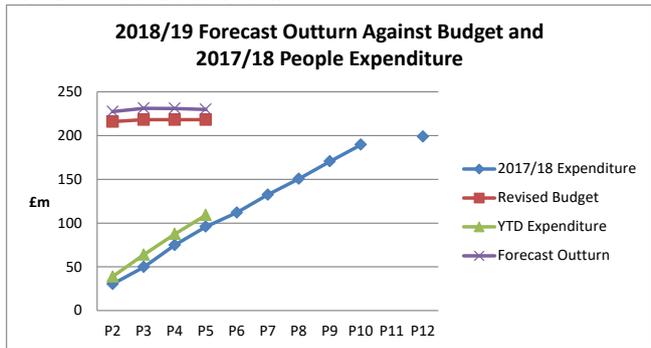


a: 2018/19 Summary Headlines

Revised Budget P4 £219.5m £ 218.2m	Forecast Outturn P3 £231.1m £229.9m	Outturn Variance P3 £11.7m £11.7m
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b: Budget Monitor

1. Overall Position and Movement

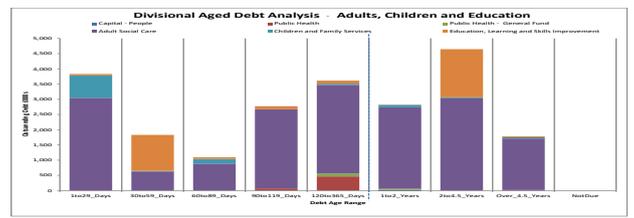


	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Revised budget £218.2m	11.4	13.0	11.7	11.7							
	▲	▲	▼	▼							

2. Revenue Position by Division

Revenue Position by Division	2018/19 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			
Adult Social Care	130.6	138.6	149.6	11.0
Children and Family Services	60.3	60.3	60.2	(0.1)
Education, Learning and Skills Improvement	12.6	17.1	18.2	1.1
Public Health - General Fund	2.0	2.2	1.8	(0.4)
Total	205.5	218.2	229.9	11.7

3. Aged Debt Analysis



Overall position in Education

The General Fund position for Education is showing a forecast overspend of £1.1m. The main pressures arise from not yet allocating £0.8m of savings from the loss of the 2017/18 Education Services Grant, Home School Transport pressures arising from costs, demand and a larger than usual number of school days this financial year, a shortfall on the surplus to be generated by Trading with Schools and higher team costs due to the need to engage agency staff. All of this is partly offset vacancies in Early Years and Employment and Skills and lower pension commitments due to having slightly fewer beneficiaries.

Table: Education and Skills Service budget components, forecast at Period 5 2018/19

Service	Component	Revised budget 2018-19	Forecast 2018-19	Variance
Early Years Learning	Children's Centres (net)	3,071	3,071	
Early Years Learning	Other GF Early Years	747	641	-106
School Partnerships	School Improvement	123	127	4
School Partnerships	Education Welfare	335	335	
Education Management	School Pensions	4,471	4,258	-213
Education Management	Team costs	610	742	132
Education Management	Grant contributions	-1,067	-1,067	
Education Management	Unallocated savings from ESG	-786		786
Education Management	Overheads charged to TWS / DSG	-1,011	-983	28
Additional Learning Needs	Home to School Transport	4,749	5,077	328
Additional Learning Needs	SEND support	1,687	1,700	13
Employment, Learning & Skills	Team costs	642	605	-37
Trading with Schools	Service cost	-573	-395	178
Schools PFI	Contribution to DSG	4,100	4,100	
TOTAL		17,099	18,210	1,111

Education (continued)

The table above provides more detail than previously about the components of the Education budget better to illustrate the scope for delivering the budget for 2018/19, which included £0.8m loss of funding from the 2017/18 Education Services Grant ceasing. This is separate to the deferred loss of another £0.8m Education Services Grant from earlier years, which the Medium Term Financial Forecast expects to be delivered in 2019/20.

The Education Review has been assessing how the authority's statutory responsibilities and aspirations can square with the available resources. In the context of the service also having acute financial difficulties in containing the High Needs Budget within approvals, progress has been limited. Indeed, the service is reporting resource pressures in managing the Education Health and Care plan process, which is being addressed through the use of one-off reserves.

