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The following reports are Information Items for the Education and Social Services Scrutiny Committee.

- 1 Education Budget Monitoring 2023/24 (Period 7).
- 2 2023/24 Budget Monitoring Report (Month 7).



INFORMATION ITEM FOR EDUCATION AND SOCIAL SERVICES SCRUTINY COMMITTEE – 30TH JANUARY 2024

SUBJECT: EDUCATION BUDGET MONITORING 2023/24 (PERIOD 7)

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

1.1 To inform Members of the projected 2023-24 outturn position for the Directorate of Education based on the most recent information available.

2. SUMMARY

2.1 The report identifies projected under / (overspends) currently forecast for 2023-24 (full details attached in Appendix 1).

2.2 In summary the current projected outturn position for Education is an overspend of £0.096m.

3. RECOMMENDATIONS

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

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure that Members are fully informed with regards to the 2023-24 projected revenue spends position for Education.

4.2 The Council Budget is based on the achievement of both expenditure and income targets. To ensure that these are met, and that the Council's financial integrity is maintained Directors are required to review income and expenditure trends.

5. THE REPORT

- 5.1 The report deals with the budget monitoring information for the Education Directorate. The revenue position is summarised in Appendix 1, with a breakdown split across 3 areas, Schools Related, Education Related and Lifelong Learning (LL) related respectively.
- 5.2 The projected outturn position is based on actual income and expenditure details to the end of October 2023, together with data used to forecast income and expenditure. Account is also taken of the outturn position for previous years and information available following discussions with Managers.
- 5.3 A net overspend of £0.096m is currently forecast for Education, details are outlined below.
- 5.4 The larger variances in Education relate to the following:

| | £'m (Under / (Over)) |
|------------------------------------|-------------------------|
| Home to School / College Transport | (0.899) |
| Pension Costs School Based Staff | 0.173 |
| Management & Support Service Costs | 0.120 |
| Behaviour Support Services | 0.051 |
| School Based Counselling | 0.068 |
| Vulnerable Learners | 0.061 |
| Early Years Central Team | 0.264 |
| Adult Education | 0.096 |
| Youth Service | (0.090) |
| Net Other (Details in Appendix 1) | 0.060 |
| <hr/> | |
| Total | (0.096) Overspend |

- 5.4.1 The projected outturn position for Home to School Transport continues to represent the worst-case scenario based on current contracts. The expectation is that there is likely to be a reduction in demand across the academic year as transport needs change. This area of service remains the significant financial pressure in the current financial year. The projection includes a reduction of £0.109m since the period 5 position was reported. A significant pressure relates to special education transport provision across all sectors of education. Further work is to be undertaken to review this area of service and the associated financial implications.
- 5.4.2 Over the last 2 financial years there has been an underspend on the budget for the Authority's on-going pension liability linked to pension costs for school-based staff. This position is linked to budget growth for schools as part of the Authority's budget planning and additional grant funding from Welsh Government. Whilst this underspend position is expected to continue in this current financial year, it is expected that this budget is unlikely to be sufficient as we move into future financial years and the number of posts in schools reduce. Any reductions in staffing numbers would be linked to reducing pupil numbers and or budget pressures.

- 5.4.3 The variance against Management & Support Services relates largely to in-year salary savings, one linked to a secondment to the end of the financial year and one due to a delay in recruitment as the requirements of the post were reviewed. This variance also includes additional grant income of £42k that has been received to support work linked to the ALN Reform, this funding ends in 2023-24.
- 5.4.4 In-year vacancy gaps are the main reason for the current projected underspends in our Behaviour Support and School Based Counselling Teams. A small variance of £0.061m (less than 1%) against the Vulnerable Learners budget relates largely to our EOTAS (Education Other Than at School) provision. This provision is currently under review with the development of provision at the old Pontllanfraith Comprehensive site, as part of the Authority's Sustainable Communities for Learning Strategy.
- 5.4.5 The underspend in our Early Years Team is directly linked to staff time supporting the grant funded areas of Flying Start, Early Years Expansion and the Childcare Offer. This variance relates to an opportunity to fund some of our staff costs from these grants in 2023-24.
- 5.4.6 In reference to the variance on our Adult Education provision, this is largely due to capacity through in year grant funding and some small savings across the service.
- 5.4.7 The projected overspend with regards to the Youth Service relates primarily to costs associated with Crumlin Institute. Members will recall that the Youth Service vacated this premise in December 2021, however Caerphilly County Borough Council currently remains contractually bound by the terms of the lease until a surrender is agreed with the landlord and legally executed.
- 5.4.8 It is important to note that the financial projections in this report exclude a forecast outturn position for our schools. The impact of the 5% Teachers pay award September 2023 (1.5% above the budgeted inflationary uplift) and the recent APT&C pay award 2023 are cost pressures that require consideration by the Authority.

5.5 **Conclusion**

- 5.5.1 The projected outturn position for Education is currently an overspend in 2023-24 of £0.096m
- 5.5.2 Full details are contained in the body of this Report.

6. **ASSUMPTIONS**

- 6.1 The projected outturn position is based on actual income and expenditure details to the end of October 2023, together with data used to forecast future income and expenditure. Account is also taken of the outturn position for previous years and information available following discussions with Managers.

7. **SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 An IIA is not necessary for this Information Only Report.

8. FINANCIAL IMPLICATIONS

- 8.1 In summary, based on information currently available there is projected revenue overspend for Education of £0.096m.

9. PERSONNEL IMPLICATIONS

- 9.1 In 2023-24 the Directorate will continue with the strategy of prudent vacancy management.
- 9.2 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

- 10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER

- 11.1 Local Government Act 1972 and 2000.

