

**Annex 3 - Activity information for the Council's highest risk budgets**

Annex 3 provides some additional information about the Council's most high risk or volatile budgets.

Annex 3 covers the following budgets:

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|--|--|
| Children, Families, Learning & Culture | Corporate Parenting                    |
| Children, Families, Learning & Culture | Education, Lifelong Learning & Culture |
| Health, Wellbeing & Adult Social Care  | Adult Social Care                      |
| Highways, Transport & Environment      | Waste Management and reduction         |

## Children, Families, Learning & Communities

Revenue +£14.1m overspend (£15m due to SEND high needs block). £3.2m completed of £6.1m management action to achieve in year savings

Financial position as at 30 September 2018

Service	Gross £m	Income £m	Net £m	Forecast £m	Variance £m	Mgmt	Revised
						action remaining £m	variance £m
Delegated Schools	326.9	-326.9	0.0	0.0	0.0	0.0	0.0
Education, Lifelong Learning & Culture	312.6	-241.8	70.8	84.6	13.8	-0.7	13.1
Safeguarding & Family Resilience	42.0	-2.5	39.5	40.4	0.9	-0.6	0.3
Corporate Parenting	116.7	-14.0	102.7	101.5	-1.2	-1.1	-2.3
Quality Assurance	6.6	-1.1	5.5	5.9	0.4	0.0	0.4
Commissioning	12.4	-1.2	11.2	11.4	0.2	-0.4	-0.2
<b>Total</b>	<b>817.2</b>	<b>-587.5</b>	<b>229.7</b>	<b>243.8</b>	<b>14.1</b>	<b>-2.9</b>	<b>11.2</b>

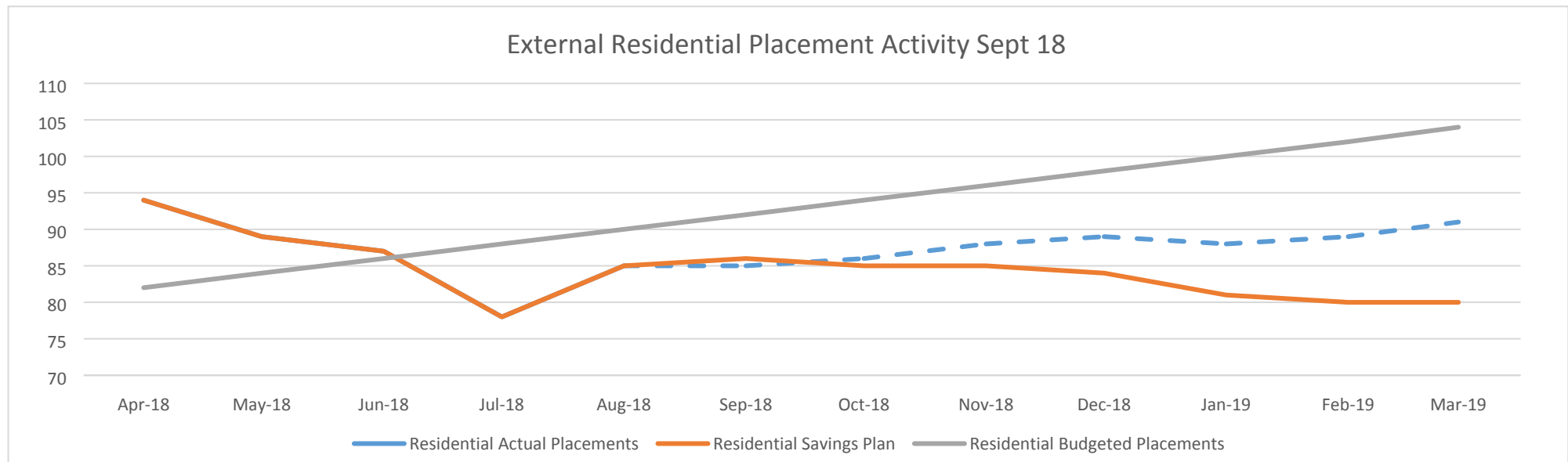
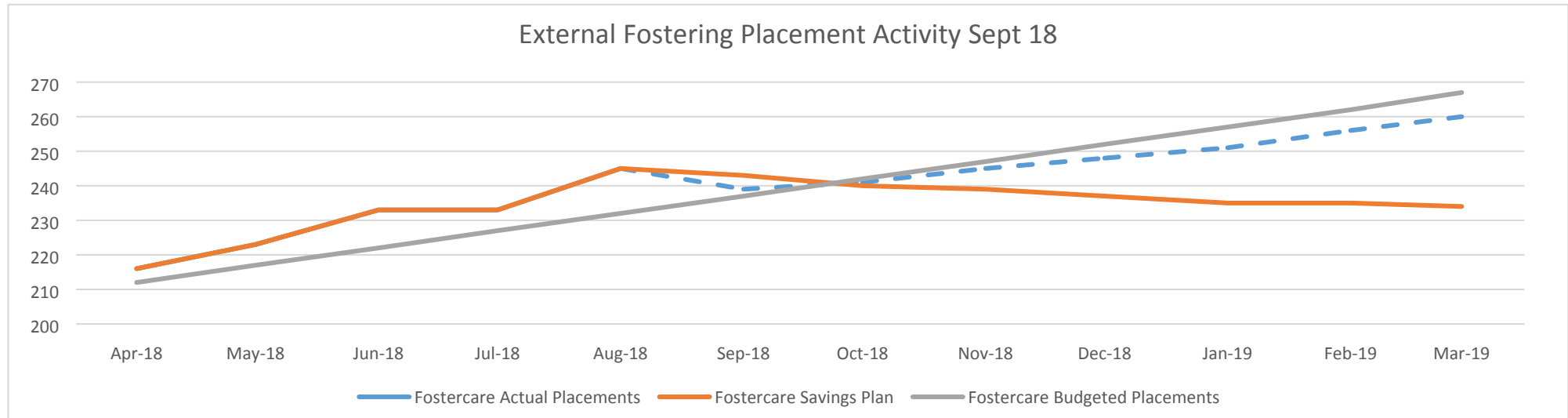
Ongoing savings

