

Public Document Pack



The following reports are Information Items for the attention of the Social Services Scrutiny Committee.

- 1 Budget Monitoring Report (Month 3)
- 2 Social Services Grants 2020-21
- 3 2020/21 Social Services Revenue Budget.



**SOCIAL SERVICES SCRUTINY COMMITTEE
24TH SEPTEMBER 2020 (INFORMATION ONLY)**

SUBJECT: BUDGET MONITORING REPORT (MONTH 3)

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES

1. PURPOSE OF REPORT

1.1 To inform Members of projected revenue expenditure for the Social Services Directorate for the 2020/21 financial year.

2. SUMMARY

2.1 The report will identify the reasons behind a projected overspend of £996k for Social Services in 2020/21, inclusive of transport costs.

2.2 It will also identify the additional costs incurred within Social Services during the first quarter of the 2020/21 financial year as a result of the Covid 19 pandemic along with the potential costs for the remainder of the financial year and the funding made available by Welsh Government to cover these costs.

3. RECOMMENDATIONS

3.1 Members are asked to note that there have been no budget virements in to or out of the Social Services budget within the current financial year.

3.2 Members are asked to note the projected overspend of £996k against the Social Services budget for 2020/21, inclusive of transport costs.

3.3 Members are asked to note the financial impact of the Covid 19 pandemic upon Social Services.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure Members are apprised of the latest financial position of the Directorate.

5. THE REPORT

5.1 Directorate Overview

5.1.1 The 2020/21 original budget held within Social Services amounted to of £93,236,499 (excluding transport costs). In addition to this, an original budget for 2020/21 of £1,552,829 was held within the Communities Directorate in respect of social care transport provision. As at 30th June 2020, there had been no in-year budget virements in to or out of these original budgets.

- 5.1.2 Information available as at 30th June 2020 suggests a potential overspend of £1,060k against the budget held within Social Services (see appendix 1 for details), while the social care transport budget is forecast to be underspent by £64k following the closure of day care facilities in response to the Covid 19 pandemic. This would result in a total net overspend of £996k in respect of social care provision for 2020/21

Division	Current Budget (£000's)	Projection/ Commitment (£000's)	Over/(Under) Spend (£000's)
Children's Services	25,143	26,759	1,616
Adult Services	65,962	65,486	(476)
Service Strategy & Business Support	2,131	2,052	(79)
Sub Total Directorate of Social Services	93,236	94,296	1,060
Transport Costs	1,553	1,489	(64)
Grand Total	94,789	95,785	996

5.2 Children's Services

- 5.2.1 The Children's Services Division is currently projected to overspend its budget by £1,616k as summarised in the following table: -

	Revised Budget (£000's)	Projection/ Commitment (£000's)	Over/(Under) Spend (£000's)
Management, Fieldwork & Administration	8,840	8,602	(238)
Residential Care Including Secure Accommodation	6,303	8,071	1,768
Fostering & Adoption	8,026	8,269	243
Youth Offending	395	395	0
Families First	47	44	(3)
After Care Support	834	693	(141)
Other Costs	698	685	(13)
Totals: -	25,143	26,759	1,616

Management, Fieldwork and Administration

- 5.2.2 Recruiting to posts within Children's Services continues to be challenging and where appointments have been possible they have tended to be newly qualified social workers appointed at the lower end of the incremental scale. As a result a potential underspend of £238k is currently forecast in respect of management, fieldwork and administrative staff within the Children's Services Division.

Residential Care Including Secure Accommodation

- 5.2.3 Despite significant investment in to the budget for residential care for children in 2020/21, the committed cost of placements still exceeded the budget provision at the start of the year by around £300k. At that time, it was felt that this over-commitment could be managed down through the repatriation of some placements in to the new in-house residential home, Ty Isaf. Unfortunately, this has not been possible due to the delayed opening of Ty Isaf but an in-year saving of around £327k has been achieved as a result of delays in recruiting staff for Ty Isaf. However, demand for residential care has continued to increase throughout the first quarter of the year and an overspend of £1,209k is forecast as a result of supporting 5 additional placements. Furthermore, a change in the conditions attached to the Welsh Government General Hardship Fund with effect from 1st July means that 4 individuals that were placed in

residential care during April due to limited placement options as a result of Covid 19 restrictions, will no longer attract grant funding. This is likely to increase the overspend in this area to £1,768k if the placements continue throughout the current financial year.

Fostering and Adoption

- 5.2.4 The division has also experienced a 13.5% increase in demand for foster placements since the 2020/21 budgets was set, contributing to a potential overspend of £243k in respect of fostering and adoption costs. However, it has been possible to accommodate all of this additional demand with relative carers or Caerphilly's in-house foster carers which are less expensive than placements made through independent fostering agencies. If this had not been possible and the additional demand had been accommodated with independent agencies then the potential overspend in this area would be in excess of £1.25million.

Families First

- 5.2.5 Following a cut in specific grant funding in 2018/19, the Children's Services budget has been used to underwrite a funding shortfall of £47k across the Families First Programme. However, salary spinal point savings are forecast within the Families First Team so it is expected that only £44k will need to be underwritten by Children's Services. The resultant underspend of £3k would not reduce the amount of Welsh Government grant funding claimable.

Aftercare

- 5.2.6 An underspend of £141k is projected in respect of Aftercare Services and can be attributed to the termination of one expensive placement.

Other Costs

- 5.2.7 An underspend in respect of other costs of £13k is forecast, largely due to over provision in the 2020/21 budget in respect of our contribution towards the Gwent Missing Children Project.

5.3 **Adult Services**

- 5.3.1 The Adult Services Division is currently projected to underspend its budget by £476k as summarised in the following table: -

	Revised Budget (£000's)	Projection/ Commitment (£000's)	Over/(Under) Spend (£000's)
Management, Fieldwork & Administration	8,329	8,310	(19)
Own Residential Care and Supported Living	6,577	6,055	(522)
Own Day Care	4,075	3,798	(277)
Supported Employment	70	66	(4)
Aid and Adaptations	786	782	(4)
Gwent Frailty Programme	2,392	2,360	(32)
Supporting People (net of grant funding)	0	0	0
External Residential Care	15,127	14,734	(393)
External Day Care	1,486	1,397	(89)
Home Care (In-House and Independent Sector)	11,742	12,103	361
Other Domiciliary Care	14,039	14,526	487
Resettlement	(1,020)	(1,020)	0
Services for Children with Disabilities	1,390	1,409	19
Other Costs	969	966	(3)
Totals: -	65,962	65,486	(476)

Management, Fieldwork and Administration

- 5.3.2 Additional staff have been assigned to the Children with Disabilities Team at an additional cost of £256k. However, staffing vacancies across the remainder of the adult services management, fieldwork and administrative structure and a reduction in travelling expenses as a result of the Covid 19 pandemic are expected to more than offset the additional staff costs. As a result, a net underspend of £19k is forecast across this structure.

Own Residential Care and Supported Living

- 5.3.3 Around £63k of the underspend in this area relates to delays in recruiting to posts at the facilities at Ashfield Road and Mill Street. A further £70k can be attributed to vacancies within the Peripatetic Team and £32k is due to additional income from other local authorities. A further £163k of the underspend within this service area relates to income from service users within our own residential homes. This assumes around £60k of unsecured debt will be received during the current year but this can be very difficult to predict and has been as much as £270k in some years. The remaining £193k of the underspend largely reflects the level of staff vacancies and absence cover across our respite care and supported living homes.

Own Day Care

- 5.3.4 Around £81k of the £277k underspend forecast against our own day care services relates to non-staff running costs following the closure of day care facilities in response to the Covid 19 pandemic. This forecast is based on an assumption that similar arrangements will remain in place throughout the second quarter of the year with a return to normal arrangements from quarter 3. However, it should be noted that there are currently no specified dates upon which day care facilities are planned to re-open and it is possible that some centres will remain unviable while social distancing remains in force. The remainder of the underspend in this area is due to posts that have remained vacant due to the closures. Day Services staff have continued to be paid throughout the close down period so there will be no savings within day services in respect of these staff. These staff have been temporarily redeployed into residential and supported living homes which has contributed towards underspend within those service areas.

