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Corporate Directors

To: CABINET - 12 October 2015

Subject:

- (1) **REVENUE AND CAPITAL BUDGET MONITORING FOR 2015-16 - JULY**
- (2) **KEY ACTIVITY MONITORING FOR 2015-16 - JULY**

Classification: **Unrestricted**

1. SUMMARY

1.1 This report provides the budget monitoring position for July 2015-16 for both revenue and capital budgets, including an update on key activity data.

1.2 The format of this report is:

- An executive summary which provides a high level financial summary and highlights only the most significant issues
- There are seven annexes to this executive summary report, as detailed below:
 - **Annex 1** **Education & Young People's Services**
 - **Annex 2** **Social Care, Health & Wellbeing** - Specialist Children's Services
 - **Annex 3** **Social Care, Health & Wellbeing** - Adults
 - **Annex 4** **Social Care, Health & Wellbeing** - Public Health
 - **Annex 5** **Growth, Environment & Transport**
 - **Annex 6** **Strategic & Corporate Services**
 - **Annex 7** **Financing Items**

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.
- ii) **Agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 1.

3. SUMMARISED REVENUE MONITORING POSITION

- 3.1 The net projected variance against the combined directorate revenue budgets is an overspend of £14.966m, before management action, but management action is expected to reduce this to £11.570m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2016-17 to fulfil our legal obligations, detailed in section 3.7, therefore this changes the position to an overspend of £11.706m as shown in the headline table below. There is also some significant underspending within the forecast, detailed in section 3.8, which we would ideally like to roll forward in order to continue with these initiatives in 2016-17. However, this will only be possible if the Authority as a whole is sufficiently underspending by year end. If we allow for this, then this changes the position to an **underlying overspend of £12.958m**. Directorates have been tasked with coming up with management action to balance this position as, with the budget savings already required over the medium term, we must avoid going into 2016-17 in an overspending position. Management action of £0.5m is expected to be delivered within Education & Young People Services, £0.605m within Adult Social Care and £0.220m within Strategic & Corporate Services. In addition, a £2.071m reduction is expected within Strategic & Corporate Services once we receive the detailed action plan from our project partners (KPMG) in relation to how the £2.071m Procurement & Commissioning saving will be delivered. Further work is urgently required to identify actions to eliminate the residual £12.958m forecast pressure. The annexes to this report provide the detail of the overall forecast position which is summarised in table 1 below.
- 3.2 In terms of the residual forecast overspend after management action and roll forward requirements of £12.958m, it is anticipated that there should be an improvement in the position arising from measures that have only recently commenced, which are now starting to take effect but were not reflected in the July monitoring position submitted by budget managers as it was too early to quantify the effects of these actions. It is therefore anticipated that the position will improve by the quarter 2 report. However, this is a significant problem to resolve and should not be under-estimated, so the Corporate Management Team is asked to consider options to fully offset this forecast residual pressure, starting initially with reviewing all areas of spend to ensure we continue to focus on reducing spend in those areas which will not directly impact on front line services. If by quarter 2 this is not showing adequate signs of reducing then more radical action will need to be taken.
- 3.3 This report does not attempt to explain movements month on month, but explains why we have a forecast variance. However, we will report the headline movement, which for this month is a £0.380m reduction in the forecast overspend (excluding schools), as shown in table 1. This is mainly due to:

E&YP - there is a shortfall in income at the Swattenden outdoor education centre following the change of use of the Appledore Unit to an Asylum reception centre. £1.252m of re-phasing of the Kent Employment Programme and the Troubled Families Programme will be requested to roll forward in order to continue with these initiatives in 2016-17 but this will be dependent on the Authority achieving an underspending position by the end of the financial year. However, we have a legal obligation to continue with the current placements on the Kent Employment Programme so £0.090m will need to roll forward regardless of the outturn position for the Authority. A net pressure on the high needs education budgets and the early years education budget will be met by a drawdown from the schools unallocated DSG reserve.

SCH&W (SCS) - a further increase in the forecast shortfall in grant funding for the Asylum Service following the well reported recent increase in migrant activity. Within the other Specialist Children's Services demand for residential services has increased this month, vacancies have been filled within the Central Support Team, there is pressure on the legal fees budget relating to cases which were previously part of the special operation undertaken last year, and there is an increased pressure on social care staffing mainly due to the establishment of additional Adolescent Support Team posts targeted at increasing the proportion of young people re-united with their families within early weeks of care. These additional pressures are partially offset by an improvement in the forecast for Fostering as a result of a forecast shift in placements within the independent sector to the cheaper in-house service and an improvement in the forecasts for Safeguarding and Care Leavers.

SCH&W (Adults) - the pressure on the Adult Social Care budgets has increased, mainly relating to domiciliary care for older people and physically disabled clients and increased demand for direct payments, which have both led to increased income from non residential charging helping to partially offset the increased pressure. In addition, there is higher demand for adaptive and assistive technology equipment and residential care for all client groups compared to last month, partially offset by lower demand for older people nursing care. There is also a reduced pressure on the social support for carers budget and a bigger underspend on social care staffing mainly due to delays in recruiting to Mental Health & Learning Disability assessment teams. Management action of £0.605m is also now forecast which is helping to reduce the impact of the increased pressures this month.

GE&T - additional highway maintenance & emergency response costs due to collapsed roads and additional grass cutting and weed control required at junctions on high speed roads; a staffing pressure on the Coroners budget to cover long term sickness, a backlog of cases and additional staffing required to deal with current activity levels following the transfer of coroners officers from Police; and a small increase in the pressure on the waste budgets due to increased waste volumes, are being largely offset by a reduction in the pressure on the concessionary fares budget following completion of the reconciliation of the quarter 1 journey numbers by our concessionary travel consultant.

S&CS - the pressure on the S&CS budgets has increased this month, mainly due to increased project implementation costs for the managed print service within ICT, and additional staffing costs within Finance & Procurement, but this is partially offset by an underspend within the Business Services Centre, mainly due to vacancies being held pending the outcome of the back office procurement process. Additional management action is expected to be delivered in order to remain at a balanced outturn position for the directorate.

FI - a forecast increase in Education Services Grant as fewer schools are anticipated to convert to academy status this financial year than assumed when the budget was set and increased interest on cash balances as a result of higher cash balances, investing for longer durations and increased dividends.

3.4 HEADLINE POSITION (EXCL SCHOOLS) (£'000)

	Cash Limit	Variance Before Mgmt Action	Management Action - already in place	Net Variance after Mgmt Action	Last Report	Movement
Directorate Totals	+928,728	+14,966	-3,396	+11,570	+11,950	-380
Adjustments: - Legally committed roll fwd (see section 3.7 for detail)		+136	-	+136	-	+136
Underlying position (incl. legally committed roll fwd requirements only)	+928,728	+15,102	-3,396	+11,706	+11,950	-244
- Roll fwd / re-phasing required to continue / complete existing initiatives (see section 3.8 for detail)		+1,252	-	+1,252	-	+1,252
Underlying position (incl. ALL roll fwd requirements)	+928,728	+16,354	-3,396	+12,958	+11,950	+1,008

3.5 Table 1 Directorate position - net revenue position **before and after** management action together with comparison to the last report

Annex	Directorate	Budget	Net Variance (before mgmt action)	Management Action already in place	Net Variance (after mgmt action)	Last Report	Movement
		£'000	£'000	£'000	£'000	£'000	£'000
1	Education & Young People's Services	72,134.9	-289	-500	-789	+453	-1,242
2	Social Care, Health & Wellbeing - Specialist Children's Services	133,046.1	+664	-	+664	+244	+420
	Social Care, Health & Wellbeing - Asylum	280.0	+6,575	-	+6,575	+5,936	+639
	<i>Sub Total SCH&W - Specialist Children's Services</i>	<i>133,326.1</i>	<i>+7,239</i>	<i>-</i>	<i>+7,239</i>	<i>+6,180</i>	<i>+1,059</i>
3	Social Care, Health & Wellbeing - Adults	350,959.3	+8,042	-605	+7,437	+7,083	+354
4	Social Care, Health & Wellbeing - Public Health	-693.2	-	-	-	-	-
5	Growth, Environment & Transport	173,835.4	+789	-	+789	+741	+48
6	Strategic & Corporate Services	69,441.3	+2,291	-2,291	-	-	-
7	Financing Items	129,724.1	-3,106	-	-3,106	-2,507	-599
	TOTAL (excl Schools)	928,727.9	+14,966	-3,396	+11,570	+11,950	-380
1	<i>Schools (E&YP Directorate)</i>	-	+2,867	-	+2,867	+1,212	+1,655
	TOTAL	928,727.9	+17,833	-3,396	+14,437	+13,162	+1,275

3.6 The **Revenue** Budget Monitoring headlines are as follows:

- a) The position included in this report for Asylum is a pressure of £6.575m, and this reflects the impact of the increase in migrant activity up to the end of July and the estimated fit out costs for a new temporary reception centre. We are seeking to recoup these one-off fit out costs from Government. This forecast is based on the latest grant offer from the Home Office and assumes 100 new referrals per month for August & September and then 50 per month for the remainder of the financial year. There were 128 referrals in August, however at the time of writing this report, migrant activity has slowed significantly in September from the levels experienced in July & August, with 72 referrals in the first 26 days of the month suggesting that we remain on track against our forecast, but this will depend on the level of migrant activity for the remainder of the year. Negotiations continue particularly with regard to the increased costs resulting from the recent high number of referrals.
- b) We recently received a payment of £4.7m from the Home Office towards our Asylum costs relating to what we were owed for 2014-15 and for April and May 2015. This has no impact on the Asylum forecast reflected in this report.
- c) There is a small forecast pressure on Specialist Children's Services (exc. Asylum, see above) which assumes that the transformation savings will be delivered in line with the savings profiles agreed with our transformation partner. The net overspend of £0.664m mainly relates to increased costs of agency social workers due to the ongoing difficulties in recruiting to posts and the establishment of additional Adolescent Support Team posts targeted at increasing the proportion of young people re-united with their families within the early weeks of care. Also, pressures on Safeguarding, Care Leavers, Family Support Services and legal fees are offset by underspending on Residential Services, Fostering and Adoption.
- d) The pressure of £8.042m within Social Care, Health & Wellbeing - Adults is largely the net effect of a continuation of increased activity experienced in the final quarter of 2014-15 on residential and homecare services for older people and physically disabled clients, together with significant pressures on residential care for mental health clients, the supported living service for learning disabled and physically disabled clients, day care for learning disability clients and support for carers. These pressures are partially offset by delivery of transformation savings, staff vacancy savings, underspending on learning disability residential care and older people nursing care, and the use of so-far uncommitted funding held within Other Adult Services and Adult Social Care Staffing. Management action of £0.605m is now forecast which is expected to reduce the pressure to £7.437m (see Annex 3 for further information).

- e) Within Education & Young People's Services, the SEN Home to School Transport budget continues to experience pressure, with a forecast overspend of £0.517m but this is more than offset by a continuation from last year of the reduced demand for mainstream home to school transport (-£0.986m). In addition the Directorate is showing a net pressure in relation to costs associated with the new Early Help Module, only a part year effect of Children's Centres savings being delivered this year, refurbishment costs for Youth Centres and costs of cabling and wireless routers in Children's Centres, shortfalls against income targets for nursery provision, early years training, outdoor education and school improvement, together with a pressure on the Community Learning & Skills service due to costs associated with service redesign and a reduction in contract/grant income. These pressures are partially offset by lower than budgeted annual pension capitalisation costs and savings on commissioned services. In addition, significant underspending is now forecast relating to the Kent Employment Programme and the Troubled Families Programme but, if possible, roll forward is required to continue these schemes in 2016-17. As a result, the directorate as a whole is now forecasting a net underspend excluding schools of £0.289m, with management action of £0.5m estimated to improve this to an underspend of £0.789m. However, in order to fund the roll forward requirements, an underspend of £1.342m is required, so the directorate is investigating options to cover the shortfall of £0.553m in order to achieve this position, particularly within Early Help & Preventative Services and Education Quality & Standards divisions, which is where the main pressure areas reflected in this report are contained.
- A net pressure on the high needs education budgets (+£1.581m) and early years education budget (+£0.098m) will be met by a drawdown from the schools unallocated DSG reserve.
- f) The Growth, Environment and Transport Directorate is forecasting a pressure of £0.789m. The most significant services contributing to this position are Concessionary Fares (£0.391m) due to increased usage, a net pressure on the waste budget of £0.465m (*see item (g) below for further details*), a pressure on general highway maintenance and emergency response (£0.304m) mainly due to road collapses and increased grass cutting/weed control at junctions on high speed roads and a staffing pressure on the coroners budget (£0.116m). These pressures are partially offset by a rebate on streetlight energy following a reconciliation of winter 2014-15 usage (-£0.142m), additional registration income, mainly from ceremonies (-£0.141m) and underspends within the strategic management and directorate support budgets (-£0.108m).
- g) The high waste volumes experienced during 2014-15 have continued into the first four months of 2015-16 with a forecast overspend of £1.959m currently reported. This is partially offset by savings on management fees at waste facilities sites, in-vessel composting, higher than anticipated income from recyclables, lower cost of waste to energy disposal and contract savings at HWRCs and transfer stations, giving an overall net waste pressure of £0.465m. The tonnage for the first four months of 2015-16 was 3,100 tonnes above the affordable level for this period and the current forecast pressure on waste tonnage of £1.959m assumes tonnage will be 711,300 tonnes for the full year, 20,800 tonnes above the budgeted level of 690,500 tonnes. This forecast appears high when comparing to year to date tonnage, but it assumes that waste volumes will remain at similar levels to those experienced last year for the remainder of this financial year.
- h) The forecast for Public Health currently shows an underspend on £0.144m which in line with government guidelines will be transferred to the Public Health reserve, for use in future years. However, the service is currently considering options for dealing with a potential in year grant reduction resulting from the Government's austerity measures, please see section 3.10 (i) for further details.

- i) Within Strategic & Corporate Services, a £2.071m centrally held procurement & commissioning saving is currently forecast to be offset once the detailed action plan from our project partner (KPMG) as to precisely how this will be delivered, is finalised. Elsewhere within the directorate, pressures within the Contact Centre, Gateways & Customer Relationship and ICT are being offset by underspending within Communications & Consultation, Business Services Centre and proposed management action.
- j) Within Financing Items, increased interest on cash balances; a forecast increase in Education Services Grant as fewer schools are anticipated to convert to academy status this financial year than assumed at the time the budget was set; higher than expected Business Rate compensation grant for the impact of measures introduced by the Government in the 2012, 2013 and 2014 Autumn Statements; a retained levy as a result of being in a business rate pool with 10 of the Kent District Councils and an underspend against the external audit fee all contribute to a forecast underspend of £3.106m. The accounting treatment for the retained levy has only recently been agreed, hence why this was not factored into the 2015-16 budget build. If a business rate pool is agreed for 2016-17 then we will need to reflect a retained levy in the 2016-17 budget build, but we will not know this until the autumn.

3.7 Details of Committed Roll Forward/Re-phasing requirements

The headline table on page 4 shows that within the current forecast revenue position there is a requirement to roll forward £0.136m to 2016-17, relating to initiatives where we have a legal obligation to provide the funding. This relates to:

▪ re-phasing of Kent Youth Employment programme in to 2016-17 (see annex 1)	+90 k
▪ re-phasing of Kent & Medway Safeguarding Vulnerable Adults Committee in to 2016-17. This represents KCC's share of the underspend of the Committee. Under the terms of the multi-agency agreement, KCC has an obligation to provide this funding to the Committee. The underspending relating to partners contributions is held in a Fund (see annex 3)	+46 k
	<hr style="width: 100px; margin-left: auto; margin-right: 0;"/> +136 k

These roll forward requirements are only included as we have a legal obligation. All the time that we are in a overspend position for the authority, roll forwards **will not** be considered unless legally we have no choice.

3.8 Details of Roll Forward/Re-phasing required to complete existing initiatives, if the outturn position allows:

In addition to the roll forward requirements that we are legally obliged to provide for, which are detailed above, there is some significant underspending within the forecast which we would ideally like to roll forward in order to continue with these initiatives in 2016-17. The Authority as a whole would need to achieve an underspending position at year end of at least -£1.388m in order to fund all of these (£1.252m as detailed below and +£0.136m per section 3.7 above). We are currently forecasting an overspend of £11.570m even after the anticipated delivery of £3.396m of management action, so we have a shortfall of £12.958m as highlighted in the headline table on page 4, which will need to be addressed before roll forward for these initiatives can be considered. These initiatives are:

▪ Kent Youth Employment programme (see annex 1)	+669 k
▪ Tackling Troubled Families (see annex 1)	+583 k
	<hr style="width: 100px; margin-left: auto; margin-right: 0;"/> +1,252 k

In line with usual practice, if an underspending position is achieved by the end of the financial year, **all** roll forward proposals will be subject to Cabinet approval in the summer, in view of the overall outturn position and the pressures facing the authority over the medium term.

3.9 Revenue budget virements/changes to budgets

All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process, including the inclusion of new 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set.
- Cash limits for the A-Z service analysis have been adjusted since the budget was set to reflect a number of technical adjustments, including the further centralisation of budgets and to reflect where responsibility for providing services has moved between directorates/divisions.
- In addition, cash limits have been adjusted this month to reflect the decisions made by Cabinet on 6 July regarding the roll forward of underspending from 2014-15.

3.10 Potential in year cuts to Government funding levels

Making an early start on tackling the public finances in this Parliament, the Chancellor announced in the Queen's Speech in early June that the in-year budget review process was completed and provided details of the savings by Government Department. Some of these cuts will have a direct impact on our finances in the current year and, potentially, future years. Details which have been announced so far include:

i) Public Health

- As reported to Cabinet on 6 July in the first monitoring report for 2015-16, the Government has announced that £200m of in year savings from the Department of Health are to come from public health budgets devolved to local authorities. National consultation setting out possible options on reducing Local Authority (LA) public health allocations ran from 31 July to 28 August. The options include:
 - (1) take a larger share from LAs that are significantly above their target allocation;
 - (2) take a larger share of the savings from LAs that carried forward unspent PH reserves into 2015-16;
 - (3) apply a flat rate percentage reduction to all LAs allocations;
 - (4) apply a standard percentage reduction to every LA unless an authority can show that this would result in particular hardship.Although we do not expect to know the outcome of the consultation until early autumn, the Department of Health's stated preferred option is to apply a 6.2% reduction across the board (option 3 above), which for Kent would mean a cut in funding of £4.040m. On this basis, the service is considering options for dealing with an in-year 2015-16 budget reduction of this level, but it should be noted that a reduction of this size would require cuts to service levels.
Our response to the consultation was that option 1 is our preferred option. Kent is currently below our target allocation.

ii) **Adult Education**

- The Skills Funding Agency (SFA) has announced a 3.9% cut to adult skills budget and discretionary learner support allocations, which is being made in response to the £450m in year savings required of the Department for Business, Innovation & Skills. Additionally, the SFA will attempt to save money by withdrawing all funding for mandated English for speakers of other languages (ESOL) provision for the 2015-16 funding year. This 3.9% cut will be made across the board to non-apprenticeship allocations. The impact on the Community Learning & Skills budget is a reduction in funding of £0.359m but the service is able to cease some direct service costs and with the implementation of management action the residual impact is estimated at £0.1m, and this is included in the E&YP directorate forecast reflected in this report.

iii) **Youth Offending Service**

- A formal consultation is imminent regarding a 14% in year government cut in Youth Offending Team grant from Youth Justice Board (YJB). A 14% reduction in our YJB funding would equate to £0.2m. We, and other local authorities, have sent a letter to YJB stating that a cut in grant would be too detrimental to the service and suggest that the reduction should be taken from the central YJB budget. A further update will be provided once we have more details.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2015-16 Capital Programme is £367.598m (£329.820m excluding PFI). The forecast outturn against this budget is £338.808m (£301.030m excluding PFI) giving a variance of -£28.790m (-£28.790m excluding PFI). The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Directorate capital position

Directorate	2015-16 Cash Limit per Budget Book £'000	2015-16 Working Budget £'000	2015-16 Variance £'000	Real Variance £'000	Re-phasing Variance £'000	Annex
Education & Young People's Services	144,784	162,231	-18,840	6,250	-25,090	1
Social Care, Health & Wellbeing - Specialist Children's Services	902	1,959	-	-	-	2
Social Care, Health & Wellbeing - Adults	30,049	51,070	-3,162	-	-3,162	3
Social Care, Health & Wellbeing - Public Health	-	360	-	-	-	4
Growth, Environment & Transport	101,707	124,200	-7,029	1,719	-8,748	5
Strategic & Corporate Services	20,582	27,778	241	276	-35	6
Financing Items	-	-	-	-	-	7
TOTAL	298,024	367,598	-28,790	8,245	-37,035	

4.3 The **Capital** Budget Monitoring headlines are as follows:

- a) The majority of schemes are within budget and on time.
- b) +£8.245m of the -£28.790m variance is due to **real** variances as follows:

Trinity Free School, Sevenoaks (EYP) +£6.192m in 2015-16 and +£2.447m in 2016-17. The forecast now represents the total contract sum and programme for completion as agreed by the EFA and reflects additional costs which have been incurred due to site conditions and out of sequence works. The additional costs will be funded by EFA grant.

Highway Major Enhancement (GET) +£0.810m reflects in the main an additional footway scheme at Bank Street, Ashford (+£0.243k) and enhancement works at Star Lane, Thanet (+£0.553k), both to be funded by additional developer contributions.

Incubator Development (GET) +£0.737m. This reflects new loan advances to businesses following receipt of external funding from the Growing Places Fund.

Disposal Costs (S&CS) +£0.400m. This reflects the capitalisation of security costs to protect the value of KCC assets, to be funded from the capital proceeds of property disposals. Future year budgets will be considered as part of the 2016-19 MTFP process.

The remaining +£0.106m of real variances are made up of a number of real over and underspends on a number of projects across the capital programme. The annexes to this report provide the detail.

- c) -£37.035m of the -£28.790m variance relates to **rephasing** on a number of projects. The main projects comprising the rephasing are as follows:

Special School Review Phase 2 (EYP) -£15.005m. Rephasing to reflect the impact on 2015-16 of delays at the planning stage, land acquisition and cost renegotiation stages on a number of complicated projects which has impacted on completion dates.

Sevenoaks Grammar School (EYP) -£9.177m. Works have been halted pending the outcome of the Secretary of State decision with the budget being rephased accordingly.

Early Help Single System (EYP) -£0.908m. Re-profiling of original budget allocation to reflect revised project plan.

OP Strategy - Specialist Care Facilities (SCH&W Adults) -£3.162m. The Accommodation Strategy has identified a need to incentivise the market in Swale, Thanet and Sandwich. Market engagement has commenced in Swale which will inform what capital investment is needed. However, a more formal exercise may be required which is unlikely to be complete by the end of the financial year and therefore the budget is being rephased into 2016-17.

SELEP projects (GET):

Sittingbourne Town Centre Regeneration -£2.500m;

Middle Deal Transport Improvements -£1.500m;

A26 London Road/Staplehurst Road/Yew Tree Junction -£0.939m;

M20 Junction 4 Eastern Over Bridge -£0.899m;

Tonbridge Town Centre Regeneration -£0.842m.

A28 Sturry Rural Integrated Transport Package -£0.509m;

Rathmore Road Link -£0.464m;

A28 Chart Road, Ashford -£0.380m; and

Kent Thameside LSTF -£.310m.

The original budgets for these schemes were profiled on the phasings within the initial business cases which were submitted to SELEP for LGF funding. The forecasts now reflect amended profiles in the revised business cases.

Integrated Transport Schemes (GET) -£0.250m. A scheme at the Bat & Ball junction, Sevenoaks has been rephased to summer 2016-17 following other works being carried out by utility companies in the area this summer.

The remaining -£0.190m rephasing comprises minor rephasing across the capital programme. The annexes to this report provide the detail.

4.4 Capital budget virements/changes to cash limits

- Any cash limit changes due to virements are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.
- **Cabinet is asked to approve** further changes to the capital programme cash limits resulting from this round of monitoring, which are identified in the actions column in table 2 of the annex reports. For ease of reference these are all summarised in **Appendix 1**.

5. CONCLUSIONS

- 5.1 The overall forecast overspend position, after taking into account the requirements to roll forward, has increased by +£1.799m from +£14.555m to +£16.354m since the quarter 1 position provided to Cabinet in September. However, management action of £3.396m is proposed, which is expected to reduce this position to +£12.958m, an increase of £1.008m since the last report. Within this position is a +£0.639m increase in the Asylum forecast reflecting the impact of the increase in migrant activity up to the end of July. Migrant activity was higher in August than our assumptions contained within this forecast but, at the time of writing this report, activity had slowed for September (as at the 26th of the month), so we appear to be remaining on track against our forecast. We will continue our negotiations with Government to recoup as much of this as we possibly can. Excluding Asylum, the position for all other services has therefore deteriorated this month by a further +£0.369m, which is extremely concerning considering our aim has got to be to deliver a balanced position for the year. A £12.958m forecast pressure, £6.383m excluding Asylum, is a very real cause for concern. Although it is not unusual for the early forecasts in the financial year to be on the pessimistic side, usually by the July monitoring report the position has improved significantly. Although our position this year, excluding Asylum and roll forward issues, has improved by £2.4m since the initial forecast for the year presented to Cabinet in July, the scale of improvement is not as high as we would have hoped, and we have not had a forecast residual pressure (including Asylum) of this magnitude (£12.958m) at the July monitoring position in, at least, any of the last 21 years. In addition, this position is likely to be exacerbated by in year Government funding cuts, which are being/have recently been consulted upon (see section 3.10 above). This all therefore paints a very bleak outlook and it is essential that this is managed down to at least a balanced position before the end of the financial year, considering the further substantial budget savings required to balance the 2016-17 budget, and with further government funding cuts expected in the medium term. We are all aware that the easier savings options have already been taken, meaning that managing an in year pressure becomes harder and harder each year. The earlier in the financial year that this residual pressure is addressed the more manageable and less painful the required management action is likely to be, hence it is essential that prompt action is taken to address this situation. Although Directorates are currently investigating options to reduce their individual positions, because of the severity of the position **the Corporate Management Team is asked to consider how best to manage this on an authority-wide basis.**
- 5.2 If we do not resolve this residual £12.958m underlying pressure before the year end, then roll forward to continue with the re-phasing of the Kent Youth Employment Programme and the Troubled Families Programme in to 2016-17, as identified in section 3.8, will not be possible.
- 5.3 There are a number of ongoing emerging issues that will need to be addressed in the 2016-17 budget build / 2016-19 MTFP and these are highlighted in the annexes to this report and/or in the headlines above.

6. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.
- ii) **Agree** the changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 1.

7. BACKGROUND DOCUMENTS

None

8. CONTACT DETAILS

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2015-16 JULY SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

Directorate	Project	2015-16	2016-17	2017-18	Funding	Description
		£'000	£'000	£'000		
Cash limit change due to revised external/grant funding availability						
EYP	Trinity Free School, Sevenoaks	6,192	2,447		Grant	EFA grant to fund additional project costs.
GET	Incubator Development	737			Other External Funding	Additional contribution from Growing Places Fund.
GET	Southborough Hub	140			Other External Funding	External contribution received from partners.
GET	Public Rights of Way	37			Other External Funding	Funding received towards additional schemes on the PROW network.
GET	Integrated Transport Schemes	37			Other External Funding	Additional funding received towards completion of Folkestone Wayfinders project.
GET	Tunbridge Wells Library	30			Other External Funding	Additional contribution from TWBC.
GET	Integrated Transport Schemes	13			Grant	Additional grant towards Sandwich Road project.
GET	Highway Major Enhancement Programme	11			Other External Funding	Additional contribution towards Dover Highways Ops works
Other cash limit changes:						
S&CS	Corporate Property Strategic Capital	-120			Grant	Budget adjustment to reflect use of grant within revenue.

**EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE
JULY 2015-16 MONITORING REPORT**

1. REVENUE

1.1	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
Total (excl Schools) (£k)	+72,135	-289	-500	-789	+90	+1,252	+553
Schools (£k)	-	+2,867	-	+2,867	-	-	+2,867
Directorate Total (£k)	+72,135	+2,578	-500	+2,078	+90	+1,252	+3,420

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross £'000	Income £'000	Net £'000	Net £'000	£'000		
Education & Young People's Services							
Delegated Budget:							
Schools & Pupil Referral Units Delegated Budgets	674,647.8	-674,647.8	0.0	+2,867	+1,188 +1,679	Drawdown from school reserves for 12 expected academy converters Expected drawdown from the schools unallocated reserve to fund in year high needs and Early Years pressures	
TOTAL DELEGATED	674,647.8	-674,647.8	0.0	+2,867			
Non Delegated Budget:							
E&YP Strategic Management & directorate support budgets	9,772.8	-8,679.2	1,093.6	+232	+428 +225 -210	Pressure on the Information and Intelligence team including £220k of costs associated with the new Early Help Module (<i>includes a DSG variance of +£135k</i>) Additional Area Education staffing costs together with plans to capitalise staffing costs for basic need provision not now going ahead (<i>includes a DSG variance of +£207k</i>) <i>DSG variance - underspend on feasibility studies</i>	The Early Help Module pressure is expected to be ongoing and will be reflected in the 2016-19 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build	
	Gross £'000	Income £'000	Net £'000	Net £'000			
					-202	Underspend on legal fees	Part of this saving is expected to be ongoing and will be reflected in the 2016-19 MTFP
					-9	Other minor variances	
Children's Services - Early Help							
- Children's Centres	8,389.1	-2,076.5	6,312.6	+165	+139	Underachievement of savings on commissioned contracts due to only a part year effect being delivered in 2015-16	
					+26	Other minor variances	
- Early Intervention & Prevention	20,447.9	-5,353.1	15,094.8	+317	+200	Anticipated one-off costs related to the restructure of the Early Help & Preventative Services division implemented during the summer	
					+140	Refurbishment costs for Youth Centres including Whitstable and Tunbridge Wells	
					+125	ICT costs for wireless routers, cabling etc in Children's Centres <i>(includes a DSG variance of -£11k)</i>	
					-187	Net savings on commissioned services	
					+39	Other minor variances	
	28,837.0	-7,429.6	21,407.4	+482			
Children's Services - Education & Personal							
- 14 - 24 year olds	2,986.0	-941.0	2,045.0	-759	-759	Kent Youth Employment programme placements; £90k of this underspend will need to be rolled forward to fund our legal obligation to continue with the current placements. If required, the remaining £669k of the underspend could be used to help with achieving an overall balanced outturn position for the authority as a whole, but this would mean that no further placements can be made.	
- Attendance & Behaviour	2,587.9	-2,449.3	138.6	-70			