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Keri Cole, Chief Education Officer
Sue Richards, Head of Education Planning and Strategy
Sarah Ellis, Lead for Inclusion and ALN
Sarah Mutch, Early Years Manager
Paul Warren, Strategic Lead for School Improvement
Cllr Carol Andrews, Cabinet Member for Education and Communities
Cllr Eluned Stenner, Cabinet Member for Finance and Performance
Cllr Teresa Parry, Chair of Education and Social Services Scrutiny Committee
Cllr Brenda Miles, Vice Chair of Education and Social Services Scrutiny Committee
Steve Harris, Head of Financial Services and S151 Officer
Dave Roberts, Interim Finance Manager
Julie Baker, Principal Finance Officer (Schools)
Nicola Hooper, Senior Accountant Education
Lynne Donovan, Head of People Services
Rob Tranter, Head of Legal Services and Monitoring Officer
Ros Roberts, Business Improvement Officer
Clive Campbell, Transportation Engineering Manager

Appendices:

Appendix 1 Projected Revenue Outturn Figures 2023-24

| EDUCATION & LIFELONG LEARNING | Original Estimate 2023-24 £ | Revised Estimate 2023-24 £ | Estimated Outturn 2023-24 £ | Variance Under (Over) 2023-24 £ |
|---|--|---|--|--|
| <u>SUMMARY</u> | | | | |
| SCHOOLS RELATED | 138,689,251 | 138,689,251 | 138,490,034 | 199,217 |
| EDUCATION | 20,552,483 | 20,552,483 | 19,980,645 | 571,838 |
| LIFELONG LEARNING | 4,425,578 | 4,425,578 | 4,393,469 | 32,109 |
| TOTAL SERVICE EXPENDITURE (Revenue) | 163,667,312 | 163,667,312 | 162,864,148 | 803,164 |
| HOME TO SCHOOL / COLLEGE TRANSPORT (Infrastructure Division) | 9,639,854 | 9,639,854 | 10,539,254 | (899,400) |
| TOTAL SERVICE EXPENDITURE (Revenue) Including Transport | 173,307,166 | 173,307,166 | 173,403,402 | (96,236) |
| | | | | |

| EDUCATION & LIFELONG LEARNING | Original Estimate 2023-24 £ | Revised Estimate 2023-24 £ | Estimated Outturn 2023-24 £ | Variance Under (Over) 2023-24 £ |
|--|--|---|--|--|
| <u>SCHOOLS RELATED</u> | | | | |
| Individual Schools Budget | 136,204,949 | 136,204,949 | 136,204,949 | 0 |
| Post 16 Initiative (Grant Income) | (3,895,867) | (3,895,867) | (3,895,867) | 0 |
| Earmarked Formula Funding (inc. Joint Use Sites) | 254,084 | 254,084 | 254,079 | 5 |
| Schools LMS Contingencies | 115,171 | 115,171 | 115,171 | 0 |
| Other Direct School Related | | | | |
| Learning Support Staff Registration Fee | 22,560 | 22,560 | 19,058 | 3,502 |
| PFI Funding Gap | 412,659 | 412,659 | 412,659 | 0 |
| PFI Building Maintenance | 55,260 | 55,260 | 55,260 | 0 |
| Repairs & Maint. 50/50 Scheme (Funded through reserves in 23/24) | 0 | 0 | 0 | 0 |
| School Meal Admin. Utility & Telephone | 825,513 | 825,513 | 823,420 | 2,093 |
| Relief Supply Cover (Maternity) | 768,980 | 768,980 | 797,216 | (28,236) |
| Police Checks | 68,057 | 68,057 | 60,034 | 8,023 |
| Copyright and Licensing (Schools) | 79,585 | 79,585 | 83,273 | (3,688) |
| Total Other Direct School Related | 2,232,614 | 2,232,614 | 2,250,920 | (18,306) |
| Early Years (Rising 3's) | 921,121 | 921,121 | 909,110 | 12,011 |
| Education Improvement Grant - Match Funding | 677,295 | 677,295 | 645,042 | 32,253 |
| Early Retirement Pension Costs of School Based Staff | 2,179,884 | 2,179,884 | 2,006,630 | 173,254 |
| <u>EXPENDITURE TO DIRECTORATE SUMMARY</u> | 138,689,251 | 138,689,251 | 138,490,034 | 199,217 |

