

# Appendix B

## Bristol City Council - People

### 2017/18 – Budget Monitor Report

2017/18

P4

#### SUMMARY HEADLINES

#### Latest Financial Position

The graphs on the dashboards summarise the financial performance of the People department. The position for DSG is shown on a separate dashboard. The latest revenue forecast outturn shows an overspend of £6.9m, an improvement of £0.4m.

This level of pressure is still a major concern for People Departmental Leadership Team who are engaged with Budget Improvement Executive to identify actions to achieve a sustainable position. This will necessarily include some immediate spending restrictions, recruitment controls and measures to unblock savings implementation, as well as understanding strategic initiatives to manage the medium-term issues in the service.

The pressures are relating to:

- **Adults** £4.0m mainly due to the rising cost of care packages due to lack of capacity, representing a £0.3m net improvement since P3. There is no assumption that any of the Improved Better Care Fund, announced in March 2017, is being used to support this pressure.
- **Children & Families** £1.2m mainly due to Residence & Special Guardianship, and Out of Authority residential placements, but with -£0.2m improvement since P3
- **Education and Skills** £0.9m due to delay in implementing savings and operational issues in Childrens Centres £0.550m, a £0.2m pressure in Trading with Schools. £0.1m adverse movement since P3.
- **People Management** £0.2m Pressures on Apprenticeships and management restructuring savings.
- **Early Intervention & TS** £0.9m mainly due to Emergency accommodation, and additional Preparing for Adulthood take up. £0.1m adverse movement since P3.
- **Strategic Commissioning** -£0.2m improvement due to alternative funding sources identified for previously reported pressures.

Progress on delivery against the savings tracker is monitored weekly and savings are categorised into confidence of delivery. Market conditions and delays have occurred to original planned consultation dates and the latest position shows that savings totalling £2.9m (24%) are marked as low confidence. The top 3 include Recommissioning Community Support Services, increasing the number of Foster Carers and Reshape Childrens Services. A range of measures are proposed to ensure delivery or appropriate mitigations and the effectiveness of these will be closely monitored.

The latest capital outturn projection is £34.4 m, compared to the latest Budget position of £34.6m, an underspend of £0.3m mainly in Care Management. (\* starred items indicate that these are earmarked indicative funds that are subject to Business Case approval)

#### Debt management

People Directorate has £19.3m debt (60 days or more), £8.1m of which is more than 1 year old. 75%+ of it relates to Adults. The £19.3m beyond 60 days is accounted for by debts with individuals (53%), other Public Bodies (44%) and other 3<sup>rd</sup> parties (3%). People DLT recognise that debt levels are high and as a result a plan has been agreed to focus on reducing Adults debt with approval given to recruit to a fixed term post to support the reduction of older debt over a 12 month period and establish good practise procedures to manage debt collection going forward.

#### Net Risks & Opportunities

The gross financial risks faced by the People Directorate (including DSG) are estimated to be £18.8m with estimated mitigations or opportunities of £12.1m. Plans to mitigate the identified risks at P3 are at various stages of development and implementation. The risks include the impact on Care & Support – Adults as a result of CCG turnaround plans where up to £6m of income could be directly affected by these plans, pressures on placement budget in Care & Support – Childrens and DSG overspends that may not have sufficient school underspends to cover them. Using a 50% probability that either the risks or mitigations accrue, current net risks stand at £3.4m.

#### 1. Overall Position and Movement

Forecast 2017/18 - Overspend £m													
Revised Budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
£209.8m	7.2	7.4	6.9										
	▲	▲	▼										

#### 2. Revenue Position by Div.

Budget Area	Over/Under spend (£m)	Movement since P3
Care & Support - Adults	4.0	-0.3
Care & Support - Children & Families	1.2	-0.2
Education & Skills	0.9	0.0
Early Intervention & Targeted Support	0.9	0.0
Management - People	0.2	-0.1
Strategic Commissioning & Commercial Relations	-0.2	0.0
<b>Total</b>	<b>6.9</b>	<b>-0.4</b>

#### 3. Savings Delivery RAG Status

17/18	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - savings are at risk	4.638	2.875	62%
G Yes - savings are safe	7.282	0.000	0%
<b>Grand Total</b>	<b>11.920</b>	<b>2.875</b>	<b>24%</b>

Top 5 largest savings at risk in 17/18 (ordered by size of saving at risk)	
ID - Name of Proposal	Value at Risk in 17/18 (£m)
FP04 - Recommission community support services	1.350
RS03 - Reshape Children's Centres' services	0.550
FP10 - Increase Council Foster Carers	0.360
FP18 - More efficient home to school travel	0.225
FP22 - Increase supported living provision	0.198

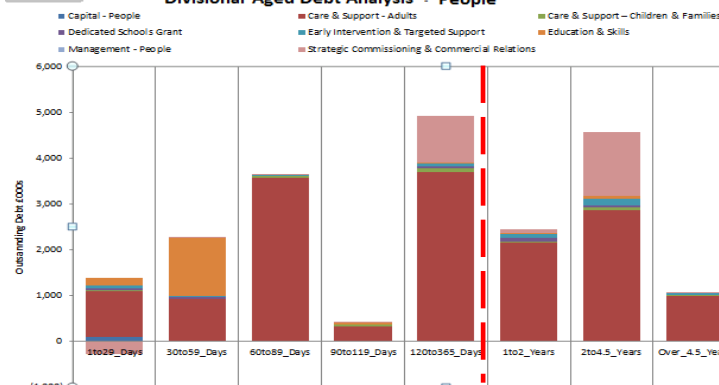
18/19	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - no plan in place	0.366	0.366	100%
A Yes - plan in place but still to deliver	4.888	0.000	0%
G Yes - savings can be taken from budget	2.014	0.000	0%
<b>Grand Total</b>	<b>7.268</b>	<b>0.366</b>	<b>5%</b>

Top 5 largest savings at risk in 18/19 (ordered by size of saving at risk)	
ID - Name of Proposal	Value at Risk in 17/18 (£m)
BE3-g - Restructure adminmand business support teams	0.366

#### Capital Programme

	Current Year (FY2017)				Performance to budget	Scheme Total for Current Timeframe (FY2016 : FY2021)							Performance to budget				
	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast	Variance	Total scheme budget vs total scheme forecast	Expenditure to date	Commitments to date	Variance	%					
Gross expenditure by Programme																	
People																	
£000s																	
%																	
£000s																	
%																	
PE01 School Organisation/ Children's Services Capital Programme																	
PE02 Schools Organisation/ SEN Investment Programme																	
PE02 Schools Devolved Capital Programme																	
PE04 Non Schools Capital Programme																	
PE05 Children & Families - Aids and Adaptations																	
PE05 Care Services																	
PE07 Extra care Housing																	
PE07 Care Management/ Care Services																	
Total (Gross)																	

#### Divisional Aged Debt Analysis - People



#### Revenue Risks & Opportunities Directorate and Key Divisions