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross £'000	Income £'000	Net £'000	Net £'000		
- Early Years & Childcare	6,369.7	-4,939.8	1,429.9	+339	+294 Shortfall in the budgeted surplus for the 3 nursery provisions +282 Under recovery of Early Years Training income -203 Underspend on Sufficiency and Sustainability staff (<i>includes a DSG variance of -£175k</i>) -65 <i>DSG variance - Improvement and Standards team due to the restructure of Treasure Chest services and vacancies offset by increased non-staffing costs including for degree courses</i> +31 Other minor variances	
- Early Years Education	56,493.0	-56,493.0	0.0	+98	+98 <i>Schools unallocated DSG variance - greater than budgeted number of hours for 3 and 4 year olds</i>	
- Education Psychology Service	2,966.8	-675.0	2,291.8	-4		
- Individual Learner Support	7,151.5	-6,671.4	480.1	-1		
- Statemented Pupils	4,809.8	-4,809.8	0.0	+104	-135 <i>DSG variance - an increase in places in SEN provision has led to a reduction in Individual Tuition costs</i> +114 <i>DSG variance - increase in Severe Complex Accessibility Funding agreements for 2 year old nursery pupils</i> +71 <i>DSG variance - Additional therapy equipment costs</i> +54 <i>DSG variance - Other minor variances</i>	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Youth Service	2,962.2	-1,726.2	1,236.0	+241	+261	Net shortfall in the budgeted surplus for the outdoor education sites due in part to a change of use of the Appledore Unit at the Swattenden Centre which is being used as a reception centre for unaccompanied asylum seeking children. A recent marketing campaign for Bewl and Kent Mountain Centre may help to improve this position.
					-20	Other minor variances
- Youth Offending Service	2,202.7	-1,771.1	431.6	0		
	88,529.6	-80,476.6	8,053.0	-52		
<u>Children's Services -Other Children's Services</u>						
- Safeguarding	512.1	-150.0	362.1	-51		
<u>Community Services</u>						
- Community Learning & Skills (CLS)	13,826.4	-15,366.1	-1,539.7	+739	+632	Pressure due to costs associated with the service redesign, a reduction in contract income with no corresponding reduction in costs and requirement to fund additional costs of total contribution pay.
					+100	An in year cut of £359k has been announced by the Skills Funding Agency. Some direct delivery costs can cease and management action has been implemented to reduce other costs but this leaves a residual problem of £100k.
					+7	Other minor variances
- Supporting Employment	806.6	-335.0	471.6	0		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Troubled Families Programme	4,393.2	-2,124.9	2,268.3	-583	-583	Underspend due to projects supporting families spanning financial years. In addition, due to the payment by results element of the programme, the grant has increased in year but the projects associated with this increase do not begin until the income is received. If the directorate and the authority as a whole achieve an underspending position sufficient to allow it, roll forward of this £583k will be requested in order to continue supporting families, in 2016-17, as part of the Tackling Troubled Families government initiative.	
	19,026.2	-17,826.0	1,200.2	+156			
School & High Needs Education Budgets							
- Exclusion Services	2,768.4	-2,768.4	0.0	0			
- High Needs Further Education Colleges - Post 16 year olds	2,338.0	-2,338.0	0.0	+134	+134	<i>Schools unallocated DSG variance - increased costs of high needs placements for post 16 students in colleges</i>	<i>This pressure is expected to be ongoing and will be included as part of the 2016-19 budget setting process</i>
- High Needs Independent Sector Providers - Post 16 year olds	4,591.0	-4,591.0	0.0	-490	-490	<i>Schools unallocated DSG variance - reduction in costs of independent sector placements for post 16 students</i>	<i>This saving is expected to be ongoing and will be included as part of the 2016-19 budget setting process</i>
- High Needs Independent Special School placements	19,650.4	-19,650.4	0.0	+2,109	+2,109	<i>Schools unallocated DSG variance - increase in costs of independent special school places</i>	<i>This pressure is expected to be ongoing and will be included as part of the 2016-19 budget setting process</i>
- PFI Schools Scheme	23,810.0	-23,810.0	0.0	0			
	53,157.8	-53,157.8	0.0	+1,753			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
<u>Schools Services:</u>							
- High Needs Pupils - Recoupment	1,500.0	-1,500.0	0.0	-172	+321	<i>Schools unallocated DSG variance - increase in costs of Kent children with high needs receiving education in other local authority schools</i>	<i>This pressure is expected to be ongoing and will be included as part of the 2016-19 budget setting process</i>
					-493	<i>Schools unallocated DSG variance - additional income from other local authorities with pupils in Kent schools</i>	<i>This saving is expected to be ongoing and will be included as part of the 2016-19 budget setting process</i>
- Other Schools Services	6,779.3	-6,885.5	-106.2	+250	+284	<i>DSG variance - Pressure on budget for mobile classrooms to fulfil basic need</i>	
					-34	Other minor variances	
- Redundancy Costs	1,188.7	-1,188.7	0.0	0			
- School Improvement	8,909.1	-6,108.6	2,800.5	+309	+494	Shortfall in budgeted income targets for teams across the units	
					-101	Net underspend on advisor vacancies offset by the costs of consultants covering some of the vacant posts	
					-49	Support team staff vacancies	
					-35	Other minor variances	
- Schools Staff Services	2,617.6	-2,514.6	103.0	-28			
- Teachers & Education Staff Pension Costs	8,416.3	-2,684.0	5,732.3	-914	-914	Reduced annual capitalisation costs	This saving is expected to be ongoing and will be reflected in the 2016-19 MTFP
	29,411.0	-20,881.4	8,529.6	-555			
<u>Transport Services</u>							
- Home to School/College Transport (SEN)	21,599.5	-900.0	20,699.5	+517	+566	Higher than budgeted numbers of pupils travelling	Part of this pressure is expected to be ongoing and will be reflected in the 2016-19 MTFP
					-49	Other minor variances	
- Mainstream HTST	8,795.0	-50.0	8,745.0	-986	-986	Fewer than budgeted numbers of pupils travelling	This saving is expected to be ongoing and will be reflected in the 2016-19 MTFP
- Kent 16+ Travel Card	3,452.4	-2,575.0	877.4	0			
	33,846.9	-3,525.0	30,321.9	-469			

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Assessment Services						
- Assessment & Support of Children with Special Education Needs	8,503.1	-7,336.0	1,167.1	+199	+109 <i>DSG variance - additional Occupational Therapy and Communication equipment</i> +122 Additional one-off staffing and agency costs associated with the service restructure (<i>includes a DSG variance of +£105k</i>) -102 Underspend on general non staffing costs to offset the pressure on Occupational Therapy and Communication equipment (<i>includes a DSG variance of -£92k</i>) +70 Other minor variances	
	8,503.1	-7,336.0	1,167.1	+199		
TOTAL NON DELEGATED	271,596.5	-199,461.6	72,134.9	+1,695		
- <i>Transfer to(+)/from(-) DSG reserve</i>				<i>-1,984</i>	<i>Net transfer from the Central DSG reserve to offset:</i> <i>-391 DSG variances of +£391k explained above</i> <i>+86 A number of other smaller DSG variances totalling -£86k</i> <i>Net transfer from the Schools Unallocated DSG reserve to offset:</i> <i>-1,679 DSG variances of +£1,679k on High Needs Education & recoupment and Early Years</i>	
TOTAL NON DELEGATED after tfr to/from DSG reserve	271,596.5	-199,461.6	72,134.9	-289		
Total E&YPS	946,244.3	-874,109.4	72,134.9	+2,578		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Assumed Mgmt Action				-500		<p>Whilst the forecast at this stage is an underspend of £289k (excl. schools) and the £500k management action identified to date is expected to increase this underspend to £789k, roll forward of £90k is required to fund the continuation of current placements under the Kent Youth Employment Programme, and if possible roll forward of the remaining £669k underspend against this programme and £583k against the Troubled Families Programme is required for these schemes to continue into 2016-17. To enable this an underspending position of £1,342k for the directorate will need to be achieved, as well as an underspending position for the overall authority as a whole. The directorate is therefore now looking at options to cover the remaining £553k required to achieve this position and is committed to achieving this by the end of the financial year.</p> <p>Both the Quality & Standards and Early Help & Preventative Services (EH&PS) divisions, which account for the main areas of overspend, are investigating ways in which the pressure can be reduced, including reviewing all items of discretionary non staffing spend.</p> <p>The restructure of the EH&PS division only took effect in the summer of 2015 and there are a number of vacant posts across the division which are still being quantified as staffing costs are being moved to the correct budgets.</p> <p>The Quality & Standards division management action includes maximising traded income from schools in addition to any service level agreements in place, continuing to try and recruit permanent staff in advisory roles rather than using more costly consultants, and achieving greater efficiencies for 3 nursery provisions by restructuring in line with local need and statutory requirements and reviewing the charging policy. Actions identified to date are estimated to deliver savings in the region of £500k, but work is ongoing to identify further actions with the view to deliver a balanced position, after roll forward requirements, by year end.</p>
Total E&YPS Forecast <u>after</u> mgmt action	946,244.3	-874,109.4	72,134.9	+2,078		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of schools with deficit budgets compared with the total number of schools:

	2012-13	2013-14	2014-15	2015-16
	as at 31-3-13	as at 31-3-14	as at 31-3-15	projection for 31-3-16
Total number of schools	463	449	412	396
Total value of school reserves	£48,124k	£45,730k	£54,009k	£51,142k
Number of deficit schools	8	18	8	10
Total value of deficits	£364k	£2,017k	£2,650k	£1,372k

Comments:

- The information on deficit schools for 2015-16 has been obtained from the schools 3 year plans completed in summer 2015 and show 10 schools predicting a deficit at the end of year 1. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. Schools' Financial Services are working with these 10 schools to reduce the risk of a deficit in 2015-16 and with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- KCC has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.
- The total number of schools is based on the assumption that 12 primary schools will convert to academies before the 31st March 2016 and 4 schools are closing.
- The value of schools reserves is forecast to reduce by £2,867k this financial year. This movement includes a reduction in the schools unallocated reserve to fund a pressure on the high needs and Early Years Education budgets of £1,679k, and an estimated drawdown of £1,188k assumes 12 schools convert to academy status this financial year. The value of school reserves are very difficult to predict at this early stage and further updates will be provided in future monitoring reports when we have collated the first monitoring returns from LA maintained schools.

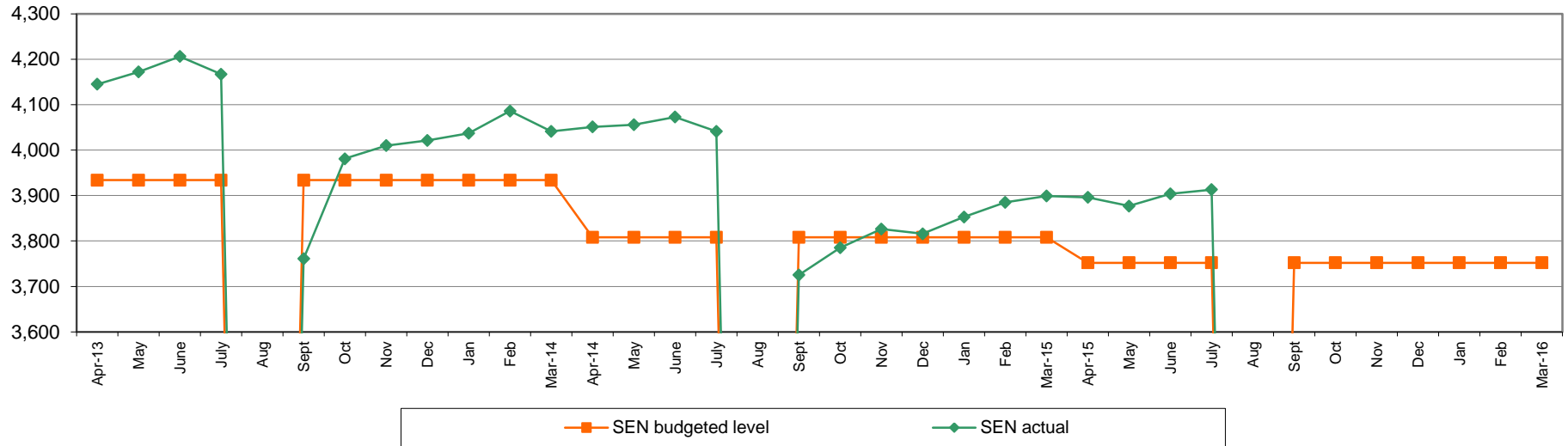
2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2013-14				2014-15				2015-16			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr	3,934	4,145	14,667	14,119	3,808	4,051	12,493	11,400	3,752	3,896	9,866	9,426
May	3,934	4,172	14,667	14,119	3,808	4,056	12,493	11,436	3,752	3,877	9,866	9,454
Jun	3,934	4,206	14,667	14,106	3,808	4,073	12,493	11,468	3,752	3,904	9,866	9,491
Jul	3,934	4,167	14,667	14,093	3,808	4,041	12,493	11,307	3,752	3,913	9,866	9,505
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,934	3,761	14,667	10,300	3,808	3,725	12,493	8,969	3,752	0	9,866	0
Oct	3,934	3,981	14,667	11,258	3,808	3,785	12,493	9,123	3,752	0	9,866	0
Nov	3,934	4,010	14,667	11,267	3,808	3,826	12,493	9,237	3,752	0	9,866	0
Dec	3,934	4,021	14,667	11,296	3,808	3,816	12,493	9,220	3,752	0	9,866	0
Jan	3,934	4,037	14,667	11,314	3,808	3,853	12,493	9,258	3,752	0	9,866	0
Feb	3,934	4,086	14,667	11,368	3,808	3,885	12,493	9,357	3,752	0	9,866	0
Mar	3,934	4,041	14,667	11,375	3,808	3,899	12,493	9,388	3,752	0	9,866	0

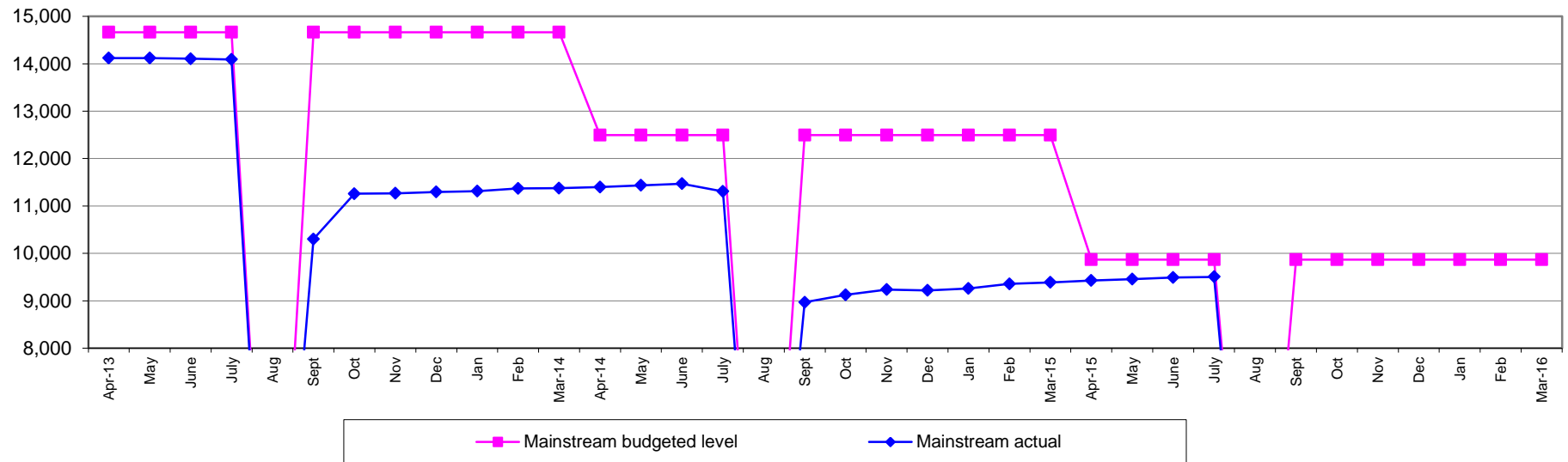
Comments:

- SEN HTST** – The number of children travelling is higher than the budgeted level and there are also a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel. A pressure of +£566k is therefore reported in table 1, which is offset by minor underspends totalling -£49k on SEN college transport and personal transport budgets.
- Mainstream HTST** – The number of children receiving transport is lower than the budgeted level, therefore an underspend of -£986k is reported in table 1. The number of children requiring transport is expected to reduce further for the new academic year due to a reduction in the secondary aged population and the impact of a further school year cohort affected by the selective and denominational school transport policy change implemented in 2012-13.

Number of children receiving assisted SEN transport to school



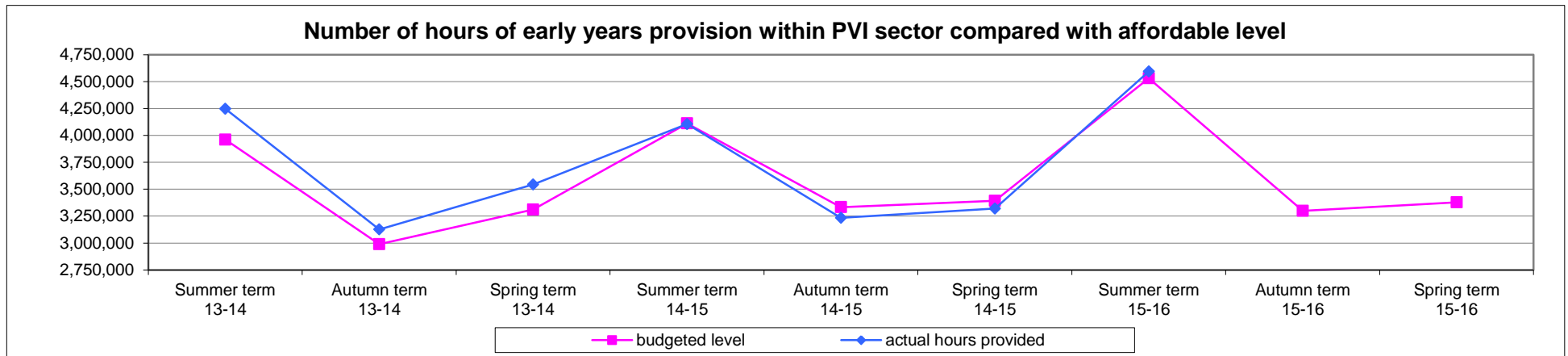
Number of children receiving assisted Mainstream transport to school



2.3 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:

	2013-14		2014-15		2015-16	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,961,155	4,247,461	4,110,576	4,104,576	4,531,281	4,592,429
Autumn term	2,990,107	3,126,084	3,333,465	3,234,394	3,297,864	
Spring term	3,310,417	3,543,567	3,392,138	3,320,479	3,378,367	
TOTAL	10,261,679	10,917,112	10,836,179	10,659,449	11,207,512	4,592,429

* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



Comments:

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks. The forecast number of hours of early years provision for 3 & 4 year olds is 11,230,209 which is 22,697 hours more than budgeted.
- Since the last report, the Dedicated School Grant has been adjusted to reflect January 2015 pupil numbers and the affordable number of hours has been uplifted accordingly. Actual hours are more than budgeted, hence an overspend of +£98k is forecast in table 1. This overspend is lower than may be expected based on summer term hours, however hours for the autumn and spring term are forecast to be lower than budgeted. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore any pressure or saving will be transferred to the schools unallocated DSG reserve at year end.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

3. CAPITAL

3.1 The Education and Young People's Services Directorate has a working budget (excluding schools) for 2015-16 of £162,231k . The forecast outturn against the 2015-16 budget is £143,391k giving a variance of -£18,840k.

3.2 **Table 2** below details the Education and Young People's Services Capital Position by Budget Book line

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Annual Planned Enhancement Programme	9,000	13,656	0	0			Green		
Pupil Referral Units	1,209	1,627	0	0			Green		
Youth - Modernisation of Assets	0	23	0	0			Green		
Individual Projects									
Basic Need Schemes - to provide additional pupil places:									
Basic Need Programme	61,767	68,745	0	0			Green		
Basic Need - Aylesham Primary School	0	0	0	0				Project to commence in later years.	
Goat Lees Primary School, Ashford	0	25	0	0			Green		
Repton Park Primary School, Ashford	0	109	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms:									
Modernisation Programme - Future Years	2,000	3,479	0	0			Green	Programme of works has now been finalised.	
St Johns / Kingsmead Primary School, Canterbury	0	70	0	0			Amber	£650k contribution due from Canterbury Diocese towards this project, not yet received.	
Special Schools Review - major projects supporting the special schools review:									
Special Schools Review phase 1	0	628	0	0			Green		
Special Schools Review phase 2	47,200	49,540	-15,005	-15,005	Rephasing	Rephasing due to delays at the planning stage, acquisition of land and re-negotiating costs. Projects at Portal House, Ridge View and Five Acre Wood are particularly problematic, completion dates have been affected.	Green	Rephasing has previously been reported.	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Academy Projects:									
Astor of Hever (St Augustine's Academy), Maidstone	0	19	0	0			Green		
Dover Christ Church	3,000	2,760	0	0			Green		
Skinner's Academy	0	140	0	0			Green		
Spires Academy	0	0	0	0			Green	Project complete except for clearance of remaining creditors.	
John Wallis	0	0	0	0			Green	Project complete except for clearance of remaining creditors.	
Wilmington Enterprise College	0	0	0	0			Green	Project complete except for clearance of remaining creditors.	
The Knole Academy	0	0	0	0			Green	Project complete except for clearance of remaining creditors.	
Duke of York Academy	0	0	0	0			Green	Project complete except for clearance of remaining creditors.	
Academy Unit Costs	233	798	0	0			Green		
BSF Wave 3 Build Costs	500	498	0	0			Green		
BSF Unit Costs	0	51	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Other Projects:									
Primary Improvement Programme	0	4	0	0			Green		
Canterbury Family Centre	0	4	0	0			Green		
Integrated Youth Service - Youth Hub Reprovision	0	713	0	0			Amber	Revised completion date of early September 2015. Bad weather and delays in early underground works have pushed back the completion date for this project.	
Nursery Provision for Two Year Olds	0	637	0	0			Green		
One-off Schools Revenue to Capital	0	40	23	23	Real - Revenue		Green		
Platt CEPS	0	85	0	0			Green		
Sevenoaks Grammar School	10,000	9,677	-9,177	-9,177	Rephasing	Works halted pending outcome of Secretary of State decision.	Amber	Awaiting Secretary of State decision.	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Trinity Free School, Sevenoaks	7,000	5,706	6,192	6,192	Real - Grant	The current forecast represents the total contract sum and programme for completion which has been agreed by the EFA and reflects additional costs which have been incurred due to site conditions and out of sequence works.	Amber	Full construction and highways works will cost £20.1m, to be funded from EFA grant. Confirmation letter received from the EFA 23.07.15.	Increase cash limit: 2015-16 £6,192k Grant 2016-17 £2,447k Grant
Early Help Single System	1,800	1,800	-908	-908	Rephasing	Re-profiling of original budget allocation to reflect revised project plan.	Green		
Ashford North Youth Centre	0	0	35	35	Real - Developer Contribution		Green		
Priority School Build Programme	0	0	0	0			Green	Projects to commence in later years.	
Universal Infant Free School Meals	1,075	1,207	0	0			Green		
The Piggery, Swattenden	0	42	0	0			Green		
Vocational Education Centre	0	148	0	0			Green		
Total	144,784	162,231	-18,840	-18,840					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
SPECIALIST CHILDREN'S SERVICES
JULY 2015-16 MONITORING REPORT

1. REVENUE

	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
Total excl Asylum (£k)	+133,046	+664	-	+664	-	-	+664
Asylum (£k)	+280	+6,575	-	+6,575	-	-	+6,575
Total (£k)	+133,326	+7,239	-	+7,239	-	-	+7,239

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Specialist Children's Services							
Strategic Management & Directorate Support budgets	5,420.9	-257.9	5,163.0	-32			
Children's Services - Children in Care (Looked After)							
- Fostering - In house service	24,165.6	-252.2	23,913.4	+96	+331	Forecast +881 weeks above affordable level of 52,485 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+253	Forecast average unit cost +£4.82 above affordable level of £371.10	
					-121	Reduction in spend on 'other' costs such as personal expenses, specialist fees and client public transport following planned action to reduce costs	
					-181	Lower than anticipated costs in the County Fostering Team relating primarily to recruitment and training costs, including lower use of specialists	
					-177	Higher than anticipated income from Asylum recharges owing to greater Asylum activity	
					-9	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Fostering - Commissioned from Fostering Agencies	8,184.3	0.0	8,184.3	-244	-133 Forecast -145 weeks below affordable level of 8,812 weeks -82 Forecast average unit cost -£9.26 below affordable level of £925.36 -29 Other minor variances	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
- Legal Charges	6,769.0	0.0	6,769.0	+100	+100 Pressure related to ongoing cases which were previously part of the special operation that has now	
- Residential Children's Services - in house services (short breaks units)	3,227.4	-682.4	2,545.0	-35		
- Residential Children's Services - commissioned from independent sector	13,625.9	-2,567.7	11,058.2	-259	-918 Forecast -277 weeks below affordable level of 2,660 weeks, partially due to young people becoming care leavers (see care leavers below) +624 Forecast average unit cost +£234.68 above affordable level of £3,079.85 +135 Children with a Disability: Forecast +49 weeks above affordable level of 1,489 weeks -325 Children with a Disability: Forecast average unit cost -£218.06 below affordable level of £2,968.70 +592 Lower than anticipated service income, mainly relating to fewer contributions for care costs agreed to date from Health & Education as a result of the reduced activity levels -300 Lower than anticipated spend on Secure Accommodation based on year to date usage -67 Other minor variances	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
- Virtual School Kent	4,863.0	-3,430.6	1,432.4	-32		
	60,835.2	-6,932.9	53,902.3	-374		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Children's Services - Children in Need							
- Family Support Services	10,944.5	-1,660.0	9,284.5	+193	+193	Minor variances each under £100k including Section 17 payments (+£91k) and Direct Payments (+£63k)	
Children's Services - Other Social Services							
- Adoption & other permanent care arrangements	12,908.8	-104.0	12,804.8	-89	+274	Guardianship: Primarily due to the full year effect of an increase in Special Guardianship Orders in the previous year.	
					-307	County Adoption Team: fewer adoption arrangements are being made, so current vacancies are being managed	
					-56	Other minor variances	
- Asylum Seekers	19,619.1	-19,339.1	280.0	+6,575	+3,198	Pressure relating to under 18 Unaccompanied Asylum Seeking Children (UASC) due to costs being greater than grant receivable and due to ineligibility.	Negotiations continue with Central Government regarding rates for increased numbers of Unaccompanied Asylum Seeking Children and the additional costs incurred by KCC. National dispersal of some young people to other local authorities is mitigating part of the current pressure on this service. Current increased migrant activity levels are likely to produce an additional pressure in future years as more young people reach age 18.
					+300	Estimated fitting out costs of new temporary reception centre. We are seeking to recoup these costs from Central Government.	
					+3,077	Pressure relating to ineligible over 18's (of which £342k relates to direct costs for All Rights Exhausted (ARE) clients) and eligible over 18's due to costs exceeding grant receivable (see activity section 2.6 below), including infrastructure costs.	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Care Leavers	6,657.1	-2,105.4	4,551.7	+119	+163 Higher than expected costs for 16 and 17 year olds requiring this service in order to provide stability and continuity whilst they continue their education as they prepare to leave care. This is partly due to individuals being placed in a broader variety of placements including 'step down' placements from residential care. +111 Higher than anticipated staffing and related costs -164 Lower than anticipated costs on Supported Lodging provision contract +9 Other minor variances	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
- Safeguarding	5,628.3	-812.9	4,815.4	+225	+320 Pressure due to higher staffing and related costs, predominately due to use of agency staff rather than salaried staff due to difficulties in recruiting to salaried posts -95 Other minor variances	
	44,813.3	-22,361.4	22,451.9	+6,830		
<u>Assessment Services</u>						
- Children's social care staffing	46,563.7	-4,039.3	42,524.4	+622	+2,202 Pressure on staffing budgets for Non-Disability teams due to appointment of agency staff due to difficulties in recruiting to salaried posts. Part of this forecast overspend is linked to the increased numbers of Asylum young people and is offset by the increased recharge below. -1,855 Higher than expected recharged costs to Asylum service for social care staffing (offsetting part of the above staff costs) due to increased activity	This pressure will need to be addressed in the 2016-19 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+170	Establishment of additional Adolescent Support Team posts targeted at increasing the proportion of young people re-united with their families within early weeks of care.
					+254	Pressure on staffing budgets for Disability teams due to appointment of agency staff due to difficulties in recruiting to salaried posts
					-168	Lower other non-staffing spend in Disability teams predominately due to lower than anticipated staff travel costs
					+19	Other minor variances
Total SCH&W (SCS)	168,577.6	-35,251.5	133,326.1	+7,239		
Assumed Mgmt Action						
Total SCH&W (SCS) Forecast after mgmt action	168,577.6	-35,251.5	133,326.1	+7,239		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

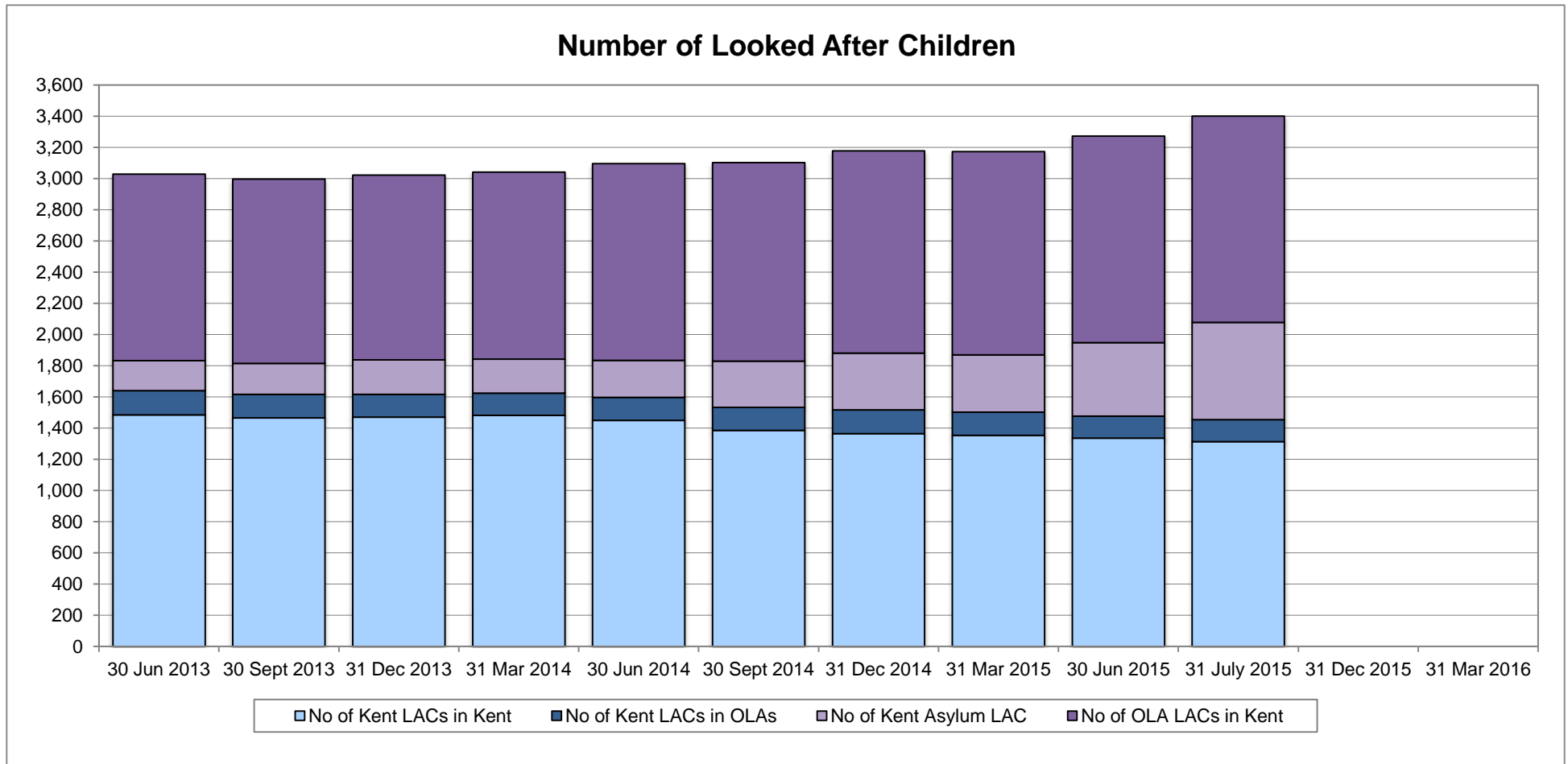
2.1 Number of Looked After Children (LAC) :

		No. of Kent LAC placed in Kent	No. of Kent LAC placed in OLAs	TOTAL NO. OF KENT LAC (excluding Asylum)	No of Kent Asylum LAC	TOTAL NUMBER OF LAC IN KENT	No. of OLA LAC placed in Kent	TOTAL NUMBER OF LAC IN KENT
2013-14	30-Jun	1,485	155	1,640	192	1,832	1,197	3,029
	30-Sep	1,465	152	1,617	198	1,815	1,182	2,997
	31-Dec	1,470	146	1,616	221	1,837	1,185	3,022
	31-Mar	1,481	143	1,624	218	1,842	1,200	3,042
2014-15	30-Jun	1,450	147	1,597	238	1,835	1,261	3,096
	30-Sep	1,385	148	1,533	296	1,829	1,273	3,102
	31-Dec	1,365	152	1,517	364	1,881	1,296	3,177
	31-Mar	1,354	148	1,502	368	1,870	1,303	3,173
2015-16	30-Jun	1,336	141	1,477	471	1,948	1,324	3,272
	31-Jul	1,314	141	1,455	623	2,078	1,322	3,400
	31-Dec							
	31-Mar							

Comments:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken.
- The figures represent a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore, although the number of Kent looked after children had reduced by 47 as at July of this financial year, there could have been more (or less) during the period.
- Although there is a reduction in the number of Kent LAC (excluding Asylum), there is still an overall forecast pressure on the SCS budget. After taking into account anticipated transformation savings, this pressure primarily relates to non LAC headings such as staffing, safeguarding, care leavers and family support services.

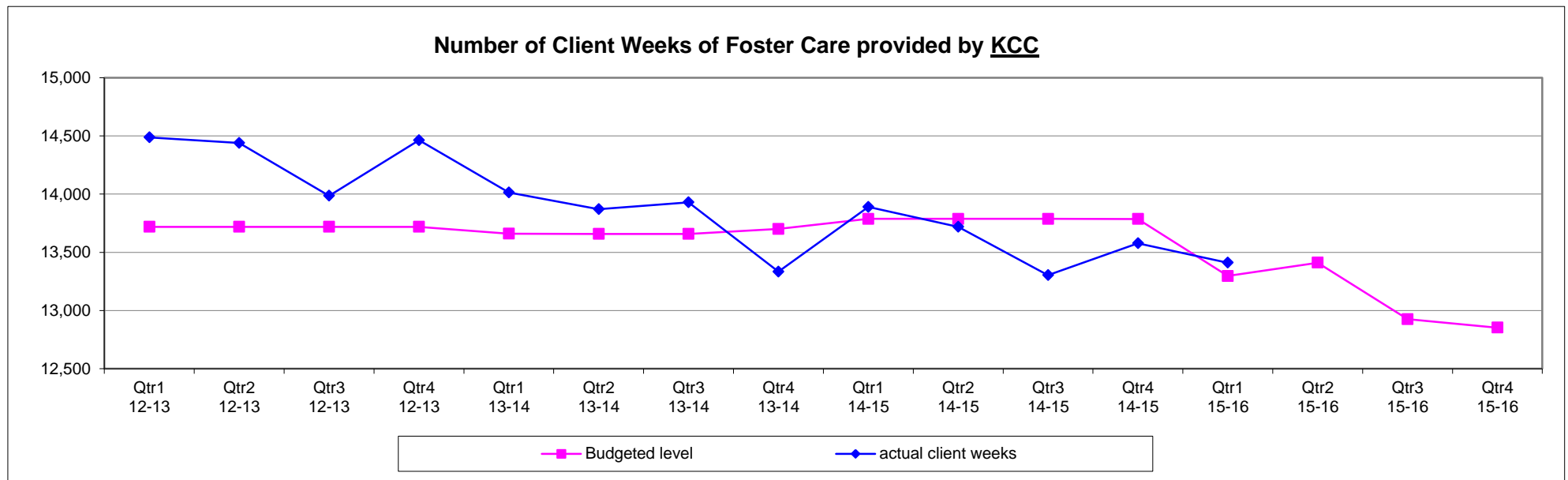
- The OLA LAC information has a confidence rating of 45% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.