Gwent Frailty Programme

- 5.3.5 The underspend of £32k in respect of the Gwent Frailty Programme can largely be attributed to Reablement Support Worker vacancies within Caerphilly.

Supporting People

- 5.3.6 No variance is currently anticipated in respect of Supporting People Services but this will need to be closely monitored as demand for services could increase as a result of financial hardship faced by vulnerable people due to the Covid 19 pandemic.

External Residential Care

- 5.3.7 The £393k underspend forecast within external residential care includes around £92k in respect of respite care provision for adults aged under 65, reflecting the reduced level of demand for traditional respite care in a residential setting that was experienced in 2019/20. It is possible that this will be compounded by the inability to provide respite care during the Covid 19 pandemic. The remainder of the underspend relates to income from service users. This assumes that around £780k of unsecured property debt will be collected during 2020/21 but this can be very difficult to predict and has fluctuated between £511k and £843k over the previous two financial years.

External Day Care

- 5.3.8 An underspend of around £89k is forecast in respect of external day care provision, largely due to a reduction in services required for people with mental health problems after the budget for 2020/21 was set in February 2020. However, it should be noted that day services were suspended in response to the Covid 19 pandemic which may have contributed to a backlog in invoices being submitted by providers. As the Directorate has agreed to honour contracts for day services throughout their closure this forecast assumes that this backlog of anticipated invoices will eventually be paid.

Home Care (In-House and Independent Sector)

- 5.3.9 An overspend of £361k is forecast in respect of home care services. This includes an underspend of around £76k in respect of our in-house services based on payroll costs incurred up to 30th June. However, this may be due to a low level of absence cover being required during the first quarter as very little annual leave would have been taken by staff in response to the Covid 19 pandemic. The in-house underspend is more than offset by an overspend within independent sector provision which reflects a 6.6% increase in demand (587hrs per week) since the 2020/21 budget was set in February 2020.

Other Domiciliary Care

- 5.3.10 The overspend of £487k projected in respect of other domiciliary care costs includes £76k in respect of increased provision of shared lives placements and £251k in respect of 2 additional supported living placements. The remainder of the overspend can be attributed to an increase in the average size of the care packages provided to service users in supported living placements.

Children with Disabilities

- 5.3.11 An overspend of £76k in respect of staff cover at Ty Hapus resource Centre has been partially offset by an underspend in respect of foster care provision for children with disabilities, resulting in a net overspend of £19k in this service area.

Other Costs

- 5.3.12 A net underspend of £3k has been forecast in respect of Other Costs for Adult Services as a result of a refund of prior year overpayments in respect of regional arrangements relating to Deprivation of Liberty Safeguards.

5.4 Service Strategy and Business Support

- 5.4.1 The service area is currently projected to underspend by £79k as summarised in the following table: -

	Revised Budget (£000's)	Projection/ Commitment (£000's)	Over/(Under) Spend (£000's)
Management and Administration	906	864	(42)
Office Accommodation	223	219	(4)
Office Expenses	152	118	(34)
Other Costs	850	851	1
Totals: -	2,131	2,052	(79)

- 5.4.2 The underspend of £79k in respect of Business Support Includes £31k in respect of staffing

vacancies, £11k in respect of travelling expenses and £34k in respect of office expenses.

- 5.4.3 The underspends forecast for travelling expenses and office expenses reflect a significant reduction in staff travel, printing and postage throughout the first quarter of the financial year due to restrictions in response to the Covid 19 pandemic and assumes that this will continue throughout the second quarter, with a return to pre-pandemic levels in the third and fourth quarter of the year.
- 5.4.4 While a reduction in energy costs is also expected as a result of office closures through lockdown, it is assumed that this will largely be offset by additional cleaning costs once offices re-open.
- 5.4.5 The small overspend in respect of Other Costs is due to rejected claims against the Covid 19 General Hardship Fund made available by Welsh Government (see section 5.5 for further details).

5.5 **Additional Costs Incurred as a Result of the Covid 19 Pandemic**

- 5.5.1 In response to the additional costs faced by local government as a result of the Covid 19 pandemic, Welsh Government created a general hardship fund of £30million for all of Wales against which councils could reclaim additional costs incurred up to 30th June in response to the pandemic. They also made available a number of targeted funds including £40million in respect of adult social care for the same period.
- 5.5.2 Due to the swift nature of this response, very little guidance was provided to local authorities regarding the use of these funds and no specific allocation of funding was identified at an individual authority level. As a result, it was unclear when these funding streams would be exhausted and much of the expenditure incurred by local authorities has been at risk of not being reimbursed by Welsh Government.
- 5.5.3 Claims for reimbursement of additional costs are submitted by local authorities to Welsh Government on a monthly basis. Welsh Government analyse these claims and decide which costs they are prepared to reimburse. As at the end of June 2020, Caerphilly Social Services had submitted claims totalling £217k in respect of the General Hardship Fund and £2,901k in respect of the Adult Social Care Hardship Fund (see appendix 2 for details).
- 5.5.4 So far, Welsh Government has rejected around £6k of the costs claimed by Caerphilly Social Services to date, including £4k in respect of a small grants scheme set up to support voluntary groups with the remainder largely relating to petty cash advances made to vulnerable families. However, Welsh Government are yet to complete their analysis of the claims submitted in respect of June 2020, which for Caerphilly Social Services was by far the largest claim, including £208k in respect of the General Hardship Fund and £1,745k in respect of the Adult Social Care Hardship Fund.
- 5.5.5 Based on arrangements in place as at 30th June 2020 we can expect to continue to incur costs of around £83k per month related to the General Hardship Fund. However, around £62k of this relates to children's residential placements which are no longer eligible for grant funding and will be funded from core budgets with effect from 1st July as set out in paragraph 5.2.3 above. This will reduce the grant funding requirement to around £21k per month
- 5.5.6 Since the introduction of nationally provided personal protection equipment our own expenditure in this area has been significantly curtailed. However, based on current arrangements we can expect to incur costs of around £620k per month in respect of the Adult Social Care Hardship Fund.
- 5.5.6 Confirmation was received on 31st July that a second tranche of the Adult Social Care Hardship Fund has been released by Welsh Government covering the period 1st July to 30th

September. The guidance accompanying this notification is more prescriptive than for the first tranche of funding so we will need to review our approach to using this funding. However, the forecasts contained within this report were prepared prior to receiving this guidance and therefore assume that existing arrangements would remain in place throughout the year and would be funded in full by Welsh Government unless specifically rejected through the claims process.

5.6 **Conclusion**

5.6.1 An overspend of £996k is currently forecast for Social Services for 2020/21 (after deducting the projected underspend for transport) which can be funded through Social Services reserve balances. However, demand for child care placements continues to increase despite the successes of the MyST service and increases in in-house provision. Furthermore, the instabilities in the adult social care market, exacerbated by the Covid pandemic have led to further demands for fee increases from care providers which could lead to an increase in the projected overspend.

5.6.2 Withdrawal of the Covid 19 Hardship Scheme by Welsh Government would increase the projected overspend by around £641k per month based on existing arrangements.

6. **ASSUMPTIONS**

6.1 The projections within this report assume that demand for services will remain at existing levels until the end of financial year unless there is strong evidence to suggest otherwise.

6.2 The projections within this report assume that day services will remain closed throughout the first two quarters of the financial year with normal service resuming from quarter 3. However, it should be noted that there are currently no specified dates upon which day care facilities are planned to re-open.

6.3 The projections within this report assume that the reductions in travelling expenses and office expenses that were experienced through quarter 1 of the year will be replicated in quarter 2, with normal service resuming from quarter 3.

6.4 The projections in this report assume that Welsh Government will make a full reimbursement of costs reclaimed through the June Hardship Fund claim and will continue to fund the scheme throughout the financial year. However, funding has only been confirmed up to 30th September 2020.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

7.1 The provision of budget monitoring information is required as part of the budgetary control requirements contained within the Council's Financial Regulations.

7.2 **Corporate Plan 2018-2023**

The expenditure of the Directorate is linked directly to its ability to shape and deliver its strategic objectives, which in turn assists the achievement of the Authority's stated aims and well-being objectives.

