

**CABINET – 28 November 2017**

**PROCEDURAL MATTERS**

**Members Questions**

**Question (1) Hazel Watson (Dorking Hills):**

The Budget Monitoring Report published at Cabinet on Tuesday 31st October 2017 refers to £45,714 of non-care related debt being written off in the quarter to 30th September 2017. Please provide a breakdown of this figure and also the total amount of non-care related debt written off in the current financial year 2017/18 and in the previous financial year 2016/17.

**Reply:**

The council has a robust process for ensuring all income due is collected, as this contributes to the provision of services to residents and vulnerable people. There comes a point when the cost of this will outweigh the value of the debt, or is just irrecoverable. The council's financial regulations allow for the write off of debt in the following circumstances;

- a) the debtor has gone into liquidation;
- b) the debtor is deceased and there are no funds and the debt has been registered as a liability to the executor;
- c) the evidence against a debtor is inconclusive, and the Director of Legal and Democratic Services recommends write-off;
- d) the debtor has absconded and all enquiries have failed; or
- e) the debtor is in prison and has no means to pay.

At the end of September the council had total non-care debt of £12.2m, and of this just over £45,000 was written off. Over half of this - £34,000 was in circumstances where the debtors had gone into administration or liquidation. The remainder was for the non-payment of rent, or overpayments where the conditions above applied.

The equivalent amounts in the first quarter were £36,600, and for 2017/18 the total amount was £170,600. The council regularly reviews its debt provision and makes prudent provision

**Mr David Hodge CBE  
Leader of the Council  
28 November 2017**

**Question (2) Hazel Watson (Dorking Hills):**

Please provide the income and expenditure figures (broken down into the usual budget heads) for the Performing Arts Library for the last three financial years (2014/5, 2015/6, 2016/7 and the expected 2017/8 Outturn Budget) so I can look at options on the way forward for this library with sound financial information. Furthermore, can this information please be split between direct running costs of the library and any overhead recharges that are charged to the PAL from central budgets.

**Reply:**

As Mrs Watson sat in at the Communities Select meeting on 7 November she will be well aware that the Select Committee is overseeing the ongoing work of the Library Service to work on two possible solutions to delivering a sustainable performing art library: one is to

keep the music collection and drama collections intact but to host them in two of our major libraries. Option 2 is to work with key stakeholders and interested parties to develop and deliver an independent future for PAL while retaining access for Surrey users and others wishing to use the service,

Both proposals are intended to protect the functionality of the Performing Arts Library service and ensure there is continued availability to hirers while still achieving the council's required savings target.

Mrs Watson will also recall that the Select Committee recommended that we establish a forum to investigate the viability of the second option and this group - comprising a number of key stakeholders – has already met with the library service twice since the Select Committee meeting. The ambition is to find a secure long-term solution for SPAL and we are open to giving emerging propositions the fullest consideration.

Mrs Watson should therefore be very well aware that a considerable amount of work is underway to “look at options on the way forward for this library with sound financial information” and members and stakeholders are already fully engaged in this task. Whilst any contribution she has would be most welcome could I suggest that she discusses her thoughts with David Goodwin who is the Liberal Democrat's nominated member of the committee and so can feed her contribution into the ongoing work? Her current approach risks adding to the pressure on our already stretched resources. I have set out the information she has asked for below but it is not clear why she seems to want to set up her own parallel process and expects officers to provide detailed information for her, with little or no acknowledgement of the ongoing focused work elsewhere.

**Performing Arts Library Expenditure and Income 2014-15 to 2017-18 (£)**

Financial Year	Staffing Costs	Property Costs	Other Costs	Resources	Income	Direct cost to SCC	Central & Corporate Recharges	Total
Estimated 2017/18	138,896	93,173	9,741	5,000	(66,485)	180,325	38,120	218,445
Outturn(Actual) 2016/17	160,301	93,173	8,797	30,243	(66,485)	226,028	38,120	264,148
Outturn(Actual) 2015/16	153,903	84,904	9,148	33,473	(71,567)	209,860	74,265	284,125
Outturn(Actual) 2014/15	148,994	42,000	11,278	40,841	(76,027)	167,085	81,637	248,722

**Notes**

The table above shows the expenditure incurred and income received by the Performing Arts library plus their direct property costs, to give a cost of service provision. Corporate recharges have been excluded as these are an allocation and not directly attributable to the service.

2017/18 estimate staffing costs - staff budget, other costs, income and direct property costs based on 2016/17.

2015/16 rent increase from £6k to £46k

**Denise Turner-Stewart  
Cabinet Member for  
28 November 2017**

**Question (3) Jonathan Essex (Redhill East):**

Please confirm for the Adult Social Care and Children, Schools & Families budgets the following:

- a) How much of the in-year overspend for 16/17 and 17/18 has been due to cost increase and how much due to demand pressures. Please provide a breakdown.
- b) Please provide figures for staffing increases in both of these budget lines (both in-house and for agency/contract/temporary staff) for 16/17 and 17/18, and also the spend on contracts/services purchased outside of SCC to deal with this increased demand.