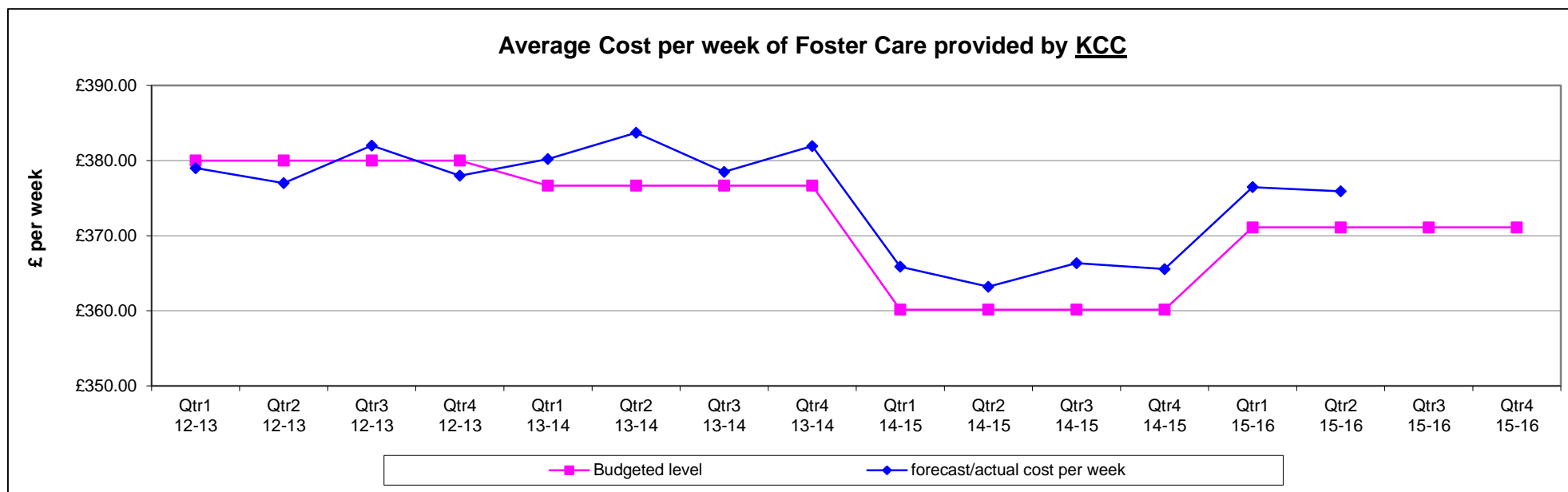


2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC:

	2013-14				2014-15				2015-16			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	13,659	14,014	£376.67	£380.22	13,787	13,889	£360.14	£365.85	13,296	13,411	£371.10	£376.47
Jul to Sep	13,658	13,871	£376.67	£383.72	13,787	13,719	£360.14	£363.19	13,411	4,528	£371.10	£375.92
Oct to Dec	13,658	13,929	£376.67	£378.50	13,787	13,304	£360.14	£366.33	12,925		£371.10	
Jan to Mar	13,700	13,334	£376.67	£381.94	13,786	13,577	£360.14	£365.54	12,853		£371.10	
	54,675	55,148	£376.67	£381.94	55,147	54,489	£360.14	£365.54	52,485	17,939	£371.10	£375.92

position as at 31 July





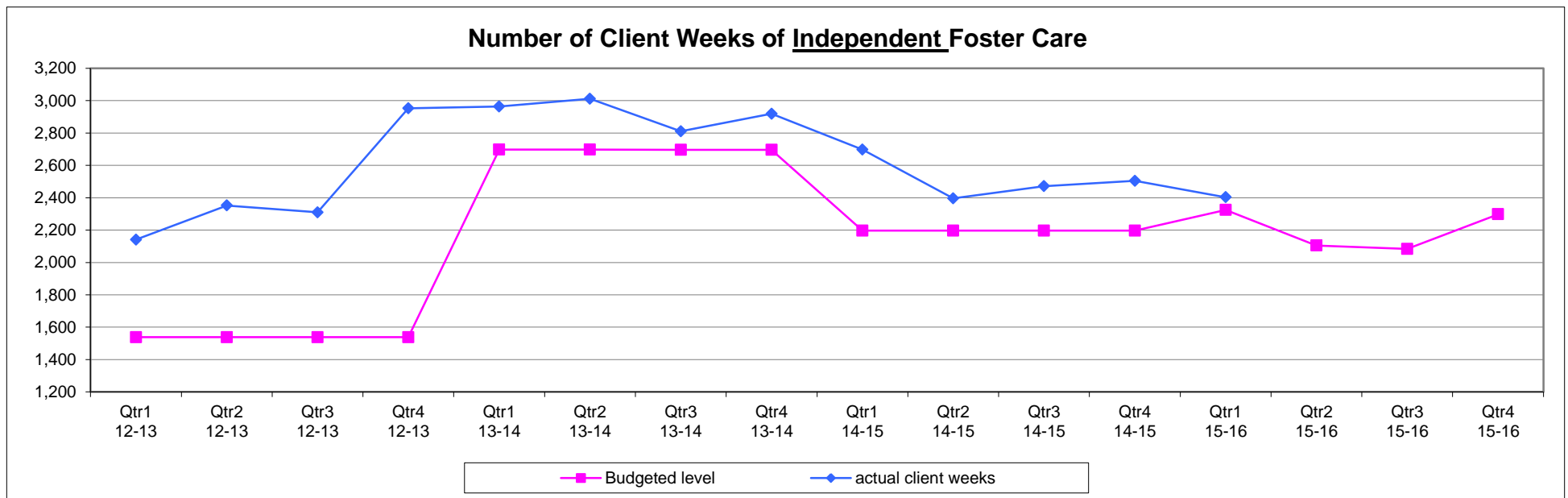
Comments:

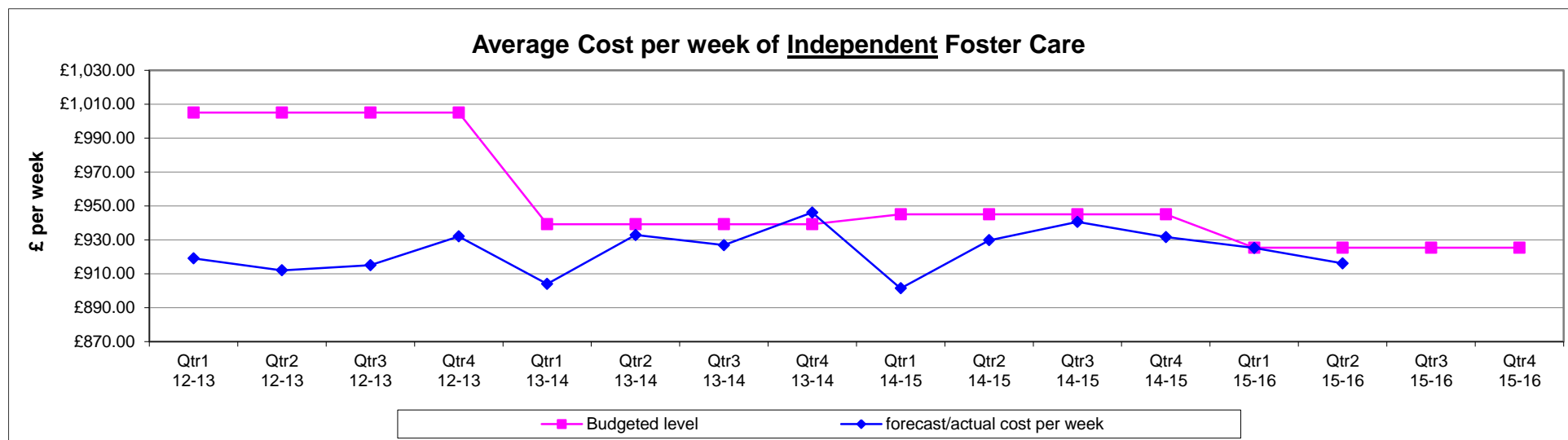
- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2015-16 budgeted level has changed from what was reported to Cabinet on 6 July in the 2014-15 outturn report, reflecting the 2015-16 Quarter 1 realignment of budgets reported to Cabinet on 21 September.
- The forecast number of weeks (excluding asylum) is 53,366 weeks against an affordable level of 52,485, a difference of +881 weeks. At the forecast unit cost of £375.92 per week, this additional activity gives a pressure of +£331k, as shown in Table 1. The current year to date activity suggests a lower level of activity than forecast. Part of this is likely to be due to the recording of respite activity which is recorded in arrears, so this part of the year to date activity is likely to be understated.
- The forecast unit cost of +£375.92 is higher than the affordable level of +£371.10 and this difference of +£4.82 gives a pressure of +£253k when multiplied by the affordable weeks, as shown in Table 1.
- Overall, therefore, the combined gross underspend on this service is +£584k (+£331k +£253k).
- The special operation which was previously excluded from this activity indicator has concluded, so from April 2015-16 this indicator reflects all In House Foster Care activity.

2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care:

	2013-14				2014-15				2015-16			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	2,697	2,964	£939.19	£904.01	2,197	2,697	£945.07	£901.37	2,325	2,403	£925.36	£925.17
Jul to Sep	2,697	3,012	£939.19	£932.83	2,197	2,396	£945.07	£929.73	2,105	779	£925.36	£916.10
Oct to Dec	2,696	2,810	£939.19	£926.83	2,197	2,471	£945.07	£940.61	2,084		£925.36	
Jan to Mar	2,696	2,919	£939.19	£946.08	2,197	2,504	£945.07	£931.60	2,298		£925.36	
	10,786	11,705	£939.19	£946.08	8,788	10,068	£945.07	£931.60	8,812	3,182	£925.36	£916.10

position as at 31 July



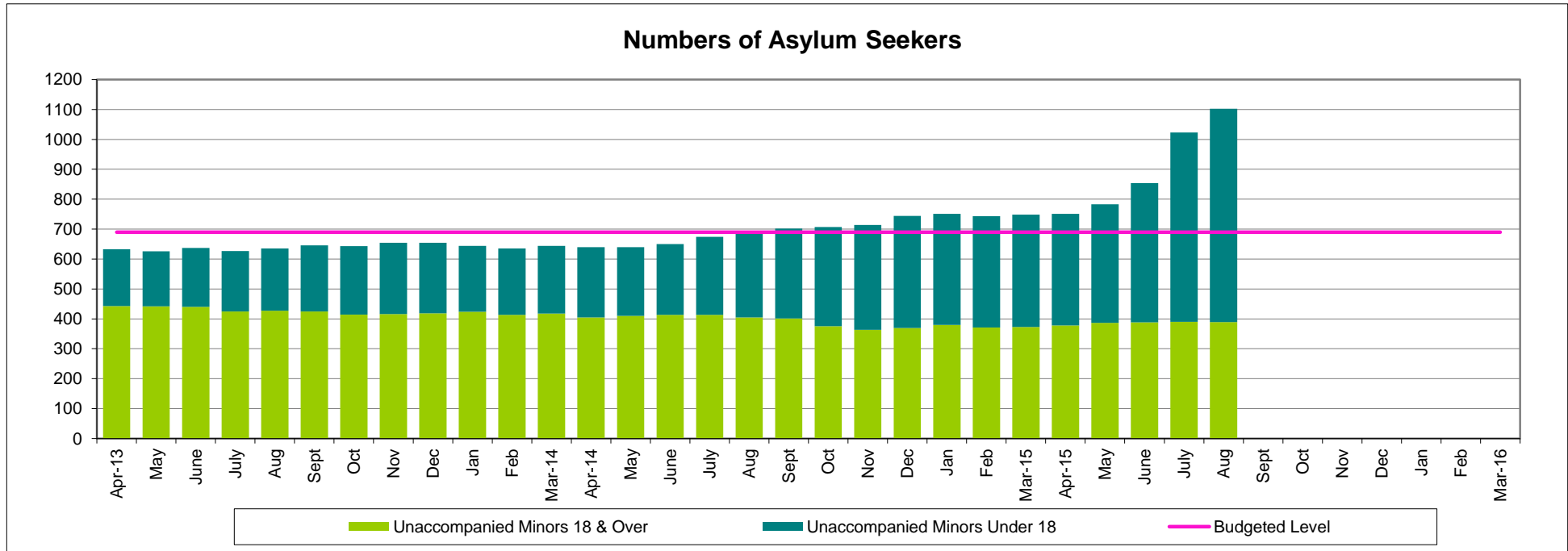


Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2015-16 budgeted level has changed from what was reported to Cabinet on 6 July in the 2014-15 outturn report, reflecting the 2015-16 Quarter 1 realignment of budgets reported to Cabinet on 21 September.
- The forecast number of weeks (excluding asylum) is 8,667 weeks against an affordable level of 8,812, a difference of -145 weeks. At the forecast unit cost of £916.10 per week, this reduced activity decreases the forecast position by -£133k, as shown in Table 1. The current year to date suggests a higher level of activity than currently forecast – the forecast is based on the transformation savings profiles which assume a range of durations of care/placement end dates. Actual activity will vary from these assumptions but it is anticipated that over time, and as the savings streams become more fully established, that actual activity and the savings profile will more closely align. This will be monitored closely throughout the remainder of the year and any deviation from the savings profile, once they are more fully established, will be reflected in the monitoring.
- The forecast unit cost of +£916.10 is lower than the affordable level of +£925.36 and this difference of -£9.26 reduces the position by -£82k when multiplied by the affordable weeks, as shown in Table 1.
- Overall therefore, the combined gross underspend on this service is -£215k (-£133k -£82k).
- The forecast average unit cost of £916.10 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- The special operation which was previously excluded from this activity indicator has concluded, so from April 2015-16 this indicator reflects all Independent Foster Care activity.

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

	2013-14			2014-15			2015-16		
	Under 18	18 & Over	Total	Under 18	18 & Over	Total	Under 18	18 & Over	Total
Apr	190	443	633	235	405	640	373	378	751
May	184	442	626	230	410	640	396	387	783
Jun	197	440	637	237	413	650	466	388	854
Jul	202	425	627	261	413	674	633	390	1,023
Aug	208	427	635	282	405	687	713	389	1,102
Sep	221	425	646	301	401	702			
Oct	229	414	643	332	375	707			
Nov	238	416	654	351	363	714			
Dec	235	419	654	375	369	744			
Jan	220	424	644	371	380	751			
Feb	222	413	635	372	371	743			
Mar	226	418	644	375	373	748			



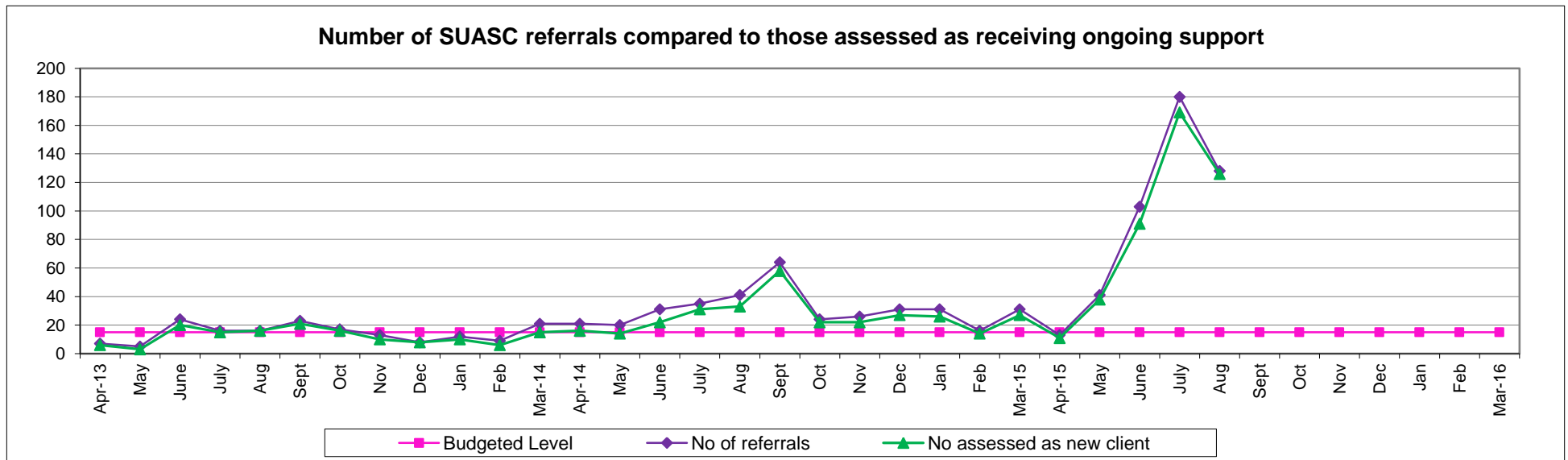
Comments:

- The overall number of children is increasing, with numbers as at the end of August at the highest level they have been since November 2003. The current number of clients supported is above the budgeted level of 690.
- The budgeted number of referrals for 2015-16 is 15 per month, with 9 (60%) being assessed as under 18.
- We are responsible for those aged 18 and over if they are a Former Relevant Child and have eligibility for Care Leaver status. These are those young people who had been looked after for at least 13 weeks which began after they reached age 14 and ended after they reached age 16. Additionally young people over 18 may qualify for advice or assistance if they have been in care for at least 24 hrs aged 16 or 17.
- The numbers of 18 and over young people who are All Rights of appeal Exhausted (ARE) have been steadily decreasing, particularly since the introduction of Human Rights Assessments (HRAs). On the 9th of September 2015 there were 46 ARE cases in Kent, compared to 78 in August 2014 and 112 in August 2013.
- The number of young people leaving the service at age 21 rather than remaining in the service up to age 24 has increased in recent months. In previous years, the number of young people supported who are 18 and over has been larger than those aged under 18, but this trend is reversing due to the current high numbers of arrivals of under 18's and the numbers leaving the service at age 21.
- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim, but once their assessment has been completed, or when successfully appealed, their category may change.
- The number of Asylum LAC shown in table 2.1 above is different to the number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17 year old Care Leavers.

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

	2013-14			2014-15			2015-16		
	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%
Apr	7	6	86%	21	16	76%	13	11	85%
May	5	3	60%	20	14	70%	41	37	90%
Jun	24	20	83%	31	22	71%	103	91	88%
Jul	16	15	94%	35	31	89%	180	169	94%
Aug	16	16	100%	41	33	80%	128	126	98%
Sep	23	21	91%	64	58	91%			
Oct	17	16	94%	24	22	92%			
Nov	13	10	77%	26	22	85%			
Dec	8	8	100%	31	27	87%			
Jan	12	10	83%	31	26	84%			
Feb	9	6	67%	16	14	88%			
Mar	21	15	71%	31	27	87%			
	171	146	85%	371	312	84%	465	434	93%

Since the 2014-15 Q3 monitoring report, a revised methodology has been adopted - UASC are now only included when their Looked After Child (LAC) status has formally commenced.



Comments:

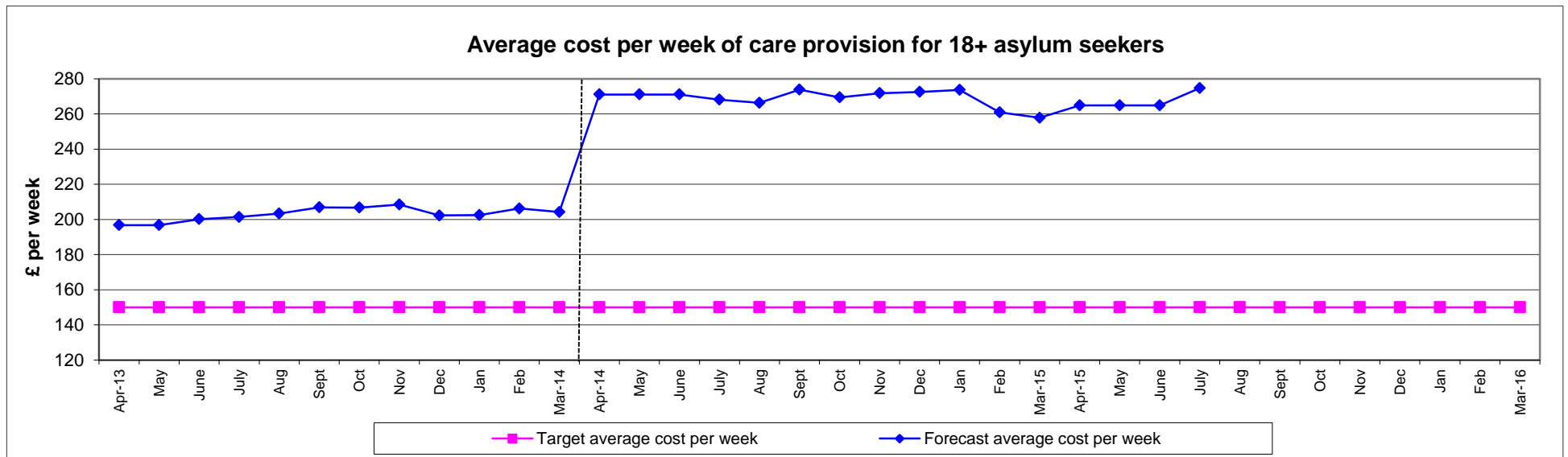
- Please note that UASC Referrals are assumed to be new clients until an assessment has been completed, which usually can take up to 6 weeks, however, as a result of the recent high number of referrals it is currently taking longer to complete individual assessments. Therefore the number of UASC assessed as new clients shown in the table may change once the assessment has taken place.
- The average number of referrals per month for the year to date is 93, which is above the budgeted number of 15 referrals per month. However within this average, as can be seen in the graph above, there is a significantly increasing trend reflecting the recent volatility in migrant activity.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average proportion assessed as new clients in 2015-16 is
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is 87 i.e. 867% higher than budgeted.
- Where a young person has been referred but does not become an ongoing client this may be for various factors. The number of these cases is relatively low but would include those where an age assessment has determined the young person to be aged 18 or above (and therefore they have been returned to immigration for dealing with through the asylum process for Adults) and more recently, transfers of case responsibility to Other Local Authorities. We are only able to claim grant for 28 days for an Asylum Seeker who, on arrival to the UK, is assessed as age 18 or over, but due to the current high number of arrivals it is taking longer than this for the assessments to be completed, resulting in an increased unfunded pressure on the Asylum budget.
- The information on numbers of Unaccompanied Asylum Seeking Children is provided by the Management Information unit within SCH&W directorate.
- Please note that due to the time taken to validate referrals on the database (particularly at this stage given the high volumes encountered in June, July and August), the number of new clients and number of referrals for any given month may change, therefore the activity data is refreshed in each report to provide the most up to date information.

	2013-14		2014-15		2015-16	
	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p
Apr	150	196.78	150	271.10	150	264.91
May	150	196.78	150	271.10	150	264.91
Jun	150	200.18	150	271.10	150	264.91
Jul	150	201.40	150	268.15	150	274.77
Aug	150	203.29	150	266.33	150	
Sep	150	206.92	150	273.87	150	
Oct	150	206.74	150	269.47	150	
Nov	150	208.51	150	271.85	150	
Dec	150	202.25	150	272.56	150	
Jan	150	202.49	150	273.75	150	
Feb	150	206.24	150	260.94	150	
Mar	150	204.27	150	257.79	150	

The current forecast average weekly cost for 2015-16 is £274.77, +£124.77 above the £150 claimable under the grant rules. This adds +£3,357k to the forecast outturn position for which we have a cash limit of £280k, giving a variance of +£3,077k, as shown in Table 1.

The weekly cost has increased significantly since 2013-14. Previously the average weekly cost was based on direct client costs only, as the gateway grant was used for staff and infrastructure costs. From 2014-15 onwards we no longer receive a Gateway Grant, so all staff and infrastructure costs have been allocated to age groups. Therefore, the increased weekly cost since April 2014 reflects ALL costs associated with 18+.

A dotted line has therefore been added to the graph to show that the unit costs pre and post April 2014 are not directly comparable.



Comments:

- The reduction in unit cost between January and February 15 follows a restructure of the service that took place at the start of December to bring Asylum support alongside mainstream care. Following this restructure a data cleansing exercise was performed. This revealed a number of elements that required revision, including changes to weekly costs for those in independent accommodation and a reassessment of the level of void placements. In addition, the amount paid via the Essential Living Allowance has reduced, which is likely to be in part due to ongoing work to improve take-up of benefits for those able to claim them.
- The local authority (LA) has agreed that the funding levels for the Unaccompanied Asylum Seeking Children's Service 18+ grant agreed with the Government rely on us achieving an average cost per week of £150, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The number of AREs supported has fallen in recent months. The LA has continued to meet the cost of the care leavers in order that it can meet its' statutory obligations to those young people under the Leaving Care Act until the point of removal.
- The issue remains that for various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs.
- As part of our strive to achieve a net unit cost of £150 or below, we will be insisting on take-up of state benefits for those entitled. However, the proportion of young people being accepted for asylum has reduced in recent months, meaning that a lower proportion of young people are unable to claim state benefits, bringing up the average cost. In addition, the service has undertaken a data cleansing exercise and as a result a number of older cases have been closed where we no longer have a requirement to support these young people as care leavers. The costs for these cases were lower, which has resulted in a further increase to the average cost.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Children's Services has a working budget for 2015-16 of £1,959k . The forecast outturn against the 2015-16 budget is £1,959k giving a variance of £0k.

3.2 **Table 2** below details the SCH&W - Children's Services Capital Position by Budget Book line.

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Individual Projects									
Transforming Short Breaks	70	112	0				Green		
ConTROCC	556	925	0				Green	Phase 1 went live in July 2015. Phase 2 is scheduled for December 2015.	
Early Help Module (EHM)	276	922	0				Green	Phase 1 went live in June 2015. Phase 2 is scheduled for November 2015.	
Total	902	1,959	0	0					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
ADULTS SERVICES
JULY 2015-16 MONITORING REPORT

1. REVENUE

1.1	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
Total (£k)	+350,959	+8,042	-605	+7,437	+46	-	+7,483

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net	£'000		
	£'000	£'000	£'000	£'000	£'000		
Social Care, Health & Wellbeing - Adult Social Care							
Strategic Management & Directorate Support budgets	8,032.5	-1,072.9	6,959.6	-456	-270	Staff vacancies within Access to Resources Team	
					-110	Reduced demand for a number of office support services (including postage, printing and stationery)	
					-76	Other minor variances	
Support to Frontline Services:							
- Adults Social Care Commissioning & Performance Monitoring	4,027.7	-606.3	3,421.4	-153	-144	Delays in recruitment to vacancies within the Performance & Information Management team	
					-9	Other minor variances	
Adults & Older People:							
- Direct Payments							
- Learning Disability (aged 18+)	17,671.6	-69.5	17,602.1	-216	+435	Forecast +1,556 weeks above affordable level of 63,397 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+85	Forecast average unit cost +£1.34 above affordable level of £278.27	
					+438	One-off direct payments	
					-1,196	Recovery of unspent funds from clients	
					+22	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Mental Health (aged 18+)	1,049.7	-84.3	965.4	+125	+115	Forecast -1,133 weeks below affordable level of 9,968 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-36	Forecast average unit cost -£3.58 below affordable level of £105.31	
					+119	One-off direct payments	
					-73	Other minor variances	
- Older People (aged 65+)	14,367.7	0.0	14,367.7	-814	-348	Forecast -1,849 weeks below affordable level of 78,040 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+327	Forecast average unit cost +£4.19 below affordable level of £184.00	
					+500	One-off direct payments	
					-1,286	Recovery of unspent funds from clients	
					-7	Other minor variances	
- Physical Disability (aged 18-64)	12,067.7	0.0	12,067.7	+729	+1,192	Forecast +6,031 weeks above affordable level of 60,472 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-61	Forecast average unit cost -£1.01 below affordable level of £198.65	
					+775	One-off direct payments	
					-1,209	Recovery of unspent funds from clients	
					+32	Other minor variances	
Total Direct Payments	45,156.7	-153.8	45,002.9	-176			
- Domiciliary Care							
- Learning Disability (aged 18+)	993.3	-14.0	979.3	-264	-286	Forecast -20,365 hours below affordable level of 64,081 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+10	Forecast average unit cost +£0.15 above affordable level of £13.87	
					+12	Other minor variances	
- Older People (aged 65+) - in house service (KEaH)	7,888.9	-5,415.4	2,473.5	+140	+140	Higher usage of Kent Enablement at Home Service (KEaH) than anticipated for Older People clients	
- Older People (aged 65+) - Commissioned Service	16,843.4	-10,157.1	6,686.3	+8,605	+6,596	Forecast +453,920 hours above affordable level of 1,168,456 hours	Management action is currently being finalised to reduce the overall demand for this service and any ongoing demographic pressures & savings will be addressed in the 2016-19 MTFP
					+175	Forecast average unit cost +£0.15 above affordable level of £14.38	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+1,696	Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme	The revised timing of the anticipated delivery of phase 2 transformation savings will be addressed in the 2016-19 MTFP
					+164	Commissioning additional block domiciliary related contracts primarily related to providing additional support within Extra Care Sheltered Housing.	This pressure is expected to be ongoing & will need to be addressed in the 2016-19 MTFP.
					-26	Other minor variances	
- Physical Disability (aged 18-64) - in house service	579.4	0.0	579.4	0			
- Physical Disability (aged 18-64) - Commissioned Service	2,240.8	0.0	2,240.8	+2,782	+2,350	Forecast +166,931 hours above affordable level of 189,847 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+61	Forecast average unit cost +£0.32 above affordable level of £13.76	
					+372	Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme	The revised timing of the anticipated delivery of phase 2 transformation savings will be addressed in the 2016-19 MTFP
					-1	Other minor variances	
Total Domiciliary Care	28,545.8	-15,586.5	12,959.3	+11,263			
- Non Residential Charging							
- Learning Disability (aged 18+)	0.0	-3,191.3	-3,191.3	-413	-413	The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other learning disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report.	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net	£'000		
	£'000	£'000	£'000	£'000	£'000		
- Older People (aged 65+)	0.0	-7,516.3	-7,516.3	-1,000	-1,000	The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other older people community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report.	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
- Physical Disability (aged 18-64) / Mental Health (aged 18+)	0.0	-1,298.5	-1,298.5	-423	-370	The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other physical disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report.	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-53	Other minor variances	
Total Non Residential Charging Income	0.0	-12,006.1	-12,006.1	-1,836			
- Nursing & Residential Care							
- Learning Disability (aged 18+)	81,871.3	-6,646.9	75,224.4	-1,753	-2,613	Forecast -2,132 weeks below affordable level of 68,129 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+204	Leading to a shortfall in client contributions	
					+1,524	Forecast average unit cost +£22.37 above affordable level of £1,203.48	
					-199	Independent Sector: forecast average unit client contribution -£2.92 above affordable level of -£92.56	
					-634	Release of unrealised creditors	
					-35	Other minor variances	
- Mental Health (aged 18+)	8,054.0	-1,006.5	7,047.5	+1,324	+1,176	Forecast +1,816 weeks above affordable level of 12,652 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-76	Leading to an increase in client contributions	
					+147	Forecast average unit cost +£11.60 above affordable level of £636.00	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+43 Independent Sector: forecast average unit client contribution +£3.39 below affordable level of -£45.06	
					+34 Other minor variances	
- Older People (aged 65+) - Nursing	37,635.9	-16,250.7	21,385.2	-551	-3,210 Forecast -6,351 weeks below affordable level of 73,815 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+1,232 Leading to a shortfall in client contributions	
					+495 Forecast average unit cost +£6.71 above affordable level of £498.75	
					+956 Independent Sector: forecast average unit client contribution +£12.95 below affordable level of -£206.97	
					-24 Other minor variances	
- Older People (aged 65+) - Residential - in house service	20,057.6	-5,468.8	14,588.8	+379	+116 Additional agency staff to cover staff vacancies, along with higher than anticipated usage of agency staff for specialist care/nursing roles at Gravesham Place.	
					+156 Increase in running costs for Gravesham Place associated with a recharge from Health for staff, clinical items, utilities and unitary charge.	
					+88 Other minor variances for Gravesham Place including reduced health income associated with Registered Nursing Care Contributions (RNCC)	
					+19 Other minor variances within other residential units	
- Older People (aged 65+) - Residential - commissioned service	55,412.3	-29,367.8	26,044.5	+1,438	-3,471 Forecast -8,209 weeks below affordable level of 139,119 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+1,598 Leading to a shortfall in client contributions	
					+182 Forecast average unit cost +£1.31 above affordable level of £421.49	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+1,009 Independent Sector: forecast average unit client contribution +£7.25 below affordable level of -£201.90	The revised timing of the anticipated delivery of phase 2 transformation savings will be addressed in the 2016-19 MTFP
					+1,941 Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme	
					+188 Health have indicated that they will not contribute to an element of running costs for an integrated care centre. Although negotiations continue, it is considered prudent to reflect this as a pressure until the situation is resolved	
					-9 Other minor variances	
- Physical Disability (aged 18-64)	13,579.6	-1,729.9	11,849.7	-595	-571 Forecast -668 weeks below affordable level of 15,841 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+76 Leading to a shortfall in client contributions	
					-38 Forecast average unit cost -£2.41 below affordable level of £857.27	
					-62 Independent Sector: forecast average unit client contribution -£3.88 above affordable level of -£109.20	
Total Nursing & Residential Care	216,610.7	-60,470.6	156,140.1	+242		
- Supported Living						
- Learning Disability (aged 18+) - in house service	3,787.4	-1,593.7	2,193.7	-392	-100 Completion of the Pathway to Independence project pilot at lower cost than anticipated	
					-328 Local action plans in place to pool resources in preparation for move to Kent Pathways Service, leading to overall reduction in staffing costs as vacancies and secondments are not being filled	
					+36 Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Learning Disability (aged 18+) - shared lives scheme	3,582.7	-246.9	3,335.8	+233	+171	Forecast +59,368 hours above affordable level of 1,069,507 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+43	Forecast average unit cost +£0.04 above affordable level of £2.84	
					+19	Other minor variances	
- Learning Disability (aged 18+) - other commissioned supported living arrangements	31,662.7	-118.5	31,544.2	+2,881	+2,992	Forecast +305,264 hours above affordable level of 3,183,542 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-350	Forecast average unit cost -£0.11 below affordable level of £9.91	
					+117	Additional previous year costs relating to supporting living for which no creditor provision was raised in 2014-	
					+100	Estimated costs of unfilled block-purchased supported living placements	
- Older People (aged 65+) - in house service	4,825.0	-4,825.0	0.0	0			
- Older People (aged 65+) - commissioned service	400.7	0.0	400.7	-81	+15	Forecast +2,865 hours above affordable level of 48,688 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-150	Forecast average unit cost -£3.08 below affordable level of £8.23	
					+54	Other minor variances	
- Physical Disability (aged 18-64) / Mental Health (aged 18+) - in house service	107.4	-107.4	0.0	0			
- Physical Disability (aged 18-64) / Mental Health (aged 18+) - commissioned service	4,436.5	-210.2	4,226.3	+1,144	+648	Mental Health forecast +59,216 hours above affordable level of 177,381	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					-179	Forecast average unit cost -£1.01 below affordable level of £11.95	
					+1,091	Physical Disability forecast +185,185 hours above affordable level of 300,791 hours	
					-358	Forecast average unit cost -£1.19 below affordable level of £7.08	
					-58	Other minor variances	
Total Supported Living	48,802.4	-7,101.7	41,700.7	+3,785			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Other Services for Adults & Older People							
- Adaptive & Assistive Technology	6,106.6	-3,666.2	2,440.4	-176	-140	Reduced costs of various service level agreements for the occupational therapy and technician service, Integrated Community Equipment Store (ICES) and telecare service following contract renegotiations	
					-36	Other minor variances	
- Community Support Services for Mental Health (aged 18+) - in house service	1,383.8	-64.4	1,319.4	-52			
- Community Support Services for Mental Health (aged 18+) - commissioned service	1,717.1	-373.9	1,343.2	-54			
- Day Care							
- Learning Disability (aged 18+) - in house service	6,627.5	-70.7	6,556.8	-187	-102	Countywide reduction in Agency and contracted staffing costs resulting from 1:1 costs now being commissioned externally within the supported living service (now within the activity reported on the Learning Disability - other commissioned supported living A-	
					-118	Reduced costs of staff following the recent restructure of day care services and more effective management of resources	
					+33	Other minor variances	
- Learning Disability (aged 18+) - commissioned service	7,095.4	0.0	7,095.4	+783	+760	Pressure reflecting current demand for services provided by the independent sector including transport related costs	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
					+23	Other minor variances	
- Older People (aged 65+) - in house	877.9	-45.0	832.9	-52			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Older People (aged 65+) - commissioned service	959.1	0.0	959.1	-103	-103	Underspend reflecting current demand for services provided by the independent sector	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2016-19 MTFP
- Physical Disability (aged 18-64)	951.1	0.0	951.1	-64			
Total Day Care	16,511.0	-115.7	16,395.3	+377			
- Other Adult Services	3,532.0	-3,695.3	-163.3	-2,977	-3,275	Use of so-far uncommitted funding, held within Other Adult Services, to offset increased activity on Older People A-Z budget lines.	
					+189	Meals service pressure, primarily due to lower than anticipated client contributions	
					+109	Other minor variances including additional mental health client support costs	
- Safeguarding	1,865.2	-235.6	1,629.6	-380	-310	There are only part year costs in 2015-16 from the processing of additional Deprivation of Liberty cases as a result of a phased approach to recruitment but budget allows for full year effect.	
					-70	Other minor variances, including £46k relating to KCC's share of re-phasing into 2016-17 of Kent & Medway Safeguarding Vulnerable Adults Committee. This will be required to roll forward to meet our obligation to the Committee under the terms of the multi-agency agreement.	
- Social Support							
- Carers - in house service	3,550.9	-0.3	3,550.6	+8			
- Carers - commissioned service	10,466.9	-6,172.1	4,294.8	+247	+246	Higher than anticipated spend on supporting carers via external provision (including services provided by voluntary organisations)	