| EDUCATION & LIFELONG LEARNING | Original Estimate 2023-24 £ | Revised Estimate 2023-24 £ | Estimated Outturn 2023-24 £ | Variance Under (Over) 2023-24 £ |
|--|--|---|--|--|
| EDUCATION | | | | |
| Management & Support Service Costs | 1,442,559 | 1,442,559 | 1,322,663 | 119,896 |
| Social Inclusion | | | | |
| Psychological Service | 973,701 | 973,701 | 973,701 | 0 |
| Behaviour Support | 209,141 | 209,141 | 158,519 | 50,622 |
| Education Welfare Service | 436,140 | 436,140 | 436,844 | (704) |
| Youth Offending Team | 59,196 | 59,196 | 59,196 | 0 |
| Safeguarding & LAC | 294,057 | 294,057 | 299,786 | (5,729) |
| School Based Counselling | 429,265 | 429,265 | 360,935 | 68,330 |
| Total Social Inclusion | 2,401,500 | 2,401,500 | 2,288,981 | 112,519 |
| Additional Learning Needs | | | | |
| ALN Advisory Support Service | 125,012 | 125,012 | 125,012 | 0 |
| Professional/Statementing | 339,424 | 339,424 | 341,810 | (2,386) |
| Learning Support | 52,775 | 52,775 | 62,398 | (9,623) |
| Language Support | 684,295 | 684,295 | 694,537 | (10,242) |
| Specialist Resources | 46,006 | 46,006 | 46,006 | 0 |
| ALN Improvement Initiative | 40,657 | 40,657 | 40,657 | 0 |
| Childrens Centre | 36,872 | 36,872 | 9,526 | 27,346 |
| SNAP Cymru | 52,045 | 52,045 | 52,045 | 0 |
| Outreach Trinity Fields | 59,944 | 59,944 | 59,944 | 0 |
| Speech Therapy | 65,360 | 65,360 | 65,360 | 0 |
| SENCOM (Sensory Service) | 784,912 | 784,912 | 784,912 | 0 |
| Autism (CASS) | 227,960 | 227,960 | 227,960 | 0 |
| Total Additional Learning Needs | 2,515,262 | 2,515,262 | 2,510,167 | 5,095 |
| Learning Pathways Partnership | | | | |
| 14 - 19 Initiative (Transport Costs) | 144,819 | 144,819 | 109,000 | 35,819 |
| Total Learning Pathways Partnership | 144,819 | 144,819 | 109,000 | 35,819 |
| EOTAS, Additional Support & Out of County Provision (Vulnerable Learners) | 12,173,763 | 12,173,763 | 12,113,020 | 60,743 |
| Early Years Provision & Support | | | | |
| Early Years Central Team | 367,779 | 367,779 | 103,703 | 264,076 |
| Total Early Years Provision & Support | 367,779 | 367,779 | 103,703 | 264,076 |

| EDUCATION & LIFELONG LEARNING | Original Estimate 2023-24 £ | Revised Estimate 2023-24 £ | Estimated Outturn 2023-24 £ | Variance Under (Over) 2023-24 £ |
|---|--|---|--|--|
| Other Service Provision | | | | |
| SACRE | 2,922 | 2,922 | 2,922 | 0 |
| Outdoor Education Advisor SLA | 33,878 | 33,878 | 33,878 | 0 |
| School Improvement | 158,501 | 158,501 | 158,501 | 0 |
| Music Service | 409,638 | 409,638 | 435,948 | (26,310) |
| WJEC & Subscriptions | 19,265 | 19,265 | 19,265 | 0 |
| Total Other Service Provision | 624,204 | 624,204 | 650,514 | (26,310) |
| Education Achievement Service (EAS) | | | | |
| Contribution to EAS Joint Working | 882,597 | 882,597 | 882,597 | 0 |
| Total Education Achievement Service | 882,597 | 882,597 | 882,597 | 0 |
| EXPENDITURE TO DIRECTORATE SUMMARY | 20,552,483 | 20,552,483 | 19,980,645 | 571,838 |
| LIFELONG LEARNING | | | | |
| Adult Education | 162,616 | 162,616 | 66,405 | 96,211 |
| Youth Service | 1,381,282 | 1,381,282 | 1,471,275 | (89,993) |
| Library Service | 2,795,401 | 2,795,401 | 2,772,075 | 23,326 |
| LLL Insurance & Non Operational Property/Land | 86,279 | 86,279 | 83,714 | 2,565 |
| EXPENDITURE TO SERVICE SUMMARY | 4,425,578 | 4,425,578 | 4,393,469 | 32,109 |



EDUCATION AND SOCIAL SERVICES SCRUTINY COMMITTEE - 30TH JANUARY 2024

SUBJECT: 2023/24 BUDGET MONITORING REPORT (MONTH 7)

REPORT BY: DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

1.1 To inform Members of projected revenue expenditure for Social Services for the 2023/24 financial year and its implications for future financial years.

2. SUMMARY

2.1 The report will identify the reasons behind a projected underspend of £2,749k for Social Services in 2023/24, inclusive of transport costs.

2.2 It will also consider the implications of this projected underspend on Social Services reserve balances and for future financial years.

3. RECOMMENDATIONS

3.1 Members are asked to note the projected underspend of £2,749k along with its implications on reserve balances and future financial years.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure Members are apprised of the latest financial position for Social Services.

5. THE REPORT

5.1 Social Services Overview

5.1.1 On 30th May 2023, the Social Services Scrutiny Committee received the 2023/24 Social Services Revenue Budget report, which identified a total budget for Social Services of £127,137,247. However, in September 2023, the office accommodation at Unit 5 on the Woodfieldside Business Park was adopted as a corporate property and as a result, £9,834 was vired from the Social Services budget to the Property Services budget.

5.1.2 This virement resulted in a revised budget for Social Services of £127,127,413 and information available as at 31st October 2023 suggests a potential underspend of £2,292k against this revised budget. Details of this potential spend are provided in sections 5.2, 5.3 and 5.4 of this report and in appendix 1.