8 **WELL-BEING OF FUTURE GENERATIONS**

8.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

9. EQUALITIES IMPLICATIONS

9.1 An Equality Impact Assessment is not needed because the issues covered are for information purposes only, therefore the Council's full EIA process does not need to be applied.

10. FINANCIAL IMPLICATIONS

10.1 As detailed throughout the report.

11. PERSONNEL IMPLICATIONS

11.1 There are no direct personnel implications arising from this report.

12. CONSULTATIONS

12.1 All consultation responses have been incorporated into this report.

13. STATUTORY POWER

13.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Appendices: Appendix 1 - Social Services 2020/21 Budget Monitoring Report (Month 3)
Appendix 2 – Additional Costs Due To Covid 19 Pandemic

APPENDIX 1 - SOCIAL SERVICES BUDGET MONITORING REPORT 2020/21 (MONTH 3)

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
<u>SUMMARY</u>			
CHILDREN'S SERVICES	£25,143,097	£26,758,840	£1,615,743
ADULT SERVICES	£65,962,140	£65,485,809	(£476,331)
RESOURCING AND PERFORMANCE	£2,131,262	£2,051,713	(£79,549)
SOCIAL SERVICES TOTAL	£93,236,499	£94,296,363	£1,059,864

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
CHILDREN'S SERVICES			
Management, Fieldwork and Administration			
Children's Management, Fieldwork and Administration	£10,698,603	£10,421,928	(£276,675)
Appropriations from Earmarked Reserves	(£245,779)	(£223,054)	£22,725
Social Services Grant	(£527,367)	(£527,367)	£0
Transformation Grant	(£218,748)	(£202,096)	£16,653
Intermediate Care Fund Contribution	(£867,263)	(£867,263)	£0
Sub Total	£8,839,446	£8,602,149	(£237,297)
Residential Care Including Secure Accommodation			
Own Residential Homes	£1,621,725	£1,359,096	(£262,629)
Gross Cost of Placements	£4,753,288	£6,782,091	£2,028,803
Contributions from Education	(£71,988)	(£70,785)	£1,203
Sub Total	£6,303,025	£8,070,403	£1,767,378
Fostering and Adoption			
Gross Cost of Placements	£7,083,754	£7,268,106	£184,352
Social Services Grant	(£122,400)	(£70,530)	£51,870
Other Fostering Costs	£129,321	£129,321	£0
Adoption Allowances	£69,572	£76,063	£6,491
Other Adoption Costs	£369,200	£369,200	£0
Professional Fees Inc. Legal Fees	£496,503	£496,503	£0
Sub Total	£8,025,950	£8,268,663	£242,713
Youth Offending			
Youth Offending Team	£395,152	£395,152	£0
Sub Total	£395,152	£395,152	£0
Families First			
Families First Team	£194,100	£191,037	(£3,063)
Other Families First Contracts	£2,551,032	£2,551,032	£0
Grant Income	(£2,697,747)	(£2,697,747)	£0
Sub Total	£47,385	£44,322	(£3,063)
Other Costs			
Preventative and Support - (Section 17 & Childminding)	£58,989	£58,989	£0
Aftercare	£834,195	£692,994	(£141,201)
Agreements with Voluntary Organisations	£614,272	£601,486	(£12,786)
Intermediate Care Fund Contribution	(£100,000)	(£100,000)	£0
Other	£263,485	£250,316	(£13,169)
Transformation Grant	(£138,802)	(£125,633)	£13,169
Sub Total	£1,532,139	£1,378,152	(£153,987)
TOTAL CHILDREN'S SERVICES	£25,143,097	£26,758,840	£1,615,743

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
ADULT SERVICES			
Management, Fieldwork and Administration			
Management	£130,914	£135,793	£4,879
Protection of Vulnerable Adults	£342,783	£343,293	£510
OLA and Client Income from Client Finances	(£293,267)	(£293,267)	£0
Commissioning	£682,758	£700,742	£17,984
Section 28a Income Joint Commissioning Post	(£17,175)	(£17,175)	£0
Older People	£2,286,252	£2,309,471	£23,219
Less Wanless Income	(£44,747)	(£44,747)	£0
Promoting Independence	£2,655,539	£2,858,756	£203,217
Social Services Grant	(£22,493)	(£22,493)	£0
Provider Services	£402,505	£415,327	£12,822
ICF Funding	(£254,781)	(£254,781)	£0
Learning Disabilities	£844,529	£849,559	£5,030
Appropriations from Earmarked Reserves	(£256,273)	(£215,540)	£40,733
Contribution from Health and Other Partners	(£44,253)	(£44,253)	£0
Mental Health	£1,390,776	£1,457,556	£66,780
Section 28a Income Assertive Outreach	(£94,769)	(£94,769)	£0
Drug & Alcohol Services	£343,951	£323,427	(£20,524)
Emergency Duty Team	£276,994	£276,994	£0
Further Vacancy Savings	£0	(£373,665)	(£373,665)
Sub Total	£8,329,243	£8,310,227	(£19,016)
Own Residential Care			
Residential Homes for the Elderly	£6,773,905	£6,764,159	(£9,746)
Intermediate Care Fund Contribution	(£92,563)	(£92,563)	£0
-Less Client Contributions	(£2,230,000)	(£2,393,968)	(£163,968)
-Less Section 28a Income (Ty Iscoed)	(£115,350)	(£115,350)	£0
-Less Inter-Authority Income	(£55,161)	(£57,105)	(£1,944)
Net Cost	£4,280,831	£4,105,173	(£175,658)
Accommodation for People with Learning Disabilities	£2,764,023	£2,446,815	(£317,208)
-Less Client Contributions	(£89,641)	(£89,641)	£0
-Less Contribution from Supporting People	(£41,319)	(£41,206)	£113
-Less Inter-Authority Income	(£336,671)	(£366,577)	(£29,906)
Net Cost	£2,296,392	£1,949,391	(£347,001)
Sub Total	£6,577,223	£6,054,564	(£522,659)
External Residential Care			
Long Term Placements			
Older People	£10,970,457	£10,669,152	(£301,305)
Less Wanless Income	(£303,428)	(£303,428)	£0
Less Section 28a Income - Allt yr yn	(£151,063)	(£151,063)	£0
Physically Disabled	£469,988	£474,980	£4,992
Learning Disabilities	£3,539,313	£3,388,892	(£150,421)
Mental Health	£759,512	£911,759	£152,247
Substance Misuse Placements	£61,341	£55,620	(£5,721)
Social Services Grant	(£621,424)	(£621,424)	£0
Net Cost	£14,724,696	£14,424,488	(£300,208)

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
Short Term Placements			
Older People	£259,125	£259,125	£0
Carers Respite Arrangements	£40,959	£40,959	£0
Physical Disabilities	£42,853	£7,714	(£35,139)
Learning Disabilities	£16,937	£1,604	(£15,333)
Mental Health	£42,023	£0	(£42,023)
Net Cost	£401,897	£309,402	(£92,495)
Sub Total	£15,126,593	£14,733,890	(£392,703)
Own Day Care			
Older People	£650,970	£581,990	(£68,980)
-Less Attendance Contributions	(£16,869)	(£14,709)	£2,160
Learning Disabilities	£2,884,977	£2,739,628	(£145,349)
-Less Attendance Contributions	(£20,691)	(£29,166)	(£8,475)
-Less Inter-Authority Income	(£24,986)	(£13,755)	£11,232
Mental Health	£770,358	£702,886	(£67,472)
ICF Funding	(£87,100)	(£87,100)	£0
-Less Section 28a Income (Pentrebane Street)	(£81,366)	(£81,366)	£0
Sub Total	£4,075,293	£3,798,408	(£276,885)
External Day Care			
Elderly	£21,603	£33,556	£11,953
Physically Disabled	£106,284	£86,733	(£19,551)
Learning Disabilities	£1,354,252	£1,336,121	(£18,131)
Section 28a Income	(£72,659)	(£72,659)	£0
Mental Health	£76,815	£13,075	(£63,740)
Sub Total	£1,486,295	£1,396,826	(£89,469)
Supported Employment			
Mental Health	£70,410	£66,100	(£4,310)
Sub Total	£70,410	£66,100	(£4,310)
Aids and Adaptations			
Disability Living Equipment	£657,818	£654,899	(£2,919)
Appropriations from Earmarked Reserves	(£100,000)	(£100,000)	£0
Adaptations	£221,208	£221,208	£0
Chronically Sick and Disabled Telephones	£7,168	£5,510	(£1,658)
Sub Total	£786,194	£781,618	(£4,576)
Home Assistance and Reablement			
Home Assistance and Reablement Team			
Home Assistance and Reablement Team (H.A.R.T.)	£4,431,686	£4,320,245	(£111,441)
Wanless Funding	(£67,959)	(£67,959)	£0
ICF Funding	(£32,306)	(£32,306)	£0
Transformation Grant	(£132,931)	(£97,594)	£35,337