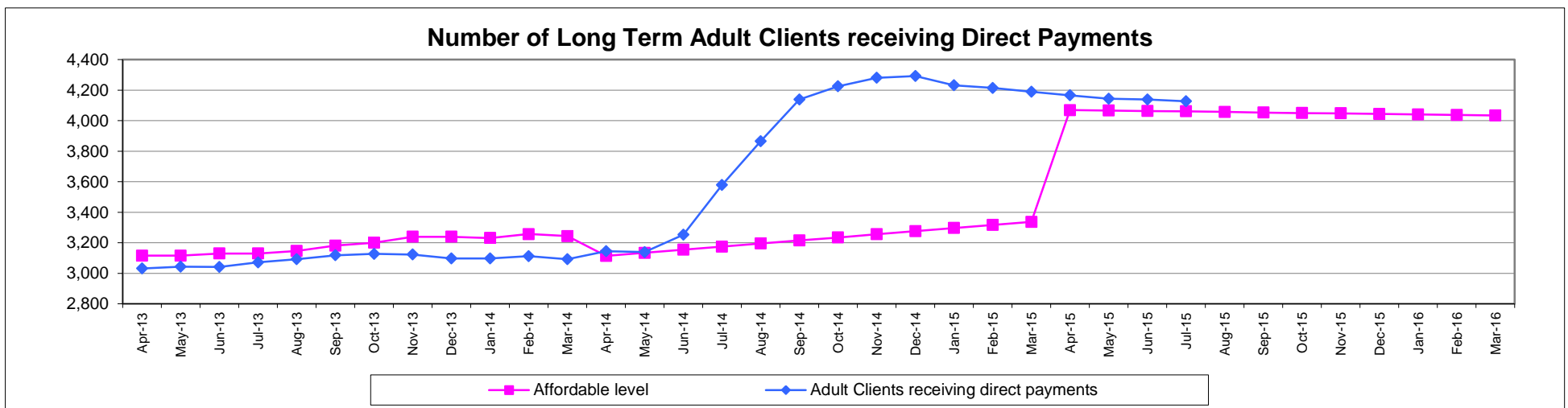
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+151	Lower than anticipated client income for Social Support to Carers
					-150	Lower than anticipated demand for Carers direct payments
- Information & Early Intervention	6,517.0	-1,952.9	4,564.1	+32		
- Social Isolation	6,291.0	-2,410.5	3,880.5	+19	+115	Payments to voluntary organisations as a result of higher than anticipated demand for Learning Disability services
					-96	Other minor variances
Total Social Support	26,825.8	-10,535.8	16,290.0	+306		
- Support & Assistance Service (Social Fund)	1,481.5	0.0	1,481.5	0		
Total Other Services for Adults & Older People	59,423.0	-18,686.9	40,736.1	-2,956		
<u>Community Services</u>						
- Local Healthwatch & NHS Complaints Advocacy	1,138.4	-705.9	432.5	-43		
<u>Housing Related Support for Vulnerable People (Supporting People)</u>						
- Administration	536.1	-150.0	386.1	-31		
- Adults - Learning Difficulties	3,352.2	0.0	3,352.2	-23		
- Adults - Physical Difficulties	138.5	0.0	138.5	0		
- Adults - Mental Health (aged 18+)	2,904.3	0.0	2,904.3	-58		
- Older People (aged 65+)	3,891.5	0.0	3,891.5	-46		
- Other Adults	7,421.6	0.0	7,421.6	0		
- Young People	3,677.9	0.0	3,677.9	0		
Total Housing Related Support for Vulnerable People	21,922.1	-150.0	21,772.1	-158		
<u>Public Health</u>						
- Drug & Alcohol Services (LASAR)	429.9	0.0	429.9	-25		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Assessment Services						
- Adult Social Care Staffing	44,594.3	-11,183.5	33,410.8	-1,445	-753	Delays in the recruitment to vacancies within the Mental Health assessment teams and the usage of locum/agency staff. This is partly due to recent staffing reviews along with general difficulties in recruiting to speciality mental health practitioners.
					-190	Delay in implementation of new Care Planning Management System
					-337	Delays in the recruitment to vacancies across Learning Disability assessment teams
					-154	Use of so-far uncommitted funding held within Adult Social Care staffing to offset spending on new Care Act responsibilities within the Older People Domiciliary Care A-Z budget line above
					-11	Other minor variances
Total SCH&W (Adults)	478,683.5	-127,724.2	350,959.3	+8,042		
Assumed Mgmt Action					-605	Plans are being refined to reduce the overall pressure on Older People and Physical Disability Services, centred around reducing the demand for domiciliary services and increasing client contributions. Initial estimates suggest up to a £605k reduction can be achieved, but work continues with the aim of reducing the pressures further.
Total SCH&W (Adults) Forecast <u>after</u> mgmt action	478,683.5	-127,724.2	350,959.3	+7,437		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Direct Payments - Number of Adult Social Services Clients receiving Direct Payments:

	2013-14			2014-15			2015-16		
	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month
Apr	3,116	3,032	164	3,114	3,145	216	4,069	4,166	141
May	3,116	3,043	169	3,134	3,139	160	4,067	4,144	113
Jun	3,130	3,042	120	3,155	3,253	184	4,063	4,139	101
Jul	3,130	3,072	173	3,175	3,579	215	4,061	4,127	111
Aug	3,147	3,092	158	3,195	3,866	200	4,057		
Sep	3,181	3,118	134	3,215	4,139	209	4,053		
Oct	3,201	3,127	179	3,235	4,225	204	4,050		
Nov	3,240	3,123	144	3,256	4,281	167	4,048		
Dec	3,240	3,098	159	3,276	4,292	115	4,044		
Jan	3,231	3,097	176	3,297	4,232	135	4,041		
Feb	3,257	3,112	135	3,317	4,214	128	4,037		
Mar	3,244	3,093	121	3,337	4,189	144	4,034		
			1,832			2,077			466

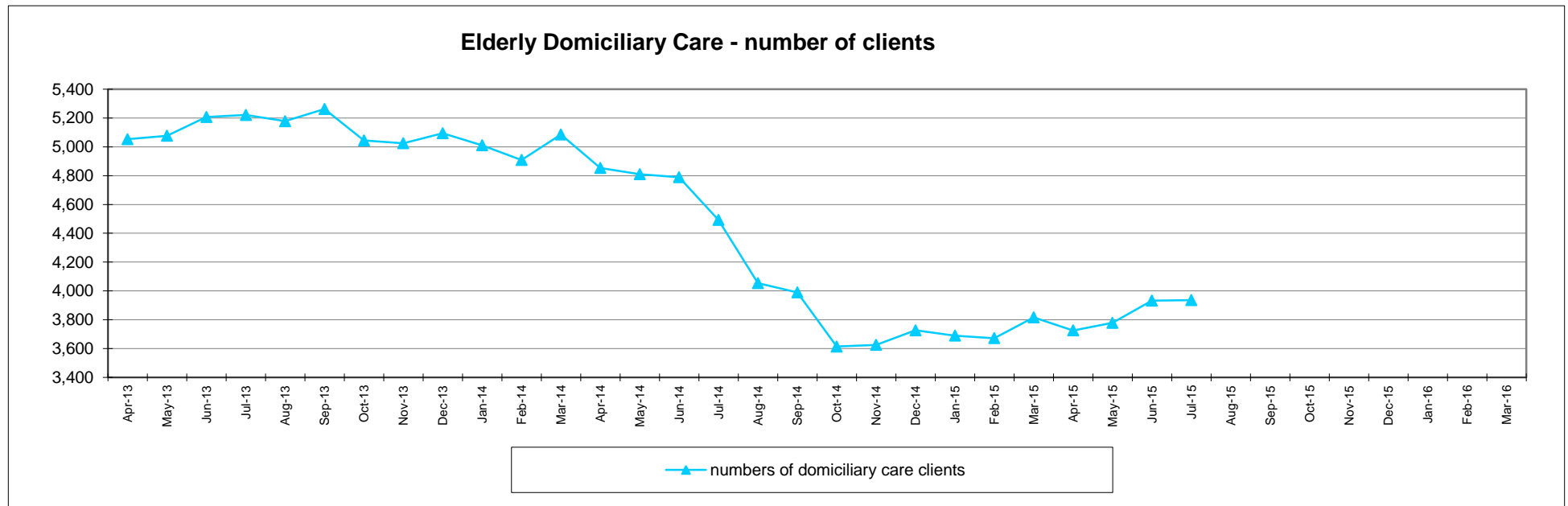


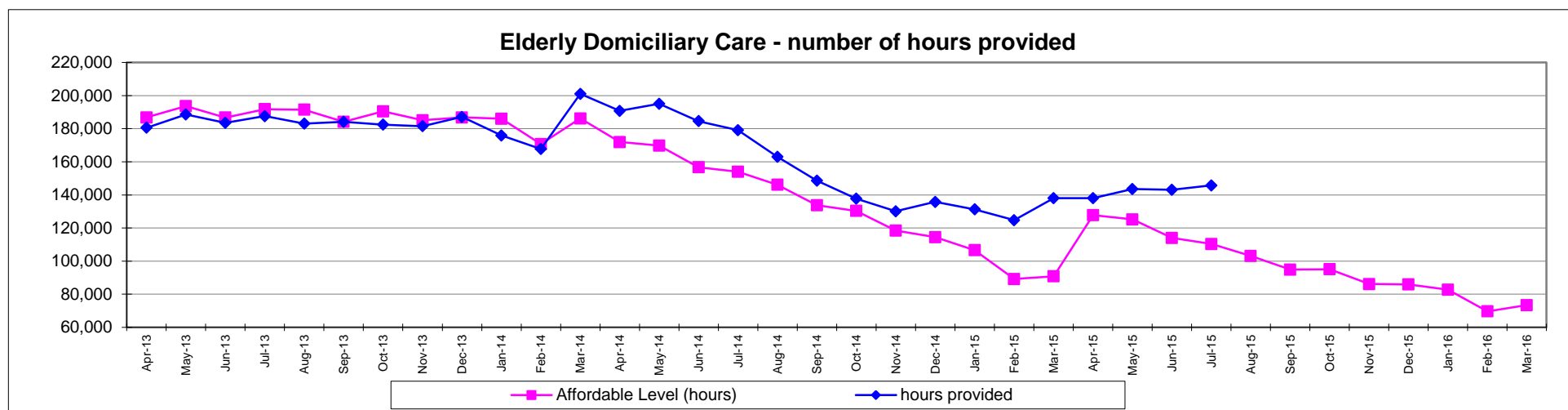
Comments:

- A long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- Please note that due to the time taken to record changes in direct payments onto the client database the number of clients and one-off direct payments for any given month may change, therefore the current year to date activity data is refreshed in each report to provide the most up to date information.
- Current activity to date compared against the profiled budget would suggest a lower level of activity than currently forecast on this service, however the current forecast includes a number of known clients who are not yet recorded on the activity data base. This position is being offset by recoveries of unspent funds from clients. The overall effect of these factors across individual client groups is reflected in Table 1, which shows a small forecast underspend of £176k against the overall direct payments budget.

2.2 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

	2013-14			2014-15			2015-16		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr	186,809	180,585	5,053	171,979	190,804	4,853	127,780	138,025	3,726
May	193,717	188,656	5,077	169,813	195,051	4,810	125,245	143,582	3,778
Jun	186,778	183,621	5,206	156,692	184,572	4,789	113,969	143,059	3,932
Jul	191,791	187,621	5,221	154,016	179,105	4,492	110,355	145,708	3,936
Aug	191,521	183,077	5,178	146,118	163,006	4,054	103,158		
Sep	184,242	184,208	5,262	133,761	148,649	3,989	94,880		
Oct	190,446	182,503	5,044	130,322	137,790	3,614	95,120		
Nov	185,082	181,521	5,025	118,474	130,108	3,625	86,179		
Dec	186,796	187,143	5,094	114,525	135,832	3,727	85,967		
Jan	186,006	175,916	5,011	106,627	131,261	3,690	82,698		
Feb	170,695	167,774	4,909	89,174	124,714	3,672	69,653		
Mar	186,184	201,069	5,085	90,829	138,077	3,817	73,452		
	2,240,067	2,203,694		1,582,330	1,858,968		1,168,456	570,374	





Comments:

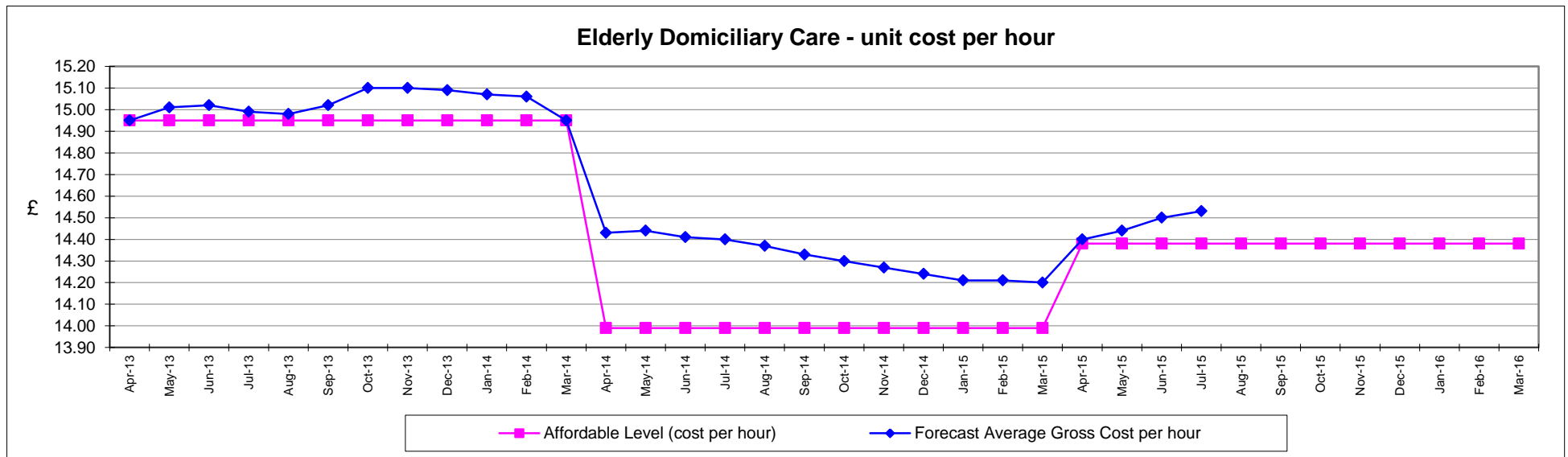
- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The current forecast is 1,622,376 hours of care against an affordable level of 1,168,456, a difference of +453,920 hours. Using the forecast unit cost of £14.53 this increase in activity increases the forecast by +£6,596k, as shown in table 1.
- The affordable level for 2015-16 reflects both the full year effect of phase 1 transformation changes, along with further reductions in relation to the phase 2 transformation programme based on the revised savings plans agreed with our transformation partners. Due to the revised phasing of the second tranche of savings, a separate pressure of £1,696k is being reported in table 1.
- To the end of July 570,374 hours of care have been delivered against an affordable level of 477,349, a difference of +93,025 hours. The budgeted level assumes a continual reduction in client numbers in line with transformation plans and the general trend experienced in recent years. Current activity suggests that the forecast should be lower on this service when compared to the budgeted profile, however the forecast reflects the continuation of the higher levels of activity experienced in 2014-15 and in the first 4 months of 2015-16, which have offset the effect of the transformation savings that are built in to the affordable profile.
- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service. However, as a result of this, clients who are receiving domiciliary care are likely to have greater needs and require more intensive packages of care than historically provided - the 2012-2013 average hours per client per week was 8.0, whereas the average figure for 2013-14 was 8.3 and 8.7 for 2014-15. For 2015-16, the current actual average hours per client per week is 8.5.

2.3 Average gross cost per hour of older people domiciliary care compared with affordable level:

	2013-14		2014-15		2015-16	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr	14.95	14.95	13.99	14.43	14.38	14.40
May	14.95	15.01	13.99	14.44	14.38	14.44
Jun	14.95	15.02	13.99	14.41	14.38	14.50
Jul	14.95	14.99	13.99	14.40	14.38	14.53
Aug	14.95	14.98	13.99	14.37	14.38	
Sep	14.95	15.02	13.99	14.33	14.38	
Oct	14.95	15.10	13.99	14.30	14.38	
Nov	14.95	15.10	13.99	14.27	14.38	
Dec	14.95	15.09	13.99	14.24	14.38	
Jan	14.95	15.07	13.99	14.21	14.38	
Feb	14.95	15.06	13.99	14.21	14.38	
Mar	14.95	14.95	13.99	14.20	14.38	

Comments:

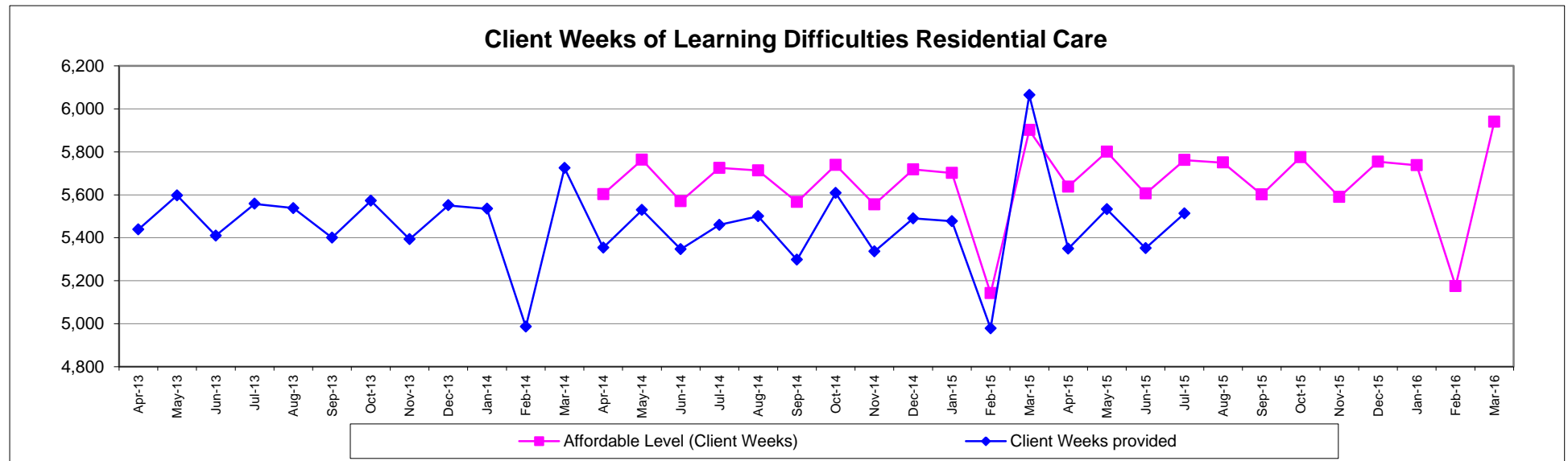
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£14.53 is higher than the affordable cost of +£14.38 and this difference of +£0.15 adds +£175k to the position when multiplied by the affordable weeks, as shown in table 1.
- The affordable level for 2015-16 reflects the result of the domiciliary re-let during 2014-15, along with an estimated price uplift. This affordable level will be updated once the actual 2015-16 price uplift has been agreed.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level:

	2013-14	2014-15		2014-15	
	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	5,439	5,603	5,354	5,638	5,349
May	5,597	5,763	5,529	5,800	5,533
Jun	5,410	5,570	5,347	5,606	5,351
Jul	5,558	5,725	5,460	5,762	5,513
Aug	5,538	5,713	5,500	5,750	
Sep	5,400	5,566	5,298	5,601	
Oct	5,572	5,739	5,608	5,775	
Nov	5,393	5,555	5,336	5,590	
Dec	5,551	5,718	5,490	5,754	
Jan	5,535	5,702	5,477	5,738	
Feb	4,986	5,142	4,978	5,175	
Mar	5,724	5,901	6,064	5,940	
	65,703	67,697	65,441	68,129	21,746

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to provide comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



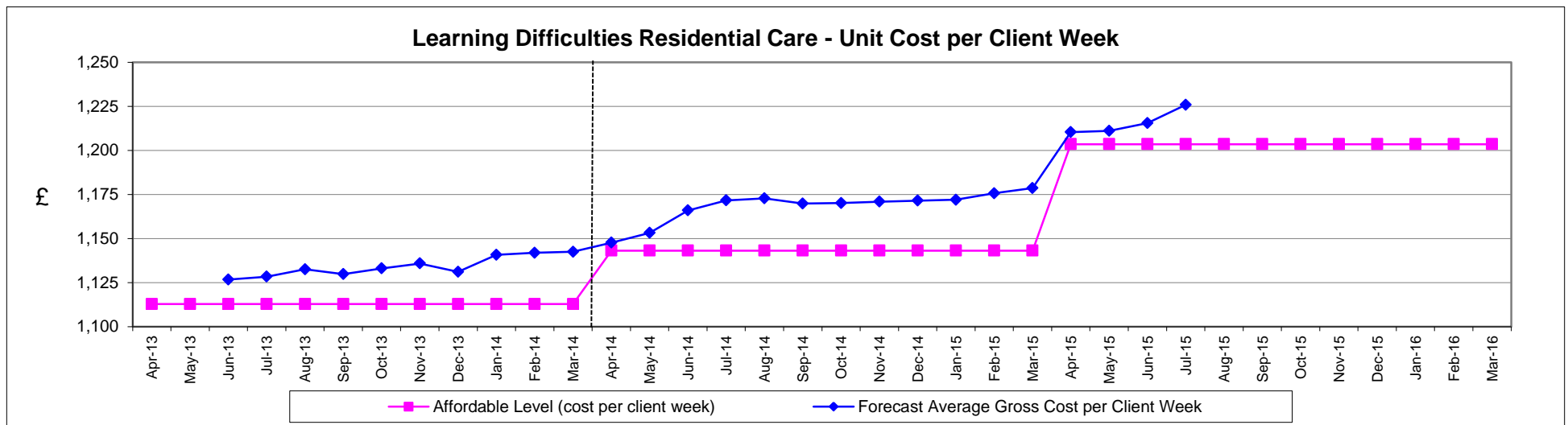
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care (including preserved rights clients) at the end of 2013-14 was 1,254, at the end of 2014-15 it was 1,258 and at the end of July 2015 it was 1,236. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 65,997 weeks of care against an affordable level of 68,129, a difference of -2,132 weeks. Using the forecast unit cost of £1,225.85, this reduced activity decreases the forecast by -£2,613k, as shown in table 1.
- The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.
- To the end of July 21,746 weeks of care have been delivered against an affordable level of 22,806, a difference of -1,060 weeks. The year to date activity suggests a lower level of activity than currently forecast, however, this is mainly due to delays in the recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated. In addition, the forecast assumes that some activity for transitional and provisional clients will, by necessity, need to be backdated due to bespoke contracts that have to be agreed individually with providers.

2.5 Average gross cost per client week of learning disability residential care compared with affordable level

	2013-14		2014-15		2015-16	
	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr	1,112.86		1,143.16	1,147.62	1,203.48	1,210.33
May	1,112.86		1,143.16	1,153.21	1,203.48	1,211.12
Jun	1,112.86	1,126.76	1,143.16	1,165.91	1,203.48	1,215.42
Jul	1,112.86	1,128.39	1,143.16	1,171.61	1,203.48	1,225.85
Aug	1,112.86	1,132.54	1,143.16	1,172.74	1,203.48	
Sep	1,112.86	1,129.75	1,143.16	1,169.82	1,203.48	
Oct	1,112.86	1,133.04	1,143.16	1,170.10	1,203.48	
Nov	1,112.86	1,135.86	1,143.16	1,170.90	1,203.48	
Dec	1,112.86	1,131.13	1,143.16	1,171.47	1,203.48	
Jan	1,112.86	1,140.70	1,143.16	1,171.99	1,203.48	
Feb	1,112.86	1,141.90	1,143.16	1,175.62	1,203.48	
Mar	1,112.86	1,142.45	1,143.16	1,178.59	1,203.48	

- From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.
- The affordable unit cost for 2015-16 reflects an estimated price uplift. This affordable level will be updated once the actual 2015-16 price uplift has been agreed.



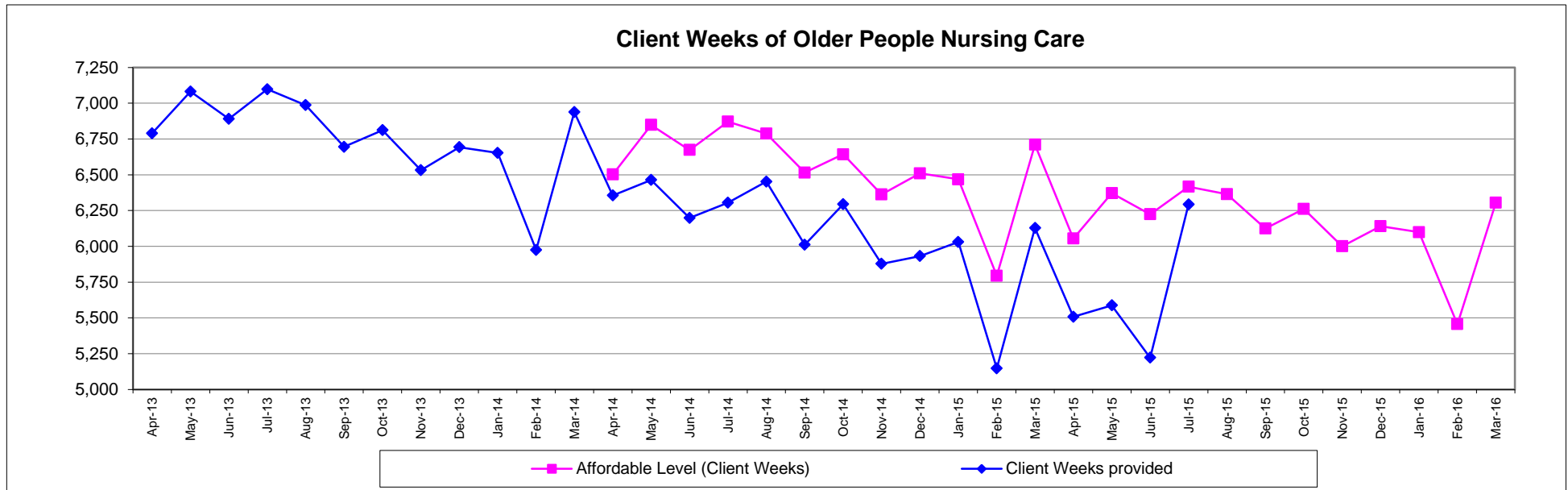
Comments:

- Clients being placed in residential care are those with very complex and individual needs which make it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,200 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high cost – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases.
- The forecast unit cost of +£1,225.85 is higher than the affordable cost of +£1,203.48 and this difference of +£22.37 adds +£1,524k to the position when multiplied by the affordable weeks, as shown in table 1.
- The steep price increase in July has been influenced by a home closure requiring the clients to be transferred to new settings. As a result of the short notice of closure, many of these new placements are more expensive.