- 5.1.3 In addition to the revised budget for Social Services identified above, a further £1,753,733 is included in the Economy & Environment Directorate budget in respect of transport costs for Social Services. Current information suggests a potential underspend of £457k against this budget as a result of reduced costs of transport to day centres.
- 5.1.4 This potential underspend in respect of transport costs would add to the potential underspend against the Social Services revised budget, resulting in a net underspend of £2,749k as summarised below:-

| Division | Revised Budget (£000's) | Projection/ Commitment (£000's) | (Over)/Under Spend (£000's) |
|---|--------------------------------|--|------------------------------------|
| Children's Services | 35,943 | 36,109 | (166) |
| Adult Services | 87,487 | 85,343 | 2,144 |
| Service Strategy & Business Support | 3,697 | 3,383 | 314 |
| Sub-Total Directorate of Social Services | 127,127 | 124,835 | 2,292 |
| Transport Costs | 1,754 | 1,297 | 457 |
| Grand Total | 128,881 | 126,132 | 2,749 |

5.2 Children's Services

- 5.2.1 The Children's Services Division is currently projected to overspend its budget by £166k as summarised in the following table: -

| | Revised Budget (£000's) | Projection/ Commitment (£000's) | (Over)/Under Spend (£000's) |
|---|--------------------------------|--|------------------------------------|
| Management, Fieldwork & Administration | 11,771 | 10,924 | 847 |
| Residential Care Incl. Secure Accommodation | 12,627 | 13,022 | (395) |
| Fostering & Adoption | 9,753 | 10,090 | (337) |
| Youth Offending | 478 | 435 | 43 |
| Families First | 4 | 4 | 0 |
| After Care Support | 771 | 1,051 | (280) |
| Other Costs | 539 | 583 | (44) |
| Totals: - | 35,943 | 36,109 | (166) |

Management, Fieldwork and Administration

- 5.2.2 The Children's Services Division continues to experience difficulties in recruiting social work staff, which has resulted in the underspend in respect of management, fieldwork and administration increasing to £847k

Residential Care Including Secure Accommodation

- 5.2.3 While the new residential facilities at Ty Heulog and the Firs are being adapted, the Children's Services Division has entered in to some short term lease arrangements in order to accommodate children requiring residential care. These temporary homes have been staffed using agency staff, which has added around £334k to the cost of in-house residential care for children since the month 5 position was reported to Members. Increased demand for mother and baby placements has added a further cost of £115k since month 5. These additional pressures have turned the £54k potential underspend reported for period 5 in to a potential overspend of £395k at month 7.

Fostering and Adoption

- 5.2.4 An overspend of around £337k in anticipated in respect of fostering and adoption services for 2023/24. The increasing complexity surrounding children placed with foster carers has contributed around £218k of this total overspend through additional legal and medical professional costs. The remainder of the overspend can be attributed to an increase in the number of Special Guardianship Orders since the 2023/24 budget was set.

Youth Offending

- 5.2.5 Following a freeze in contributions in to the Blaenau Gwent and Caerphilly Youth Offending Service over several years, the Local Management Board (LMB) agreed to uplift contributions by 10% annually commencing in 2022/23, in order to keep pace with increasing costs. However, in light of the financial pressures faced by partner organisations in 2023/24, the LMB subsequently agreed a one-off reimbursement to partners from service reserves to mitigate the 10% increase in contributions required in 2023/24. This has resulted in a £43k underspend in respect of Caerphilly Children's Services contribution to the YOS partnership.

Aftercare and Other Children Looked After Services

- 5.2.6 The potential overspend to £280k in this area reflects the increase in numbers of care leavers with continuing support packages since the 2023/24 budget was set, with support being provided for longer periods.

Other Costs

- 5.2.7 The demand for advocacy and family support services funded through spot purchase arrangements has proved to be much lower than originally anticipated, as has the contribution expected from Caerphilly to support the Gwent Missing Children Project. This has contributed to an underspend of around £145k. However, this has been more than offset by a projected overspend of £190k in respect of unaccompanied asylum seeking children, resulting in a net overspend of £44k in respect of Children's Services other costs. The Division is currently supporting 16 asylum seeking children aged between 15 and 17 years, compared with the 10 children that were supported a year ago.

5.3 **Adult Services**

- 5.3.1 The Adult Services Division is currently projected to underspend its budget by £2,144k as summarised in the following table: -

| | Revised Budget (£000's) | Projection/ Commitment (£000's) | (Over)/Under Spend (£000's) |
|---|-------------------------|---------------------------------|-----------------------------|
| Management, Fieldwork & Administration | 10,041 | 9,723 | 318 |
| Own Residential Care and Supported Living | 9,329 | 8,129 | 1,200 |
| Own Day Care | 4,787 | 3,967 | 820 |
| Supported Employment | 77 | 69 | 8 |
| Aid and Adaptations | 865 | 918 | (53) |
| Gwent Frailty Programme | 2,750 | 2,401 | 349 |
| External Residential Care | 22,266 | 23,849 | (1,583) |
| External Day Care | 979 | 766 | 213 |
| Home Care | 12,496 | 10,790 | 1,706 |
| Other Domiciliary Care | 21,561 | 21,702 | (141) |
| Resettlement | (1,020) | (1,020) | 0 |
| Services for Children with Disabilities | 2,256 | 2,948 | (692) |
| Other Costs | 1,100 | 1,101 | (1) |
| Totals: - | 87,487 | 85,343 | 2,144 |

Management, Fieldwork and Administration

5.3.2 Vacancy levels within the Adult Services management, fieldwork and administration structure remained above budgeted levels throughout September and October, which has increased the potential underspend in this area to around £318k.

Own Residential Care and Supported Living

5.3.3 The £1,200k underspend forecast in respect of our own residential care and supported living homes, includes around £413k of additional service user contributions, following a recovery in occupancy levels in our residential homes, post-pandemic. A further £141k of the underspend stems from the closure of South View residential home for people with learning disabilities at Graig Road, Hengoed, which was formerly occupied by service users from Rhondda Cynon Taff. The remaining underspend can largely be attributed to staff recruitment difficulties.

Own Day Care

5.3.4 A combination of alternative service provision and continued recruitment difficulties within our own day opportunities service is expected to result in an underspend of £820k. However, should the service area continue to face recruitment difficulties then this underspend could increase by the end of the financial year.

