

APPENDIX A – DIRECTORATE COMMENTARY

Social Care, Health and Housing (SCHH)

- 1 The Directorate General Fund provisional outturn is above budget by £0.250M as at June 2018.

Month: June 2018	Year								
	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing									
Director of Social Care, Health, Housing	211	(534)	(324)	483	(425)	57	381	(381)	0
Procurement and Customer Services	2,271	(961)	1,310	2,188	(878)	1,310	-	-	0
Housing Solutions (GF)	6,458	(2,921)	3,537	6,515	(2,978)	3,537	-	-	0
Care and Support	15,735	(2,407)	11,685	14,490	(2,697)	11,793	109	(109)	0
OPPD - Care Management	46,712	(2,815)	34,968	38,180	(3,212)	34,968	-	-	0
LD Care Management & MH Packages	27,433	(1,781)	24,812	26,586	(1,524)	25,062	250	-	250
Head of Integrated Services + Other IS	881	(404)	881	1,367	(486)	881	-	-	0
Commissioning	14,136	(4,720)	9,320	13,797	(4,477)	9,320	0	-	0
Resources	(9,110)	(13,208)	(11,212)	3,542	(13,873)	(10,331)	881	(881)	0
Total Social Care and Health	104,725	(29,749)	74,976	107,148	(30,550)	76,597	1,621	(1,371)	250

- 2 Customer Services is forecast to spend to budget in 2018/19.
- 3 Procurement is forecast to spend to budget in 2018/19. However, the Comensura rebate within Procurement Services could be at risk to the Directorate outturn as a consequence of reduced overall Council spend which is good news for the Council as a whole. The Procurement transactional hub efficiencies of £0.234M are also forecast on budget.
- 4 The Housing General Fund service outturn is forecast to budget.
- 5 The Care and Support service area outturn forecast is to budget. However, staff vacancies and the continued use of interim staff and overtime to cover shortfalls continues to be a challenge in 2018/19; one which external providers also experience.
- 6 Also within Care & Support, the Safeguarding of Vulnerable Adults service outturn is forecast to budget. However, legal costs or damages arising from challenges to Best Interest Assessments are estimated at £0.109M for 2018/19 and will be funded from the Deprivation of Liberty in Hospitals and Supreme Court Judgement Reserve to alleviate the impact of this pressure.
- 7 The Older People with Physical Disabilities (OPPD) Care Packages service area's outturn is forecast to budget.
- 8 The Learning Disability service is forecast to budget, however packages are forecast to underspend by £0.336M and SEN Transport is forecast to incur an additional £0.038M cost compared to budget. This relates to transport to college for young adults with a Learning Disability. A review of eligibility to funding has reduced the actual costs. Customer income is forecast to overachieve by £0.383M.

The Working Age Mental Health and Physical Disability service forecast is a £0.250M overspend. This is, primarily, a consequence of the full year costs associated with the 2017/18 care assessments and the part year cost of 2018/19 assessments.

- 9 The Integrated Services, Commissioning Service and the Resources service outturn is forecast to budget.
- 10 The HRA is reported separately.

Children's Services

- 11 The Directorate outturn position is £0.03M above budget as at June 2018.

Month: June 2018	Year								
	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services									
Director of Children's Services	798	(100)	698	798	(100)	698	-	-	-
Children's Services Safeguarding & Early Help	24,641	(3,119)	21,523	24,656	(3,120)	21,537	14	-	14
LAC Placement Costs	11,019	(1,586)	9,433	11,019	(1,586)	9,433	-	-	-
Education and Transformation	27,353	(22,769)	4,584	27,490	(22,893)	4,597	13	-	13
Partnerships	512	-	512	517	-	517	5	-	5
Total Children's Services (ex Schools / Overheads)	64,323	(27,573)	36,749	64,480	(27,699)	36,781	32	-	32
DSG + ESG Contribution to Central Support	-	(1,331)	(1,331)	-	(1,331)	(1,331)	-	-	-
Total Children's Services (excluding Schools)	64,323	(28,905)	35,418	64,480	(29,030)	35,450	32	-	32

- 12 There are no material variance as at June.

Looked After Children

- 13 The table below highlights the year on year movement for Looked After Children.