2.6 Number of client weeks of older people nursing care provided compared with affordable level:

	2013-14	2014-15		2015-16	
	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	6,789	6,502	6,355	6,054	5,507
May	7,081	6,848	6,464	6,372	5,587
Jun	6,891	6,673	6,199	6,224	5,222
Jul	7,097	6,871	6,304	6,416	6,293
Aug	6,986	6,788	6,452	6,364	
Sep	6,695	6,515	6,011	6,124	
Oct	6,812	6,643	6,294	6,261	
Nov	6,532	6,363	5,878	6,000	
Dec	6,693	6,510	5,932	6,141	
Jan	6,653	6,468	6,030	6,099	
Feb	5,975	5,795	5,147	5,456	
Mar	6,937	6,710	6,129	6,304	
	81,141	78,686	73,195	73,815	22,609

From April 2014 there was a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to provide comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



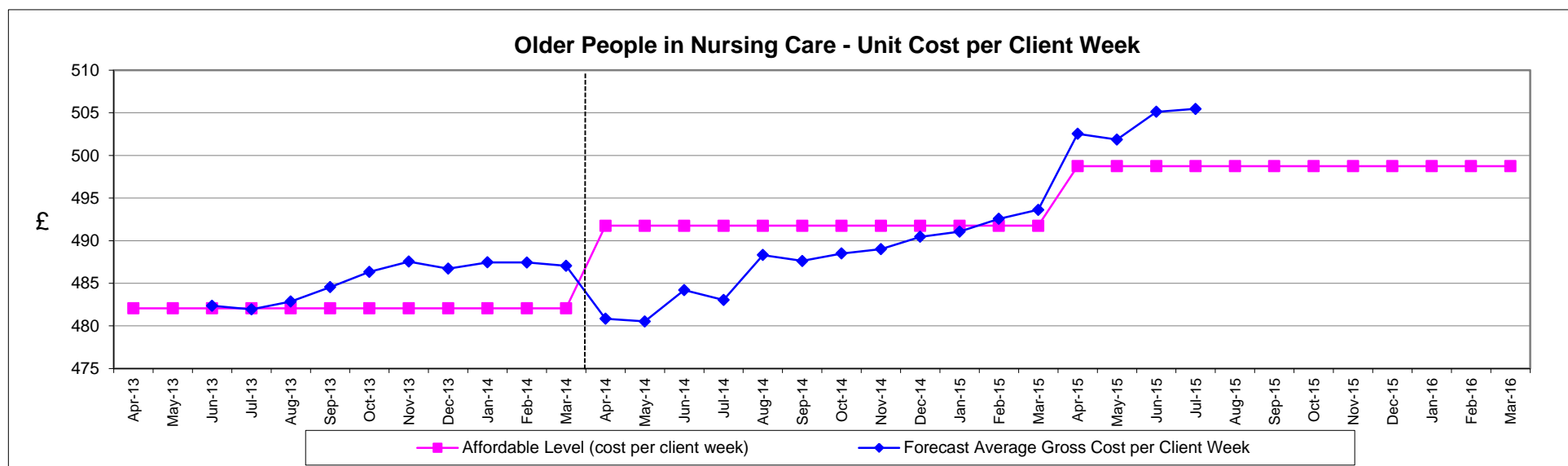
Comments:

- The graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2013-14 was 1,423, at the end of 2014-15 it was 1,253 and at the end of July 2015 it was 1,243.
- The current forecast is 67,464 weeks of care against an affordable level of 73,815, a difference of -6,351 weeks. Using the forecast unit cost of £505.46, this reduced activity decreases the forecast by -£3,210k, as shown in table 1.
- To the end of July 22,609 weeks of care have been delivered against an affordable level of 25,066, a difference of -2,457 weeks. The year to date activity suggests a lower level of activity than currently forecast. However, it is believed the activity reported is understated due to delays in updating the activity database, meaning the year to date activity is understated. Work is currently underway to clear the backlog and update the activity database. This has resulted in higher than expected activity recorded for July as it includes the initial impact of this work, therefore not only reflecting July activity but also some activity relating to previous months.
- We are now making contributions under the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.7 Average gross cost per client week of older people nursing care compared with affordable level:

	2013-14		2014-15		2015-16	
	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr	482.05		491.75	480.83	498.75	502.53
May	482.05		491.75	480.53	498.75	501.86
Jun	482.05	482.37	491.75	484.21	498.75	505.11
Jul	482.05	481.93	491.75	483.04	498.75	505.46
Aug	482.05	482.87	491.75	488.31	498.75	
Sep	482.05	484.55	491.75	487.62	498.75	
Oct	482.05	486.34	491.75	488.50	498.75	
Nov	482.05	487.54	491.75	489.00	498.75	
Dec	482.05	486.72	491.75	490.45	498.75	
Jan	482.05	487.46	491.75	491.06	498.75	
Feb	482.05	487.44	491.75	492.57	498.75	
Mar	482.05	487.05	491.75	493.62	498.75	

From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.



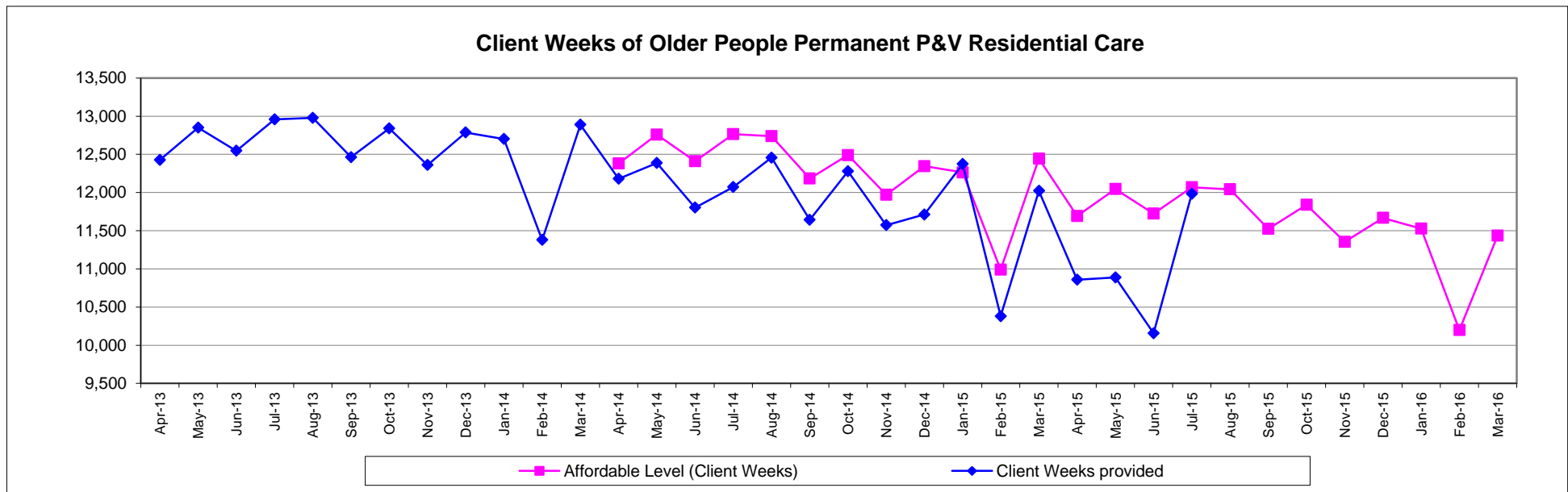
Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The forecast unit cost of +£505.46 is higher than the affordable cost of +£498.75 and this difference of +£6.71 increases the position by +£495k when multiplied by the affordable weeks, as shown in table 1.
- The unit cost for 2015-16 includes the full year effect of the price increase which took effect from October 2014, whereas the unit cost in 2014-15 is an average for the year and therefore only includes a part year effect of this price uplift.

2.8 Number of client weeks of older people permanent P&V residential care provided compared with affordable level:

	2013-14	2014-15		2015-16	
	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	12,427	12,381	12,179	11,693	10,858
May	12,849	12,757	12,388	12,046	10,888
Jun	12,547	12,409	11,802	11,723	10,157
Jul	12,959	12,764	12,071	12,068	11,983
Aug	12,978	12,739	12,456	12,041	
Sep	12,463	12,184	11,644	11,524	
Oct	12,839	12,490	12,279	11,839	
Nov	12,360	11,972	11,573	11,355	
Dec	12,787	12,345	11,712	11,667	
Jan	12,701	12,264	12,373	11,527	
Feb	11,380	10,991	10,381	10,199	
Mar	12,887	12,443	12,022	11,437	
	151,177	147,739	142,880	139,119	43,886

From April 2014 there was a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



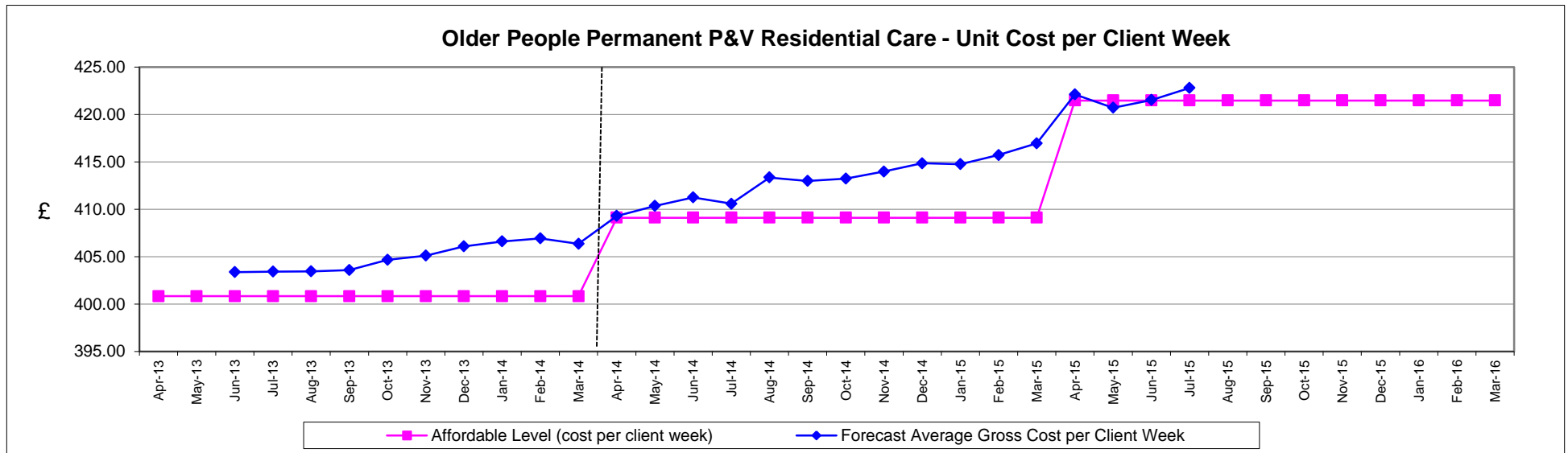
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2013-14 was 2,704, at the end of 2014-15 it was 2,480 and at the end of July 2015 it was 2,427 . It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.
- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.
- The current forecast is 130,910 weeks of care against an affordable level of 139,119, a difference of -8,209 weeks. Using the forecast unit cost of £422.80, this reduced activity decreases the forecast by -£3,471k, as shown in table 1.
- To the end of July 43,886 weeks of care have been delivered against an affordable level of 47,530 a difference of -3,644 weeks. The year to date activity suggests a lower level of activity than currently forecast. However, it is believed the activity reported is understated due to delays in updating the activity database, meaning the year to date activity is understated. Work is currently underway to clear the backlog and update the activity database. This has resulted in higher than expected activity recorded for July as it includes the initial impact of this work, therefore not only reflecting July activity but also some activity relating to previous months.
- We are now making contributions to the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.9 Average gross cost per client week of older people permanent P&V residential care provided compared with affordable level:

	2013-14		2014-15		2015-16	
	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr	400.83		409.12	409.31	421.49	422.12
May	400.83		409.12	410.36	421.49	420.72
Jun	400.83	403.38	409.12	411.25	421.49	421.54
Jul	400.83	403.43	409.12	410.59	421.49	422.80
Aug	400.83	403.46	409.12	413.36	421.49	
Sep	400.83	403.59	409.12	413.00	421.49	
Oct	400.83	404.67	409.12	413.25	421.49	
Nov	400.83	405.12	409.12	413.99	421.49	
Dec	400.83	406.10	409.12	414.86	421.49	
Jan	400.83	406.62	409.12	414.76	421.49	
Feb	400.83	406.94	409.12	415.73	421.49	
Mar	400.83	406.35	409.12	416.97	421.49	

From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. The overall impact of this change has been to increase the overall number of clients whilst increasing the unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.

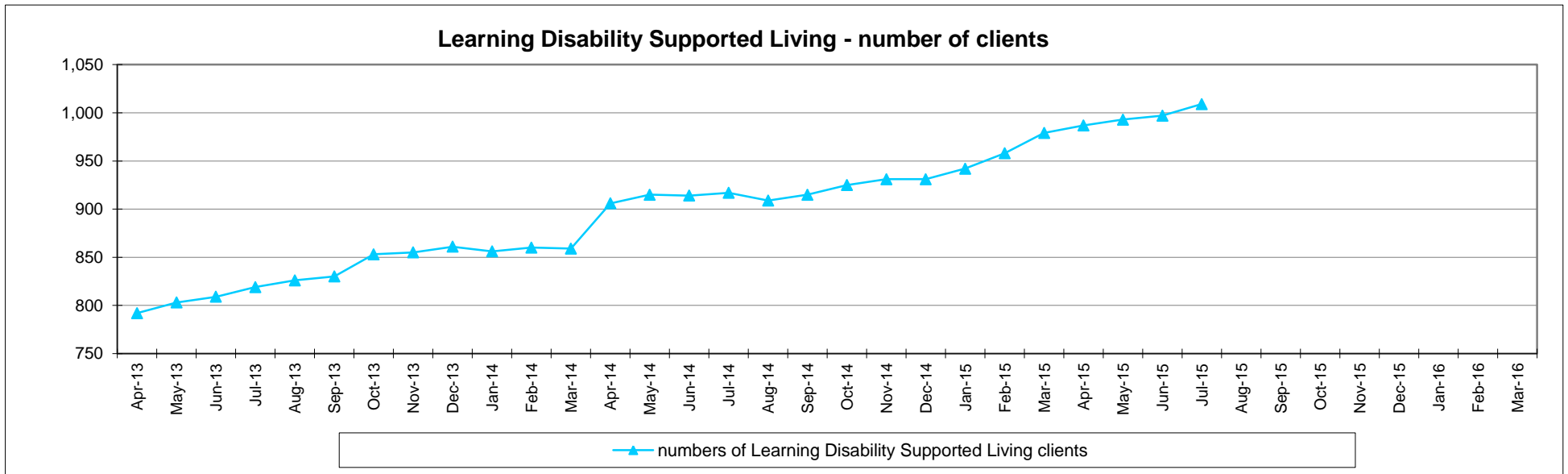


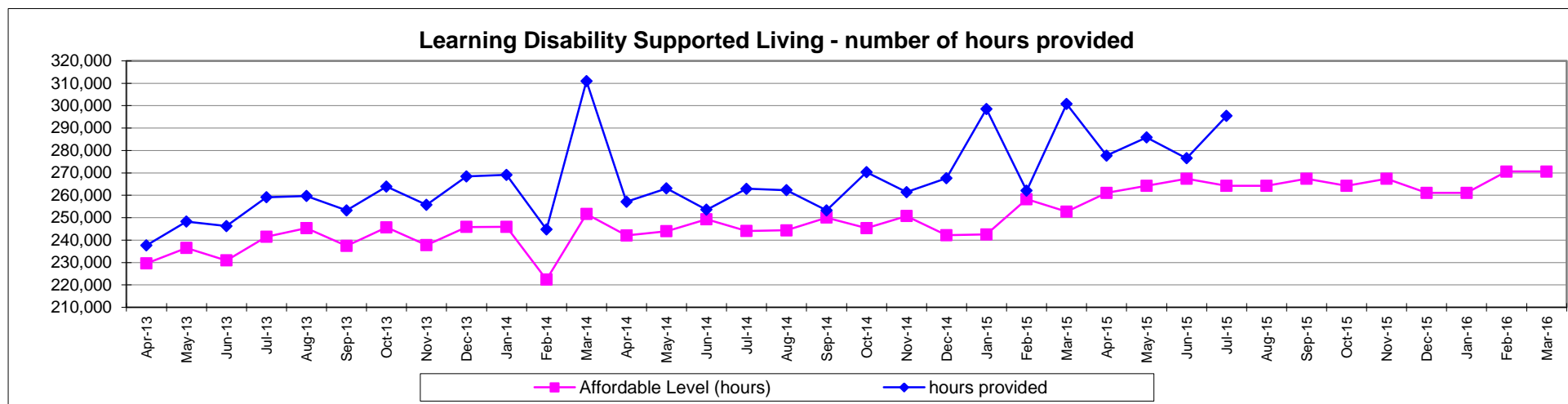
Comments:

- The forecast unit cost of +£422.80 is higher than the affordable cost of +£421.49 and this difference of +£1.31 adds +£182k to the position when multiplied by the affordable weeks, as shown in table 1.
- This general increasing trend in average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above. New cases are likely to enter the service at higher unit costs, reflecting the fact that only those with higher needs are directed towards residential care, while those with lower needs are directed towards other forms of support.

2.10 Learning Disability Supported Living – numbers of clients and hours provided in the independent sector

	2013-14			2014-15			2015-16		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr	229,595	237,586	792	242,016	257,102	906	261,050	277,711	987
May	236,463	248,239	803	243,920	263,101	915	264,234	285,786	993
Jun	230,924	246,245	809	249,306	253,552	914	267,418	276,507	997
Jul	241,526	259,125	819	244,064	262,906	917	264,234	295,434	1,009
Aug	245,366	259,688	826	244,360	262,245	909	264,234		
Sep	237,459	253,230	830	250,030	253,263	915	267,418		
Oct	245,710	263,849	853	245,304	270,298	925	264,234		
Nov	237,732	255,747	855	250,730	261,412	931	267,418		
Dec	245,833	268,439	861	242,207	267,598	931	261,050		
Jan	245,925	269,112	856	242,547	298,520	942	261,050		
Feb	222,397	244,716	860	258,264	262,038	958	270,601		
Mar	251,616	310,965	859	252,712	300,749	979	270,601		
	2,870,543	3,116,941		2,965,460	3,212,783		3,183,542	1,135,438	





Comments:

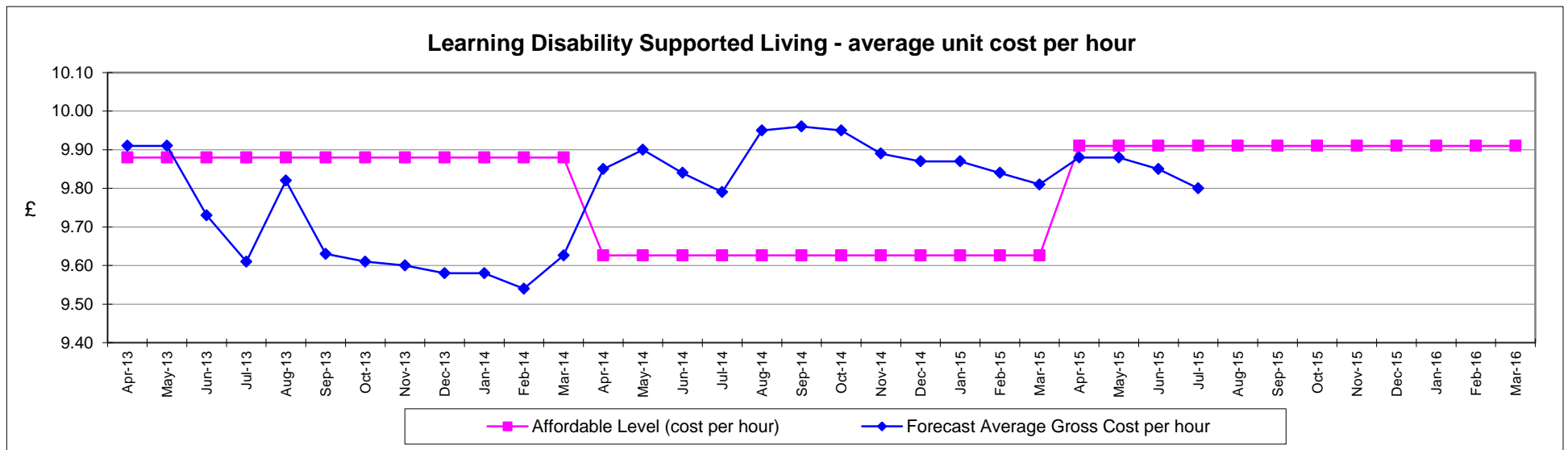
- This indicator has changed for 2015-16 and now excludes activity relating the adult placement scheme as this is now reported within a separate budget line. This measure continues to incorporate 2 different supported living arrangements; supported accommodation (mainly S256 clients) and Supporting Independence Service. Services for individual clients are commissioned in either sessions or hours, however for the purposes of this report, sessions are converted into hours on a standard basis. In addition, the details of the number of clients in receipt of these services is given on a monthly basis. Activity for 2013-14 and 2014-15 has also been restated to exclude the adult placement scheme to ensure data is directly comparable.
- The current forecast is 3,488,806 hours of care against an affordable level of 3,183,542, a difference of +305,264 hours. Using the forecast unit cost of £9.80, this increased activity increases the forecast by +£2,992k, as shown in table 1.
- To the end of July 1,135,438 hours of care have been delivered against an affordable level of 1,056,936, a difference of +78,502 hours. The forecast number of hours reflects an increase in activity expected in future months which is also reflected in the profile of the budgeted level. However, the year to date activity still suggests a lower level of activity than currently forecast, which is mainly due to a delay in the recording of transitional and provisional clients on the activity database. Such delays are intrinsic to this service as a result of the channels through which referrals take place, i.e. ordinary residence cases, where complex negotiations are involved to determine the point at which different local authorities have responsibility for clients, in addition to the number of bespoke contracts that have to be agreed individually with providers.

2.11 Average gross cost per hour of Supported Living service compared with affordable level:

	2013-14		2014-15		2015-16	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr	9.88	9.91	9.63	9.85	9.91	9.88
May	9.88	9.91	9.63	9.90	9.91	9.88
Jun	9.88	9.73	9.63	9.84	9.91	9.85
Jul	9.88	9.61	9.63	9.79	9.91	9.80
Aug	9.88	9.82	9.63	9.95	9.91	
Sep	9.88	9.63	9.63	9.96	9.91	
Oct	9.88	9.61	9.63	9.95	9.91	
Nov	9.88	9.60	9.63	9.89	9.91	
Dec	9.88	9.58	9.63	9.87	9.91	
Jan	9.88	9.58	9.63	9.87	9.91	
Feb	9.88	9.54	9.63	9.84	9.91	
Mar	9.88	9.63	9.63	9.81	9.91	

Comments:

- This measure comprises 2 distinct client groups and each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.
- The forecast unit cost of +£9.80 is lower than the affordable cost of +£9.91 and this difference of -£0.11 reduces the position by -£350k when multiplied by the affordable hours, as shown in table 1.



2.12 SOCIAL CARE DEBT MONITORING

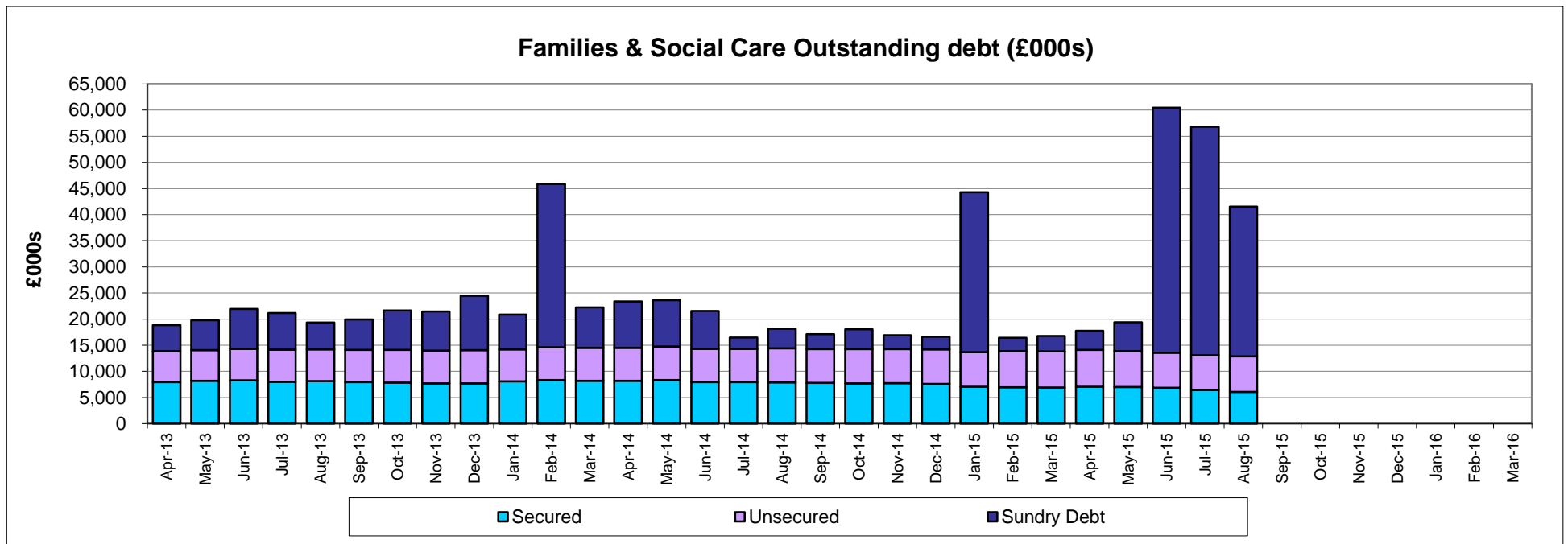
The outstanding debt as at the end of August was £41.514m compared with July's figure of £56.795m excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £28.648m of sundry debt compared to £43.741m in July. It is not unusual for sundry debt to fluctuate for large invoices to Health - the major contributing factor to this high level of sundry debt is a number of invoices raised early in this financial year across the East Kent Clinical Commissioning Groups (CCGs) for the Better Care Fund (BCF) totalling £43m. **There is minimal risk around this £43m debt** as it is secured by a signed Section 75 agreement, meaning that the CCGs are legally obliged to pay. Payments are being received monthly, with 5 instalments received to date and 7 instalments remaining, so this debt will reduce over the remaining months of the financial year. Also within the outstanding debt is £12.866m relating to Social Care (client) debt which is a reduction of £0.188m from the July position. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. The sundry debt figures are based on calendar months.

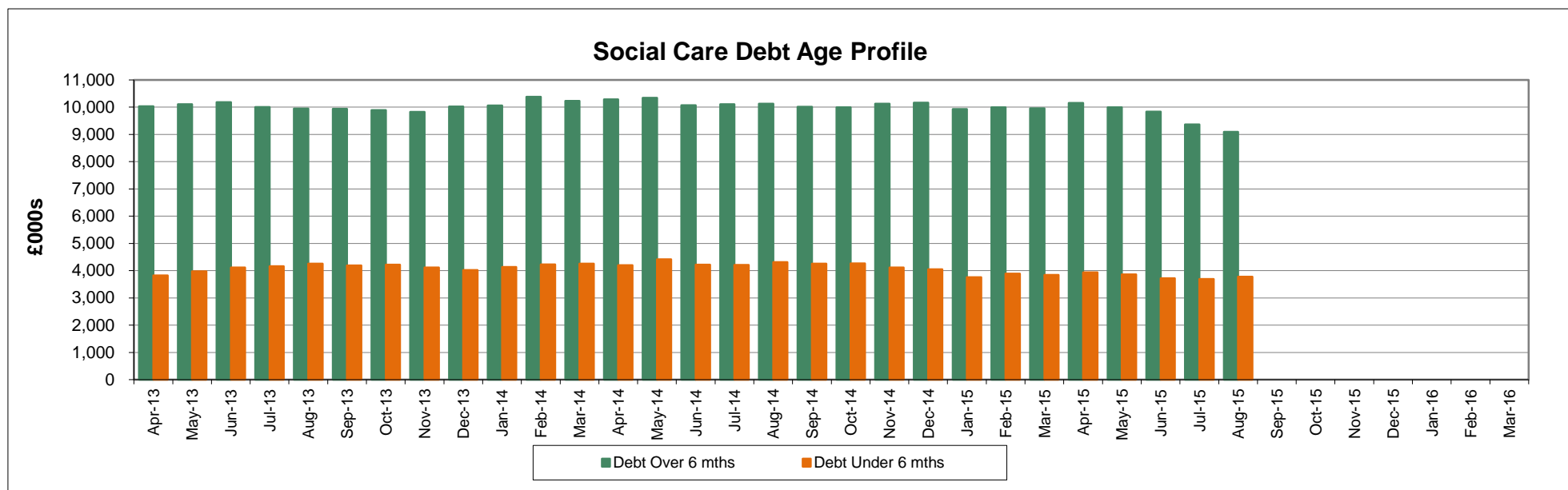
	Social Care Debt						
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
Apr-14	23,374	8,884	14,490	10,288	4,202	8,220	6,270
May-14	23,654	8,899	14,755	10,342	4,413	8,353	6,402
Jun-14	21,579	7,289	14,290	10,071	4,219	7,944	6,346
Jul-14	16,503	2,187	14,316	10,108	4,208	7,927	6,389
Aug-14	18,138	3,707	14,431	10,122	4,309	7,882	6,549
Sep-14	17,119	2,849	14,270	10,015	4,255	7,805	6,465
Oct-14	18,060	3,808	14,252	9,992	4,260	7,709	6,543
Nov-14	16,907	2,658	14,249	10,131	4,118	7,777	6,472
Dec-14	16,612	2,406	14,206	10,160	4,046	7,624	6,582
Jan-15	44,315	30,632	13,683	9,926	3,757	7,079	6,604
Feb-15	16,425	2,538	13,887	9,996	3,891	6,973	6,914
Mar-15	16,757	2,955	13,802	9,962	3,840	6,915	6,887
Apr-15	17,764	3,669	14,095	10,155	3,940	7,069	7,026
May-15	19,391	5,534	13,857	9,994	3,863	7,009	6,848
Jun-15	60,443	* 46,885	13,558	9,837	3,721	6,885	6,673

* incl. BCF debt of £42,867k

	Social Care Debt						
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
	Jul-15	56,795	* 43,741	13,054	9,366	3,688	6,417
Aug-15	41,514	* 28,648	12,866	9,090	3,776	6,075	6,791
Sep-15							
Oct-15							
Nov-15							
Dec-15							
Jan-16							
Feb-16							
Mar-16							

* incl. BCF debt of £39,295k
 * incl. BCF debt of £25,006k





With regard to Social Care debt, the tables below show the current breakdown and movement since last month of secured, unsecured and health debt, together with a breakdown of unsecured debt by client group.