Aids and Adaptations

- 5.3.5 There has been a £50k increase in the management charge for the Gwent Integrated Community Equipment Service compared with 2022/23, in response to the inflationary pressures associated with operating the service. There has also been an increase in demand for disability equipment for vulnerable adults which has been largely offset by a reduction in demand for specialist equipment for children with disabilities and a reduction in the number of funded telephone lines for vulnerable adults. The net effect of all this is a potential overspend of £53k

Gwent Frailty Programme

- 5.3.6 The underspend of £349k in respect of the Gwent Frailty Programme reflects the continued difficulties faced in recruiting both Health Care and Social Care staff.

External Residential Care

- 5.3.7 There has been a reduction in demand for residential care for older people since the month 5 position was reported to Members, saving around £247k. However, this has been more than offset by 4 additional placements for people with physical disabilities, 2 additional placements for people with learning disabilities and 2 additional placements for people with mental health problems. This has increased the total projected overspend for external residential care by £218k to £1,583k.

External Day Care

- 5.3.8 A greater take up of direct payments over recent years has led to a reduction in demand for external day care provision resulting in a projected underspend of £212k.

Home Care (In-House and Independent Sector)

- 5.3.9 Over recent months, the in-house home care service has achieved some success in recruiting additional staff, which has enabled a number of people with complex needs to be discharged from hospitals. This in turn has helped to reduce the projected underspend in this area by £295k to £1,706k. However, recruitment continues to be a challenge across the sector with over 70 posts remaining vacant within the in-house service alone and unmet need standing at around 117 hours of care per week.

Other Domiciliary Care

- 5.3.10 Increased demands for supported living and extra care costing £178k and £35k respectively have been partially offset by a drop-off in shared lives provision of £126k and direct payments of £45k. However, the underspend in respect of home care service provision identified in paragraph 5.3.9 has impacted on the level of income receivable from service users, resulting in a potential net overspend of around £141k in respect of other domiciliary care.

Children with Disabilities

- 5.3.11 The £692k overspend predicted in respect of children with disabilities includes £530k in respect of increased demand for residential care placements, £49k in respect of increased demand for foster care placements and £113k for additional staffing required to support service user needs at Ty Hapus respite home.

Other Costs

- 5.3.12 An overspend of £74k is projected in respect of additional staffing cover for the Telecare help line. However, this has been largely offset by limited demand for services purchased through spot contract arrangements in other areas, resulting in a net overspend of £1k in respect of other costs for adult services.

5.4 **Service Strategy and Business Support**

5.4.1 The service area is currently projected to underspend by £314k as summarised in the following table: -

| | Revised Budget (£000's) | Projection/Commitment (£000's) | (Over)/Under Spend (£000's) |
|-------------------------------|--------------------------------|---------------------------------------|------------------------------------|
| Management and Administration | 2,299 | 1,946 | 353 |
| Office Accommodation | 321 | 375 | (54) |
| Office Expenses | 133 | 114 | 19 |
| Other Costs | 944 | 948 | (4) |
| Totals: - | 3,697 | 3,383 | 314 |

Management and Administration

5.4.2 The underspend of £353k in respect of management and administration includes £147k as a result of the vacant director's post. The remaining £206k can largely be attributed to delays in filling newly created posts within the Caerphilly Cares Service and short term grant funding.

Office Accommodation

5.4.3 £18k of the overspend projected in this area relates to a net loss of income from room rentals since Corporate Property Services took on the running of Atlee Court and Graig y Rhacca Hubs from the Caerphilly Cares Team. The remainder of the £54k overspend is largely attributable to increased energy costs at the North Resource Centre and Ty Graddfa offices.

Office Expenses

5.4.4 The underspend of £19k in this area can largely be attributed to reduced printing costs as a result of a growth in virtual meetings and home working.

Other Costs

5.4.5 We are currently anticipating a £38k underspend in respect of the Joint Workforce Development Team administered by Blaenau Gwent Local Authority and a £27k underspend in respect of the Regional Partnership Support Team administered by Torfaen Local Authority. We are also projecting a £25k underspend relating to miscellaneous IT expenditure as a result of service reserves being used to fund most of the recent expenditure. However, a delegated decision has been taken to appropriate £95,000 from the Social Services revenue budget for 2023/24 to fund 2 additional posts for 12 months to assist in the payment of care providers. As a result, a net overspend of £4k is anticipated in this area.

5.5 **Impact of the Potential Underspend on Service Reserve Balances and Future Financial Years**

5.5.1 The projected in-year underspend of £2,749k would boost corporate reserve balances by the same amount. This additional reserve balance could provide some temporary breathing space within the corporate medium-term financial plan for 2024/25.

5.5.2 However, if the recruitment issues faced during 2023/24 can be resolved then the underspends achieved in 2023/24 will not be realised in future years. Conversely, the increased demands experienced during 2023/24 in respect of special guardianships, aftercare

services, asylum seeking children, residential and nursing care, supported living and children with disabilities are all likely to translate in to on-going financial pressures for future years. Furthermore, the increasing costs faced by social care providers is likely to translate into demands for significant fee increases in 2024/25. The anticipated increase in reserves could help mitigate the impact of these additional pressures, in the short-term only.

5.6 Conclusion

- 5.6.1 Despite a number of areas where sizeable cost pressures are being experienced, staffing shortages across the social care market have led to a projected in-year underspend of £2,749k for Social Services in 2023/24. If those staffing shortages can be resolved then the directorate could face significant financial pressures in 2024/25.