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
Independent Sector Domiciliary Care			
Elderly	£6,928,364	£7,466,362	£537,998
Physical Disabilities	£992,052	£988,889	(£3,163)
Learning Disabilities (excluding Resettlement)	£349,865	£330,736	(£19,129)
Mental Health	£238,052	£211,580	(£26,472)
Social Services Grant	(£964,817)	(£1,016,687)	(£51,870)
Gwent Frailty Programme	£2,456,408	£2,424,081	(£32,327)
Appropriation from Specific Reserve	(£64,116)	(£64,116)	£0
Sub Total	£14,134,298	£14,463,230	£328,932
Other Domiciliary Care			
Shared Lives			
Shared Lives Scheme	£1,399,862	£1,476,254	£76,392
ICF Funding	(£173,790)	(£173,790)	£0
Net Cost	£1,226,072	£1,302,464	£76,392
Supported Living			
Older People	£0	£0	£0
-Less Contribution from Supporting People	£0	£0	£0
Physical Disabilities	£1,624,928	£1,876,156	£251,228
-Less Contribution from Supporting People	(£20,226)	(£20,067)	£159
Learning Disabilities	£9,571,709	£9,793,369	£221,660
Less Section 28a Income Joint Tenancy	(£28,987)	(£28,987)	£0
-Less Contribution from Supporting People	(£253,299)	(£239,984)	£13,315
Mental Health	£1,991,071	£1,939,069	(£52,002)
-Less Contribution from Supporting People	(£10,018)	(£9,748)	£270
Social Services Grant	(£66,661)	(£66,661)	£0
Net Cost	£12,808,517	£13,243,149	£434,632
Direct Payment			
Elderly People	£158,349	£108,402	(£49,947)
Physical Disabilities	£687,763	£694,125	£6,362
Learning Disabilities	£679,687	£695,973	£16,286
Section 28a Income Learning Disabilities	(£20,808)	(£20,808)	£0
Mental Health	£3,691	£2,829	(£862)
Social Services Grant	(£42,537)	(£42,537)	£0
Net Cost	£1,466,145	£1,437,983	(£28,162)
Other			
Extra Care Sheltered Housing	£521,339	£526,078	£4,739
-Less Contribution from Supporting People	(£13,454)	(£13,454)	£0
Net Cost	£507,885	£512,624	£4,739
Total Home Care Client Contributions	(£1,970,008)	(£1,970,008)	£0
Sub Total	£14,038,611	£14,526,211	£487,600
Resettlement			
External Funding			
Section 28a Income	(£1,020,410)	(£1,020,410)	£0
Sub Total	(£1,020,410)	(£1,020,410)	£0

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
Supporting People (including transfers to Housing)			
People Over 55 Years of Age	£428,115	£430,201	£2,086
People with Physical and/or Sensory Disabilities	£47,000	£35,362	(£11,638)
People with Learning Disabilities	£144,531	£136,222	(£8,309)
People with Mental Health issues	£1,226,921	£1,220,928	(£5,993)
Families Supported People	£510,000	£514,095	£4,095
Generic Floating support to prevent homelessness	£873,600	£871,206	(£2,394)
Young People with support needs (16-24)	£1,044,142	£1,036,568	(£7,574)
Single people with Support Needs (25-54)	£402,275	£416,408	£14,133
Women experiencing Domestic Abuse	£468,100	£505,208	£37,108
People with Substance Misuse Issues	£413,639	£420,898	£7,259
Alarm Services (including in sheltered/extra care)	£261,770	£259,903	(£1,867)
People with Criminal Offending History	£112,000	£103,186	(£8,814)
Contribution to Social Services Schemes	£370,697	£352,604	(£18,093)
Newport CC funding transfer	(£70,000)	(£70,000)	£0
Less supporting people grant	(£6,232,790)	(£6,232,790)	£0
Sub Total	£0	(£0)	(£0)
Services for Children with Disabilities			
Blackwood Resource Centre	£324,465	£400,413	£75,948
Residential Care	£357,050	£369,750	£12,700
Foster Care	£482,644	£419,693	(£62,951)
Preventative and Support - (Section 17 & Childminding)	£9,631	£9,631	£0
Respite Care	£57,214	£55,880	(£1,334)
Direct Payments	£162,963	£158,502	(£4,461)
Social Services Grant	(£4,532)	(£4,532)	£0
Sub Total	£1,389,435	£1,409,335	£19,900
Other Costs			
Telecare Gross Cost	£633,756	£640,057	£6,301
Less Client and Agency Income	(£397,759)	(£397,759)	£0
Agreements with Voluntary Organisations			
Children with Disabilities	£356,801	£356,801	£0
Elderly	£153,472	£153,472	£0
Learning Difficulties	£62,981	£60,904	(£2,077)
Section 28a Income	(£52,020)	(£52,020)	£0
Mental Health & Substance Misuse	£44,527	£44,527	£0
MH Capacity Act / Deprivation of Libert Safeguards	£111,117	£103,746	(£7,371)
Other	£56,080	£56,080	£0
Gwent Enhanced Dementia Care Expenditure	£278,878	£278,878	£0
Gwent Enhanced Dementia Care Grant	(£209,692)	(£209,692)	£0
Intermediate Care Fund Contribution	(£69,186)	(£69,186)	£0
Sub Total	£968,955	£965,809	(£3,146)
TOTAL ADULT SERVICES	£65,962,140	£65,485,809	(£476,331)

	Revised Budget 2020/2021 £	Projection £	Over/ (Under) Spend £
<u>SERVICE STRATEGY AND BUSINESS SUPPORT</u>			
Management and Administration			
Policy Development and Strategy	£175,507	£172,157	(£3,350)
Business Support	£730,215	£691,555	(£38,660)
Sub Total	£905,722	£863,712	(£42,010)
Office Accommodation			
All Offices	£282,478	£277,959	(£4,519)
Less Office Accommodation Recharge to HRA	(£59,047)	(£59,047)	£0
Sub Total	£223,431	£218,912	(£4,519)
Office Expenses			
All Offices	£152,210	£117,635	(£34,575)
Sub Total	£152,210	£117,635	(£34,575)
Other Costs			
Training	£330,271	£330,271	£0
Staff Support/Protection	£9,561	£9,561	£0
Information Technology	£32,852	£32,852	£0
Management Fees for Consortia	(£51,869)	(£51,869)	£0
Insurances	£252,474	£248,254	(£4,220)
Other Costs	£276,610	£282,385	£5,775
Sub Total	£849,899	£851,454	£1,555
TOTAL RESOURCING AND PERFORMANCE	£2,131,262	£2,051,713	(£79,549)

Appendix 2 - Additional Costs Due To Covid 19 Pandemic

	Committed Cost to 30th June	Forecast for July 2020
General Hardship Costs		
Residential Care for Children	£158,462	not eligible
Leaving Care Top ups	£1,551	£310
Special Guardianship Arrangements	£1,704	£598
Other Miscellaneous Costs	£1,599	
IT Costs	£377	
Vehicle Hire	£2,769	£1,209
S.E.W. Emergency Duty Team Extra Shifts	£16,627	£5,664
Children With Disabilities Agency Worker	£17,923	£6,490
Additional Respite for Children	£3,363	£2,214
Family Support Contract	£13,000	£4,429
Total General Hardship Fund	£217,375	£20,914
Adult Social Care Costs		
Personal Protection Equipment	£1,106,735	£2,000
Additional Staffing Requirements-H.A.R.T.	£25,091	£0
Additional Staffing Requirements-Telecare	£3,939	£0
Residential Care 65+	£41,927	£12,229
Residential Care Under 65	£5,314	£0
Day Care Under 65	£9,304	£0
Supported Living Under 65	£152,730	£39,866
Direct Payments 65+	£1,882	£758
Direct Payments under 65	£3,235	£623
Support of Carers-Emergency Grant Fund	£4,400	£0
Equipment to Facilitate Hospital Discharge	£17,689	£3,543
Additional Support to Care Providers 65+	£1,206,991	£430,000
Additional Support to Care Providers under 65	£321,753	£131,000
Total Adult Social Care Costs	£2,900,992	£620,019
Total Additional Costs Due To Covid 19 Pandemic	£3,118,367	£640,933



SOCIAL SERVICES SCRUTINY COMMITTEE 24TH SEPTEMBER 2020 (INFORMATION ONLY)

SUBJECT: SOCIAL SERVICES GRANTS 2020/21

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES

1. PURPOSE OF REPORT

1.1 To inform Members of 2020/21 grant funding for the Directorate of Social Services.

2. SUMMARY

2.1 The report provides details of current 2020/21 grant funding for the Directorate of Social Services. During the financial year further grants are often made available subject to new funding being identified and successful outcomes for bids.