The service budget of £17.1m includes £4.1m contribution to the DSG, £4.5m as an obligation to meet historic commitments on early retirement costs in schools, £3.1m on Children's Centres, which have recently undergone a major restructuring and £4.8m for Home-School Transport, which has been the subject of a major review in recent years. This leaves £0.6m.

The remainder of £0.6m from the net service expenditure budgets is supplemented by £1.1m of grant contributions ((£0.9m from the DSG for statutory and regulatory responsibilities and £0.2m for School Improvement Grant), £0.6m for a surplus target on Trading with Schools, £1m as a technical (contra) entry for central recharges that are levied on the DSG and TWS and £0.8m savings target for the loss of the Education Services Grant in 2018/19. So, the gross expenditure on the other items is £4.1m.

That £4.1m is spent on statutory assessment related SEND activities of £1.7m, £0.6m on Employment and Skills, £0.6m on Early Years staffing and contracts, £0.3m on Education Welfare, £0.1m on School Improvement and £0.7m on a range of other posts associated with delivering an education service.

At a time when SEND managers are seeking additional resources beyond the £1.7m available, the scope for identifying how £1.6m savings can be taken from the Education GF budget and still operate at the statutory minimum is limited. To date, a plan for the future configuration of the Education service has not emerged. Until it does, the financial position for 2018/19 and 2019/20 will remain a pressure for the Authority.

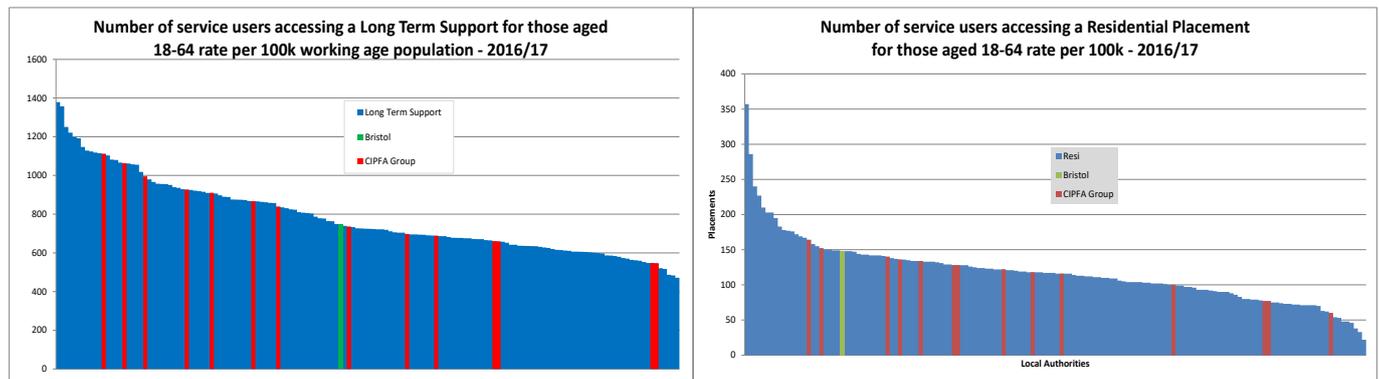
Adult Social Care

At Period 5 (August 2018) the forecast adverse variance of £11m on the current net revenue budget of £150m, this is an increase of £362k on the forecast at Period 4.

The main reasons for the forecast adverse variance is as follows:

- Older People
 - Adverse variance of £9.9m where there are ongoing pressures from both demand and cost of care. The Better Lives Programme has successfully implemented demand interventions that has seen the reduction in placements for both residential and nursing and an increase in the homecare with new placements in care home capped at the Bristol Rate, which has held gross expenditure at the same level as the 2017/18 outturn.
 - The placement rates in a residential and nursing setting and therefore the impact on cost have been and continue to be affected by a challenged local acute health system. Bristol continues to have a very poor rate of Delayed Transfers of Care (DTC) attributable to Adult Social Care, ranked 142nd in the country. Performance improvement has been mandated by the Department of Health and NHS England to that end a new approach is being developed to improve discharge flow and at the same time maximise the where possible a discharge from hospital followed by period of reablement can mean an individual can go home. It is hope that this work will improve DTC performance across the winter and not cause cost pressures on the already overspent social care budgets.
- Working Age Adults
 - Adverse variance of £10.2m, where there is continued use of high cost residential placements where there is a lack of accommodation based support i.e. where a service user can have their own tenancy. Included in the forecast variance is £1.3m of lost income where the BNSSG CCG have implemented revised methodology associated with health share of funding for individuals eligible for s117. These change were introduced as a result of severe financial challenges faced by the CCG, eventually the change may be cost neutral from a BCC point of view once reviews are completed and service are commissioned in the short term there is a direct financial impact.
 - The next phase of the Better Lives Programme will directly address the demand and cost pressures arising from Working Age Adults. In broad terms Bristol supports a similar number of individuals in long term support to the average of like councils but places considerably more in higher cost residential setting. The graphs below set out this position (based on NHSE datasets). The plan is to increase the amount of accommodation based support to provide a viable alternative to a residential placement and maximise the service users independence.

Adult Social Care (continued)



- Whilst some these change will take longer to deliver in the short term a range of changes will be implemented to contain costs that include, introduce a price cap on residential placements, work collaboratively with neighbouring authorities to control the market, review all high cost packages and seek to either renegotiate price or provide alternative support, encourage greater use of Personal Budgets and encourage greater use of Personal Assistants
- Preparing for Adulthood – forecast adverse variance of £3m on a budget of £5.8m, this budget covers transitions from Children’s social care.
 - One of the key pressures is that we support 20 service users in a residential placements at an average cost fo £3,630 per week
 - The key outcomes of the diagnostic work completed on this area include improvements in the interface between children’s and adults, working with service users at a much earlier age, developing and managing the market and expanding the use of assistive technology.
- Service User Contributions & Other Income – forecast positive variance of £4.2m
 - Service user income is expected to be £1.8m higher than budget relecting the higher costs in long term older people placements and s117 income from the CCG is expected to be £2.4m higher than budget. Though the income would have been an additional £1.3m if the method of funding applied in prior years had been applied
- Staffing and other costs/funding – forecast positive variance of £8m
 - This comprises use of the balance of iBCF after programme costs of £3.3m, forecast savings to be delivered by the Better Lives programme of £2.7m and underspend on staffing and other costs of £2m

Children and Family Services

The Children and Families position is reported as a small underspend. This is an improvement of -£0.1m on the Period 4 position. The broadly balanced position arises because there are vacancies across the service with pressures in the placements budgets. The table below sets out a more detailed position on the placements detail. Previous forecasts on the placements position anticipated reductions in placements in future months of £0.3m. During Period 5 3 expensive placements have ceased which account for all but £70k of the future placement reductions which would be necessary to deliver the forecast position.

The Strengthening Families programme is still at an early stage and much of the service improvement work is still to happen, but the budget position is on track for this financial year.

Analysis of Children's Social Care budget forecast P5 2018/19, split between placements and other services.

Name	AVERAGE Nos APR TO AUG 18	ANNUAL BUDGET 2018-19	ANNUAL FORECAST at P5 2018-19	FORECAST VARIATION Period 5	ACTUAL AVERAGE WEEKLY COST
Components of the Placements Matrix	Nos	£000	£000	£000	£
Inhouse Non-LAC	517	3,628	4,667	1,039	173
Inhouse Non-LAC - Post 18	2				
In house Foster care - Looked after	394	6,091	6,090	-1	268
In house Foster care - Post 18	44				
Independent Fostering Agencies - Looked After	158	7,072	6,483	-589	675
Independent Fostering Agencies - Post 18	26				
Inhouse Supported Accom - Looked after	5	85	200	115	128
Inhouse Supported Accom - Post 18	25				
Out of Authority	37	5,345	5,281	-64	2,715
Parent & Baby Unit	7	704	622	-82	1,758
Secure Unit	1	160	243	83	3,896
Childrens Residential Homes (FTE based on no. of nights occupied)	11	3,037	2,610	-428	4,592
ESA - Looked after	7	750	1,140	390	2,283
ESA- Post 18	2				
Adoption - Looked after	68	651	501	-151	131
Adoption - Post 18	6				
Total for PLACEMENTS	1,310	27,523	27,836	313	409
Total for Teams and other services		32,770	32,404	-366	
TOTAL Children and Families		60,293	60,240	-53	