6. ASSUMPTIONS

- 6.1 The projections within this report assume that any impact of the outstanding pay award for 2023/24 in excess of 5% will be corporately funded.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An Integrated Impact Assessment is not needed because the issues covered are for information purposes only.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

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

11. STATUTORY POWER

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

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Appendices:

Appendix 1 Social Services Budget Monitoring Report 2023/24 (Month 7)

APPENDIX 1 - Social Services Budget Monitoring Report 2023/24 (Month 7)

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|------------------------------|---------------------------|---------------------|------------------------|
| | £ | £ | £ |
| <u>SUMMARY</u> | | | |
| CHILDREN'S SERVICES | £35,942,914 | £36,109,322 | (£166,408) |
| ADULT SERVICES | £87,487,295 | £85,343,664 | £2,143,631 |
| RESOURCING AND PERFORMANCE | £3,697,204 | £3,382,725 | £314,479 |
| SOCIAL SERVICES TOTAL | £127,127,413 | £124,835,711 | £2,291,702 |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|--|---------------------------|--------------------|------------------------|
| | £ | £ | £ |
| <u>CHILDREN'S SERVICES</u> | | | |
| Management, Fieldwork and Administration | | | |
| Children's Management, Fieldwork and Administration | £13,535,801 | £12,539,980 | £995,821 |
| Appropriations from Earmarked Reserves | (£876,424) | (£727,780) | (£148,644) |
| Less Wanless Income | (£51,115) | (£51,115) | £0 |
| Performance & Improvement Grant | (£40,000) | (£40,000) | £0 |
| Regional Integration Fund Grant | (£797,575) | (£797,575) | £0 |
| Sub Total | £11,770,687 | £10,923,510 | £847,177 |
| Residential Care Including Secure Accommodation | | | |
| Own Residential Homes | £2,784,544 | £3,108,279 | (£323,735) |
| Appropriations from Earmarked Reserves | (£401,525) | (£401,525) | £0 |
| Welsh Government Grants | (£637,848) | (£637,848) | £0 |
| Gross Cost of Placements | £10,965,812 | £11,032,762 | (£66,950) |
| Contributions from Education | (£84,162) | (£80,154) | (£4,008) |
| Sub Total | £12,626,821 | £13,021,514 | (£394,693) |
| Fostering and Adoption | | | |
| Gross Cost of Placements | £8,615,585 | £8,695,569 | (£79,984) |
| Other Fostering Costs | £91,006 | £116,791 | (£25,785) |
| Adoption Allowances | £64,246 | £66,471 | (£2,225) |
| Other Adoption Costs | £403,004 | £414,550 | (£11,546) |
| Professional Fees Inc. Legal Fees | £578,899 | £796,825 | (£217,926) |
| Sub Total | £9,752,740 | £10,090,205 | (£337,465) |
| Youth Offending | | | |
| Youth Offending Team | £478,133 | £434,666 | £43,467 |
| Sub Total | £478,133 | £434,666 | £43,467 |
| Families First | | | |
| Families First Team | £266,484 | £268,954 | (£2,470) |
| Other Families First Contracts | £2,909,565 | £2,907,095 | £2,470 |
| Grant Income | (£3,171,546) | (£3,171,546) | £0 |
| Sub Total | £4,503 | £4,503 | (£0) |
| Other Costs | | | |
| Preventative and Support - (Section 17 & Childminding) | £35,000 | £35,000 | £0 |
| Aftercare | £770,814 | £1,051,169 | (£280,355) |
| Agreements with Voluntary Organisations | £617,130 | £471,595 | £145,535 |
| Regional Integration Fund Grant | (£100,000) | (£100,000) | £0 |
| Other | (£12,914) | £177,160 | (£190,074) |
| Sub Total | £1,310,030 | £1,634,924 | (£324,894) |
| TOTAL CHILDREN'S SERVICES | £35,942,914 | £36,109,322 | (£166,408) |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|---|---------------------------|-------------------|------------------------|
| | £ | £ | £ |
| <u>ADULT SERVICES</u> | | | |
| Management, Fieldwork and Administration | | | |
| Management | £148,171 | £146,556 | £1,615 |
| Protection of Vulnerable Adults | £462,746 | £442,023 | £20,723 |
| OLA and Client Income from Client Finances | (£385,279) | (£367,141) | (£18,138) |
| Commissioning | £564,680 | £594,177 | (£29,497) |
| Section 28a Income Joint Commissioning Post | (£17,175) | (£17,175) | £0 |
| Older People | £2,661,135 | £2,559,837 | £101,298 |
| Less Wanless Income | (£44,747) | (£44,747) | £0 |
| Promoting Independence | £3,284,480 | £3,291,251 | (£6,771) |
| Provider Services | £614,295 | £594,841 | £19,454 |
| Regional Integration Fund Grant | (£282,079) | (£336,101) | £54,022 |
| Learning Disabilities | £883,233 | £879,285 | £3,948 |
| Appropriations from Earmarked Reserves | (£171,259) | (£115,163) | (£56,096) |
| MCA/LPS/DoLS grant | £0 | (£131,976) | £131,976 |
| Contribution from Health and Other Partners | (£44,253) | (£42,059) | (£2,194) |
| Mental Health | £1,619,523 | £1,733,053 | (£113,530) |
| Section 28a Income Assertive Outreach | (£94,769) | (£94,769) | £0 |
| Drug & Alcohol Services | £439,418 | £459,493 | (£20,075) |
| Emergency Duty Team | £402,585 | £373,171 | £29,414 |
| Further Vacancy Savings | £0 | (£201,080) | £201,080 |
| Sub Total | £10,040,705 | £9,723,475 | £317,230 |
| Own Residential Care | | | |
| Residential Homes for the Elderly | £9,090,388 | £8,348,319 | £742,069 |
| Appropriations from Earmarked Reserves | (£435,597) | (£172,605) | (£262,992) |
| Regional Integration Fund Grant | (£92,563) | (£92,563) | £0 |
| -Less Client Contributions | (£2,230,000) | (£2,643,502) | £413,502 |
| -Less Section 28a Income (Ty Iscoed) | (£115,350) | (£115,350) | £0 |
| -Less Inter-Authority Income | (£55,161) | (£47,999) | (£7,162) |
| Net Cost | £6,161,717 | £5,276,300 | £885,417 |
| Accommodation for People with Learning Disabilities | £3,804,414 | £3,163,706 | £640,708 |
| -Less Client Contributions | (£89,641) | (£61,000) | (£28,641) |
| -Less Inter-Authority Income | (£546,971) | (£249,972) | (£296,999) |
| Net Cost | £3,167,802 | £2,852,734 | £315,068 |
| Sub Total | £9,329,519 | £8,129,034 | £1,200,485 |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|--|---------------------------|--------------------|------------------------|
| | £ | £ | £ |
| External Residential Care | | | |
| Long Term Placements | | | |
| Older People | £16,096,581 | £16,954,150 | (£857,569) |
| Less Wanless Income | (£303,428) | (£303,428) | £0 |
| Less Section 28a Income - Allt yr yn | (£151,063) | (£151,063) | £0 |
