

APPENDIX A – DIRECTORATE COMMENTARY

Social Care, Health and Housing (SCHH)

1 The Directorate General Fund provisional outturn is above budget by £1.0M as at September 2018.

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Month: September 2018	Year to date				Year				
	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing									
Director of Social Care, Health, Housing and MANOP	142	213	(163)	(91)	283	559	276	(333)	(57)
Procurement and Customer Services	676	607	-	(69)	1,352	1,339	(13)	-	(13)
Housing Solutions (GF)	1,779	1,614	-	(165)	3,557	3,457	(100)	-	(100)
Care and Support	5,938	5,515	(61)	(483)	11,875	11,630	(245)	(97)	(342)
OPPD - Care Management	17,505	19,369	-	1,865	35,009	37,680	2,671	-	2,671
LD Care Management & MH Packages	12,413	12,277	-	(136)	24,825	25,297	472	-	472
Head of Integrated Services + Other IS	416	486	-	71	831	862	31	-	31
Commissioning	4,368	4,312	-	(56)	8,736	8,234	(502)	-	(502)
Resources	(5,606)	(5,877)	(482)	(753)	(11,212)	(11,429)	(217)	(943)	(1,160)
Total Social Care and Health	37,628	38,516	(705)	183	75,256	77,629	2,373	(1,373)	1,000

3 Director of SCHH and MANOP : The Director of SCHH (including expenditure associated with MANOP) is forecast to underspend by £0.057M. £0.333M has been drawn down from the Outcome Based Commissioning Reserve to meet the cost of the MANOP programme in 2018/19.

4 Customer Services is forecast to overspend by £0.077M in 2018/19. Profiled recruitment to vacant posts (inclusive of employer oncosts) is the major factor associated with this forecast variance.

5 Procurement is forecast to underspend by £0.090M due to staff vacancies and a favourable Comensura rebate.

6 Housing Solutions (General Fund) is forecast to underspend by £0.100M.

7 Care and Support forecast is forecast to underspend by £0.342M. Reablement continues to experience recruitment difficulties contributing to a forecast underspend of £0.651M. Continued use of interim staff and overtime to cover staff shortfalls within Learning Disabilities Direct Services and In House Care Homes continues to be a challenge.

8 Older People is forecast to overspend by £2.671M. Within the Older People 65+ external package budgets, there is an overspend on residential and nursing placements of £0.216M and £2.924M on non-residential packages. Customer income is forecast to over achieve by £0.220M.

9 Learning Disability (Assessment and Care) is forecast to underspend by £0.224M. The service area forecast includes the draw down of a £0.300M Learning Disability Nurses provision. Customer income is forecast to overachieve by £0.414M. Working Age Mental Health and Physical Disability is forecast to overspend by

£0.696M. This is, primarily, a consequence of the flow through of increased costs from last year and continued cost increases this year.

- 10 The Commissioning Service is forecast to underspend by £0.502M. Within this service area the Learning Disability Transfer block contract is underspent by £0.449M and Commissioning Operations £0.117M. These underspends are driven by reduced care package costs and staff vacancies respectively.

- 11 The Resources division is forecast to underspend by £1.160M (after the release of the Adult Social Care Transformation Reserve - £0.711M). Customer income, reported within Resources, is forecast to overachieve by £1.153M.

- 12 The HRA is reported separately.

Children's Services

- 13 The Directorate outturn position is £0.5M above budget as at September 2018.

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Month: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services									
Director of Children's Services	306	454	-	148	512	512	-	-	-
Children's Services Safeguarding & Early Help	9,139	9,106	-	(33)	18,148	18,702	554	(313)	241
LAC Placement Costs	4,718	4,901	-	183	9,547	9,946	399	(241)	158
Education and Transformation	4,307	4,340	-	33	8,294	8,867	573	(455)	118
Partnerships	256	242	-	(14)	516	516	-	-	-
Total Children's Services (ex Schools / Overheads)	18,726	19,043	-	317	37,017	38,543	1,526	(1,009)	517
DSG + ESG Contribution to Central Support	(666)	(666)	-	-	(1,331)	(1,331)	-	-	-
Total Children's Services (excluding Schools)	18,060	18,377	-	317	35,686	37,212	1,526	(1,009)	517

- 15 The full year projected outturn position for 2018/19 as at August 2018 is an overspend of £0.517M. This is largely due to a higher than budgeted number of children placed with Independent Foster Carers (an increase of 17 or 23% year on year (see following table).