	June 2017		June 2018		% change
Number of LAC :		259		275	+6.2%
In House Foster Placements	119		122		+2.5%
Independent Foster Placements (Inc. Mother & Baby IFA's)	70		81		+12.9%
Residential Homes & Schools	8		6		-12.5%
Parent & Baby (Inc. mother & baby IFA's)	1		3		+200%
St Christopher's (Clophill & Bunyan Road)	6		7		+16.7%
St Christopher's (Stewartby)	0		0		N/A
Semi - Independent Living (aged 16 & 17)	10		14		+80.0%
Supported Lodgings (16-18)	0		1		N/A
Placed for Adoption/ with Parents	32		27		-15.6%
Children with Disabilities (Maythorn, Children's homes and Residential School)	8		6		-25.0%
Young Offenders serving custodial sentences /Temp Accom / Youth Offending/ NHS	5		5		0.0%
Unaccompanied Asylum Seeking Children:		42		36	-14.3%
In House Foster Placements	9		9		0.0%
Independent Foster Placements	6		3		-50.0%
Semi Independent Living (aged 16 & 17)	27		24		-11.1%
Total Number of LAC:		301		311	+3.3%
(including UASC)	Movement YTD				
LAC (10 th April Panel 308)	+3				
In House Placements (April 131)	0				
Independent Foster Placements (April 84)	-2				
Semi Independent Living (April 38)	+4				
Special Guardianship Orders (April 140)	+4				

Note the UASC YTD movement shows the last quarter only.

Community Services

- 14 The Directorate forecast outturn position is above budget by £0.791M as at June 2018.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services									
Community Services Director	287	-	287	226	-	226	(61)	-	-61
Highways	6,930	(3,229)	3,702	6,918	(3,216)	3,702	0	-	0
Transport	13,238	(1,549)	11,688	13,446	(1,604)	11,842	153	-	153
Waste	21,061	(508)	20,553	21,673	(278)	21,395	842	-	842
Leisure	4,761	(1,931)	2,829	4,802	(2,199)	2,603	(227)	-	-227
Community Safety	2,358	(1,835)	523	2,358	(1,836)	522	(1)	-	-1
Public Protection	2,065	(1,296)	769	1,991	(1,097)	894	125	-	125
Corporate Assets	1,354	(2,509)	(1,155)	1,480	(2,655)	(1,174)	(20)	-	-20
Capital Construction	355	(79)	276	347	(79)	268	(8)	-	-8
Facilities Management	8,720	(3,704)	5,015	8,942	(3,760)	5,182	167	(180)	-13
IT	8,169	(1,763)	6,406	7,758	(1,353)	6,406	(0)	-	0
Total Community Services	69,297	(18,404)	50,894	69,940	(18,076)	51,865	971	(180)	791

15 Highways Transportation

The forecast outturn for Highways is as per budget, but there are compensating variances:

- reduction in S106 income of £13K which was being received for school crossing patrols.
- £58K overspend on Emergency Response reflecting the year to date position and prior years profiling for rest of the year. Emergency response covers expenditure such as fallen trees, emergency pot holes and clearance of objects on highways.
- £88K overspend on traffic signals:- £62K based on the costs from Luton BC for the costs of managing and maintaining the traffic signals and £22K for BT costs.
- £85K underspend across the Highways network. This is due to management action to stop discretionary spend to ensure that Highways Transportation as a whole comes in on budget.
- £74K underspend on staffing of which £182K is due to vacancies and maternity leave but offset by £108K agency spend to cover key posts.

16 Transport

Passenger transport are forecasting an overspend of £153K:

- £259K is staffing overspends of which £100K is due to agency spend to cover vacant posts and ensuring routes are staffed.
- £161K non achievement of efficiency in concessionary fares.
- £59K underspend due to new fuel supplier and use of bunker at Thorn Turn.
- £175K underspend on bus subsidy. The forecast is in line with last years actuals.
- £48K under on community transport.

School transport forecast on budget.

17 **Waste**

Waste are forecasting a £843K overspend after the use of reserves of £829K

- £928K overspend for waste disposal, this is a result of loss of recycle income of £245K as we are now having to pay for the disposal of recycle and increased disposal costs of £683K to dispose of the recycle waste.
- £64K underspend on kerbside collection due to actual and expected 3% increase (due Oct 18) on indexation.
- £24K underspend due to a vacant position for part of the year.

18 **Leisure**

Leisure are forecasting a £226K underspend:

- £114K underspend on staffing due to vacancies within the library service where there are currently 15 vacant posts, which are expected to start being filled from September.
- £21K underspend on Library Link where shorter routes and a newer vehicle have resulted in savings on repairs and fuel.
- £91K additional income on the leisure management contracts due to inflationary rises.

19 **Corporate Assets**

Corporate Assets are forecasting a £20K underspend:

- £35K additional costs for the renewal of software licences for Technology Forge Asset database.
- £26K increased cost of the premises maintenance.
- £32K underspend on security costs due to reduction in number of vacant land/ premises.
- £20K underspend on rates also due to reduction in number of vacant business units.
- £16K underspend due to increased staff capitalisation.
- £13K which is the net of additional farm and mineral income £146K offset by disaggregation costs £133K.

20 **Capital Construction Team**

Forecasting an £8K underspend on salaries.

21 **Facilities Management**

Forecasting a £13K underspend.