3. RECOMMENDATIONS

3.1 Members are requested to note the content of this report.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure that Members are aware of the grants for the Directorate and their intended purpose.

5. THE REPORT

5.1 Appendix 1 provides details of the current grant awards for 2020/21 categorised as follows: -

- Grants receivable by Caerphilly Social Services for Caerphilly CBC only.
- Grants receivable by Caerphilly Social Services for wider Consortium arrangements.
- Grants receivable by other Organisations for wider Consortium arrangements that include Caerphilly Social Services.

5.2 In addition to the grants identified in appendix 1, in April 2020, Welsh Government made available additional grant funding to local authorities in response to the Covid 19 outbreak. This additional funding included £40million at a national level in respect of the implications of the pandemic specifically for adult social care. A general hardship fund of £30million was also made available at a national level in response to implications of the pandemic in a number of other services areas including children's social service. These allocations were intended initially to cover costs incurred for the period up to 30th June 2020.

5.3 A further allocation of adult social care funding in response the pandemic was amounting to £22.7million at a national level was announced by Welsh Government in July to cover the period

1st July 2020 to 30th September 2020 but there is no indication of funding beyond this point. Also in August Welsh Government confirmed additional funding of £264million for the continuation of the general hardship fund but further guidance is awaited regarding the specific intentions of this funding.

5.4 Members should note that the grant funding is fully committed for specific purposes in line with the terms and conditions of the grant awarding bodies. At year-end the grant funding bodies request information to satisfy them that monies have been spent in accordance with the relevant terms and conditions.

5.5 Where required, External Audit assesses expenditure against the terms and conditions of the grant. This assessment normally comprises of a random sample of spend, followed by an in-depth scrutiny of the sampled items. This can also involve ensuring proper procurement processes have been adhered to and confirmation that expenditure complies with the conditions of the grant and the intended purpose. Any issues identified by the Auditors will be investigated and this could lead to a need to review a larger sample of expenditure. The schedule in Appendix 1 shows which grants are subject to audit review.

5.6 The External Auditors produce a report annually summarising any issues that have come to light during their audit of the Authority's grants.

5.7 **Conclusion**

The report is provided to ensure that Members are aware of the grants available to fund services which fall under the responsibility of the Corporate Director for Social Services along with their intended purpose. Further details of individual grants can be made available to Members if required.

6. **ASSUMPTIONS**

6.1 There are no assumptions included in this report.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

7.1 The effective utilisation of grant funding will ensure that the Authority is well placed to achieve its stated aims and contribute towards national objectives.

7.2 **Corporate Plan 2018-2023**

Appendix 2 provides details of how the services funded by each of the social services grants receivable in 2020/21 will contribute towards the Corporate Well-being Objectives included in the Corporate Plan for 2018-2023.

8 **WELL-BEING OF FUTURE GENERATIONS**

8.1 Effective financial management including the effective utilisation of external grant funding is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

9. **EQUALITIES IMPLICATIONS**

9.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

10. FINANCIAL IMPLICATIONS

- 10.1 Grant funding levels can change from year to year leading to uncertainty of funding. As mentioned above, many of the grants are subject to audit and expenditure must comply with the grant terms and conditions. Failure to comply may result in a qualification of the grant by the External Auditors, which could result in the clawback of the grant funding.

11. PERSONNEL IMPLICATIONS

- 11.1 Grant funded posts have the potential to be at risk if funding is withdrawn. Wherever possible this risk is mitigated through fixed-term appointments to grant funded posts.

12. CONSULTATIONS

- 12.1 All consultation responses have been incorporated into this report.

13. STATUTORY POWER

- 13.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Appendices: Appendix 1 - Schedule of Social Services Grant Funding for 2020/21
Appendix 2 - Potential Impact on Wellbeing Objectives of Social Services Grant Funding for 2020/21

Grants Receivable by Caerphilly Social Services for Caerphilly C.B.C. Only							
Grant	Funding Body	Grant Funding	Matched Funding	Division	Lead Officer	Purpose of Grant	Subject to Audit
Social Care Workforce and Sustainability Pressures Grant	Welsh Government	£2,370,209		Adults and Children	Senior Management Team	To address current workforce pressures and supporting the sustainability of the social care workforce and supporting the delivery of sustainable social care services, ensuring they are better placed to meet increased or unexpected demands	No
Mental Capacity Act/Deprivation of Liberty Safeguards Grant	Welsh Government	£14,103	-	Adults	Service Manager	To provide an interim additional resource while we await the Department of Health's decision in relation to the Law Commission's report and recommendations in relation to the Mental Capacity Act and DoLS	No

Grants Receivable by Caerphilly Social Services for Wider Consortium Arrangements							
Grant	Funding Body	Grant Funding	Matched Funding	Division	Lead Officer	Purpose of Grant	Subject to Audit
Youth Offending Good Practice Grant	Youth Justice Board	£380,859	-	Children's	Service Manager	To tackle local youth justice priorities within Caerphilly and Blaenau Gwent.. Funding for 2018/19 amounted to £51,517.	Yes
Youth Offending Police Grant	Police and Crime Commissioner	£87,062	-	Children's	Service Manager	To tackle local youth justice priorities within Caerphilly and Blaenau Gwent.. Funding for 2018/19 amounted to £51,517.	No
Remand Framework for Children Grant	Youth Justice Board	£11,098	-	Children's	Service Manager	Funding allocation for remands to youth detention accommodation of children and young people (under 18 years of age) Funding includes £7,102.72 for Caerphilly and £3,995.28 for Blaeanu Gwent.	No
National Approach to Advocacy Grant	Welsh Government	£118,175 for Gwent including £37,580 for Caerphilly	-	Children's	Service Manager	To support the implementation of the National Approach to Statutory Advocacy for Children and Young People across the Gwent region.	No
Housing Support Grant (including what was previously the Supporting People Grant)	Welsh Government	Total grant of £6,412,036 of which £6,232,790 is earmarked for the Supporting People Programme	-	Adults	Supporting People Project Manager	To provide support (not personal care) to vulnerable people to enable them to live as independently as possible.	Internal only
Children and Communities Grant (including what was previously Families First Grant and the St.David's Day Fund)	Welsh Government	Total grant of £9,673,910 of which £2,697,474 is earmarked for the Families First Partnership and £75,726 for St. David's Day Schemes.	-	Children's	Service Manager	The Families First Partnership provides a range of services to support families living in Caerphilly county borough. The St. David's Day schemes support young people who are or have been in local authority care to access opportunities that will lead them towards independent and successful lives.	Yes

Grants Receivable by Other Organisations for Wider Consortium Arrangements Including Caerphilly Social Services						
Grant	Funding Body	Grant Funding	Matched Funding	Grant Recipient	Lead Officer	Purpose of Grant
Transformation Grant	Social Care Wales	£9,982,830 for the Gwent Region		Aneurin Bevan University Health Board	Director of Social Services	To transform health and social care services in response to a Parliamentary Review, driving integration and focussing on building primary care services, providing care closer to home and supporting the transformation of hospital-based care.
Social Care Wales Workforce Development	Social Care Wales	£1,490,463 for the entire Gwent Region	Grant funds maximum of 70% of total expenditure.	Blaenau Gwent Social Services	Learning and Development Manager	To develop an appropriately trained workforce across the Social Care sector (not just Local Authority staff).
Integrated Care Fund	Welsh Government	£15,469,000 revenue funding and £7,410,000 capital funding for the Gwent region.	-	Aneurin Bevan University Health Board	Director of Social Services	To encourage collaborative working between social services, health and housing, to support people to maintain their independence.

