Regeneration and Business Support

39. The Directorate forecast outturn is £0.4M below budget as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Business											
Director	97	112	-	15	130	322	193	-	193	867	755
Business & Investment	920	1,023	(29)	74	1,637	1,727	90	(103)	(13)	881	1,152
Development Infrastructure Division	2,841	1,928	218	(695)	3,726	2,942	(784)	233	(551)	4,161	3,761
Total Regeneration and Business	3,858	3,063	189	(606)	5,492	4,991	(501)	130	(371)	5,909	5,668

40. Business and Investment is forecasting an underspend of £0.013M. This is due to an underspend in professional services.
41. The Development Infrastructure Division is forecasting an underspend of £0.551M. There is additional forecast income of £0.45M, mainly due to two large applications in December as well as the 20% planning increase applicable from January. There are also forecast underspends against staffing of £0.328M due to staff vacancies. This is partially offset by a forecast overspend of £0.23M due to additional work for community planning and transport strategy.
42. The Director's group is forecasting an overspend of £0.192M. The overspend relates to a number of unfunded strategic growth programmes, including Henlow, the Oxford to Cambridge growth corridor and economical heartlands

Public Health

43. Public Health's forecast outturn is to achieve a balanced budget after proposed use of and contributions to reserves. The Public Health grant is currently ringfenced so any under / overspend results in a movement against the carried forward reserve from 2016/17.

Month: December 2017	Year to date				Year					2016/17 Outturn	
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Public Health											
Director of Public Health	(8,482)	(9,003)	-	(521)	(11,309)	(12,260)	(951)	951	-	(12,060)	(12,060)
Assistant Director of Public Health	8,527	9,034	-	507	11,369	12,509	1,140	(1,140)	-	12,095	12,095
Total Public Health	45	31	-	(14)	60	249	189	(189)	-	35	35

Chief Executive

44. The Directorate forecast outturn is forecasting below budget by £0.046M as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive's											
Chief Executive	232	226	-	(6)	309	309	-	-	-	306	298
Communications	777	744	(20)	(53)	1,036	1,010	(26)	(20)	(46)	1,121	1,075
Total Chief Executive's	1,009	970	(20)	(59)	1,345	1,319	(26)	(20)	(46)	1,427	1,373

Resources

45. The Directorate is forecast above budget by £0.377M as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Resources											
Director of Resources	36	42	-	6	48	48	-	-	-		
Finance Performance and Control	2,432	2,675	(64)	179	3,486	3,649	163	(70)	93	5,285	4,951
Housing Benefit Subsidy	(538)	(313)	(225)	-	(718)	(418)	300	(300)	-	(597)	(651)
Revs & Bens	1,320	1,086	-	(234)	1,761	1,611	(150)	-	(150)		
Audit	436	349	-	(87)	581	498	(83)	-	(83)		
Legal Services	1,363	1,659	-	296	1,818	2,218	400	-	400	2,026	1,866
Governance	1,687	1,811	(47)	77	2,345	2,625	280	(47)	233	2,413	2,433
People	1,659	1,672	(55)	(42)	2,212	2,199	(13)	(103)	(116)	2,568	2,262
Total Resources	8,395	8,981	(391)	195	11,533	12,430	897	(520)	377	11,695	10,861

46. Within Revenues & Benefits, Customer Accounts there is additional admin subsidy grant income of £0.258M, the benefit of this being offset by additional agency staff required to manage increased workloads. Within Revenues there are savings as a result of staff vacancies and lower than budgeted bank fees totalling £0.150M.
47. Governance is forecasting an overspend of £0.23M. Democratic Services are forecasting an overspend of £0.173M largely due to an unachievable efficiency on Local Land Charges income, £0.1M, and lower than budgeted in year Local Land Charge income, £0.077M. The Coroners service is forecast to be £0.15M overspend due to lower than budgeted recovery for the shared service from Bedford BC & Luton BC. This is partially offset by a forecast saving of £0.05M as a result of lower than budgeted Members allowances and a net forecast underspend of £0.05M in Registration Services due to higher than budgeted income from ceremonies and lower than budgeted NNDR costs.
48. Legal Services are forecasting an overspend of £0.4M due to an increase in LGSS costs largely as a result of increased workloads. The charges are being analysed and challenged where appropriate.
49. Within Finance Performance and Control there is a forecast overspend of £0.093M. This is due to a forecast overspend of £0.142M within Insurance Services due to lower than budgeted schools buyback income and higher than budgeted insurance premiums. This has been mitigated in part by a forecast underspend of £0.064M within Financial Operations, mainly as a result of vacancy savings.
50. There is a forecast underspend within Audit of £0.083M due to an underspend on salaries due to posts being recruited to later than expected of £0.063M and a refund from Public Sector Audit Appointments on external Audit Fees £0.02M.
51. There is a net saving of £0.116M in AD People as a result of lower than budgeted spend on Organisational Development and Corporate Training planned in 2017/18.

Corporate Costs

52. Corporate Costs is forecasting an overspend of £0.516M as at December 2017.

Month: December 2017	Year to date				Year					2016/17 Outturn	
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves	Budget	Outturn (Actual + Net Use of E. Reserves)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Costs											
Debt Management	10,663	10,514	-	(149)	14,217	14,017	(200)	-	(200)	13,646	12,831
Premature Retirement Costs	2,375	2,375	-	-	3,332	3,293	(39)	-	(39)	2,756	2,518
Corporate Public Health Recharges	(473)	(454)	-	19	(631)	(631)	-	-	-	(631)	(605)
Corporate HRA Recharges	(90)	(90)	-	-	(120)	(120)	-	-	-	(120)	(120)
Efficiencies	(810)	(95)	-	715	(924)	6	930	-	930	130	(121)
Contingency and Reserves*	(4,873)	(7,913)	2,911	(129)	(3,826)	(8,389)	(4,563)	4,388	(175)	(4,297)	(2,308)
Total Corporate Costs	6,792	4,337	2,911	456	12,048	8,176	(3,872)	4,388	516	11,484	12,195

53. Within Premature Retirement Costs there is a forecast underspend of £0.039M. This is due to a saving against past service pension payments.
54. Within Debt Management there is an underspend of £0.2M due to Interest Payable being lower than budgeted as a result of borrowing rates and a short term borrowing strategy which minimises debt costs by borrowing from other public sector bodies.
55. There is a forecast pressure of £0.9M in Cross Cutting Efficiencies due to inclusion here of the Vacancy Management target efficiency of £1M. All of the efficiency is budgeted within Corporate Costs but the savings are materialising within each directorate. Overall, the target is being met in full. There are underspends of £0.022M relating to National Living Wage savings and £0.047M savings as a result of higher than budgeted uptake of additional annual leave buy back.
56. There is a forecast £0.175M underspend against Contingency and Reserves due to a £0.175M anticipated reduction in the Apprenticeship Levy.