- £46K overspend Samange (Helpdesk software) licences to implement online Assets helpdesk facilities.
- £5K overspend due to Energy Data collection.
- £35K overspend due to increased security at Bedford Square Kingsland and libraries.

- £24K overspends on running costs at Houghton Hall & Thorn Turn.
- £13K increased cleaning contract costs due to cost of living increase.
- £101K underspend on utility costs due to reduced use.
- £37K lower Kingsland service charges.

Regeneration and Business Support

22 The Directorate outturn position is on budget as at June 2018.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Total Community Services	69,297	(18,404)	50,894	69,940	(18,076)	51,865	971	-	971
Regeneration and Business									
Director	404	-	404	404	-	404	-	-	0
Client Development Services	5,116	(3,927)	1,188	4,966	(3,809)	1,156	(32)	33	1
Business Performance	648	-	648	648	-	648	(0)	-	0
Business & Support	3,636	(2,169)	1,467	4,337	(2,869)	1,468	1	-	1
Development Infrastructure	5,156	(3,517)	1,640	5,558	(3,918)	1,640	0	-	0
Total Regeneration and Business	14,960	(9,613)	5,347	15,913	(10,597)	5,316	(31)	33	2

Public Health

23 Public Health's outturn is 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 2017/18.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Public Health									
Director of Public Health	1,838	(12,264)	(10,426)	837	(12,267)	(11,430)	(1,004)	922	-82
Assistant Director of Public Health	15,293	(4,783)	10,510	15,310	(4,718)	10,592	82	-	82
Total Public Health	17,131	(17,047)	84	16,147	(16,985)	(838)	(922)	922	(0)

Chief Executive

24 The Directorate outturn position is below budget by £0.06M as at June 2018.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive's									
Chief Executive	300	-	300	300	-	300	-	-	0
Communications	1,122	(88)	1,033	1,073	(103)	970	(64)	-	-64
Total Chief Executive's	1,422	(88)	1,333	1,373	(103)	1,270	(64)		(64)

25 The underspend is in Communications and is due to delays in recruiting to vacant posts.

Resources

26 The Directorate outturn position is above budget by £0.118M as at June 2018.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Resources									
Director of Resources	236	(216)	20	236	(216)	20	-	-	0
Finance Performance and Control	4,646	(1,275)	3,371	4,611	(1,154)	3,458	87	(27)	60
Housing Benefit Subsidy	60,596	(61,324)	(728)	60,596	(61,324)	(728)	-	-	0
Revs & Bens	3,587	(1,857)	1,730	3,260	(1,530)	1,730	-	-	0
Audit	561	(33)	528	560	(33)	527	(0)	-	0
Legal Services	1,986	(277)	1,709	1,986	(277)	1,709	-	-	0
Governance	3,961	(1,619)	2,343	4,061	(1,654)	2,406	64	(4)	60
People	4,022	(578)	3,444	4,215	(773)	3,443	(1)	-	-1
Total Resources	79,596	(67,178)	12,417	79,526	(66,960)	12,566	149	(31)	118

27 The forecast outturn for Resources is £0.118M overspent due to:

- £0.060M unachievable Customer Finance income, lower than expected schools insurance buy-back, Optical Character Recognition annual maintenance costs above budget offset by savings in salaries.
- £0.113M Coroners costs due to the national pay award for Coroners, Judicial review and post mortem pressures offset by (£0.055M) additional MHCLG funding for local land charges work.

Corporate Costs

28 The Corporate Costs outturn position is an underspend of £0.419M as at June 2018.

Month: June 2018	Year								
Director	Approved Gross Budget Expenditure	Approved Gross Income Budget	Approved Gross Budget - Net spend	Forecast Outturn Gross Spend	Forecast Outturn Income	Forecast Outturn - Net Spend	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Costs									
Debt Management	10,144	(250)	9,894	10,069	(250)	9,819	(75)	-	-75
Premature Retirement Costs	4,553	-	4,553	4,253	-	4,253	(300)	-	-300
Corporate Public Health Recharges	-	(631)	(631)	-	(631)	(631)	-	-	0
Corporate HRA Recharges	-	(120)	(120)	-	(120)	(120)	-	-	0
Efficiencies	603	-	603	558	-	558	(44)	-	-44
Contingency and Reserves*	2,734	(6,447)	(3,713)	2,734	(6,447)	(3,713)	-	-	0
Total Corporate Costs	18,034	(7,448)	10,586	17,615	(7,448)	10,167	(419)	-	(419)

29 For Corporate Costs there is a forecast underspend of £0.420M relating to:

- (£0.075M) Less than budgeted Interest payable and Increased interest receivable as a result of effective treasury management.
- (£0.300M) Central Pension costs currently forecast to be less than originally anticipated.
- (£0.045M) Increased purchase of annual leave.