Potential Impact on Wellbeing Objectives of Social Services Grant Funding for 2020/21

Grant	Well Being Objective Contributed Towards	Specific Outcome Achieved
Social Care Workforce and Sustainability Pressures Grant	1.Improve education opportunities for all.	8.Safeguard all children and young people in order to create a climate for learning, particularly for those most vulnerable.
	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.
		3.Provide support to reduce the need for higher tier statutory interventions. 5.Improve the recruitment of Foster Carers and Shared Lives carers.
Mental Capacity Act/Deprivation of Liberty Safeguards Grant	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services. 3.Provide support to reduce the need for higher tier statutory interventions.
Page 23 Youth Offending Good Practice Grant	1.Improve education opportunities for all.	4.Help those who are not able to follow a traditional attainment path.
		5.Support learning that enables young and adult employment opportunities including a focus on 'future skills'.
		8.Safeguard all children and young people in order to create a climate for learning, particularly for those most vulnerable.
	2.Enabling employment.	1.Aim to reduce the impact of poverty by supporting people into better employment prospects.
6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.	
	2.Have 'meaningful conversations' to help people identify 'what matters'to them to inform'outcome focused' planning.	
	3.Provide support to reduce the need for higher tier statutory interventions.	
	6.Continue to identify opportunities to work collaboratively wherever appropriate.	
Youth Offending Police Grant	as Youth Offending Good Practice Grant (above)	as Youth Offending Good Practice Grant (above)
Remand Framework for Children Grant	Not Applicable	Not Applicable
National Approach to Advocacy Grant	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.
		6.Continue to identify opportunities to work collaboratively wherever appropriate.

Grant	Well Being Objective Contributed Towards	Specific Outcome Achieved
Housing Support Grant (including what was previously the Supporting People Grant)	1.Improve education opportunities for all.	1.Aim to reduce the impact of poverty within early years. 8.Safeguard all children and young people in order to create a climate for learning, particularly for those most vulnerable.
	3.Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being.	6.Promote the development of a healthy and vibrant private rented sector as a viable housing option.
		7.Prevent homelessness and tackle rough sleeping.
		8. Prevent tenancies from failing by providing a range of housing related support (including those affected by financial hardship, mental health issues or physical disabilities).
	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services. 3.Provide support to reduce the need for higher tier statutory interventions.
Children and Communities Grant (including what was previously Families First Grant and the St.David's Day Fund)	1.Improve education opportunities for all.	1.Aim to reduce the impact of poverty within early years.
		2.Raise standards of attainment.
		4.Help those who are not able to follow a traditional attainment path.
		8.Safeguard all children and young people in order to create a climate for learning, particularly for those most vulnerable.
	5.Creating a county borough that supports a healthy lifestyle in accordance with the Sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015.	1.Aim to reduce inequalities in health across the county borough.
6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.	
	2.Have 'meaningful conversations' to help people identify 'what matters'to them to inform'outcome focused' planning.	
	3.Provide support to reduce the need for higher tier statutory interventions.	
	4.Identify and support carers. 6.Continue to identify opportunities to work collaboratively wherever appropriate.	
Transformation Grant	5.Creating a county borough that supports a healthy lifestyle in accordance with the Sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015.	1.Aim to reduce inequalities in health across the county borough.
	6.Support citizens to remain independent and improve their well-being.	3.Provide support to reduce the need for higher tier statutory interventions. 6.Continue to identify opportunities to work collaboratively wherever appropriate.

Grant	Well Being Objective Contributed Towards	Specific Outcome Achieved
Social Care Wales Workforce Development	2.Enabling employment.	1.Aim to reduce the impact of poverty by supporting people into better employment prospects.
	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.
		2.Have 'meaningful conversations' to help people identify 'what matters'to them to inform'outcome focused' planning.
		3.Provide support to reduce the need for higher tier statutory interventions.
		4.Identify and support carers.
Page 25 Integrated Care Fund	1.Improve education opportunities for all.	4.Help those who are not able to follow a traditional attainment path.
		8.Safeguard all children and young people in order to create a climate for learning, particularly for those most vulnerable.
	3.Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being.	4.Deliver adaptations to support the health and well-being of people in their own homes and maximise the delivery and appropriate use of accessible homes.
	5.Creating a county borough that supports a healthy lifestyle in accordance with the Sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015.	1.Aim to reduce inequalities in health across the county borough.
		2.Creating a place that supports a healthy lifestyle.
	6.Support citizens to remain independent and improve their well-being.	1. Support people to 'help themselves' by providing comprehensive advice and information including signposting to other services.
		2.Have 'meaningful conversations' to help people identify 'what matters'to them to inform'outcome focused' planning.
3.Provide support to reduce the need for higher tier statutory interventions.		
4.Identify and support carers.		
5.Improve the recruitment of Foster Carers and Shared Lives carers.		
6.Continue to identify opportunities to work collaboratively wherever appropriate.		



SOCIAL SERVICES SCRUTINY COMMITTEE 24TH SEPTEMBER 2020 (INFORMATION ONLY)

SUBJECT: 2020/21 SOCIAL SERVICES REVENUE BUDGET

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of the 2020/21 revenue budget settlement for Social Services.

2. SUMMARY

- 2.1 The report provides details of the 2020/21 revenue budget for service areas within Social Services and outlines the reasons for movements in the revenue budget since 2019/20.
- 2.2 The report also sets out the corporate context within which the 2020/21 revenue budget has been set and considers how the 2020/21 budget has been shaped by the Directorate's financial performance in 2019/20 and Welsh Government's response to the financial pressures faced within the social care sector across Wales.

3. RECOMMENDATIONS

- 3.1 That Members note the 2020/21 budget for Social Services set out in appendix 1.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the Members are aware of the content and context of the 2020/21 original revenue budget for Social Services.

5. THE REPORT

5.1 The Corporate Context

- 5.1.1 Details of the Provisional Local Government Financial Settlement are normally announced by WG in early October each year. However, due to a combination of the continuing uncertainty around Brexit, along with the delay in undertaking the UK Government spending review and the announcement of the General Election, the announcement of the Provisional Local Government Financial Settlement for 2020/21 was delayed.
- 5.1.2 In the absence of this provisional settlement and in order to allow sufficient time for public consultation, on 13th November 2019, Cabinet endorsed draft budget proposals for 2020/21 which were based on a range of assumptions and information available at the time. These proposals included a savings requirement of £8.485m and a proposed increase in Council Tax of 6.95%.

- 5.1.3 The provision settlement was eventually announced by Welsh Government on 16th December and resulted in a favourable position for local authorities and provided Caerphilly CBC with headroom of £10.58m in determining the final 2020/21 budget when compared with the proposals endorsed by Cabinet in November.
- 5.1.4 In response to this announcement, on 12th February 2020, Cabinet endorsed a revised set of budget proposals for 2020/21 including a reduced savings requirement for 2020/21 of £3.047m and a smaller increase in Council Tax of 4.7%.
- 5.1.5 This reduced savings requirement of £3,047m did not include any savings requirements for Social Services. Moreover, the budget proposals included the re-instatement of £300k of temporary savings that had been cut from the Social Services budget in 2019/20 and provided additional growth of £800k for Social Services for the 2020/21 financial year to address inescapable costs pressures caused by increase demand for residential care for children.