| Physically Disabled | £1,059,617 | £1,798,307 | (£738,690) |
| Learning Disabilities | £5,000,538 | £4,826,314 | £174,224 |
| Mental Health | £1,135,777 | £1,302,670 | (£166,893) |
| Substance Misuse Placements | £42,487 | £58,565 | (£16,078) |
| Social Care Workforce & Sustainability Grant | (£1,032,639) | (£1,032,639) | £0 |
| Energy Grants | £0 | £520,750 | (£520,750) |
| Appropriations from Earmarked Reserves | £0 | (£520,750) | £520,750 |
| Net Cost | £21,847,870 | £23,452,876 | (£1,605,006) |
| Short Term Placements | | | |
| Older People | £237,321 | £237,321 | £0 |
| Carers Respite Arrangements | £45,063 | £45,063 | £0 |
| Physical Disabilities | £17,146 | £17,146 | £0 |
| Learning Disabilities | £118,634 | £96,641 | £21,993 |
| Net Cost | £418,164 | £396,171 | £21,993 |
| Sub Total | £22,266,034 | £23,849,047 | (£1,583,013) |
| Own Day Care | | | |
| Own Day Opportunities | £4,121,996 | £3,230,334 | £891,662 |
| -Less Attendance Contributions | (£37,560) | £0 | (£37,560) |
| -Less Inter-Authority Income | (£24,986) | £0 | (£24,986) |
| Mental Health Community Support | £917,187 | £926,022 | (£8,835) |
| Appropriations from Earmarked Reserves | (£21,186) | (£21,186) | £0 |
| Regional Integration Fund Grant | (£87,100) | (£87,100) | £0 |
| -Less Section 28a Income (Pentrebane Street) | (£81,366) | (£81,366) | £0 |
| Sub Total | £4,786,985 | £3,966,704 | £820,281 |
| External Day Care | | | |
| Elderly | £43,830 | £26,472 | £17,358 |
| Physically Disabled | £153,843 | £119,812 | £34,031 |
| Learning Disabilities | £848,914 | £671,881 | £177,033 |
| Section 28a Income | (£72,659) | (£72,659) | £0 |
| Mental Health | £5,010 | £21,004 | (£15,994) |
| Sub Total | £978,938 | £766,510 | £212,428 |
| Supported Employment | | | |
| Mental Health | £77,465 | £69,550 | £7,915 |
| Sub Total | £77,465 | £69,550 | £7,915 |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|--|---------------------------|--------------------|------------------------|
| | £ | £ | £ |
| Aids and Adaptations | | | |
| Disability Living Equipment | £613,706 | £672,296 | (£58,590) |
| Adaptations | £243,370 | £243,370 | £0 |
| Chronically Sick and Disabled Telephones | £7,887 | £2,156 | £5,731 |
| Sub Total | £864,963 | £917,822 | (£52,859) |
| Home Assistance and Reablement | | | |
| Home Assistance and Reablement Team | | | |
| Home Assistance and Reablement Team (H.A.R.T.) | £6,139,346 | £4,561,265 | £1,578,081 |
| Wanless Funding | (£67,959) | (£67,959) | £0 |
| Regional Integration Fund Grant | (£32,306) | (£32,306) | £0 |
| Regional Integration Fund Grant | (£159,452) | (£161,020) | £1,568 |
| Independent Sector Domiciliary Care | | | |
| Elderly | £6,589,493 | £6,255,671 | £333,822 |
| Physical Disabilities | £889,412 | £1,066,802 | (£177,390) |
| Learning Disabilities (excluding Resettlement) | £290,640 | £244,910 | £45,730 |
| Mental Health | £82,397 | £158,647 | (£76,250) |
| Social Care Workforce & Sustainability Grant | (£1,235,943) | (£1,235,943) | £0 |
| Gwent Frailty Programme | £2,749,903 | £2,400,636 | £349,267 |
| Sub Total | £15,245,531 | £13,190,703 | £2,054,828 |
| Other Domiciliary Care | | | |
| Shared Lives | | | |
| Shared Lives Scheme | £1,681,470 | £1,555,628 | £125,842 |
| Regional Integration Fund Grant | (£173,790) | (£173,790) | £0 |
| Net Cost | £1,507,680 | £1,381,838 | £125,842 |
| Supported Living | | | |
| Older People | £267,923 | £352,344 | (£84,421) |
| Physical Disabilities | £1,970,993 | £1,792,331 | £178,662 |
| Learning Disabilities | £14,989,169 | £15,394,054 | (£404,885) |
| Less Section 28a Income Joint Tenancy | (£28,987) | (£28,987) | £0 |
| Mental Health | £2,387,097 | £2,254,623 | £132,474 |
| Social Care Workforce & Sustainability Grant | (£408,304) | (£408,304) | £0 |
| Net Cost | £19,177,891 | £19,356,060 | (£178,169) |
| Direct Payment | | | |
| Elderly People | £117,541 | £129,766 | (£12,225) |
| Physical Disabilities | £1,004,667 | £901,070 | £103,597 |
| Learning Disabilities | £782,286 | £828,349 | (£46,063) |
| Section 28a Income Learning Disabilities | (£20,808) | (£20,808) | £0 |
| Mental Health | £4,339 | £4,277 | £62 |
| Net Cost | £1,888,025 | £1,842,653 | £45,372 |
| Other | | | |
| Extra Care Sheltered Housing | £745,323 | £780,008 | (£34,685) |
| Net Cost | £745,323 | £780,008 | (£34,685) |
| Total Home Care Client Contributions | (£1,757,767) | (£1,658,683) | (£99,084) |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|------------------|---------------------------|--------------------|------------------------|
| | £ | £ | £ |
| Sub Total | £21,561,152 | £21,701,877 | (£140,725) |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|--|---------------------------|---------------------|------------------------|
| | £ | £ | £ |
| Resettlement | | | |
| External Funding | | | |
| Section 28a Income | (£1,020,410) | (£1,020,410) | £0 |
| Sub Total | (£1,020,410) | (£1,020,410) | £0 |
| Services for Children with Disabilities | | | |
| Ty Hapus | £526,314 | £638,982 | (£112,668) |
| Residential Care | £910,745 | £1,440,570 | (£529,825) |
| Foster Care | £517,101 | £565,504 | (£48,403) |
| Preventative and Support - (Section 17 & Childminding) | £10,596 | £10,596 | £0 |
| Respite Care | £99,421 | £66,536 | £32,885 |
| Direct Payments | £192,402 | £225,691 | (£33,289) |
| Sub Total | £2,256,579 | £2,947,878 | (£691,299) |
| Other Costs | | | |
| Telecare Gross Cost | £876,579 | £950,946 | (£74,367) |
| Section 28a Income | (£6,866) | (£6,866) | £0 |
| Less Client and Agency Income | (£417,555) | (£417,555) | £0 |
| Agreements with Voluntary Organisations | | | |
| Children with Disabilities | £320,536 | £264,366 | £56,170 |
| Elderly | £77,270 | £89,000 | (£11,730) |
| Learning Difficulties | £67,006 | £78,404 | (£11,398) |
| Section 28a Income | (£52,020) | (£52,020) | £0 |
| Mental Health & Substance Misuse | £48,651 | £8,964 | £39,687 |
| MH Capacity Act / Deprivation of Libert Safeguards | £124,534 | £124,534 | £0 |
| Other | £61,699 | £61,699 | £0 |
| Gwent Enhanced Dementia Care Expenditure | £152,106 | £114,080 | £38,027 |
| Gwent Enhanced Dementia Care Grant | (£152,106) | (£114,080) | (£38,027) |
| Sub Total | £1,099,834 | £1,101,472 | (£1,638) |
| TOTAL ADULT SERVICES | £87,487,295 | £85,343,664 | £2,143,631 |