- 16 Other pressures includes staffing overspends within Access & Inclusion team and an unachievable efficiency against the Court & Permanency Team that has been mitigated in part by other in year savings.

Looked After Children

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

	September 2017		September 2018		% change
Number of LAC :		267		287	7.5%
In House Foster Placements	120		125		4.2%
Independent Foster Placements (Inc. Mother & Baby IFA's)	73		90		23.3%
Residential Homes & Schools	9		5		-44.4%
Parent & Baby (Inc. mother & baby IFA's)	3		2		-33.3%
St Christopher's (Clophill & Bunyan Road)	5		7		40.0%
St Christopher's (Stewartby)	0		0		0.0%
Semi - Independent Living (aged 16 & 17)	12		14		16.7%
Supported Lodgings (16-18)	0		0		0.0%
Placed for Adoption/ with Parents	36		31		-13.9%
CWD (Maythorn, Children's homes and Residential School)	4		8		100.0%
YOs serving custodial sentences/Temp Accom/YO/NHS	5		5		0.0%
Unaccompanied Asylum Seeking Children:		38		39	2.6%
In House Foster Placements	9		10		11.1%
Independent Foster Placements	3		5		66.7%
Semi Independent Living (aged 16 & 17)	26		24		-7.7%
Total Number of LAC:		305		326	6.9%
	September 2017	September 2018	% change		
Non care placements :					
Special Guardianship Orders	144	155	7.6%		
Residential Orders	33	35	6.1%		
Adoption Allowances	50	55	10.0%		
Other information:					
Child Protection Plan	211	205	-2.8%		
Children in Need	1371	1322	-3.6%		
Number of Referrals (YTD)	989	668	-32.5%		
(including UASC)	Movement YTD				
LAC (10 th April Panel 308)	18				
In House Placements (April 131)	4				
Independent Foster Placements (April 84)	11				
Semi Independent Living (April 38)	0				
Special Guardianship Orders (April 140)	15				

Note the UASC YTD movement shows the last quarter only.

Community Services

18 The Directorate forecast outturn position is above budget by £0.795M as at September 2018.

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Month: September 2018	Year to date				Year				
	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services									
Community Services Director	115	111	-	(4)	231	231	-	-	-
Highways	1,674	1,174	(4)	(504)	3,723	4,153	430	(646)	(216)
Transport	5,609	6,516	(538)	369	11,719	13,572	1,853	(1,218)	635
Waste	10,447	11,170	(159)	564	20,569	22,307	1,738	(849)	889
Leisure	1,370	1,034	(34)	(370)	2,877	2,480	(397)	(34)	(431)
Community Safety	439	371	(68)	(136)	541	498	(43)	(153)	(196)
Public Protection	355	932	(368)	209	867	1,201	334	(312)	22
Corporate Assets	(510)	(352)	(158)	-	(1,144)	(873)	271	(260)	11
Capital Construction	194	453	(46)	213	388	381	(7)	(48)	(55)
Facilities Management	2,891	2,975	-	84	4,924	4,996	72	(180)	(108)
IT	3,231	3,851	(22)	598	6,463	6,852	389	(145)	244
Total Community Services	25,815	28,235	(1,397)	1,023	51,158	55,798	4,640	(3,845)	795

20 Highways Transportation

The forecast outturn for Highways is a £0.216M underspend, after the use of reserves of £0.646M. The major variances are:

- £0.310M) increased income from Section 38 and Section 278 agreements (£0.060M)
- £0.100M additional costs for winter maintenance to fill up new Salt Barn based on 2000 tonnes
- £0.048M underspend in costs for consultancy spend as activity is now being completed in house
- £0.015M additional to Luton Borough Council for managing traffic signals
- £0.021M increase in telephone spend due to upgrade of old A5 traffic signals to 4G compliant

21 Transport

Transport are forecasting a £0.635M overspend after the use of reserves of £1.218M.

School Transport

- £0.327M overspend on school transport of which £0.418M is mainly Special Educational Needs transport contracts offset by an increase in income of £0.091M for bus passes and the use of the Extended Rights Grant of £0.327M.

Passenger transport are forecasting an overspend of £0.308M, which includes:-

- £0.308M staffing overspends of which £0.043M is due to Agency spend to cover vacant posts and ensuring routes are staffed and £0.087M due to non-achievement of vacancy factor and £0.072M on the remaining staffing budget
- £0.107M overspend on contract hire for vehicle to run the new routes
- £0.101M non achievement of efficiency in concessionary fares
- £0.058M reduction in income of which relates to non achievement of efficiency relating to adult social care transport
- £0.175M underspend on bus subsidy
- £0.048M underspend on community transport due to routes no longer running
- £0.024M underspend due to new fuel supplier and use of bunker at Thorn Turn

22 Waste

Waste are forecasting a £0.889M overspend after the use of reserves of £0.849M.