5.2 **Social Services Financial Performance in 2019/20**

- 5.2.1 At the Social Services Scrutiny meeting on 4th February 2020, Members were notified of a potential underspend of £976k for Social Services for the 2019/20 financial year. However, this position included a number of one-off income streams and other non-recurring issues such as staffing vacancies and temporary fluctuations in demand which masked a significant over-commitment in respect of residential care for children along with increasing demand for supported living placements and shared lives placements for younger adults.
- 5.2.2 In light of this, finance staff undertook a review of the full year financial impact of all long term care packages which identified a potential shortfall in funding for child care placements for 2020/21 of around £1.519m and surplus funding for adult services of around £121k for 2020/21.
- 5.2.3 In response to this review, the Social Services budget for 2020/21 has been re-shaped to reflect these known commitments. The £300k temporary saving that had been cut from the 2019/20 budget and re-instated in the 2020/21 budget has been allocated to residential care for children along with the £800k growth that was included in the proposals endorsed by Cabinet on 20th February. Furthermore, £121k has been re-allocated from the Adult Services budget to the Children's Services budget for 2020/21.
- 5.2.4 This re-shaping of the budget still left a potential shortfall in the Children's Services budget of around £298k. However, it was felt that this shortfall could be eradicated in 2020/21 through the repatriation of some residential placements once our new in-house facilities became fully operational.

5.3 **The Social Services Budget Strategy**

- 5.3.1 In June 2019, a total budget of £90,333,115 for Social Services for 2019/20 was reported to Members. However, during 2019/20 the Education Safeguarding Team that had previously fallen under the remit of the Assistant Director for Children's Services, was transferred into the Directorate of Education and Corporate Services. In response to this change in line management, a budget of £190,867 was vired from the Social Services budget to the Education budget during 2019/20.
- 5.3.2 Two further budget virements were undertaken during 2019/20 in response to additional costs incurred by other directorates due to issues arising within Social Services. The first of these virements saw £70,000 vired from Social Services to the Communities Directorate in response to increasing costs experienced within the Integrated Transport Unit due to increased transport demands for Social Services service users. The other virement involved £17,000 being vired from Social Services to the Directorate of Education and Corporate Services in

response to increased software costs incurred by I.T. Services following adoption of the W.C.C.I.S. national database by Social Services.

5.3.3 The effect of these in-year budget virements was to reduce the Social Services budget from the £90,333,115 that had been reported to Members in June to £90,055,248 by the end of the financial year.

5.3.4 Welsh Government's Final Local Government Financial Settlement for 2020/21 included additional funding for local authorities to cover the increased costs of nursing home care provision following a legal ruling that local authorities should cover the cost of nursing staff while they are undertaking social care tasks. An amount of £101,275 has been added in to the Social Services budget for 2020/21 in respect of this additional financial responsibility.

5.3.5 The budget proposals endorsed by Cabinet on 20th February 2020 included the following provision for general fund inflationary pressures:-

	£m
Pay Awards for APT&C staff at 2%	2.467
Contingency for Pay Awards in Excess of 2%	0.868
Living Wage Increases for APT&C staff	0.049
Non-pay inflation	1.905
Total	5.289

5.3.6 The budget provision for the contingency for pay awards in excess of 2% has been held within the Corporate Services budget pending the final pay award settlement for 2020/21 but the Social Services budget for 2020/21 includes the following share of funding to address the inflationary pressures identified above:-

	£
Pay Awards for APT&C staff at 2%	831,820
Living Wage Increases for APT&C staff	5,327
Non-pay inflation	1,142,829
Total Inflationary Pressures	1,979,796

5.3.7 As discussed in section 5.2 of this report, the budget proposals endorsed by Cabinet on 20th February included £300,000 in respect of re-instated savings from 2019/20 and £800,000 in respect of growth funding for Social Services. Following the budget realignment exercise explained in section 5.2, this additional £1.1m was added to the Children's Services budget for 2020/21 along with a further £121 transferred from the Adult Services budget for 2020/21 in response to the increased demand for residential care for children.

5.3.8 The issues identified in paragraphs 5.3.1 to 5.3.7 above have resulted in an original budget for 2020/21 for Social Services of £93,236,499 as summarised below:-

	Children's Services £	Adult Services £	Business Support £	Total £
Original budget 2019/20	23,692,826	64,531,017	2,109,272	90,333,155
In year virements in 2019/20	(264,927)	4,060	(17,000)	(277,867)
Revised base budget 2019/20	23,427,899	64,535,077	2,092,272	90,055,248
Transfer in re. nursing care homes		101,275		101,275
Total inflationary pressures	494,287	1,446,699	38,990	1,979,796
Re-instate saving from 2019/20	300,000			300,000
Growth for inescapable pressures	800,000			800,000
Budget re-alignment	120,911	(120,911)		0
Original Budget 2020/21	<u>25,143,097</u>	<u>65,962,140</u>	<u>2,131,262</u>	<u>92,236,499</u>

5.4 **Welsh Government's Response to the Financial Pressures Within Social Care**

- 5.4.1 In addition to the increased funding awarded to Social Services within the corporate budget settlement, the Directorate received an increase of £591k in the Social Care Workforce and Sustainability Pressures grant funding awarded by Welsh Government in response to the financial pressures and market instability faced within social care across Wales.
- 5.4.2 This additional grant funding has been used in Caerphilly to facilitate inflationary uplifts in fees payable to adult social care providers in excess of the 1.7% provision that had been included in the corporate budget settlement for non-pay inflation. As a result, fees payable to larger residential and nursing home providers have been uplifted by 4%, domiciliary care fees have been uplifted by 3% and fees payable to supported living care providers and smaller residential care providers have been uplifted by 2.2%.

5.5 **Conclusion**

- 5.5.1 The Social Services budget for 2020/21 has been re-aligned to address known commitments as at January 2020. However, Members will be aware that demand for Social Care Services can fluctuate significantly over time which can cause variances between budgeted and actual costs. The ongoing Covid 19 pandemic is likely to amplify fluctuations in demand during the 2020/21 financial year.

6. **ASSUMPTIONS**

- 6.1 The 2020/21 budget for Social Services was set prior to the outbreak of the coronavirus pandemic that occurred in March 2020. Therefore, the budget did not factor in any additional costs resulting from the pandemic.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The expenditure of the Directorate is linked directly to its ability to shape and deliver its strategic objectives, which in turn assists the achievement of the Authority's stated aims and well-being goals.

7.2 **Corporate Plan 2018-2023**

Effective financial planning and financial control will help to ensure that resources are appropriately prioritised to deliver the 6 objectives contained in the corporate plan.

8 **WELL-BEING OF FUTURE GENERATIONS**

- 8.1 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:-
(i) a prosperous Wales, (ii) a resilient Wales, (iii) a healthier Wales, (iv) a more equal Wales, (v) a Wales of cohesive communities, (vi) a Wales of vibrant culture and thriving Welsh Language and (vii) a globally responsible Wales.

9. **EQUALITIES IMPLICATIONS**

- 9.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

10. FINANCIAL IMPLICATIONS

10.1 As detailed throughout the report.

11. PERSONNEL IMPLICATIONS

11.1 Any personnel implications arising from the Social Services budget strategy for 2019/20 will be managed in accordance with the appropriate HR policies and procedures.

12. CONSULTATIONS

12.1 All consultation responses have been incorporated into this report.

13. STATUTORY POWER

13.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Appendices: Appendix 1 - Social Services Revenue Budget 2020/21

Appendix 1 - Social Services Revenue Budget 2020/21

Original
Budget
2020/21
£

SUMMARY

CHILDREN'S SERVICES	£25,143,097
ADULT SERVICES	£65,962,140
RESOURCING AND PERFORMANCE	£2,131,262
SOCIAL SERVICES TOTAL	<u>£93,236,499</u>

Original
Budget
2020/21
£

CHILDREN'S SERVICES

Management, Fieldwork and Administration

Children's Management, Fieldwork and Administration	£10,698,603
Appropriations from Earmarked Reserves	(£245,779)
Social Services Grant	(£527,367)
Transformation Grant	(£218,748)
Intermediate Care Fund Contribution	(£867,263)

Sub Total **£8,839,446**

Residential Care Including Secure Accommodation

Own Residential Homes	£1,621,725
Gross Cost of Placements	£4,753,288
Contributions from Education	(£71,988)

Sub Total **£6,303,025**

Fostering and Adoption

Gross Cost of Placements	£7,083,754
Social Services Grant	(£122,400)
Other Fostering Costs	£120,893
Adoption Allowances	£69,572
Other Adoption Costs	£369,200
Professional Fees Inc. Legal Fees	£496,503