Social Care debt by Customer Credit Status	July £000s	August £000s	Movement £000s
Secured	6,417	6,075	-342
Unsecured - Deceased/Terminated Service	1,828	1,830	2
Unsecured - Ongoing	4,735	4,914	179
Caution/Restriction (Unsecured)	70	42	-28
Health (Unsecured)	4	5	1
TOTAL	13,054	12,866	-188

Unsecured debt by Client Group	July £000s	August £000s	Movement £000s
Older People/Physical Disability	6,191	6,318	127
Learning Disability	323	344	21
Mental Health	123	129	6
TOTAL	6,637	6,791	154

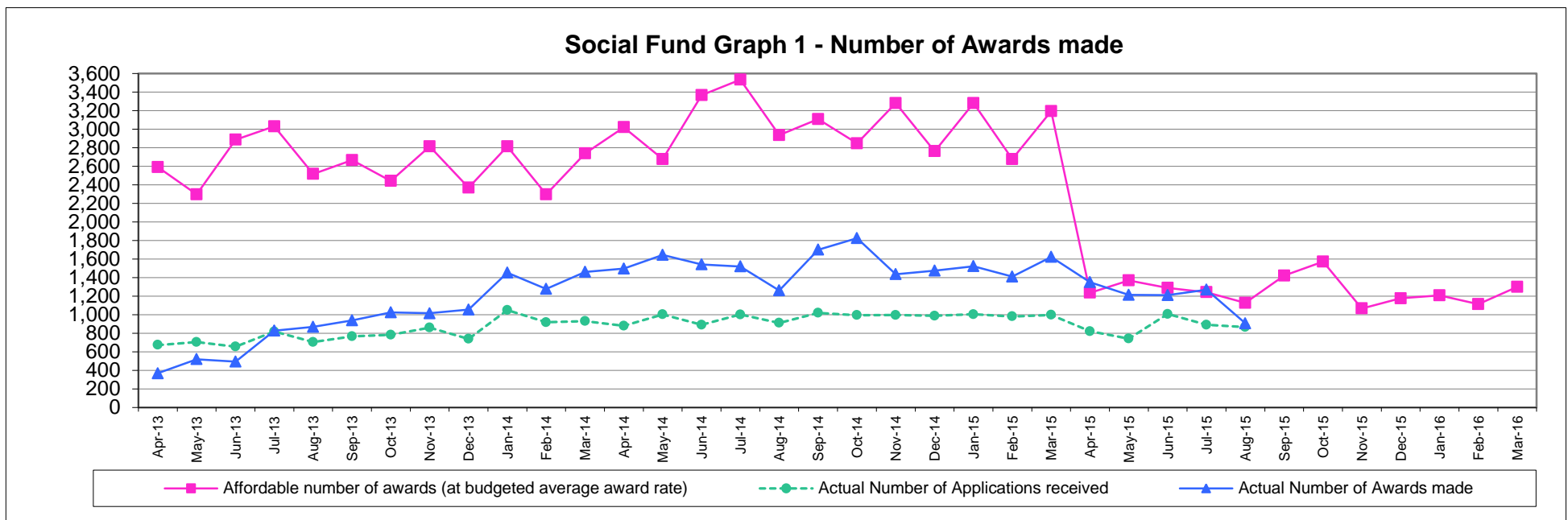
2.13 Number and Value of Social Fund awards made

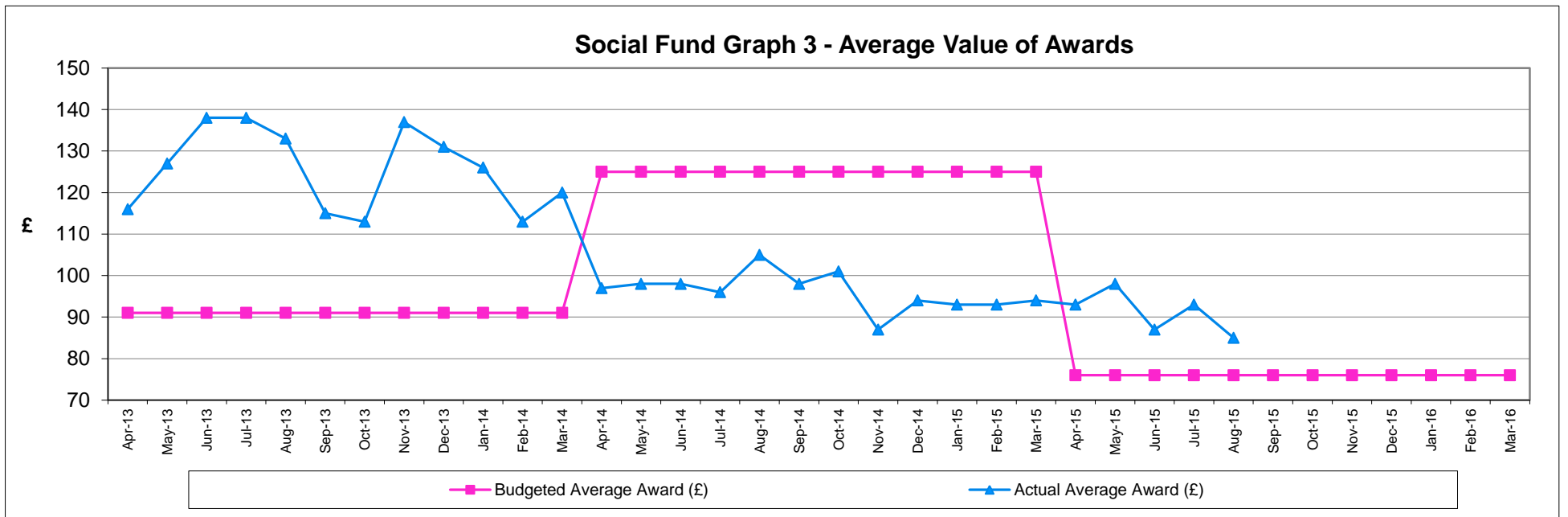
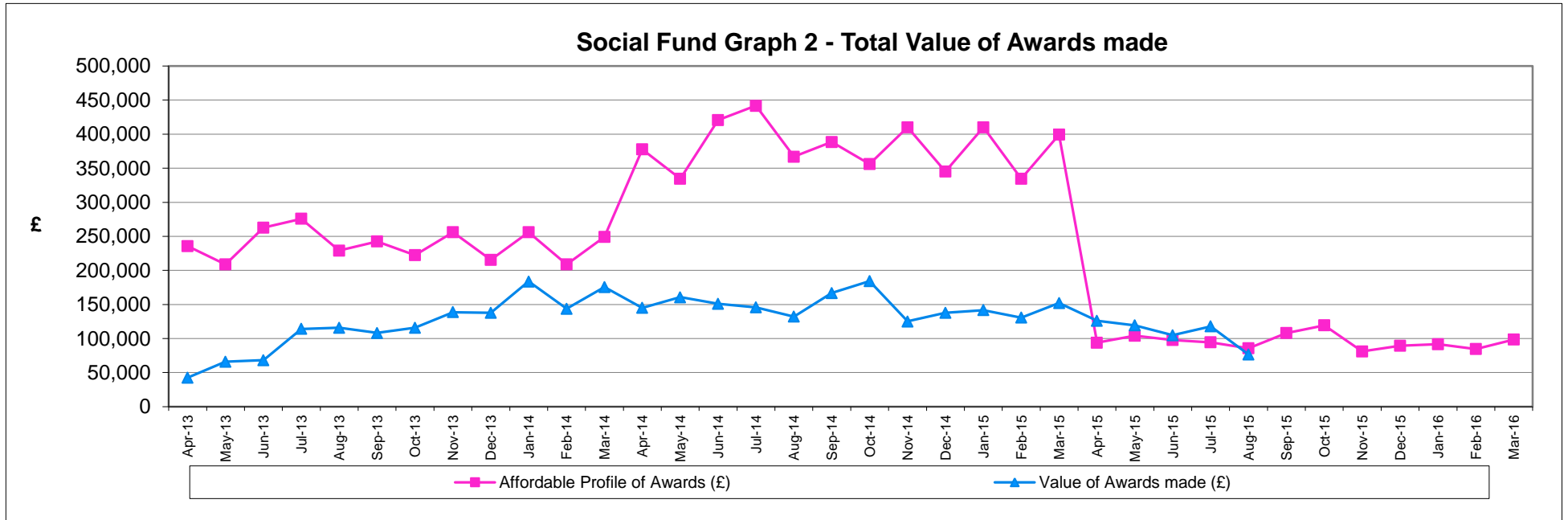
		(a) *	(b)	(c)	(d) *	(e)	(d) / (a)	(e) / (c)
		Affordable number of awards (at budgeted average award rate)	Actual number of applications received	Actual number of awards made	Affordable profile of awards (£)	Value of awards made (£)	Budgeted average award (£)	Actual average award (£)
2013-14	Apr	2,591	673	368	235,800	42,620	91	116
	May	2,296	704	520	208,900	65,907	91	127
	Jun	2,887	655	494	262,700	68,201	91	138
	Jul	3,031	818	828	275,800	114,188	91	138
	Aug	2,518	704	869	229,100	115,811	91	133
	Sep	2,666	766	939	242,600	108,237	91	115
	Oct	2,443	783	1,025	222,300	115,778	91	113
	Nov	2,813	861	1,015	256,000	138,738	91	137
	Dec	2,369	738	1,054	215,600	137,748	91	131
	Jan	2,813	1,050	1,453	256,000	183,774	91	126
	Feb	2,296	918	1,278	208,900	143,813	91	113
	Mar	2,739	930	1,460	249,300	175,416	91	120
			31,462	9,600	11,303	2,863,000	1,410,231	91
2014-15	Apr	3,021	880	1,496	377,600	145,043	125	97
	May	2,677	1,003	1,644	334,600	160,674	125	98
	Jun	3,366	891	1,541	420,700	151,071	125	98
	Jul	3,534	1,001	1,520	441,700	145,708	125	96
	Aug	2,935	911	1,261	366,900	132,206	125	105
	Sep	3,108	1,018	1,701	388,500	166,819	125	98
	Oct	2,848	994	1,826	356,000	184,200	125	101
	Nov	3,280	996	1,436	410,000	125,165	125	87
	Dec	2,762	988	1,474	345,300	137,907	125	94
	Jan	3,280	1,004	1,523	410,000	141,708	125	93
	Feb	2,677	981	1,410	334,600	130,743	125	93
	Mar	3,194	997	1,622	399,300	152,114	125	94
			36,682	11,664	18,454	4,585,200	1,773,358	125

* Columns (a) and (d) are based on available funding which has been profiled by month and type of award (excluding cash awards) in the same ratio as the previous DWP scheme. As the criteria and awards for the scheme differ to the DWP scheme, this does not represent the anticipated demand for the scheme, but represents the maximum affordable level should sufficient applications be received which meet the criteria. *Please note as the data for 2013-14, the first year of our pilot scheme, includes increasing levels of activity as the service commenced, it is not considered to represent a typical year.*

One application may result in more than one award, e.g. an award for food & clothing and an award for utilities, hence the number of awards in column (c) may exceed the number of applications in column (b).

	(a) *	(b)	(c)	(d) *	(e)	(d) / (a)	(e) / (c)	
	Affordable number of awards (at budgeted average award rate)	Actual number of applications received	Actual number of awards made	Affordable profile of awards (£)	Value of awards made (£)	Budgeted average award (£)	Actual average award (£)	
2015-16	Apr	1,237	821	1,350	94,000	125,979	76	93
	May	1,370	742	1,214	104,100	119,356	76	98
	Jun	1,288	1,007	1,210	97,900	104,865	76	87
	Jul	1,242	891	1,269	94,400	117,923	76	93
	Aug	1,128	865	907	85,700	76,786	76	85
	Sep	1,422			108,100		76	
	Oct	1,571			119,400		76	
	Nov	1,067			81,100		76	
	Dec	1,176			89,400		76	
	Jan	1,208			91,800		76	
	Feb	1,114			84,700		76	
	Mar	1,299			98,700		76	
		15,122	4,326	5,950	1,149,300	544,909	76	92





Comments:

- The pilot scheme commenced in Kent on 1 April 2013 and differed from the previous cash-based Social Fund scheme, previously administered by DWP. The Kent Local Welfare Scheme offers emergency help to those experiencing a crisis; a disaster; or who are in need of help to make the transition into or remain within the local community. This scheme offers 4 types of award including food & clothing, furniture & white goods, energy vouchers and advice & guidance. In addition, all applicants, regardless of whether they receive an award or not, are signposted to the appropriate service to address any causal or underlying needs. This is an emergency fund and is targeted towards the most vulnerable in society. The figures provided in the table and represented in the graphs above reflect a combined average of these 4 types of award.
- All applications are immediately prioritised with the intention that high priority applications should receive the award within 24 hours. Medium and low priority applications are assessed within a longer timeframe e.g. applications for furniture from low risk households. Therefore, actual awards made in any month can exceed the number of applications for the month, either due to the processing of low priority cases from previous months, or as a result of individual applications resulting in multiple awards being granted, as referred to above.
- From April 2013 to March 2015, the scheme was funded from a Government grant. Due to uncertainty about both future levels of demand and government funding, the funding for awards in 2013-14 was ring-fenced and rolled forward to 2014-15 to provide some stability to the service and this roll forward is reflected in the 2014-15 affordable level as shown in the table above. Following the Government announcement to incorporate the Local Welfare Assistance Grant within the Revenue Support Grant (RSG) from 2015-16, the budget for this service as shown in table 1 is now £1,481.5k in line with the amount identified by Government as being included within our RSG for welfare provision. Within this £332.2k is the cost of administering the scheme, including signposting applicants to alternative appropriate services, and £1,149.3k is available to award where appropriate (column d in the table above).
- **Graph 1** above represents the number of individual awards granted, (there could be multiple awards arising from an individual application), compared to (i) the number of applications received and (ii) the affordable number of awards, as calculated using the budgeted average award rate, which is the maximum number of awards that can be afforded, not the anticipated level of demand. In the early months of 2013-14 the number of applications received was higher than the number of awards made, which predominately reflected that applications for cash awards were being received in line with the old DWP scheme, but this type of award is not generally offered as part of the Kent Local Welfare Scheme. Initially there were also a number of inappropriate referrals being made whereby the applicant did not qualify. However, the number of awards made is now higher than the number of applications received illustrating that a greater proportion of relevant applications are being received along with some applications resulting in more than one award e.g. an award for food and clothing and an award for energy vouchers.

- **Graph 2** represents the value of awards made against the maximum profiled funding available. In the first 4 months of the year, the value of the awards made has been higher than the affordable level, as the service adjusts to the reduction in budget. In August 2015 this trend reversed, likely to be in part due to the recently agreed changes to the scheme aimed at reducing the overall value of individual awards. The graph illustrates the rise in total monthly award values as the scheme matured during the first year and as the service has successfully signposted applicants to support and advice in their own communities. Changes to welfare reform may impact on the number and overall value of awards in future months. The number and value of awards shown in the table above represents the number and value of awards approved. Although awards are approved for individuals in dire need, not all approved awards are taken up for a variety of reasons. The financial outturn will reflect the value of awards actually paid, therefore will not necessarily match the value of awards approved as shown in the table above.
- **Graph 3** compares the budgeted average award value, based on the anticipated mix and value of awards, to the actual average award. Using DWP data, and excluding cash awards, it was anticipated that the majority of awards for this scheme would be for food & clothing, high volume & low value, and therefore the budgeted average award for 2013-14 was set with this in mind at £91. The affordable average award value was revised for 2014-15 to match the actual average award value for 2013-14 of £125. This increase in the budgeted average award value from £91 to £125 reflected a higher than expected number of awards in 2013-14 for furniture & equipment which have a higher award value. In line with the revised funding arrangement from 2015-16 the overall cash limit for awards has been reduced to £1,149.3k. Accordingly, the affordable average award value has been reduced to £76 (from the previously reported figure of £96 included in the Outturn report presented to Cabinet in July) to reflect recently agreed changes to the scheme aimed at reducing the overall value of individual awards. To the end of August 2015, 33% of the number of awards have been for food & clothing representing 37% of the value of awards (the percentages were 36% and 32% respectively in 2014-15). Whilst, Furniture & equipment (incl white goods) accounts for 41% of the number of awards but 57% of the value of awards (the percentages were 39% and 57% respectively in 2014-15). These ratios are largely unchanged from the same period in 2014. Changes to the scheme have only recently been agreed therefore the actual average award value of £85 in August 2015 does not yet fully reflect the impact of these changes and it is anticipated that the average award value will reduce in future months, along with a reduction in the percentage of total value of awards for higher cost items such as white goods and furniture, hence a balanced position is currently forecast for this service, as reflected in table 1. However, this will be reviewed for quarter 2 once the recent changes to the scheme start to take effect on the activity data. The awards figures across the Christmas periods include the impact of both energy and food awards being issued for 14 days rather than the normal 7 days to ensure continuity of provision. The scheme has responded to peaks in demand from civil emergencies such as the floods in December 2013 and more recently the Canterbury fire in July 2015.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Adult Services has a working budget for 2015-16 of £51,070k (£13,292k excluding PFI). The forecast outturn against the 2015-16 budget is £47,908k (£10,130k excluding PFI) giving a variance of -£3,162k (-£3,162k excluding PFI).

3.2 **Table 2** below details the SCH&W - Adult Services Capital Position by Budget Book line.

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Home Support Fund & Equipment	3,120	3,957					Green		
Individual Projects									
Kent Strategy for Services for Older People (OP):									
Think Autism	0	2	0	0			Green		
OP Strategy - Specialist Care Facilities	4,089	3,162	-3,162	-3,162	-£3,162k Rephasing: Capital Receipt	The Accommodation Strategy has identified a need to incentivise the market in Swale, Thanet and Sandwich. Market engagement has commenced in Swale which will inform what capital investment is needed. However, a more formal exercise may be required which is unlikely to be complete by the end of the financial year and therefore the budget is being rephased into 2016-17.	Green	Rephasing to 2016-17 previously reported.	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities:									
Learning Disability Good Day Programme-Community Hubs	0	1,443	0	0			Green		
Learning Disability Good Day Programme-Community Initiatives	0	651	0	0			Green		
Active Care / Active Lives Strategy:									
PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent	19,071	37,778	0	0			Green		
Developing Innovative and Modernising Services:									
Information Technology Projects	0	300	0	0			Green		
Lowfield St (formerly Trinity Centre, Dartford)	968	976	0	0			Amber	Project on hold due to development of site not progressing. In further negotiations with all parties on how to proceed.	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Care Act ICT Implementation	1,312	1,312	0	0			Green	Project currently at Planning stage.	
Wheelchair Accessible Housing	600	600	0	0			Green		
Developer Funded Community Schemes	889	889	0	0			Green		
Total	30,049	51,070	-3,162	-3,162					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
PUBLIC HEALTH
JULY 2015-16 MONITORING REPORT

1. REVENUE

1.1	Cash Limit	Variance Before transfer to Public Health Reserve	Transfer to Public Health Reserve	Net Variance after transfer to Public Health Reserve
Total (£k)	-693	-144	+144	-

- 1.2.1 As previously reported to Cabinet, the Government has announced that £200m of in year savings from the Department of Health are to come from public health budgets devolved to local authorities. National consultation setting out possible options on reducing Local Authority (LA) public health allocations ran from 31 July to 28 August. The options included:
- (1) take a larger share from LAs that are significantly above their target allocation;
 - (2) take a larger share of the savings from LAs that carried forward unspent PH reserves into 2015-16;
 - (3) apply a flat rate percentage reduction to all LAs allocations;
 - (4) apply a standard percentage reduction to every LA unless an authority can show that this would result in particular hardship.
- Our response to the consultation was that option 1 above was our preferred option. Kent is currently below our target allocation. Although we do not expect to know the outcome of the consultation until early autumn, the Department of Health's stated preferred option is to apply a 6.2% reduction across the board (option 3 above), which for Kent would mean a cut in funding of £4.040m. On this basis, the service is considering options for dealing with an in-year 2015-16 budget reduction of this level, **but it should be noted that a reduction of this size would require cuts to service levels.**

- 1.2.2 **Table 1** below details the revenue position by A-Z budget:

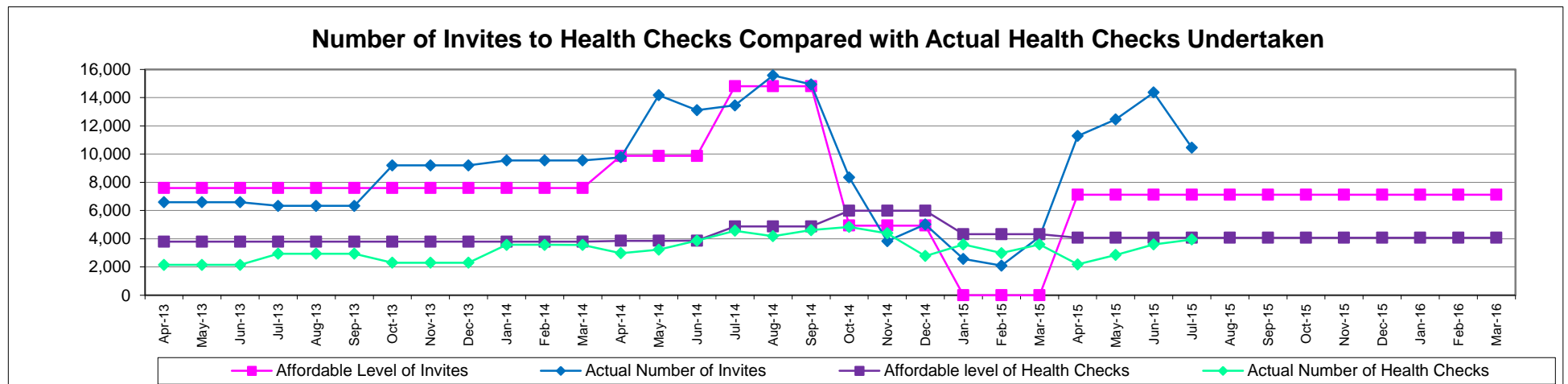
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Social Care, Health & Wellbeing - Public Health						
Strategic Management & Directorate Support Budgets	1,095.0	-1,095.0	0.0	-22	-22	<i>Public health grant variance: Other minor variances.</i>
<u>Public Health:</u>						
- Children's Public Health Programmes: 0-5 year olds Health Visiting Service	11,894.0	-11,894.0	0.0	0		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Other Children's Public Health Programmes	9,403.6	-9,403.6	0.0	0			
- Drug & Alcohol Services	15,948.3	-15,948.3	0.0	-12	-12	Public health grant variance: Other minor variances.	
- Obesity & Physical Activity	2,536.7	-2,536.7	0.0	0			
- Public Health - Mental Health Adults	2,546.2	-3,046.2	-500.0	0			
- Public Health Staffing, Advice & Monitoring	4,221.3	-4,221.3	0.0	0			
- Sexual Health Services	13,750.1	-13,750.1	0.0	-46	-46	Public health grant variance: Other minor variances.	
- Targeting Health Inequalities	6,033.4	-6,226.6	-193.2	-64	-64	Public health grant variance: Other minor variances.	
- Tobacco Control & Stop Smoking Services	3,450.0	-3,450.0	0.0	0			
	70,878.6	-71,571.8	-693.2	-144			
- tfr to(+)/from(-) Public Health reserve				+144	+144	Net transfer to the Public Health reserve to offset the public health variances of -£144k shown above.	
Total SCH&W (Public Health)	70,878.6	-71,571.8	-693.2	0			
Assumed Mgmt Action							
Total Forecast after mgmt action	70,878.6	-71,571.8	-693.2	0			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Health Check invites compared to number of Health Checks undertaken

	2013-14				2014-15				2015-16			
	Invites		Checks		Invites		Checks		Invites		Checks	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr					9,877	9,776	3,860	2,984	7,121	11,287	4,074	2,189
May	22,810	19,761	11,405	6,455	9,877	14,169	3,860	3,225	7,120	12,464	4,075	2,855
Jun					9,878	13,108	3,862	3,865	7,120	14,363	4,074	3,601
Jul					14,816	13,457	4,874	4,572	7,120	10,463	4,075	3,948
Aug	22,810	18,996	11,405	8,836	14,816	15,577	4,875	4,179	7,120		4,074	
Sep					14,816	14,933	4,876	4,613	7,120		4,075	
Oct					4,939	8,345	5,987	4,837	7,120		4,074	
Nov	22,810	27,608	11,405	6,924	4,939	3,831	5,988	4,389	7,120		4,075	
Dec					4,938	5,014	5,989	2,782	7,120		4,074	
Jan					0	2,568	4,324	3,594	7,120		4,075	
Feb	22,811	28,639	11,406	10,709	0	2,099	4,325	2,988	7,120		4,074	
Mar					0	4,153	4,325	3,595	7,120		4,074	
TOTAL	91,241	95,004	45,621	32,924	88,896	107,030	57,145	45,623	85,441	48,577	48,893	12,593

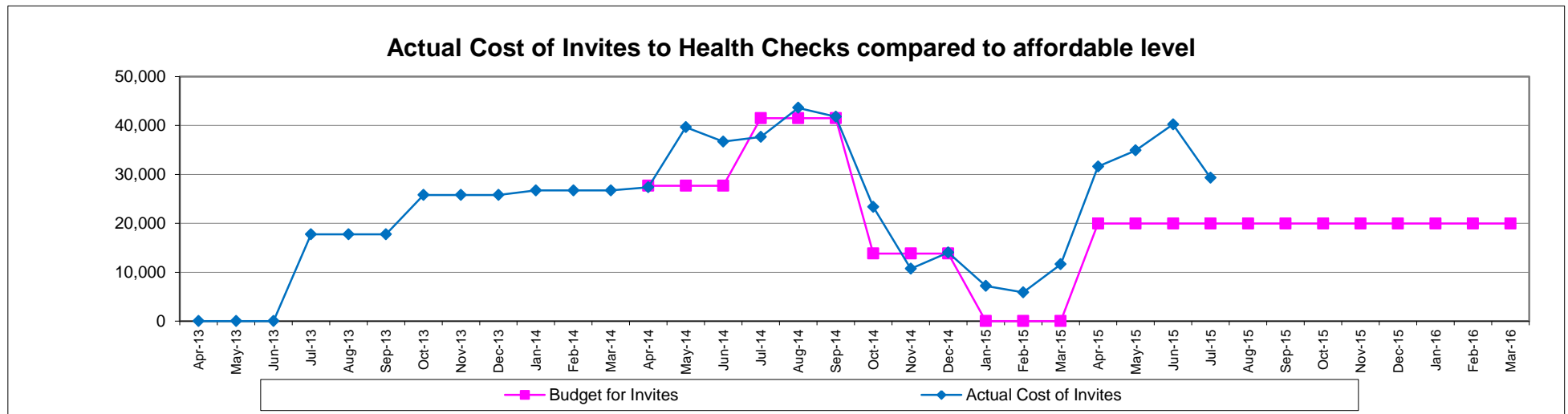


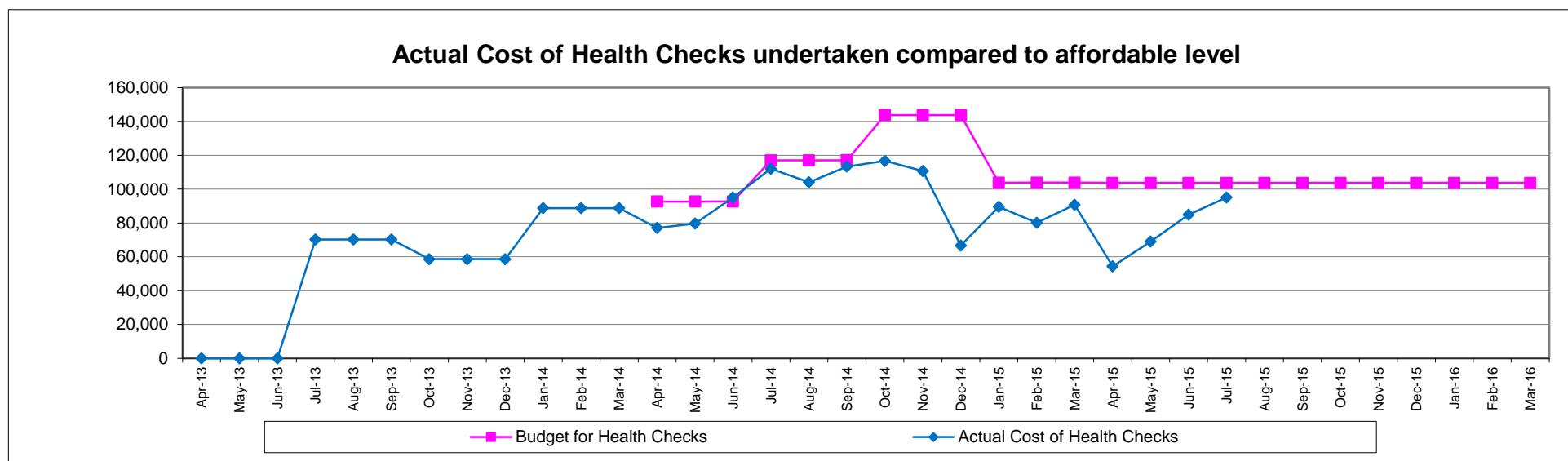
Comments:

- As can be seen from the difference in total budgeted activity for invites and checks, not all people invited for a health check attend a check and there is often a delay between the invite and the health check taking place.
- In 2014-15, the invites planned activity was weighted towards the early part of the year to give time for the follow-up process to maximise the number of people attending a health check.
- The planned number of invites for 2014-15 was based on 20% of eligible population (as it is a 5 year programme) and was based on DoH estimates, but more recent GP data showed an increase in the eligible population. In 2014-15, this activity was therefore above budget for the year by 18,134 invites, as shown in the table above.
- For 2015-16 the budgeted level of invites and checks has been profiled equally across the months to give a more consistent approach and to reflect that this is a rolling programme across financial years, therefore invites sent out in March may result in checks being taken up in the following financial year. This revised approach will also enable the service to more accurately track progress against targets.
- The planned number of invites is lower than 2014-15 (and lower than the 91,000 invites stated in the 2015-16 budget book) because the eligible population based on the GP registered population is lower this year than last. The population can fluctuate because although everyone between the ages of 40 and 74 will be invited (once every five years) to have a check to assess their risk of heart disease, stroke, kidney disease and diabetes, individuals already diagnosed with any of these conditions become ineligible for a general invite. Also some residents are screened outside of their expected year due to targeted outreach programmes and therefore are removed from the invite list in their year.
- The affordable checks have increased from the figure of 45,000 in the budget book because some standard checks will now be carried out by Kent Community Health NHS Foundation Trust staff, rather than through GPs/Pharmacies, who are able to provide this service cheaper than GPs/Pharmacies.
- Although the actual number of invites is 20,096 above the budgeted level for April to July, the service expect activity to even out over the remaining months to stay within the overall budgeted level for the year but any financial pressure, should there be one, is likely to be offset by a lower than budgeted number of checks, which is currently below the budgeted level by 3,705 checks. However, current expectations are that activity levels for health checks will increase, with a balanced budget position currently forecast.

2.2 Cost of Health Check invites and Health Checks undertaken compared to budget

	2013-14 *		2014-15				2015-16			
	Invites	Checks	Invites		Checks		Invites		Checks	
	actual cost (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)
Apr			27,656	27,373	92,700	77,081	19,939	31,604	103,720	54,397
May	0	0	27,656	39,673	92,700	79,696	19,936	34,899	103,745	69,061
Jun			27,658	36,702	92,748	95,130	19,936	40,216	103,720	84,985
Jul			41,485	37,680	117,052	112,119	19,936	29,296	103,745	95,124
Aug	53,189	210,746	41,485	43,616	117,076	104,137	19,936	0	103,720	0
Sep			41,485	41,812	117,100	113,424	19,936	0	103,745	0
Oct			13,829	23,366	143,781	116,768	19,936	0	103,720	0
Nov	77,302	175,920	13,829	10,727	143,805	110,779	19,936	0	103,745	0
Dec			13,826	14,039	143,829	66,666	19,936	0	103,720	0
Jan			0	7,190	103,843	89,540	19,936	0	103,745	0
Feb	80,189	266,524	0	5,877	103,869	80,140	19,936	0	103,720	0
Mar			0	11,628	103,869	90,829	19,936	0	103,720	0
TOTAL	210,680	653,190	248,909	299,683	1,372,372	1,136,309	239,235	136,015	1,244,765	303,567





Comments:

- * In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.
- The 2014-15 budget for Health Checks was made up of a fixed cost element £465,756 and a performance element £1,621,281. The performance element is shown in the activity data above, with a budget of £248,909 for invites and £1,372,372 for health checks (totalling £1,621,281).
- The budgeted activity level for invites is based on the eligible population. The budgeted activity level for health checks was higher in 2014-15 than 2013-14 as the provider was expected to make up for the underperformance in the previous year. The number of health check invites was greater than budgeted in 2014-15 due to an increase in eligible population. The resulting pressure of £50,774 was more than offset by a saving on checks of £236,063 leaving an underspend of £185,289 within the Targeting Health Inequalities budget in 2014-15.
- The 2015-16 budget for Health Checks is made up of a fixed cost element £456,912 and a performance element £1,484,000. The performance element is shown in the activity data above, with a budget of £239,235 for invites and £1,244,765 for health checks (totalling £1,484,000).
- The increased invites to July have generated a pressure of +£56,268 but this is more than offset by an underspend on checks in the same period of -£111,363. The pattern is similar to last year suggesting an overall underspend by the end of the financial year on the combined invites & checks activity, however the service expects that activity will even out over the remaining months and are therefore not forecasting a variance at this early stage of the year. This position will be monitored carefully and updates provided in future monitoring reports.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Public Health has a working budget for 2015-16 of £360k. The forecast outturn against the 2015-16 budget is £360k giving a variance of £0k.

3.2 **Table 2** below details the Public Health Capital Position by Budget Book line.

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Community Sexual Health Services	0	360	0	0			Green		
Total	0	360	0	0					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE
JULY 2015-16 MONITORING REPORT

1. REVENUE

1.1	Directorate Total (£k)	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
		+173,835	+789	-	+789	committed	uncommitted	+789
						-	-	

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Growth, Environment & Transport						
Strategic Management & Directorate Support budgets	4,179.6	-93.6	4,086.0	-108		Minor variances each less than £100k in value.
<u>Children's Services - Education & Personal</u>						
- 14 - 24 year olds (Kent Foundation)	111.9	-59.3	52.6	0		
<u>Community Services:</u>						
- Arts Development (incl. grant to Turner Contemporary)	2,042.3	0.0	2,042.3	-10		
- Gypsies & Travellers	563.0	-424.4	138.6	0		
- Libraries, Registration & Archives	17,648.2	-5,500.3	12,147.9	-149	-150	Second and final rebate received in respect of costs incurred in prior years related to the cash management system.
					-141	Additional registration income, mostly from ceremonies.
					+150	Unachievable saving on rates
					-8	Other minor variances.
- Sports Development	1,733.1	-1,094.0	639.1	+14		
	21,986.6	-7,018.7	14,967.9	-145		This is expected to be ongoing and will be reflected in the 2016-19 MTFP. This is expected to be ongoing and will be reflected in the 2016-19 MTFP.