- £0.986M overspend for waste disposal, this is a result of loss of recycle income of £0.245M as now having to pay for the disposal of recycle and increased recycle waste disposal costs of £0.683M £0.024M underspend

on kerbside collection due to actual and expected 3% increase (due Oct 18) indexation

- £0.029M underspend on staffing due to a vacant position for part of the year
- £0.025M underspend on building repairs & maintenance and car mileage
- £0.020M underspend on furniture & equipment

23 Leisure

Leisure are forecasting a £0.431M underspend after the use of reserves of £0.034M.

- £0.311M additional income on the Leisure Management Contracts (£0.335M), due to new contracts in the south & inflationary rises, this has been slightly offset by a reduction in library income (£0.024M)
- £0.186M underspend on staffing due to vacancies within the library service where there are currently 15 vacant posts. These are starting to be filled
- £0.021M underspend on Library Link and car mileage where shorter routes and a newer vehicle have resulted in savings on repairs and fuel
- £0.069M overspend on 3rd Party costs this includes £0.140M for start up costs for the Dunstable Leisure Centre and a loss of income at Sandy & Saxon Leisure centres. This has been partly offset by a saving of £0.071M on the new contract at the Grove Theatre.
- £0.016M professional services relating to preparation for the new leisure strategy

24 Community Safety

The service is forecasting a £0.196M underspend, after the use of reserves of £0.153M

- £0.084M additional parking income
- £0.040M reduction in professional services, rates and private contractors spend for contracts and the CYS call centre
- £0.090M underspend on staffing due to reduced overtime and vacancies not being filled when expected
- £0.018M increase in court & legal costs

25 Corporate Assets

Corporate Assets are forecasting a £0.011M overspend after the use of reserves of £0.260M

- £0.035M additional costs for the renewal of software licences for Technology Forge Asset database
- £0.023M increased cost of premises maintenance
- £0.058M overspend on staffing costs
- £0.005M essential landlord repairs to Westbury Close
- £0.016M overspend on security costs due to vacant land/ premises
- £0.020M underspend on rates also due to reduction in number of vacant business units
- £0.103M additional rental income which includes arrears for leases

26 Capital Construction Team

Forecasting an £0.055M underspend on salaries.

27 Facilities Management

Forecasting a £0.108M underspend after the use of reserves of £0.180M.

- £0.218M overspend on staffing
- £0.047M overspends on running costs at Houghton Hall & Thorn Turn
- £0.046M overspend Samange licences to implement online assets helpdesk facilities
- £0.037M overspend due to increased security at Bedford Square, Kingsland and Libraries
- £0.019M additional costs for repairs and treeworks at Kingsland
- £0.013M increased cleaning contract costs due to cost of living increase
- £0.156M underspend on utility costs due to reduced use
- £0.037M lower Kingsland service charges.
- £0.304M lower rates mainly due to credit for Bedford Square revaluation of the rateable value.

28 Information Technology

The forecast outturn for IT £0.244M overspend after £0.145M of reserves.

- £0.324M staffing underspend due to vacancies within the service
- £0.022M increase in recharge income for the BUPA funding from adults
- £0.029M increased recharge income for first call for elderly emergency alarms.
- £0.287M increase in professional services which includes £0.106M OLM Gcloud procurement, £0.130M for a Service Manager Support for the service desk, £0.041M for consultant to aid the implementation of new infrastructure applications
- £0.388M increase in Data Network charges, includes efficiencies which haven't been achieved, cost associated with changing networks from DUCL to BT and dual running costs
- £0.093M increase in software costs for licencing etc
- £0.050M reduction in computer hardware costs in the datacentres following a review
- £0.144M net underspend on schools networks, as network facility is being closed down
- £0.040M reduction on Multifunctional Device (Printers/Copiers) income due to overall reduction in printing across the Council

Regeneration and Business Support

29 The Directorate outturn position is £0.251M below budget as at September 2018.

Month: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Business									
Director	112	107	-	(5)	224	224	-	-	-
Client Development Services	613	480	133	-	1,232	1,232	-	-	-
Business Performance	324	324	-	-	648	648	-	-	-
Business & Support	100	160	-	60	1,428	1,428	-	-	-
Development Infrastructure	832	603	-	(229)	1,966	1,866	(100)	(151)	(251)
Total Regeneration and Business	1,981	1,674	133	(174)	5,496	5,396	(100)	(151)	(251)

- 30 The forecast underspend is due to vacancies in Planning & Strategic Growth areas and additional Planning Income.