Sub Total **£8,017,522**

Youth Offending

Youth Offending Team	£395,152
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Sub Total **£395,152**

Families First

Families First Team	£194,100
Other Families First Contracts	£2,551,032
Grant Income	(£2,697,747)

Sub Total **£47,385**

Other Costs

Preventative and Support - (Section 17 & Childminding)	£67,417
Aftercare	£834,195
Agreements with Voluntary Organisations	£614,272
Intermediate Care Fund Contribution	(£100,000)
Other	£263,485
Transformation Grant	(£138,802)

Sub Total **£1,540,567**

TOTAL CHILDREN'S SERVICES

£25,143,097

Original
Budget
2020/21
£

ADULT SERVICES

Management, Fieldwork and Administration

Management	£130,914
Protection of Vulnerable Adults	£342,783
OLA and Client Income from Client Finances	(£293,267)
Commissioning	£682,758
Section 28a Income Joint Commissioning Post	(£17,175)
Older People	£2,286,252
Less Wanless Income	(£44,747)
Promoting Independence	£2,655,539
Social Services Grant	(£22,493)
Provider Services	£402,505
ICF Funding	(£254,781)
Learning Disabilities	£844,529
Appropriations from Earmarked Reserves	(£256,273)
Contribution from Health and Other Partners	(£44,253)
Mental Health	£1,390,776
Section 28a Income Assertive Outreach	(£94,769)
Drug & Alcohol Services	£343,951
Emergency Duty Team	£276,994

Sub Total

£8,329,243

Own Residential Care

Residential Homes for the Elderly	£6,773,905
Intermediate Care Fund Contribution	(£92,563)
-Less Client Contributions	(£2,230,000)
-Less Section 28a Income (Ty Iscoed)	(£115,350)
-Less Inter-Authority Income	(£55,161)
Net Cost	£4,280,831
Accommodation for People with Learning Disabilities	£2,764,023
-Less Client Contributions	(£89,641)
-Less Contribution from Supporting People	(£41,319)
-Less Inter-Authority Income	(£336,671)
Net Cost	£2,296,392

Sub Total

£6,577,223

External Residential Care

Long Term Placements	
Older People	£10,970,457
Less Wanless Income	(£303,428)
Less Section 28a Income - Allt yr yn	(£151,063)
Physically Disabled	£469,988
Learning Disabilities	£3,539,313
Mental Health	£759,512
Substance Misuse Placements	£61,341
Social Services Grant	(£621,424)
Net Cost	£14,724,696

	Original Budget 2020/21 £
Short Term Placements	
Older People	£259,125
Carers Respite Arrangements	£40,959
Physical Disabilities	£42,853
Learning Disabilities	£16,937
Mental Health	£42,023
Net Cost	<u>£401,897</u>
Sub Total	<u>£15,126,593</u>
Own Day Care	
Older People	£650,970
-Less Attendance Contributions	(£16,869)
Learning Disabilities	£2,884,977
-Less Attendance Contributions	(£20,691)
-Less Inter-Authority Income	(£24,986)
Mental Health	£770,358
ICF Funding	(£87,100)
-Less Section 28a Income (Pentrebane Street)	(£81,366)
Sub Total	<u>£4,075,293</u>
External Day Care	
Elderly	£21,603
Physically Disabled	£106,284
Learning Disabilities	£1,354,252
Section 28a Income	(£72,659)
Mental Health	£76,815
Sub Total	<u>£1,486,295</u>
Supported Employment	
Mental Health	£70,410
Sub Total	<u>£70,410</u>
Aids and Adaptations	
Disability Living Equipment	£657,818
Appropriations from Earmarked Reserves	(£100,000)
Adaptations	£221,208
Chronically Sick and Disabled Telephones	£7,168
Sub Total	<u>£786,194</u>

	Original Budget 2020/21 £
Home Assistance and Reablement	
Home Assistance and Reablement Team	
Home Assistance and Reablement Team (H.A.R.T.)	£4,431,686
Wanless Funding	(£67,959)
ICF Funding	(£32,306)
Transformation Grant	(£132,931)
Independent Sector Domiciliary Care	
Elderly	£6,928,364
Physical Disabilities	£992,052
Learning Disabilities (excluding Resettlement)	£349,865
Mental Health	£238,052
Social Services Grant	(£964,817)
Gwent Frailty Programme	£2,456,408
Appropriation from Specific Reserve	(£64,116)
Sub Total	£14,134,298
Other Domiciliary Care	
Shared Lives	
Shared Lives Scheme	£1,399,862
ICF Funding	(£173,790)
Net Cost	£1,226,072
Supported Living	
Physical Disabilities	£1,624,928
-Less Contribution from Supporting People	(£20,226)
Learning Disabilities	£9,571,709
Less Section 28a Income Joint Tenancy	(£28,987)
-Less Contribution from Supporting People	(£253,299)
Mental Health	£1,991,071
-Less Contribution from Supporting People	(£10,018)
Social Services Grant	(£66,661)
Net Cost	£12,808,517
Direct Payment	
Elderly People	£158,349
Physical Disabilities	£687,763
Learning Disabilities	£679,687
Section 28a Income Learning Disabilities	(£20,808)
Mental Health	£3,691
Social Services Grant	(£42,537)
Net Cost	£1,466,145
Other	
Extra Care Sheltered Housing	£521,339
-Less Contribution from Supporting People	(£13,454)
Net Cost	£507,885
Total Home Care Client Contributions	(£1,970,008)
Sub Total	£14,038,611

	Original Budget 2020/21 £
Resettlement	
Section 28a Income	(£1,020,410)
Sub Total	<u>(£1,020,410)</u>
Supporting People (including transfers to Housing)	
People Over 55 Years of Age	£428,115
People with Physical and/or Sensory Disabilities	£47,000
People with Learning Disabilities	£144,531
People with Mental Health issues	£1,226,921
Families Supported People	£510,000
Generic Floating support to prevent homelessness	£873,600
Young People with support needs (16-24)	£1,044,142
Single people with Support Needs (25-54)	£402,275
Women experiencing Domestic Abuse	£468,100
People with Substance Misuse Issues	£413,639
Alarm Services (including in sheltered/extra care)	£261,770
People with Criminal Offending History	£112,000
Contribution to Social Services Schemes	£370,697
Newport CC funding transfer	(£70,000)
Less supporting people grant	(£6,232,790)
Sub Total	<u>£0</u>
Services for Children with Disabilities	
Blackwood Resource Centre	£324,465
Residential Care	£357,050
Foster Care	£482,644
Preventative and Support - (Section 17 & Childminding)	£9,631
Respite Care	£57,214
Direct Payments	£162,963
Social Services Grant	(£4,532)
Sub Total	<u>£1,389,435</u>
Other Costs	
Telecare Gross Cost	£633,756
Less Client and Agency Income	(£397,759)
Agreements with Voluntary Organisations	
Children with Disabilities	£356,801
Elderly	£153,472
Learning Difficulties	£62,981
Section 28a Income	(£52,020)
Mental Health & Substance Misuse	£44,527
MH Capacity Act / Deprivation of Libert Safeguards	£111,117
Other	£56,080
Gwent Enhanced Dementia Care Expenditure	£278,878
Gwent Enhanced Dementia Care Grant	(£209,692)
Intermediate Care Fund Contribution	(£69,186)
Sub Total	<u>£968,955</u>
TOTAL ADULT SERVICES	<u><u>£65,962,140</u></u>

Original
Budget
2020/21
£

SERVICE STRATEGY AND BUSINESS SUPPORT

Management and Administration

Policy Development and Strategy

£175,507

Business Support

£730,215

Sub Total

£905,722

Office Accommodation

All Offices

£282,478

Less Office Accommodation Recharge to HRA

(£59,047)

Sub Total

£223,431

Office Expenses

All Offices

£152,210

Sub Total

£152,210

Other Costs

Training

£330,271

Staff Support/Protection

£9,561

Information Technology

£32,852

Management Fees for Consortia

(£51,869)

Insurances

£252,474

Other Costs

£276,610

Sub Total

£849,899

TOTAL RESOURCING AND PERFORMANCE

£2,131,262