| | Revised Budget 2023/24 | Projection | (Over)/ Under Spend |
|---|---------------------------|-------------------|------------------------|
| | £ | £ | £ |
| <u>SERVICE STRATEGY AND BUSINESS SUPPORT</u> | | | |
| Management and Administration | | | |
| Policy Development and Strategy | £198,181 | £51,374 | £146,807 |
| Financial Services | £983,158 | £913,994 | £69,164 |
| Appropriations from Earmarked Reserves | (£120,632) | (£54,264) | (£66,368) |
| Caerphilly Cares | £2,407,620 | £2,137,256 | £270,364 |
| Appropriations from Earmarked Reserves | (£1,169,203) | (£1,102,111) | (£67,092) |
| Sub Total | £2,299,124 | £1,946,249 | £352,875 |
| Office Accommodation | | | |
| All Offices | £428,092 | £437,689 | (£9,597) |
| Less Office Accommodation Recharge to HRA | (£106,654) | (£62,654) | (£44,000) |
| Sub Total | £321,438 | £375,035 | (£53,597) |
| Office Expenses | | | |
| All Offices | £132,662 | £113,340 | £19,322 |
| Sub Total | £132,662 | £113,340 | £19,322 |
| Other Costs | | | |
| Training | £370,143 | £331,744 | £38,399 |
| Staff Support/Protection | £10,519 | £10,519 | £0 |
| Information Technology | £64,549 | £156,327 | (£91,778) |
| Appropriations from Earmarked Reserves | £0 | (£22,259) | £22,259 |
| Management Fees for Consortia | (£56,330) | (£56,330) | £0 |
| Insurances | £277,770 | £277,770 | £0 |
| Other Costs | £277,329 | £250,329 | £27,000 |
| Sub Total | £943,980 | £948,100 | (£4,120) |
| TOTAL SERVICE STRATEGY AND BUSINESS SUPPORT | £3,697,204 | £3,382,725 | £314,479 |