c: Risks and Opportunities

4. Savings Delivery RAG Status

18/19 ACE Directorate Savings Target (£'000s):							16,462	
18/19 Savings	This month			Last month			Top 5 largest savings at risk in 18/19 (ordered by size of Value at Risk in 18/19 (£'000))	
	18/19 - Total value of savings (£'000s)	18/19 - Value at risk (£'000s)	Proportion at risk	18/19 - Total value of savings (£'000s)	18/19 - Value at risk (£'000s)	Proportion at risk		
No - savings are at risk	6,943	6,943	100%	6,943	6,943	100%	FP33 Introduce Better Lives Programme (Improving outcomes for adults in Bristol)	6221
Yes - savings are safe	8,298	0	0%	8,298	0	0%	FP05 Reduced education services grant	497
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	1,221	0	0%	1,221	0	0%	FP18-2 *17/18 rollover* More efficient home to school travel	225
NO RAG PROVIDED	0	0	n/a	0	0	n/a		
WRITTEN OFF	0	0	n/a	0	0	n/a		
Grand Total	16,462	6,943	42%	16,462	6,943	42%		
n/a - represents one off savings or mitigations in previous year	-4,942	0	0%	-4,942	0	0%		
n/a	0	0	n/a	0	0	n/a		
Grand Total	11,520	6,943	60%	11,520	6,943	60%		
Mitigated 17/18 savings that remain 'due' for delivery in 18/19 (£'000)								
Amount due from 17/18:								4942
Amount reported at risk:								TBC

5. Risks and Opportunities

Division	Description	Net Risk / Opportunity £000
Adults	CCG - Turnaround impact on BCF	3,000
Adults	Provider Market Failure leading to paying higher prices for care	1,000
Adults	Court of Appeal decision on treatment of Sleep ins as not being working time reversing a previous tribunal decision and HMRC guidance	150
Children	Opportunities or pressures associated with the occupancy levels of in-house children's homes, whether through new homes or existing.	125
Education	Possible demand and cost pressures in Home School Transport beyond those being reported	300
Education	Possible write-off of Children's Centre, Early Years or Childcare deficits or redundancy costs as a consequence of management of change processes or through an acceptance that deficits had got to a stage where it was infeasible for the school to be able to pay it off within a reasonable time-frame. Moreover, there may be some contributory elements of individual schools' deficits which were beyond their control which the LA might wish to acknowledge.	900
Education	Write-off of deficits at two academising schools: Badocks Wood and Ashton Park.	1,080
Education	Possible write-off of other school deficits eg if DfE direct the school to become a sponsored Academy or in circumstances where it was infeasible for the school to be able to pay it off within a reasonable time-frame.	500
Total		7,055

d: Key Activity Data

- See sections for Adults Social Care and Children and Families

e: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£32.9m	£30.8m	£7.0m	£27.8m	(£3.0m)
		23% of budget	90% of budget	

		Current Year (FY2018)				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	
Gross expenditure by Programme							
Adults, Children and Education							
PE01	School Organisation/ Children's Services Capital Programme	22,871	6,477	21,490	(1,381)	28%	94%
PE02	Schools Organisation/ SEN Investment Programme	0	0	0	0		
PE03	Schools Devolved Capital Programme	2,000	0	2,000	(0)	0%	100%
PE04	Non Schools Capital Programme	995	96	995	0	10%	100%
PE05	Children & Families - Aids and Adaptations	583	43	330	(253)	7%	57%
PE06	Adult & Children's Social Care Services	1,300	0	800	(500)	0%	62%
PE07	Extra care Housing	1,624	31	622	(1,002)	2%	38%
PE08	Care Management/Care Services	231	80	380	149	35%	165%
PE09	Strengthening Families Programme	1,217	292	1,217	0	24%	100%
Total Adults, Children and Education		30,821	7,019	27,835	(2,986)	23%	90%

Key Messages

PE06 & PE07, there is slippage on the delivery of the extra care housing schemes, where planned spend is due to be incurred toward the end of the financial year and continue into 2019/20. On that basis the budget profile will be adjusted to reflect current and forecast expenditure plans.