

THE VALE OF GLAMORGAN COUNCIL

CABINET: 14TH NOVEMBER, 2016

REFERENCE FROM HEALTHY LIVING AND SOCIAL CARE SCRUTINY
COMMITTEE: 10TH OCTOBER, 2016

“ REVENUE AND CAPITAL MONITORING FOR THE PERIOD 1ST APRIL TO
31ST AUGUST 2016 (DSS) –

The Operational Manager for Accountancy presented the report, the purpose of which was to advise Members of the position in respect of revenue and capital expenditure for the period 1st April to 31st August 2016 regarding those revenue and capital budgets which formed the Committee's remit.

Council, on 2nd March, 2016 (Minute Nos. 885 and 884 respectively) approved the Revenue and Capital Budgets for 2016/17. Reports monitoring expenditure were brought to this Committee on a regular basis.

In setting the Social Services budget for 2016/17, the use of £970,000 from the Social Services Fund had been approved.

It was currently projected that the Social Services budget would outturn with an adverse variance of around £1m.

A table and graph setting out the variance between the profiled budget and actual expenditure to date and the projected position at year end were attached at Appendix 1 to the report.

For Children and Young People Services, the major issue concerning this service for the coming year was the continued pressure on the children's placements budget. Work continued to ensure that children were placed in the most appropriate and cost effective placements. However, it was noted that due to the potential high cost of each placement, the outturn position could fluctuate with a change in the number of Looked After Children. This budget would be closely monitored during the year.

With regard to Adult Services, it was projected that the Community Care Package budget could outturn with a variance of up to £1m by year end. This budget was extremely volatile and had been adversely affected this year by the increase in the cost of packages commissioned as a result of the introduction of the National Living Wage, the continued pressure on the budget from demographic growth and clients having increasingly complex needs. The final outturn however was difficult to predict. The final negotiations regarding fee levels were being concluded with

service providers, but proposed increases were already above the level of inflation provided for within the budget.

The annual deferred income budget for 2016/17 had been set at £747,000 and, as at 31st August 2016, income received to date was £114,000 over-recovered. It was currently projected that this budget would outturn at £100,000 under budget by year end and this favourable variance was included as part of the projected overspend for care packages.

The report advised that the service would strive to manage growing demand and try to mitigate this position and some initiatives may be funded via regional grants in the current financial year. It was proposed that up to £1m be used this year from the Social Services Legislative Changes fund to cover the shortfall. Further details would be provided to the Committee during the course of the year.

In relation to Leisure Services, there was currently an adverse variance of £48,000 to the profiled budget which was as a result of high repair costs for vehicles during the start of the Grounds Maintenance season. It was however anticipated that this would reduce over the winter months and therefore it was currently projected that the overall budget would outturn on target.

In relation to the Social Services Savings Programme, the Directorate was currently required to find savings totalling £2.257m by the end of 2019/20. There was currently a surplus shown of £186,000 which was as a result of the Foster Carer Recruitment project, which was being developed in addition to the required savings targets. This surplus could be used to mitigate any increase in savings to be found in future years.

Appendix 2 to the report provided an update on individual areas of savings within the Social Services Budget Programme.

Within Adult Services, £100,000 of the full year savings generated from the Hafod Homes transfer had been offset against the £300,000 saving for Residential Services. Currently, there were no other approved plans in place to find the remaining £200,000 of this saving. Further consideration would have to be given to the way in which the saving could be achieved during the year. With regard to the Care Package Budget Reduction, the report explained that while there was significant pressure on this budget, schemes had been put in place to deliver savings in this area by transferring domiciliary care clients to direct payments, by putting in place additional reablement capacity and by establishing a review team.

With regard to capital expenditure, Appendix 3 provided details of financial progress on the Capital Programme as at 31st August, 2016.

For the ICT Infrastructure Project, the funding for this was in order to implement an all-Wales scheme which was to enable the interfacing of a range of different systems across Local Authorities and NHS organisations. The system had been procured and was in the process of being rolled out across Wales. The system would be

implemented in the Vale of Glamorgan during 2017/18 and therefore it was requested that the £400,000 budget be carried forward into 2017/18.

The report advised that it had been requested that a new capital scheme be included in the Programme for an upgrade of Wordsworth Park utilising Section 106 funding to the value of £75,000. In addition, as part of the closure of the 2015/16 accounts, funding had been set aside for upgrading play areas. It had now been requested that £200,000 be included in the Capital Programme for schemes as follows:

- Penarth Cliff Top £100,000
- Peterswell Road, Barry £75,000
- Cwrt Y Vil, Penarth £25,000

Furthermore, it had been requested that £18,000 be included in the Programme for an upgrade / replacement of play equipment and surfacing at Cwrt Y Vil Playing Fields utilising Section 106 funding of £18,000.

Appendix 4 provided non-financial information on capital construction schemes, from this Appendix, it was noted that most of the previous year's schemes had now commenced and some were complete. Start dates had also been provided for new schemes for this financial year and these would be monitored closely to identify if capital schemes began to slip and to identify if further action needed to be taken.

The Chairman queried the programme of work in relation to the upgrading of play areas. The Operational Manager for Leisure stated that officers had been asked to assess playgrounds in the Vale and subsequently produced a priority list. He added that there were over 100 play areas throughout the Vale and so it was decided to concentrate resources on areas with high levels of visitors, such as Penarth.

A Committee Member queried how much of the budget shortfall could be attributed to costs as a result of legislative changes. In reply, the Operational Manager – Accountancy stated that this would be in the region of £500,000.

In answer to a query regarding the payment of travel time to staff of domiciliary care agencies, the Interim Head of Business Management and Innovation stated that this was complex. When finalising contracts for providers, the level of fees paid would take into consideration a number of legislative requirements, but it was then down to each individual provider as to how they spent the money allocated to them.

The Committee also noted that there would be further opportunity to evaluate the savings project as part of the 2017/18 budget settlement process. The Committee was also advised that an update report would be provided in regard to proposals for the respite service at Rhose Road.

RECOMMENDED –

(1) T H A T the position with regard to the 2016/17 revenue and capital monitoring be noted.

(2) T H A T the progress made in delivering the Social Services Budget Programme be noted and referred to Cabinet for its consideration.

Reasons for recommendations

(1) That Members are aware of the position with regard to the 2016/17 revenue and capital monitoring relevant to the Scrutiny Committee.

(2) That Members are aware of the progress made to date on the Social Services Budget Programme.”

Attached as Appendix – [Report to Healthy Living and Social Care Scrutiny Committee: 10th October, 2016](#)