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
<u>Environment:</u>							
- Country Parks & Countryside Access	2,431.8	-1,801.6	630.2	-27			
- Environmental Management (incl Coastal Protection)	3,299.6	-1,855.3	1,444.3	-5			
- Public Rights of Way	1,731.2	-89.0	1,642.2	+1			
	7,462.6	-3,745.9	3,716.7	-31			
<u>Highways:</u>							
- Highways Maintenance							
- Adverse Weather	3,230.8	0.0	3,230.8	0			
- Bridges & Other Structures	2,252.5	-221.9	2,030.6	-42			
- General maintenance & emergency response	12,081.3	-475.8	11,605.5	+304	+147	Costs resulting from collapsed roads in Herne Bay and Boughton Malherbe. The service is investigating whether these costs can be capitalised.	
					+104	Traffic management costs at junctions on high speed roads where additional grass cutting and weed control has been required.	
					+53	Other minor variances.	
- Highway drainage	2,983.1	0.0	2,983.1	+51			
- Streetlight maintenance	3,353.4	-154.0	3,199.4	+99			
	23,901.1	-851.7	23,049.4	+412			
- Highways Management:							
- Development Planning	2,142.8	-2,135.2	7.6	-74			
- Highways Improvements	1,601.3	-33.3	1,568.0	+2			
- Road Safety	2,814.8	-2,140.2	674.6	-26			
- Streetlight energy	6,007.7	0.0	6,007.7	-149	-142	Rebate from LASER following price reconciliation of Winter 2014-15 usage.	
					-7	Other minor variances.	
- Traffic management	5,290.1	-3,363.2	1,926.9	-81			
- Tree maintenance, grass cutting & weed control	3,253.1	0.0	3,253.1	+12			
	21,109.8	-7,671.9	13,437.9	-316			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross £'000	Income £'000	Net £'000	Net £'000			
<u>Planning & Transport Strategy:</u>							
- Planning & Transport Policy	1,321.6	0.0	1,321.6	+1			
- Planning Applications	1,112.7	-650.0	462.7	-1			
	2,434.3	-650.0	1,784.3	0			
<u>Public Protection</u>							
- Community Safety (incl Community Wardens)	2,399.0	-68.8	2,330.2	-3			
- Coroners	3,724.3	-973.0	2,751.3	+116	+116	Pressure on staffing costs resulting from: backfilling long-term sickness absences, extra staff to deal with a back log of cases, and additional supervision and staffing required following transfer of Coroners Officers from Police to deal with current levels of activity.	Part of this pressure is expected to be ongoing and will need to be addressed in the 2016-19 MTFP.
- Emergency Response & Resilience (incl Flood Risk Management)	1,397.6	-180.7	1,216.9	+44			
- Trading Standards (incl. Kent Scientific Services)	3,817.4	-1,014.8	2,802.6	-1	-164 +143 +20	Early implementation of Trading Standards restructure. Expected shortfall in Proceeds of Crime income based on known court cases. Other minor variances.	
	11,338.3	-2,237.3	9,101.0	+156			
<u>Regeneration & Economic</u>							
- Regeneration & Economic Development Services	5,416.4	-1,578.1	3,838.3	+33			
<u>Schools Services</u>							
- Other Schools Services (road crossing patrols)	453.3	0.0	453.3	-14			
<u>Transport Services:</u>							
- Concessionary Fares	16,206.0	-27.0	16,179.0	+391	+391	Increased bus operator costs due to fare increases and journeys being taken are above the affordable level.	This pressure will need to be addressed in the 2016-19 MTFP.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Subsidised Socially Necessary Bus Services (incl Kent Karrier)	9,216.1	-2,246.8	6,969.3	0		
- Transport Operations	1,502.7	-77.5	1,425.2	-11		
- Transport Planning	1,257.3	-918.8	338.5	-43		
- Young Person's Travel Pass	13,437.5	-4,640.0	8,797.5	0	This breakeven position reflects the impact of the price increase of £50 from September (from £200 to £250). Gross and income cash limits will be realigned in the quarter 2 report to reflect this increase.	Gross and income budgets will need to be increased in the 2016-17 budget build to reflect the impact of the £50 increased charge per pass.
	41,619.6	-7,910.1	33,709.5	+337		
Waste Management						
- Waste Compliance, Commissioning & Contract Management	916.9	0.0	916.9	-32		
- Partnership & development	726.9	-114.2	612.7	-31		
- Closed Landfill Sites	758.6	-16.0	742.6	-6		
- Waste Processing						
- Landfill Tax	4,745.3	0.0	4,745.3	+273	+229 An additional +2,800 tonnes of residual waste sent to landfill. +44 Budgeted price increase is below actual requirements	The pressure resulting from increased tonnage needs to be addressed in the 2016-19 MTFP This will need to be addressed in the 2016-17 budget build.
- Operation of Waste Facilities	16,893.7	-746.4	16,147.3	-838	-741 Management fees at waste facilities sites. -108 Contract changes at household waste recycling centres and transfer stations. +101 Shortfall in income resulting from a reduction in the volume of waste metal which is recycled. +23 Pressure resulting from increased volume of waste.	This saving is expected to be ongoing and will be reflected in the 2016-19 MTFP The pressure resulting from increased tonnage needs to be addressed in the 2016-19 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-113	Other minor variances, each below £100k in value.	
- Payments to Waste Collection Authorities (District Councils)	6,178.9	0.0	6,178.9	-3	+5	An additional 100 tonnes of waste on which recycling credits are paid.	
					-8	Other minor variances.	
- Recycling Contracts & Composting	7,211.6	-1,149.9	6,061.7	-448	+38	Volume variance resulting from +2,200 tonnes of additional waste.	The net pressure resulting from increased tonnage needs to be addressed in the 2016-19 MTFP
					-61	Extra income generated from the higher volumes of waste.	
					-326	Price paid is below budgeted estimate; this relates primarily to in-vessel composting.	This underspend is ongoing and will be reflected in the 2016-19 MTFP
					-99	Additional income as the price received for recyclables, especially for paper and card, is greater than budgeted.	
- Treatment & Disposal of Residual Waste	30,713.3	-480.2	30,233.1	+1,550	+1,570	An additional +15,700 tonnes of residual waste dealt with at Allington Waste to Energy plant.	The pressure resulting from increased tonnage needs to be addressed in the 2016-19 MTFP
					-248	Price variance on Waste to Energy tonnage.	This saving is expected to be ongoing and will need to be addressed in the 2016-17 budget build.
					+54	An additional +2,800 tonnes of residual waste sent to landfill.	The pressure resulting from increased tonnage needs to be addressed in the 2016-19 MTFP
					+20	Budgeted price increase for landfill tax is below actual requirements	This will need to be addressed in the 2016-17 budget build.
					+105	Shortfall in trade waste income	
					+49	Other minor variances	
	68,145.2	-2,506.7	65,638.5	+465			
Total GE&T	208,158.7	-34,323.3	173,835.4	+789			

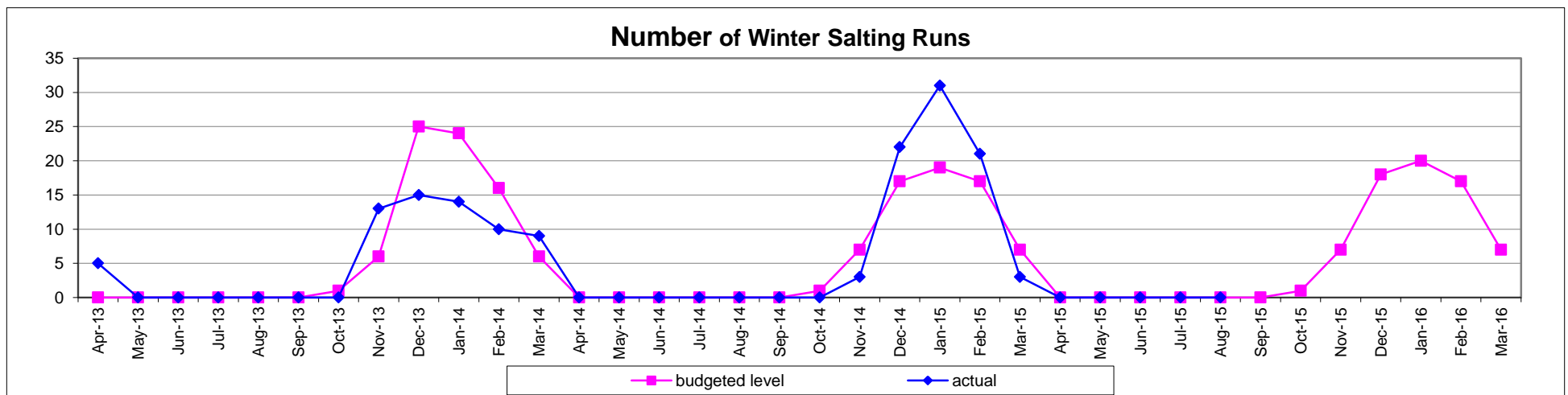
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Assumed Mgmt Action						The current forecast pressure primarily relates to the demand led areas of waste and concessionary fares. GE&T Directors have been tasked with investigating options for offsetting these pressures and balancing the overall position for the directorate. Details of these proposed management actions will be included in a future report.
Total Forecast <u>after</u> mgmt action	208,158.7	-34,323.3	173,835.4	+789		

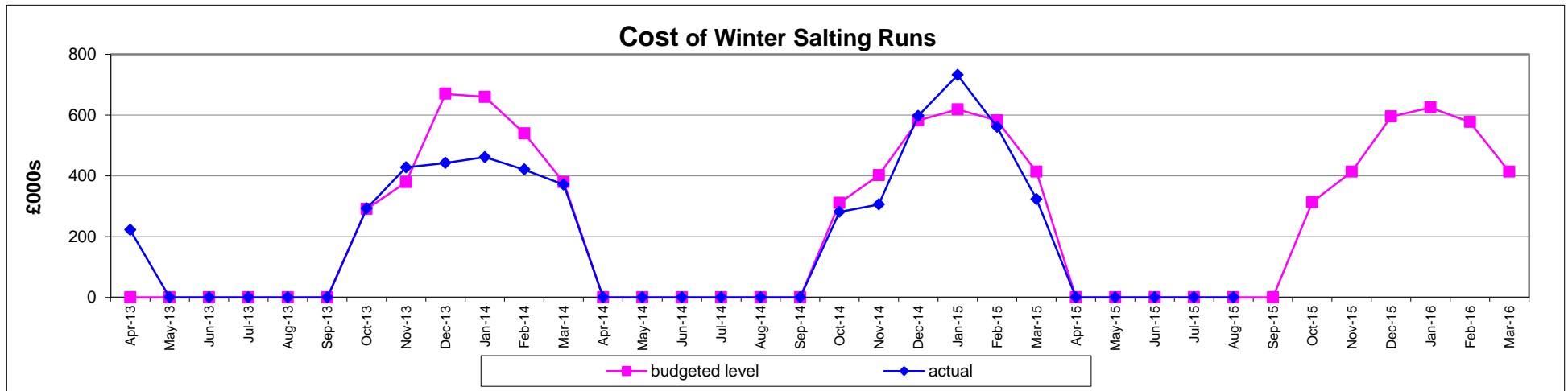
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

	2013-14				2014-15				2015-16			
	No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs	
	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000
Apr	-	5	-	222	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-
Oct	1	-	291	293	1	-	311	281	1	-	314	-
Nov	6	13	379	428	7	3	402	306	7	-	413	-
Dec	25	15	670	443	17	22	583	597	18	-	595	-
Jan	24	14	660	462	19	31	619	732	20	-	625	-
Feb	16	10	540	421	17	21	583	561	17	-	578	-
Mar	6	9	379	371	7	3	414	324	7	-	413	-
	78	66	2,919	2,639	68	80	2,911	2,801	70	-	2,938	-

The budgeted number of salting runs assumes county wide coverage but in some cases, the actual number includes salting runs for which only part county coverage was required.





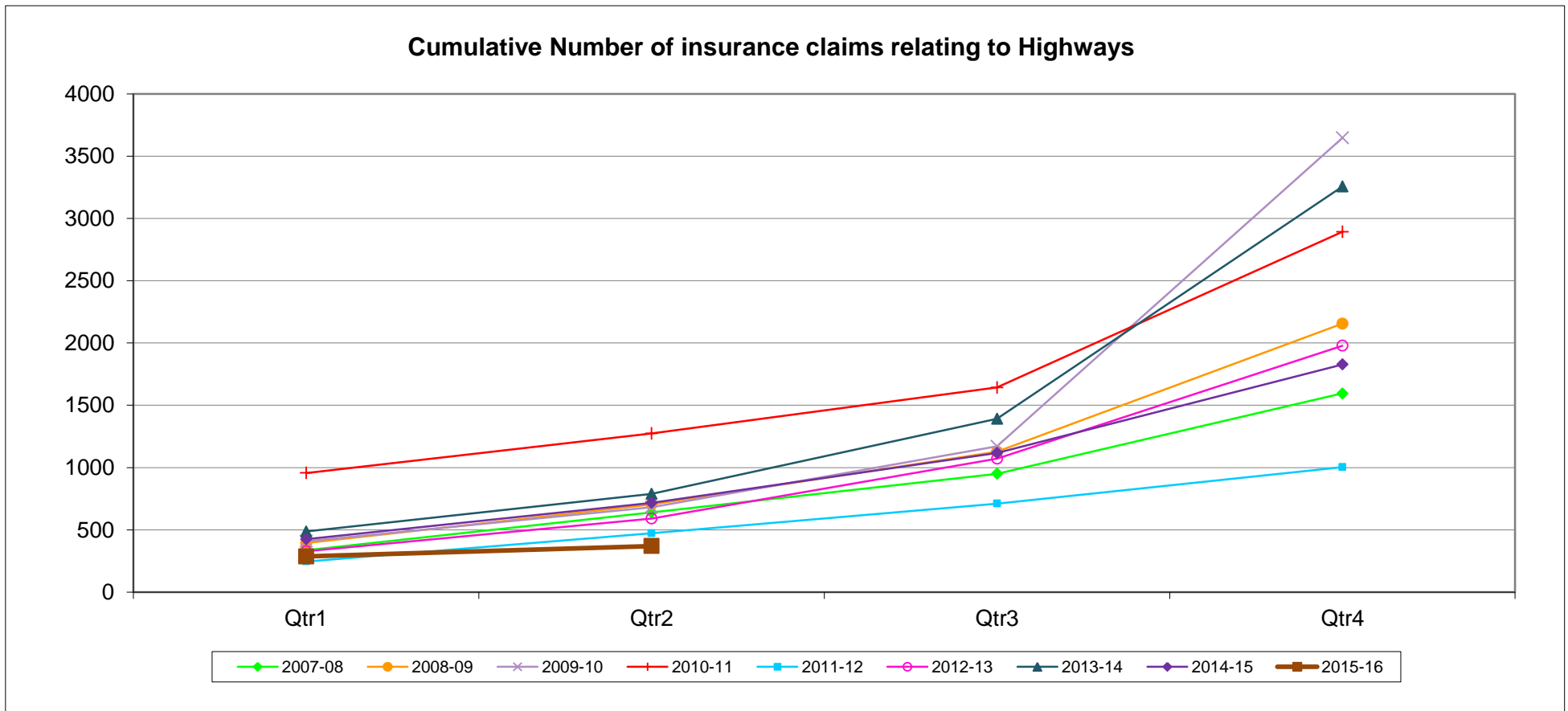
Comments:

- As a result of the prolonged hard winter in 2012-13 which extended into April 2013, unbudgeted salting runs were required at the start of 2013-14 resulting in additional expenditure of £222k. However the actual number of salting runs was below budgeted levels due to the mild winter of 2013-14. Overall there was a net underspend of -£176k on the adverse weather budget in 2013-14 which was due to an underspend of -£280k on winter salting runs (as shown in the table above), an overspend of £146k due to insufficient provision being made for 2012-13 salting costs and an underspend of £42k of other costs associated with adverse weather, not directly attributed to salting runs. The 2014-15 and 2015-16 budgeted number of salting runs look low in comparison with the 2013-14 budgeted level, despite the budgeted costs being similar; this is due to a greater proportion of fixed cost to the total cost per run, which results in fewer overall runs being affordable.
- The final activity for 2014-15 was 12 salting runs above the affordable level but £110k below budget. Many of the runs required a lower spread of salt than assumed in the budget and also on a number of occasions the whole county had not been treated, which again resulted in reduced costs. Together, this resulted in the costs of salting runs not being as high as the number of runs may suggest. Overall there was a net underspend of -£309k on the adverse weather budget in 2014-15 due to an underspend on salting runs of £110k, as reflected in the activity table above, together with an underspend of £199k on other costs associated with adverse weather, not directly attributed to salting runs, such as supply and maintenance of salt bins.

2.2 Number of insurance claims arising related to Highways

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
Apr to Jun	337	393	408	956	245	327	487	424	286
Jul to Sep	640	704	680	1,273	473	590	788	717	370
Oct to Dec	950	1,128	1,170	1,643	710	1,072	1,391	1,117	
Jan to Mar	1,595	2,155	3,647	2,893	1,003	1,978	3,257	1,828	

to 31 August



Comments:

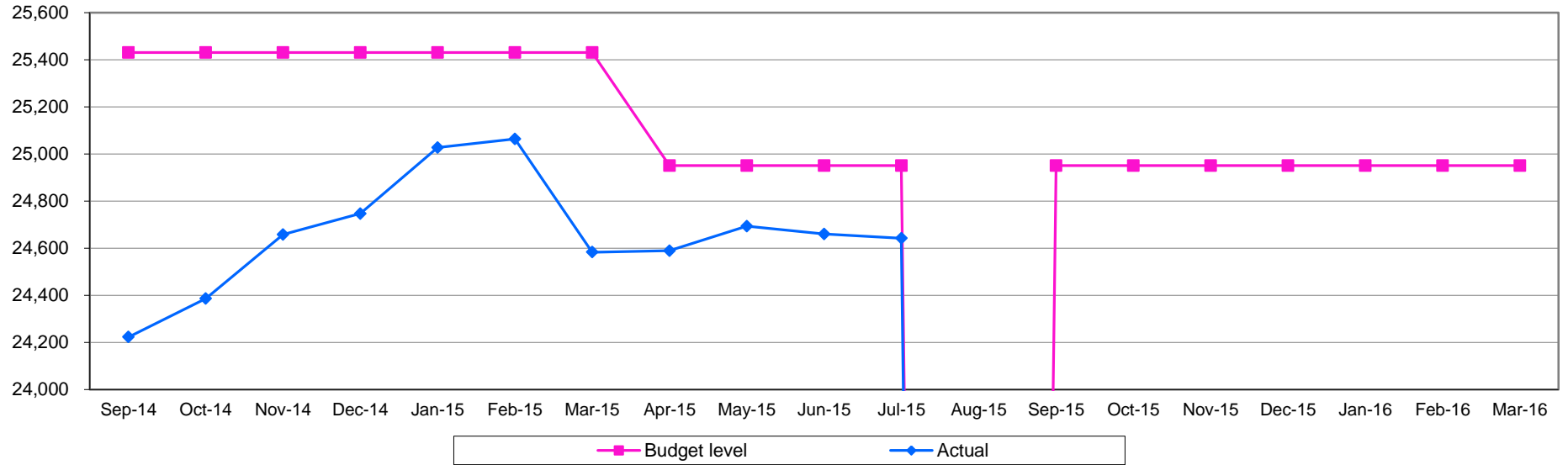
- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have three years to pursue an injury claim and six years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 31 August 2015.
- Claims were high in each of the years 2008-09 to 2010-11 largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. Claim numbers for 2009-10 and 2010-11 could still increase further if more claims are received for incidents which occurred during the period of the bad weather.
- Claims were lower in 2011-12 which could have been due to many factors including: an improved state of the highway following the find and fix programmes of repair, an increased rejection rate on claims, and a mild winter. However, claim numbers increased again in 2012-13, which was likely to be due to the prolonged hard winter and the consequent damage to the highway, but claim numbers did not increase to the levels experienced during 2008-09 to 2010-11, probably due to the continuation of the find and fix programmes of repair. Claim numbers were again high in 2013-14, probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. Additional funding was made available from the severe weather recovery funding to address this.
- Claims were lower again in 2014-15, probably due to the reasonably mild winter and a continuation of the find and fix programmes of repair and repairs to the highway funded from the severe weather recovery funding referred to above, although claims continue to be received relating to this period.
- The Insurance section continues to work closely with Highways to try to reduce the number of claims and currently the Authority is managing to achieve a rejection rate on claims received over the past 12 months where it is considered that we do not have any liability, of about 89%.

2.3 Young Person's Travel Pass - Number of Passes in Issue

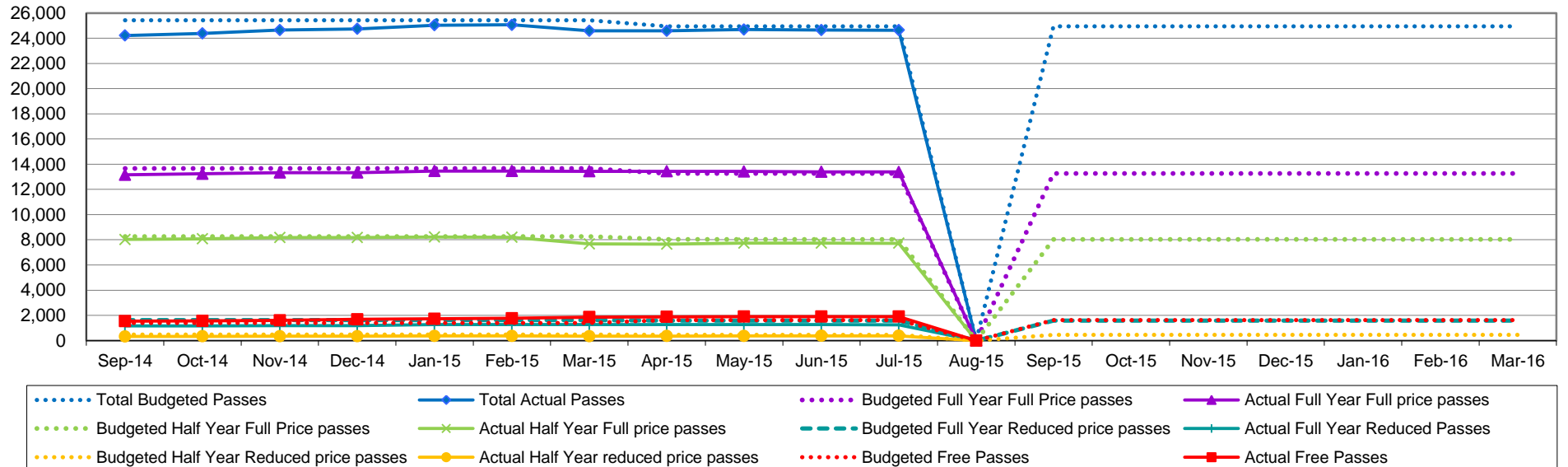
		Full Year, Full price passes		Half Year, Full price passes		Full Year, Reduced price passes		Half Year, Reduced price passes		Free passes		TOTAL passes	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
2014-15	Sept	13,662	13,159	8,268	8,023	1,630	1,159	470	333	1,400	1,549	25,430	24,223
	Oct	13,662	13,248	8,268	8,077	1,630	1,167	470	335	1,400	1,559	25,430	24,386
	Nov	13,662	13,336	8,268	8,175	1,630	1,194	470	352	1,400	1,601	25,430	24,658
	Dec	13,662	13,336	8,268	8,175	1,630	1,194	470	352	1,400	1,690	25,430	24,747
	Jan	13,662	13,454	8,268	8,214	1,630	1,263	470	368	1,400	1,728	25,430	25,027
	Feb	13,662	13,457	8,268	8,208	1,630	1,267	470	366	1,400	1,766	25,430	25,064
	Mar	13,662	13,438	8,268	7,675	1,630	1,263	470	346	1,400	1,861	25,430	24,583
2015-16	Apr	13,262	13,434	8,025	7,657	1,578	1,263	455	356	1,630	1,879	24,950	24,589
	May	13,262	13,430	8,025	7,737	1,578	1,263	455	366	1,630	1,897	24,950	24,693
	Jun	13,262	13,391	8,025	7,730	1,578	1,259	455	374	1,630	1,906	24,950	24,660
	Jul	13,262	13,382	8,025	7,725	1,578	1,257	455	374	1,630	1,904	24,950	24,642
	Aug	0	0	0	0	0	0	0	0	0	0	0	0
	Sept	13,262		8,025		1,578		455		1,630		24,950	
	Oct	13,262		8,025		1,578		455		1,630		24,950	
	Nov	13,262		8,025		1,578		455		1,630		24,950	
Dec	13,262		8,025		1,578		455		1,630		24,950		
Jan	13,262		8,025		1,578		455		1,630		24,950		
Feb	13,262		8,025		1,578		455		1,630		24,950		
Mar	13,262		8,025		1,578		455		1,630		24,950		

- Pass numbers are shown on a monthly basis from September 2014 when the new Young Person's Travel Pass (YPTP) scheme was introduced.
- YPTP pass numbers remained short of budgeted levels in 2014-15: 24,223 new passes were issued as at 30 September 2014 for the new academic year; this increased to 24,747 as at 31 December 2014, but the figure as at 31 March 2015 reduced to 24,583. This reduction was as a result of a number of half year passes not being renewed for the second half of the academic year.
- As the academic year runs from September to July and passes are no longer valid during the school summer holidays, no passes are recorded for August.

Total Number of Young Person's Travel Passes in issue



Number of Young Person's Travel Passes in issue by type



Comments:

- Passes can either be purchased for the academic year (£250 September 2015 to July 2016) or half yearly (£125 for terms 1-3 or 4-6). Reduced price passes for young people in receipt of free school meals are available (£100 for the full year or £50 for terms 1-3 or 4-6). Passes are free for young carers, young people in care or care leavers. Additional passes are also free for households applying for more than two full cost passes.
- The cost per pass in calculating the 2014-15 affordable level was £537, the fee for a pass was £200, meaning that on average KCC was subsidising the cost of each pass by £337.
The 2015-16 budgeted number of passes of 22,900, as reported to Cabinet in July, was originally based on the number that could be afforded within the budget at the latest cost to KCC per pass of £581 (a subsidy per pass of £381). However, on 1 June 2015 Cabinet approved a reduction in subsidy of £50, raising the price of a standard pass to the user by £50, from £200 to £250, with effect from September 2015. As a result of this additional income, the affordable number of passes has increased to a level more in line with actual demand and this is reflected in the table above. Realignment of gross and income cash limits to reflect this increased charge will be reflected in the Quarter 2 report and is therefore not currently shown in Table 1.
- The above figures show that the current number of passes in issue is below the budgeted number, however there is a higher than budgeted number of journeys being travelled (see section 2.4 below), so a balanced position overall is currently forecast in Table 1.
- 23,100 passes have been issued for the new academic year. This compares with an affordable level of 24,950 and 24,642 passes in issue at the end of the last academic year. This reduction in passes from September is likely to be in part due to the impact of the price increase from £200 to £250 referred to above, but it is likely that further applications will be received and so the number of passes in issue is expected to increase.

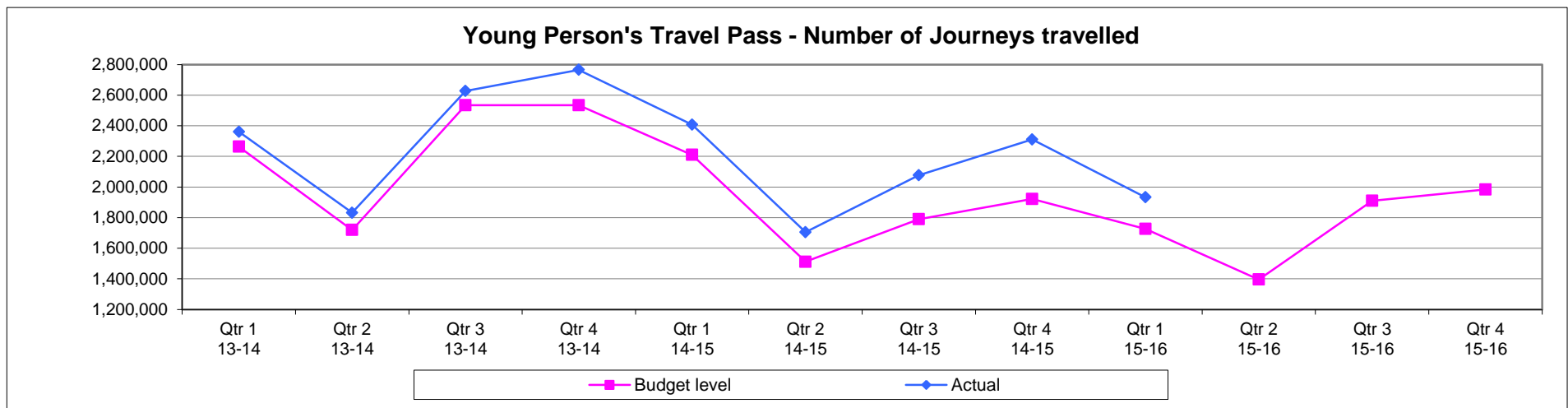
2.4 Young Person's Travel Pass (formerly Freedom Pass until September 2014) - Number of Journeys Travelled

	2013-14		2014-15		2015-16	
	Budget level (000's)	Actual (000's)	Budget level (000's)	Actual (000's)	Budget level (000's)	Actual (000's)
Qtr 1	2,263	2,361	2,210	2,407	1,726	1,933
Qtr 2	1,719	1,832	1,512	1,705	1,395	
Qtr 3	2,534	2,627	1,789	2,076	1,910	
Qtr 4	2,534	2,765	1,922	2,311	1,983	
	9,050	9,585	7,433	8,499	7,014	1,933

The data for this activity indicator is only provided on a quarterly basis from our external provider MCL Transport Services.

The figures for actual journeys travelled are regularly reviewed and updated as further information is received from the bus companies, so may be subject to change.

Journey numbers are lower in quarter 2 as, since September 2014, the pass is no longer valid during the school summer holidays.



Comments:

- The reduction in the budgeted number of journeys for 2014-15 was as a result of the introduction of the Young Persons Travel Pass, agreed by County Council in February 2014, restricting travel to between the hours of 6am and 7pm, Monday to Friday, between 1 September and 31 July, meaning the pass was no longer valid during the school summer holidays or at weekends.
- The additional funding resulting from the increase in income from September 2015 referred to in section 2.3 above has resulted in the affordable number of journeys increasing from 6,569,000 to 7,014,000.
- Journey numbers in quarter 1 2015-16 are in excess of the budgeted level but any potential variance is offset as the number of passes in issue is currently below the budget level.
- This data does not include journeys travelled relating to free home to school transport as these costs are met from the Education & Young People Directorate budget and not from the Young Persons Travel Pass budget

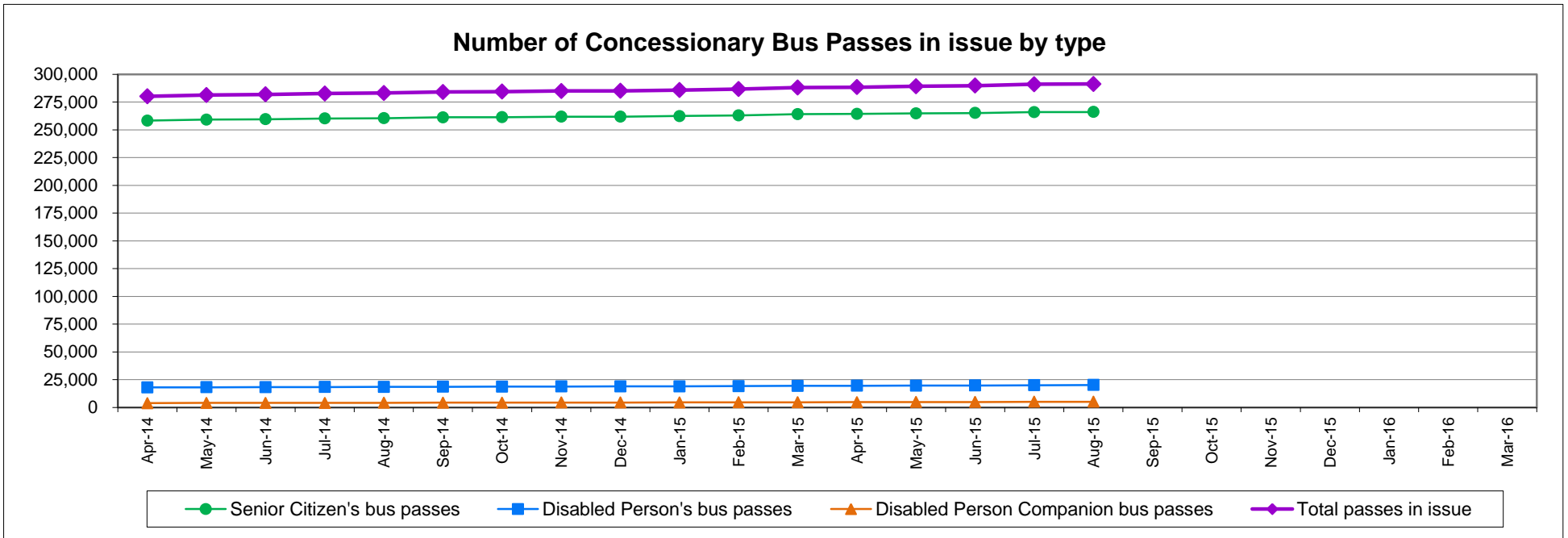
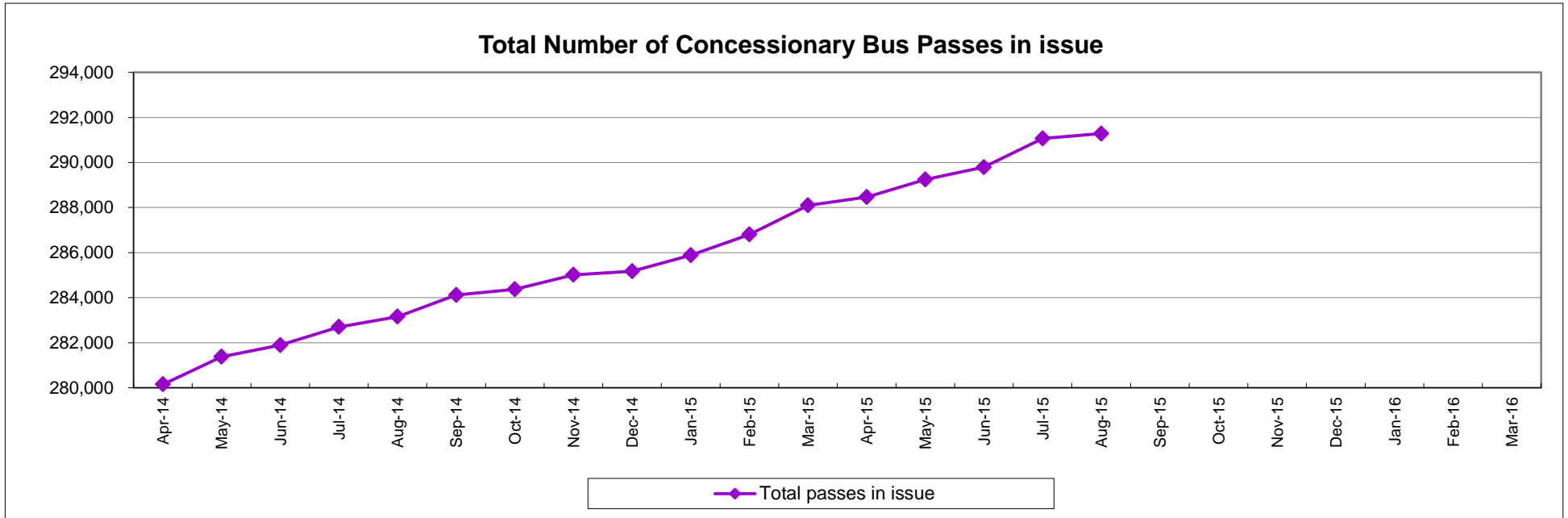
2.5 Concessionary Fares (English National Concessionary Travel Scheme - ENCTS) - Number of Passes in Issue

		Senior Citizen's bus passes	Disabled person's bus passes	Disabled Person Companion bus passes	TOTAL passes
		Actual	Actual	Actual	Actual
2014-15	April	258,342	17,961	3,849	280,152
	May	259,299	18,102	3,978	281,379
	June	259,623	18,212	4,055	281,890
	July	260,263	18,352	4,084	282,699
	Aug	260,558	18,438	4,164	283,160
	Sept	261,284	18,586	4,248	284,118
	Oct	261,352	18,701	4,313	284,366
	Nov	261,826	18,800	4,387	285,013
	Dec	261,879	18,868	4,427	285,174
	Jan	262,434	18,964	4,490	285,888
	Feb	263,062	19,176	4,564	286,802
	Mar	264,108	19,341	4,645	288,094
2015-16	April	264,314	19,459	4,692	288,465
	May	264,856	19,594	4,792	289,242
	June	265,180	19,715	4,894	289,789
	July	266,023	20,020	5,028	291,071
	Aug	266,078	20,134	5,069	291,281
	Sept				
	Oct				
	Nov				
	Dec				
	Jan				
	Feb				
	Mar				

- The number of affordable passes is not calculated because the primary driver of cost is the number of journeys people travel.
- Also a passholder in England and Wales can use the pass anywhere in those two countries. The Transport Co-ordinating Authority for that area picks up the cost of any ENCTS pass used for boarding a bus, within its area. Therefore KCC will not only be reimbursing passes for Kent residents but also any Medway holders boarding in Kent or in fact any ENCTS visitor to Kent using a bus.