**Reply: Adult Social Care response****Question a)**

The table below provides a breakdown of the actual overspend in 2016/17 and 2017/18 against the Adult Social Care budget.

<b>Budget variance</b>	<b>2016/17 Outturn £m</b>	<b>2017/18 October 17 Forecast £m</b>
Budget variance directly related to demand pressures	+4.7	+5.2
Underachievement against savings plans not directly related to demand	+13.0	+6.1
Increased contractual commitments above budgeted price increases	+1.3	0.0
Underspend against increased Deprivation of Liberty Safeguards budget	-2.3	0.0
Additional fees & charges income	-1.4	-3.9
Staffing budget variance	+0.7	-1.8
Other budget variances	+0.1	-0.1
<b>Total budget overspend</b>	<b>+14.7</b>	<b>+5.5</b>

As outlined in this table, total additional demand pressures above what was budgeted amounted to £4.7m in 2016/17 and are forecast to be £5.2m in 2017/18. Increased contractual commitments of £1.3m occurred above budgeted price increases in 2016/17. At present increased contractual commitments are within what was budgeted for 2017/18, although there is a risk that costs may be higher than budgeted when the current cost of care project underway with Learning Disability providers is concluded.

**Question b)**

The Adult Social Care staffing budget for the last 3 years has been set as follows:  
 2015/16 - £62.8m  
 2016/17 - £60.9m  
 2017/18 - £61.9m

The total staffing budget for Adult Social Care has therefore changed very little (£0.3m reduction) in the last two years. There have been reductions due to the closure of the Older People homes previously operated in-house by the council and an increase to the vacancy factor built into the budget to more reflect staff vacancies. These reductions have been offset by increased national insurance contributions in line with government legislative changes and the pay awards for ASC staff as part of the council's pay and reward offer, in particular the establishment of the career pay model for social workers and occupational therapists.

The amounts spent by Adult Social Care on agency/contracted staff over the last three years are listed below.

2015/16 April to March - £3.1m

2016/17 April to March - £3.2m

2017/18 April to September - £1.0m

ASC has not employed any temporary staff beyond this. The service does rely on a number of bank staff to fulfil front line functions, but these staff do regular work on an ongoing basis and so are not temporary.

Adult Social Care spent £390m in 2016/17 on contracts and services provided by external organisations to support Surrey residents outside of expenditure on services provided in-house by the local authority and ASC's workforce. This was the total gross expenditure excluding income. Adult Social Care is forecasting to spend £408m on these contracts and services in 2017/18, an increase of £18m from 2016/17. Price increases essential to maintain social care market sustainability and enable the council to continue to purchase sufficient capacity and quality of care services are expected to cost £9.5m in 2017/18 (although there is a risk this could be higher when the current cost of care project underway with Learning Disability providers is concluded). Demand pressures account for the majority of the remaining increase of £8.5m.

## **Reply: Children's Social Care response**

### **Question a)**

I have answered these questions in relation to Children's Social Care and not across the whole CSF Directorate.

The overspends in 2016/17 and 2017/18 in independent sector placements for children looked after, as per my previous note are due to complexity of need and a corresponding change in the placement profile, rather than an overall increase in demand. More placements are being made in independent residential and fostering placements, which are more expensive. This change in placement profile across the two years has seen an increase in spend and therefore the budget and there is still an overspend in 2017/18.

	£'000
2016/17 Independent placement budget	17,096
Increase in 2017/18 budget	8,225
2017/18 independent placement budget	25,321
Current overspend on 2017/18 budget	3,499
2017/18 current spend on independent placements	28,820

The increase in spend relates to around 100 additional independent placements across the two years.

The number of Unaccompanied Asylum Seeking Children significantly increased between 2015/16 and 2016/17, but there hasn't been a significant increase in 2017/18. The overall subsidy that the local authority is having to fund is around £4m. Not all of this is funded hence the overspend of £2.5m.

**Question b)**

There hasn't been any significant change in frontline staffing in Children's Services between 2016/17 and 2017/18. The breakdown between permanent and locum staff is outlined below:

	fte's
Permanent front line staff	361
Vacancies covered by locums	44
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Budgeted fte's	405
Posts over establishment covered by locums	30
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Actual fte's	435

**Mel Few**  
**Cabinet Member for Adults**  
**Clare Curran**  
**Cabinet Member for Children**  
**28 November 2017**

**Question (4) Jonathan Essex (Redhill East):**

Please can you confirm how much has the County Council spent on Social Worker recruitment campaigns since 2015?

**Reply:**

In total the County Council has spent £122,163.00 on both Adult and Children's Services Social Worker recruitment campaigns since 2015 through a mix of advertising campaigns social media and personal references.

**Mel Few**  
**Cabinet Member for Adults**  
**28 November 2017**