Public Health

- 31 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: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Public Health									
Director of Public Health	-	-	-	-	-	-	-	-	-
Assistant Director of Public Health	42	(437)	479	-	84	324	240	(240)	-
Total Public Health	42	(437)	479	-	84	324	240	(240)	-

Chief Executive

- 32 The Directorate outturn position is below budget by £0.052M as at September 2018.

Month: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive's									
Chief Executive	153	153	-	-	306	304	(2)	-	(2)
Communications	528	503	-	(25)	1,055	1,005	(50)	-	(50)
Total Chief Executive's	681	656	-	(25)	1,361	1,309	(52)	-	(52)

- 33 The Chief Executive Directorate is below budget by £0.052M. The main drivers are:

- £0.015M Higher than budgeted HRA Recharge - in line with last year's outturn
- £0.014M Additional income relating to advertising in Info Central
- £0.030M Salary underspend due to part year vacancies.

Resources

34 The Directorate outturn position is above budget by £0.290M as at September 2018.

Month: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Resources									
Director of Resources	22	21	-	(1)	44	42	(2)	-	(2)
Finance Performance and Control	1,732	1,846	-	114	3,464	3,718	254	-	254
Housing Benefit Subsidy	(364)	(364)	-	-	(728)	(728)	-	-	-
Revs & Bens	857	857	-	-	1,714	1,714	-	-	-
Audit	268	269	-	1	535	535	-	-	-
Legal Services	865	952	-	87	1,730	1,898	168	-	168
Governance	1,189	1,001	-	(188)	2,378	2,312	(66)	-	(66)
People	1,746	1,732	-		3,492	3,428	(64)	-	(64)
Total Resources	6,315	6,314	-	13	12,629	12,919	290	-	290

35 The forecast outturn for Resources is £0.290M overspent due to:

- 0.168M overspend in Legal Services, which is based on the management information bill run rate up to Q2. The service is overachieving on income, however not enough to fully mitigate the pressures on legal costs.
- £0.254M Financial Operations which is due to: £0.038M Lower than budgeted insurance buyback income partially offset by lower than budgeted premiums, £0.174M Unachievable Efficiencies within Financial Transactions (relates to payment cards), £0.016M Higher than budgeted IT contract spend relating to OCR & Readsoft, £0.053M Lower than budget Deferred Payment Agreement income & Blue Badge Income, £0.024M Overspend on Capita & Cardnet Costs, £0.028M Salary underspend due to part year vacancies, £0.022M Meridian income relating to deletion of duplicate Purchase Orders and Higher than budgeted income relating to brokerage
- £0.066M underspend in Governance due to: £0.014M underspend on salaries due to 3 partially vacant posts in Executive Support, Democratic Representatives and Registration of Electors. £0.018M overspend relating to the inability to achieve the vacancy factor £0.050M underspend due to lower than budgeted allowances.
- £0.064M underspend in People due to: £0.041M Children's Workforce Development salary underspend, £0.021M Underspend on salaries relating to apprenticeships.

Corporate Costs

36 The Corporate Costs outturn position is an underspend of £0.672M as at September 2018.

Month: September 2018	Year to date				Year				
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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Costs									
Debt Management	4,947	4,884	-	(63)	9,894	9,569	(325)	-	(325)
Premature Retirement Costs	1,379	1,215	-	(164)	3,294	2,994	(300)	-	(300)
Corporate Public Health Recharges	(316)	(316)	-	-	(631)	(631)	-	-	-
Corporate HRA Recharges	(60)	(60)	-	-	(120)	(120)	-	-	-
Efficiencies	(411)	(434)	-	(23)	(688)	(735)	(47)	-	(47)
Contingency and Reserves*	(2,999)	(2,999)	-	-	(3,713)	(3,713)	-	-	-
Total Corporate Costs	2,540	2,290	-	(250)	8,036	7,364	(672)	-	(672)

37 Corporate Costs underspend is due to: Reduced Interest payable and Increased interest receivable £0.325M, (£0.300M) Central Pension costs currently forecast to be less than originally anticipated; impacted when schools transfer to Academy £0.300M and increased purchase of annual leave £0.046M.