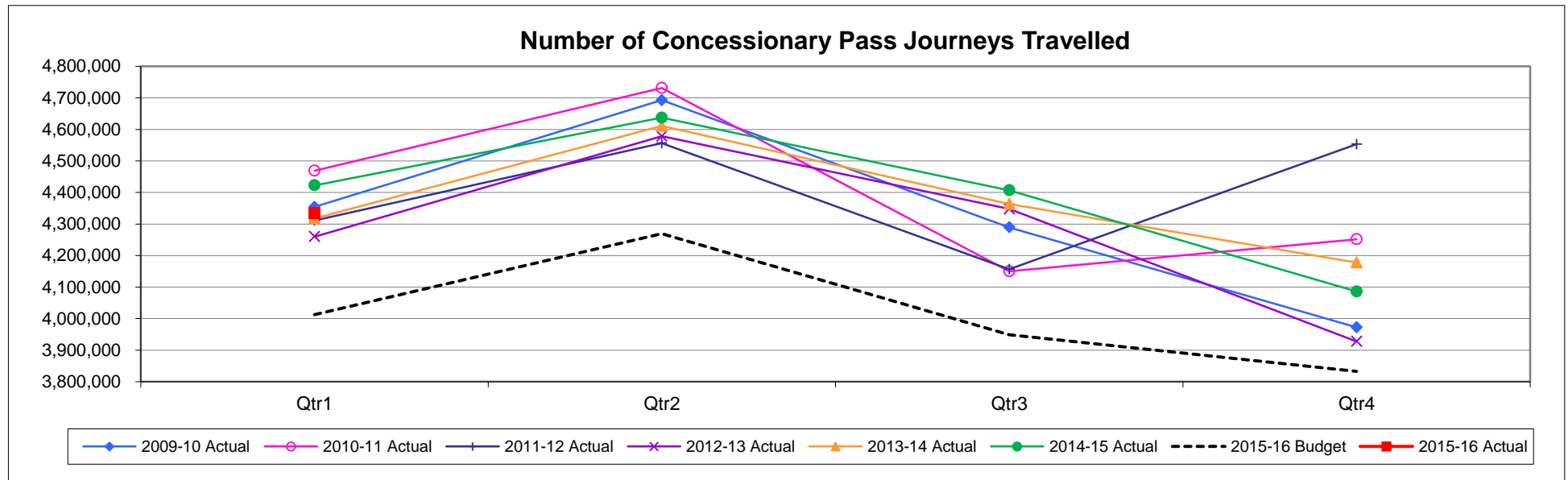
There are three types of passes available to Kent residents:

- A Senior Citizen's bus pass if you are of state pension age or older.
- A Disabled Person's bus pass for people with certain disabilities, for example for people who are blind or partially sighted, profoundly or severely deaf, or have a learning disability. There is no age restriction for the disabled person's bus pass.
- A Disabled Person Companion bus pass is available in cases where a Disabled Person bus pass user is unable to travel alone.



2.6 Concessionary Fares (English National Concessionary Travel Scheme - ENCTS) - Number of Journeys Travelled

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
	Actual (000's)	Actual (000's)	Actual (000's)	Actual (000's)	Actual (000's)	Actual (000's)	Budget level (000's)	Actual (000's)
Qtr 1	4,354	4,469	4,311	4,260	4,317	4,423	4,012	4,334
Qtr 2	4,693	4,731	4,557	4,578	4,611	4,637	4,270	
Qtr 3	4,289	4,150	4,157	4,348	4,364	4,407	3,949	
Qtr 4	3,972	4,251	4,553	3,928	4,178	4,086	3,833	
	17,308	17,601	17,578	17,114	17,470	17,553	16,064	4,334



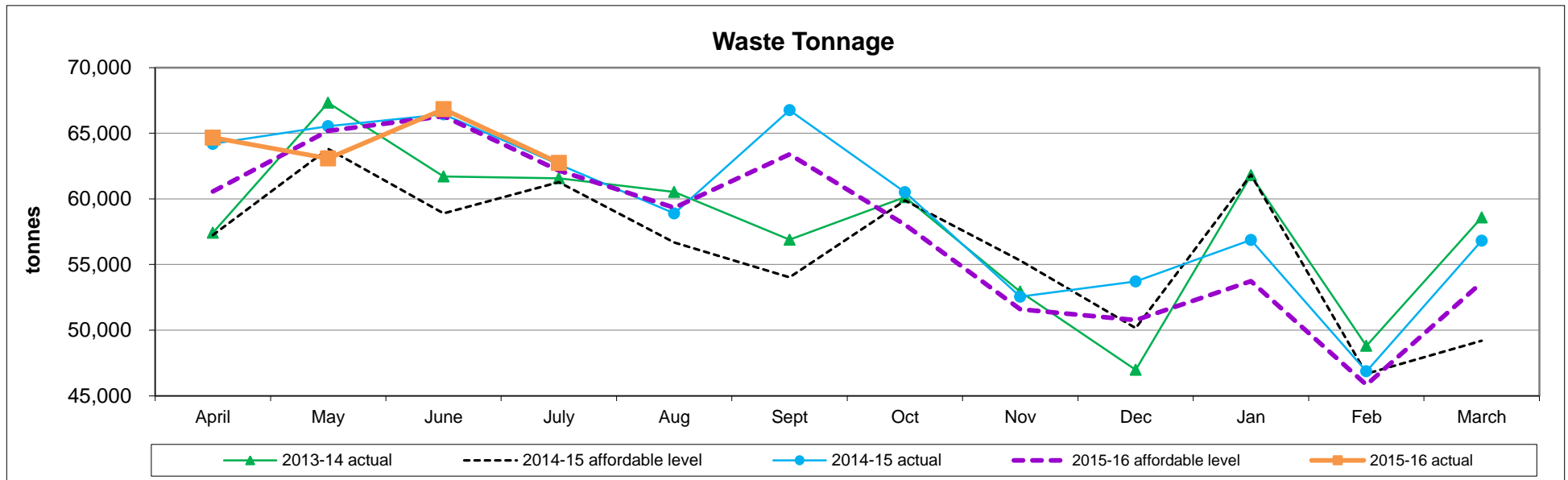
- As with the Young Persons Travel Pass the figures for actual concessionary journeys travelled are regularly reviewed and updated as further information is received from the bus companies or our concessionary travel consultant, MCL Transport Services, so may be subject to change.
- Journey numbers for quarter 1, as reconciled by MCL Transport Services, are in excess of the budgeted level and as a result a financial pressure of +£391k is being forecast, as reflected in Table 1.

2.7 Waste Tonnage

	2013-14	2014-15		2015-16	
	Waste Tonnage	Affordable Level	Waste Tonnage	Affordable Level	* Waste Tonnage
Apr	57,423	57,246	64,189	60,559	64,666
May	67,314	63,802	65,539	65,181	63,070
Jun	61,701	58,899	66,435	66,290	66,837
Jul	61,563	61,282	62,620	62,147	62,742
Aug	60,519	56,684	58,888	59,324	
Sep	56,884	54,032	66,748	63,391	
Oct	60,127	59,881	60,497	58,037	
Nov	52,934	55,294	52,545	51,585	
Dec	46,979	50,167	53,704	50,768	
Jan	61,791	61,844	56,872	53,742	
Feb	48,801	46,682	46,870	45,841	
Mar	58,583	49,187	56,814	53,635	
	694,619	675,000	711,721	690,500	257,315

* Note: waste tonnages are subject to slight variations between reports as figures are refined and confirmed with Districts.

These waste tonnage figures include recycled waste, composting and residual waste processed either through Allington Waste to Energy plant or landfill.



Comments:

General

- From 2013-14 Waste tonnage data is based on waste outputs from transfer stations rather than waste inputs to our facilities. This is necessary due to the changes in how waste is being presented to KCC by the waste collection authorities, where several material streams are now being collected by one refuse collection vehicle utilising split body compaction. These vehicles are only weighed in once at our facilities, where they tip all of the various waste streams into the separate bays, and then the vehicle is weighed out when empty. The separate waste streams are stored separately at our transfer stations, where these materials are bulked up for onward transfer to various processing plants/facilities. The bulked loads are weighed out, providing data for haulage fees and then are weighed in at the relevant processing plant, providing data for processing fees. All the data presented in the table above has been restated on this output basis in order to enable comparison.

2013-14

- The overall volume of waste managed in 2013-14 was 694,619 tonnes, which was 20,381 tonnes below the affordable level and equated to a saving of £2.155m. However this saving on waste volumes was offset by other pressures within the service, giving an overall saving against the waste management budget of £0.778m.
- The actual tonnage in 2013-14 of 694,619 tonnes was far higher than the forecast figure of 676,900 tonnes based on actuals to January and reported to Cabinet in April. This unexpected increase in volume in the final quarter of 2013-14 continued into 2014-15, with actual tonnage for 2014-15 ending up at 36,721 tonnes more than the affordable level for the year, as the 2014-15 affordable level was based on the actual activity of the first three quarters of 2013-14. These increased volumes are also continuing into 2015-16.

2014-15

- The actual waste tonnage in 2014-15 of 711,721 tonnes was 36,721 tonnes above the affordable level and equated to a pressure of £2.972m. However with the advent of the new contracts, some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore an increase in waste tonnage may not always result in an increased pressure on the waste budget. The pressure on waste volumes was largely offset by other savings within the service giving an overall net pressure against the waste management budget for 2014-15 of +£0.543m. The service believes that the increase in waste tonnage experienced over much of 2014 can be mostly explained by two separate issues. Firstly, climatic: the extraordinarily mild and moist winter of 2013-14 and spring 2014, as well as a markedly high water table, led to a very favourable and advanced growing season, resulting in high levels of organic waste. In addition, large volumes of broken fence panels etc were evident in the early part of the financial year as a result of repairs to winter storm damage. Secondly, the growth in the UK economy has led to increased waste arising across the UK, but particularly in the south east, where economic activity is greatest, in particular in house purchases and renovations. The overall volume of waste was 2.5% higher in 2014-15 than 2013-14.

2015-16

- Based on the actual waste tonnage for April to July and forecasts for August to March, the overall volume of waste to be managed this financial year is expected to be approximately 711,300 tonnes, which is 20,800 tonnes above the affordable level and equates to a pressure of £1.959m. The vast majority (c.£1.6m) of this results from residual waste that cannot be recycled and ends up in landfill or burned to generate electricity at the Allington Waste to Energy plant. The pressure on waste volumes is partially offset by favourable price variances and other savings within the service, as detailed in table 1, giving an overall pressure against the waste management budget of £0.465m.
- The figures in Table 1 of section 1.2 are based on actual activity for April to July, with estimates for the remaining months.
- Overall waste volumes are currently 0.6% lower for the first four months when compared with the same period for last year.
- Waste volumes, both in Kent and nationally, are impacted upon by changes in the economy and the improving economic climate continues to result in higher levels of waste.

3. CAPITAL

3.1 The Growth, Environment and Transport Directorate has a working budget for 2015-16 of £124,200k. The forecast against the 2015-16 budget is £117,171k giving a variance of -£7,029k.

3.2 **Table 2** below details the GET Capital Position by Budget Book line.

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Country Parks Access and Development	60	84	0	0			Green	Rolling Programme	
Library Modernisation Programme	0	136	-136	-136	Real: -£41k Prudential, -£95k Capital Receipt	-£136k underspend to cover overspend on Tunbridge Wells Library.	Green	Rolling Programme	
Management and Modernisation of Assets - Vehicles	110	223	-223	-223	Real	There is no current need in this financial year to replace existing vehicles.	Green		
Public Rights of Way	915	1,201	37	37	Real: £37k External other		Green	Rolling Programme	Increase 15-16 cash limit by £37k External Other.
Public Sports Facilities Improvement - Capital Grant	100	110	0	0			Green	Rolling Programme	
Village Halls and Community Centres - Capital Grants	300	446	0	0			Green	Rolling Programme	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening	26,661	28,490	810	810	Real: +£3k grant, +£796k Developer Contributions, + £11k External Other	Additional footway scheme funded by £243k developer contributions for Bank Street. £553k developer contributions for enhancement of Star Lane, Thanet.	Green	Rolling Programme	Increase 2015-16 cash limit +£11k External Other.
Integrated Transport Schemes under £1 million	3,968	4,632	-200	-200	Real: +£37k External Other, +£13k grant Rephasing: -£250k Developer Contributions	+£50k for additional Integrated Transport schemes funded from external income and additional grant. -£250k rephasing as works at the Bat & Ball junction have been rephased to summer 2016-17 due to utility companies working in this area this summer.	Green	Rolling Programme	Increase 2015-16 cash limit +£37k External other, +£13k Grant.
Member Highway Fund	0	169	0	0			Green	Rolling Programme	
Land compensation and Part 1 claims arising from completed projects	0	265	0	0			Green	Rolling Programme	
Major Schemes - Preliminary Design Fees	100	779	0	0			Green	Rolling Programme	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Individual Projects									
Dartford Library Plus	434	434	0	0			Green	Timing and final costs still to be agreed.	
Tunbridge Wells Library	0	0	181	181	Real: Capital Receipt +£95k, Prudential +£41k, Dev Cons +£15k, External other +£30k.	Overspend due to additional works required to conform to Building Control regulations and to settle final account. To be funded from underspend on Library modernisation, additional external contribution from TWBC and additional banked developer contributions.	Red	Project completion has been delayed and final scheme costs being agreed with the contractor.	Increase 15/16 cash limit +£30k External Other
New Community Facilities at Edenbridge	0	31	0	0			Green		
Southborough Hub	250	250	-15	-15	Real: External Other +£140k Rephasing: -£155k	External funding received from partners towards master planning, detailed design & surveys to be undertaken in 2015-16. Rephasing of £155k to 2016-17 for further progression of project.	Amber	Scope of scheme under review.	Increase 15-16 cash limit +£140k External Other
Tunbridge Wells Cultural Hub	0	0	0	0				Project to commence in later years but feasibility works currently being undertaken within	

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Sustainable Access to Maidstone Employment Areas	820	805	0	0			Green		
Sustainable access to Education & employment	200	187	0	0			Green		
Broadband	9,763	13,075	0	0			Green		
Superfast Extension Programme (SEP)	0	0	0	0				Project to commence in later years.	
Cyclopark	0	3	12	12	Real: prudential	From underspend on Swale Parklands	Green		
Empty Property Initiative	2,500	3,868	0	0			Green		
Eurokent Road (East Kent)	62	68	0	0			Green		
Folkestone Heritage Quarter	680	948	0	0			Green		
Incubator Development	0	165	672	672	Real: -£65k prudential and +£737k External other	-£65k Refunded back to the Regeneration Fund and £737k reflecting loan advances to businesses following receipt of new external funding from the Growing Places Fund.	Green	Essex County Council have agreed Growing Places funding of £1,500k of which £737k has been taken up. This is a revolving loan scheme.	Increase 15-16 cash limit by +£737k External other
Marsh Million	0	517	23	23	Real: External other	Expected match funding from partners	Green		
No Use Empty - Rented Affordable Homes	442	34	-34	-34	Real: External other	Will be used within the Extension Programme below	Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
No Use Empty - Rented Affordable Homes - Extension	673	673	34	34	Real: +£34k External other	£34k from the original programme above	Green		
Old Town Hall, Gravesend	0	27	0	0			Green		
Regeneration Fund Projects	0	212	65	65	Real: +£65k prudential	Refunded back from Incubator Development projects.	Green		
Regional Growth Fund - Expansion East Kent	2,141	15,286	0	0			Green		
Regional Growth Fund - Journey Time Improvement (JTI)	3,577	3,554	0	0			Green		
Rural Broadband Demonstration Project	0	48	100	100	Real: prudential	Funding diverted from the Superfast Extension Programme to complete this project, original underspend from this project was used to fund SEP.	Amber		
Swale Parklands	0	12	-12	-12	Real: prudential	To cover overspend on Cyclopark	Green		
TIGER	2,522	1,699	0	0			Green		
Escalate	311	527	0	0			Green		
Rendezvous Hotel	0	0	0	0				Project to commence in later years.	
Energy and Water Efficiency Investment Fund - External	185	278	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Energy Reduction and Water Efficiency Investment - KCC	138	256	0	0			Green		
Sandwich Sea Defences	435	435	0	0			Green		
Coldharbour Gypsy site	0	0	0	0			Green	Project complete except for clearance of remaining creditors	
Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs):									
Richborough Closed Landfill site- Emergency Works	200	400	0	0			Green		
Sturry Road Closed Landfill site- Emergency Works	150	199	0	0			Green		
TS/HWRC - Swale	2,780	3,050	0	0			Green		
Kent Highway Services:									
East Kent Access Phase 2 - Major Road Scheme	2,524	2,298	0	0			Green		
Rathmore Road Link	1,530	2,034	-464	-464	Rephasing	Start of contract works rephased to 2016-17 until formal approval of SELEP funding obtained.	Green*		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Kent Thameside Strategic Transport Programme	430	428	0	0			Green		
Lorry Park	1,990	2,000	0	0				Location, scope and costs are under review.	
North Farm Longfield Road, Tunbridge Wells	1,021	3,232	0	0			Green		
Rushenden Link (Sheppey) - major road scheme	609	700	0	0			Green		
Sandwich Highways Depot	0	0	0	0				Project to commence in later years.	
Sittingbourne Northern Relief Road - major road scheme	1,418	1,834	0	0			Green		
Street Lighting Column - Replacement Scheme	1,250	1,779	0	0			Green		
Street Lighting Timing - Invest to Save	0	0	0	0			Green	Project complete except for clearance of remaining creditors	
Thanet Park Way	1,000	2,100	0	0			Green		
Westwood Relief Strategy - Poorhole Lane Improvement	435	1,327	0	0			Green	The revised completion date of September 2015 has been previously reported.	
LED Conversion	4,000	4,000	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Sittingbourne Town centre regeneration	4,500	2,500	-2,500	-2,500	Rephasing: -£2.5m	This scheme will be delivered by a third party (Spirit of Sittingbourne) in 2016-17. The £2.5m budget will be rephased to 2016-17 to reflect revised timescales following submission of the final business case to SELEP.	Green*		
Middle Deal transport improvements	1,500	1,500	-1,500	-1,500	Rephasing	This scheme will be delivered by a third party in 2016-17 and the final business case is due to be submitted to SELEP in September 2015. The budget is being re-profiled to reflect revised timescales.	Green*		
A28 Chart Road, Ashford	1,340	1,776	-380	-380	Rephasing	The budget has been reprofiled to reflect the anticipated work programme for 2015-16. The final business case is to be submitted to SELEP in late 2015-16.	Green*		
Victoria Way	0	484	0	0			Green		
Drovers Roundabout junction	0	154	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
M20 Junction 4 Eastern Over bridge	2,800	2,799	-899	-899	Rephasing	The original budget was profiled on the initial business case submitted to SELEP for LGF funding. The business case has now been formalised and the budget is being re-profiled accordingly.	Green*		
A26 London Rd/Staplehurst Rd/Yew Tree Junction	1,200	1,192	-939	-939	Rephasing	The original budget was profiled on the initial business case submitted to SELEP for LGF funding. The business case has now been formalised and the budget is being re-profiled accordingly.	Green*		
A28 Sturry Rural Integrated Transport Package - Canterbury	520	537	-509	-509	Rephasing	The original budget was profiled on the initial Business Case submitted to SELEP for LGF funding. The majority of spend will now be incurred in 2016-17 so the budget is being re-profiled accordingly.	Green*		
Maidstone Gyratory Bypass	500	416	0	0			Green		
Folkestone Seafront	500	490	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Tonbridge Town Centre Regeneration	2,220	2,181	-842	-842	Rephasing	The original budget was profiled on the initial business case submitted to SELEP for LGF funding. The business case has now been formalised and the budget is therefore being re-profiled accordingly.	Green*		
Sturry Link Road-Canterbury	250	238	0	0			Green		
West Kent Local Sustainable Transport- Tackling Congestion	965	946	0	0			Green		
Kent Strategic Congestion Management	800	787	0	0			Green		
Kent Sustainable Intervention programme for growth	500	484	0	0			Green		
Kent Thameside LSTF	2,428	2,408	-310	-310	Rephasing	The original budget was profiled on the initial business case submitted to SELEP for LGF funding. The business case has now been formalised and the budget is being re-profiled accordingly. Detailed design stage has resulted in £310k rephased to 2016-17.	Green*		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
M20 Junction 10a	5,000	0	0	0				Project removed from programme as there is no longer a direct role for KCC in promoting an interim scheme.	
Total	101,707	124,200	-7,029	-7,029					

* SELEP scheme timeframes are dependent upon final business case submissions. These schemes are currently shown as green although some re-profiling is required in line with the final business cases.

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

STRATEGIC & CORPORATE SERVICES DIRECTORATE
JULY 2015-16 MONITORING REPORT

1. REVENUE

1.1	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
Total Directorate (£k)	+69,441	+2,291	-2,291	-	-	-	-

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Strategic & Corporate Services						
Strategic Management & Directorate Support Budgets	3,059.7	-5,168.2	-2,108.5	0		
<u>Community Services</u>						
- Contact Centre & Citizens Advice Help Line	2,421.5	-387.3	2,034.2	+293	+232	A continuation from 2014-15 of the increased number and duration of calls to the Contact Centre, resulting in a need to increase staffing levels to maintain performance and delaying the ability to fully deliver savings.
					+138	Increased costs of Cloud telephony system and Workforce Management system
					-77	Other minor variances
						Management Action identified includes a change to the telephony infrastructure which will increase functionality and promote efficiencies. Additionally, the Customer Service Design Programme is working with directorates to implement process changes which will help reduce call volumes and duration. The costs of the Cloud telephony system will require addressing as part of the 2016-17 budget process.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
- Gateways & Customer Relationship	£'000 1,315.0	£'000 -35.0	£'000 1,280.0	£'000 +194	£'000 +295 Delivery of the 2015-16 saving of £0.390m has been delayed pending the restructure of the Engagement, Organisation Design & Development division.	Management action has already reduced the overall pressure. The proposed restructure of the division together with further management action is expected to address the residual pressure, so there should be no impact on 2016-17 budget.
					-101 Other minor variances	
	3,736.5	-422.3	3,314.2	+487		
<u>Local Democracy</u>						
- Community Engagement	328.0	0.0	328.0	+47		
- County Council Elections	570.0	0.0	570.0	0		
- Local Member Grants	2,704.4	0.0	2,704.4	0		
- Partnership arrangements with District Councils	2,163.2	0.0	2,163.2	0		
	5,765.6	0.0	5,765.6	+47		
<u>Support to Frontline Services</u>						
- Business Services Centre	40,819.4	-40,819.4	0.0	-127	-400 Staffing vacancies held pending the outcome of the back office procurement process +253 Increased maintenance charge for data storage -147 Additional external income following increased demand for teacher recruitment +167 Other minor variances including costs of project management, recruitment and legal fees, each below £100k in value	
- Business Strategy	3,216.3	-82.0	3,134.3	-51		
- Communications & Consultation	3,055.1	-531.0	2,524.1	-189	-81 Staffing vacancies held pending restructure of the Engagement, Organisation Design & Development division -108 Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Democratic & Members	3,793.1	-142.0	3,651.1	0		
- Finance & Procurement	16,410.6	-8,148.5	8,262.1	+1,976	+2,071	This represents a Procurement & Commissioning saving which is being held centrally in Finance & Procurement. Although currently forecast as a pressure, this figure should reduce significantly once the detailed action plan from our project partner (KPMG) has been finalised.
					+163	Staffing overspend, which includes the use of additional senior finance staff on the Back Office Procurement project. This overspend is offset by other savings on non staffing and additional income which are included in the minor variances below.
					-258	Other minor variances, each below £100k
- Human Resources	9,017.4	-1,301.9	7,715.5	-47		
- Information, Communications & Technology	16,875.4	-1,770.8	15,104.6	+222	+139	Increase in one-off Managed Print Service project implementation costs
					+83	Other minor variances
- Legal Services & Information Governance	8,688.5	-10,872.2	-2,183.7	0	+128	Increased use of agency staff due to a number of unexpected vacancies and to provide cover for legal staff working on Facing the Challenge
					-175	Anticipated increase in internal income based upon last year's income received.
					+47	Other minor variances
- Property & Infrastructure Support	30,698.5	-6,436.5	24,262.0	-27		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Transformation	0.0	0.0	0.0	0		see Financing Items (Annex 7) for details	Service transformation costs are held here as a holding position and it is anticipated that these transformation costs, together with the matching drawdown from reserves, will be transferred to the relevant services at the end of the financial year.
	132,574.3	-70,104.3	62,470.0	+1,757			
Total S&CS	145,136.1	-75,694.8	69,441.3	+2,291			
Assumed Management Action				-2,291	-2,071	Anticipated reduction once the detailed action plan from our project partner (KPMG) has been finalised, regarding delivery of the £2m Procurement and Commissioning saving.	
					-220	Reduction of non-critical spend and other efficiencies across all Divisions	
Total S&CS Forecast <u>after</u> mgmt action	145,136.1	-75,694.8	69,441.3	0			

3. CAPITAL

3.1 The Strategic and Corporate Services working budget for 2015-16 is £27,778k. The forecast against the 2015-16 budget is £28,019k giving a variance of +£241k.

3.2 **Table 2** below details the S&CS Directorate Capital Position by Budget Book line.

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Corporate Property Strategic Capital	2,650	2,650	-230	-230	Real: Grant	Budget adjustment to reflect use of grant within revenue.	Green		Decrease cash limit by £120k grant in 2015-16
Disposal Costs	250	250	400	400	Real: Capital receipts	Increased forecast reflects the capitalisation of security costs to protect the value of KCC assets.	Amber	Amber status reflects increased forecast.	
Modernisation of Assets	3,152	3,958	0	0			Green		
Individual Projects									
Building Information Modelling (BIM)	65	123	65	65	Rephasing: prudential		Green		
Connecting with Kent	0	97	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Customer Relationship Management Solution	842	842	0	0			Amber	Amber until completion date agreed.	
Electronic Document Management Solution (EDMS) (known as Electronic Document & Records Management (EDRM))	1,276	1,400	0	0			Green		
Enterprise Resource Programme	0	62	0	0			Green		
Herne Bay Gateway	427	476	0	0			Green		
HR System Development	60	59	0	0			Green	Revised completion date of 31st March 2016 has been previously reported	
Innovative Schemes Fund	0	242	29	29	Real: +£102k External funding and -£73k capital receipt	+£102k relates to the repayment of a loan; -£73k to be used to fund an overspend on the PAMS project below	Green		
LIVE Margate	4,032	5,125	0	0	0		Green		
New Ways of Working	4,200	8,627	0	0			Green		

Budget Book Heading	2015-16 cash limit per budget book (£000)	2015-16 Working Budget (£000)	2015-16 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Property Asset Management System	0	54	73	73	Real: Capital receipts	£73k additional funding is required to complete phase 1 of this project. To be funded from the underspend on the Innovative Schemes Fund above.	Amber	The amber status reflects the need for additional funding which has had to be found from elsewhere within the S&CS capital programme. The revised completion date of 31st December 2015 has been previously reported.	
Property Investment & Acquisition Fund	3,000	3,000	0	0			Green		
Swanley Gateway	308	502	4	4	Real: external funding		Green		
Web Redevelopment Programme	320	311	-100	-100	Rephasing: -£55k prudential revenue and -£45k capital receipts	The programme had an ambitious design, development & build program for new functionality on the website including a single online payments tool which integrates with Oracle. Some minor developments will need to be rephased to 2016/17 due to focus on key deliverables.	Green	Revised completion date of 31st March 2017 has been previously reported.	
S&CS Directorate	20,582	27,778	241	241					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

FINANCING ITEMS
JULY 2015-16 MONITORING REPORT

1. REVENUE

1.1	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
	Total (£k)	+129,724	-3,106	-	-3,106	-	-

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Financing Items							
Audit Fees	314.0	0.0	314.0	-157	-157	This reflects the agreed audit fees as notified by our external auditors	This saving is expected to be ongoing and will be reflected in the 2016-19 MTFP
Carbon Reduction Commitment Levy	800.0	0.0	800.0	0			
Commercial Services (net contribution)	0.0	-6,700.0	-6,700.0	0			
Contribution to IT Asset Maintenance Reserve	2,352.0	0.0	2,352.0	0			
Contribution to/from Reserves	6,305.2	0.0	6,305.2	+893	+893	Forecast transfer to Insurance reserve of surplus on Insurance Fund (see below)	
Insurance Fund	4,999.0	0.0	4,999.0	-893	-893	Forecast surplus on Insurance Fund due to a reduction in claim reserves following a review of claims by our current insurers in preparation for this year's insurance tender. However, current claims trends, particularly in relation to local authorities, mean the potential remains for liabilities and reserves on outstanding claims to increase in the future. They will also be adversely influenced in time by the increase in excess applied to Employers Liability & Public Liability claims for the 2015 policy year.	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Modernisation of the Council	3,000.0	0.0	3,000.0	0			
Net Debt Charges (incl Investment Income)	128,508.0	-8,178.0	120,330.0	-299	-299	Increased interest on cash balances as a result of higher cash balances, investing for longer durations and increased dividends.	
Other	939.0	-36.0	903.0	0			
Unallocated	1,420.9	0.0	1,420.9	-2,650	-1,350	Additional Business Rate compensation grant, above the budgeted level, relating to reimbursement for the impact of tax changes incurred under the business rates retention scheme that were introduced in the 2012, 2013 & 2014 Autumn Statements.	If a business rate pool is agreed for 2016-17, we will need to reflect a retained levy in the 2016-17 budget build, but this will not be confirmed until the autumn.
					-1,000	Estimated retained levy as a result of being in a Business Rate pool with 10 of the Kent District Councils. We have only recently finalised the accounting treatment for this, via a sign off of the 2014-15 accounts, hence why this was not reflected in the 2015-16 budget build. The cash will not be received until 2016-17 but we need to accrue for the income this year. This is our best estimate, the final figure will not be known until year end.	
					-300	Additional Education Services Grant as a result of the expected number of schools converting to academy status during the year being lower than assumed when the budget was set.	
Underspend rolled forward from previous years	-4,000.0	0.0	-4,000.0	0			

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Support to frontline services - Transformation	0.0	0.0	0.0	0	+5,093	0-25 Children's Services Transformation implementation
					-5,093	Drawdown from reserves to meet the costs of 0-25 Children's Services Transformation implementation
					+404	Adults Social Care Transformation Phase 2 design
					-404	Drawdown from reserves to meet the costs of Adults Social Care Transformation Phase 2 design
					+4,240	Adults Social Care Transformation Phase 2 implementation
					-4,240	Drawdown from reserves to meet the costs of Adults Social Care Transformation Phase 2 implementation
					+537	Facing the Challenge costs in excess of the budget of £2,264.8k, to be met by further drawdown from reserves
					-537	Drawdown from reserves to meet the costs of Facing the Challenge in excess of the budgeted amount of £2,264.8k
Total Financing Items	144,638.1	-14,914.0	129,724.1	-3,106		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil - average monthly price in dollars:

	Price per Barrel of Oil		
	2013-14	2014-15	2015-16
	\$	\$	\$
Apr	92.02	102.07	54.45
May	94.51	102.18	59.26
Jun	95.77	105.79	59.82
Jul	104.67	103.59	50.90
Aug	106.57	96.54	42.87
Sep	106.29	93.21	
Oct	100.54	84.40	
Nov	93.86	75.79	
Dec	97.63	59.29	
Jan	94.62	47.22	
Feb	100.82	50.58	
Mar	100.80	47.82	

Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.
- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC UK trade info website.
- Fluctuations in oil prices affect many other costs such as heating, travel, and therefore transportation costs of all food, goods and services, and this will have an impact on all services provided by the Council.