Service	MTFP	Savings	Savings	High
	savings £m	forecast £m	variance £m	risk £m
Delegated Schools	0.0	0.0	0.0	0.0
Education, Lifelong Learning & Culture	22.0	21.8	-0.1	5.8
Safeguarding & Family Resilience	3.8	3.8	0.0	0.0
Corporate Parenting	0.0	0.0	0.0	0.0
Quality Assurance	0.0	0.0	0.0	0.0
Commissioning	0.7	0.7	0.0	0.0
<b>Total</b>	<b>26.5</b>	<b>26.4</b>	<b>-0.1</b>	<b>5.8</b>

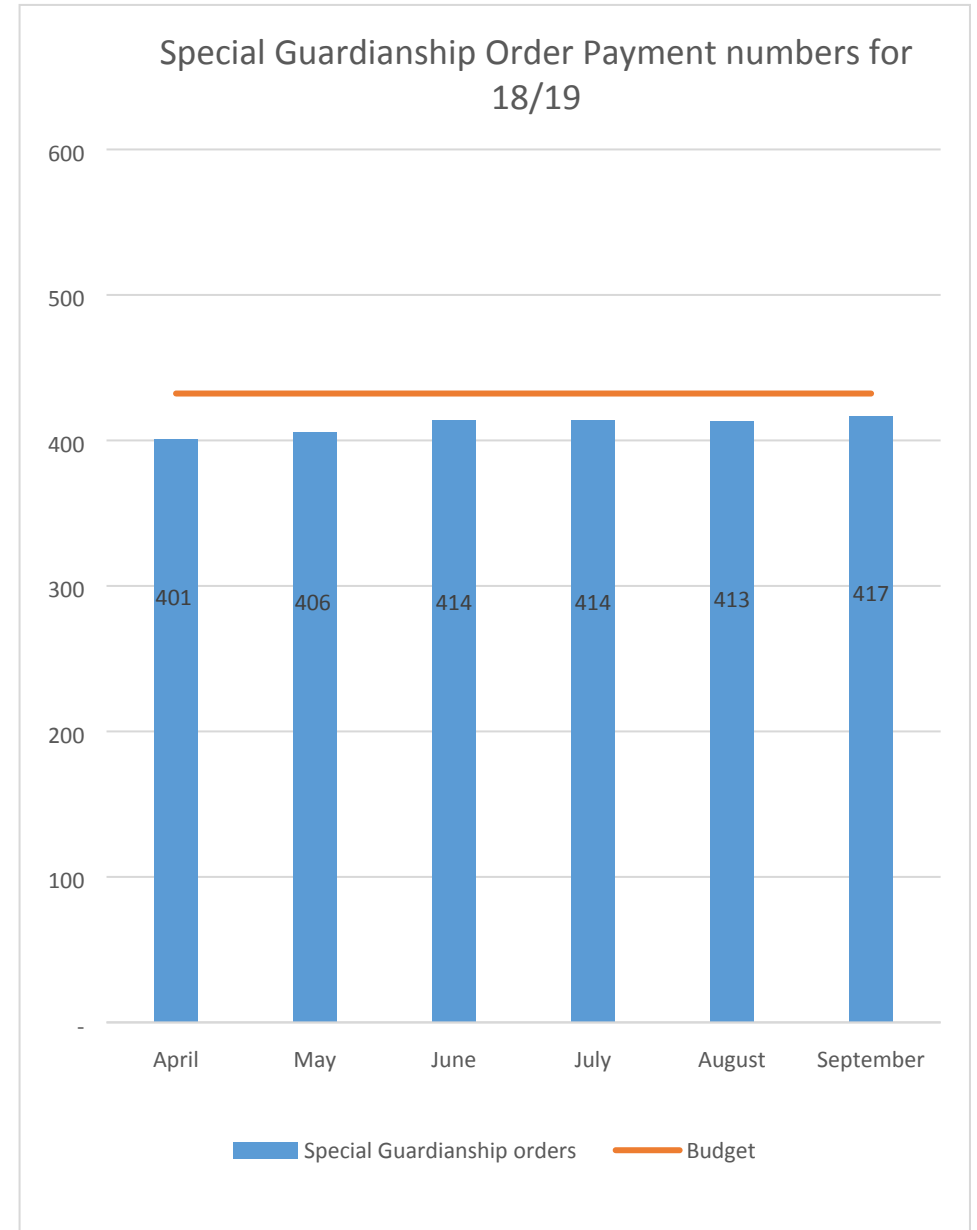
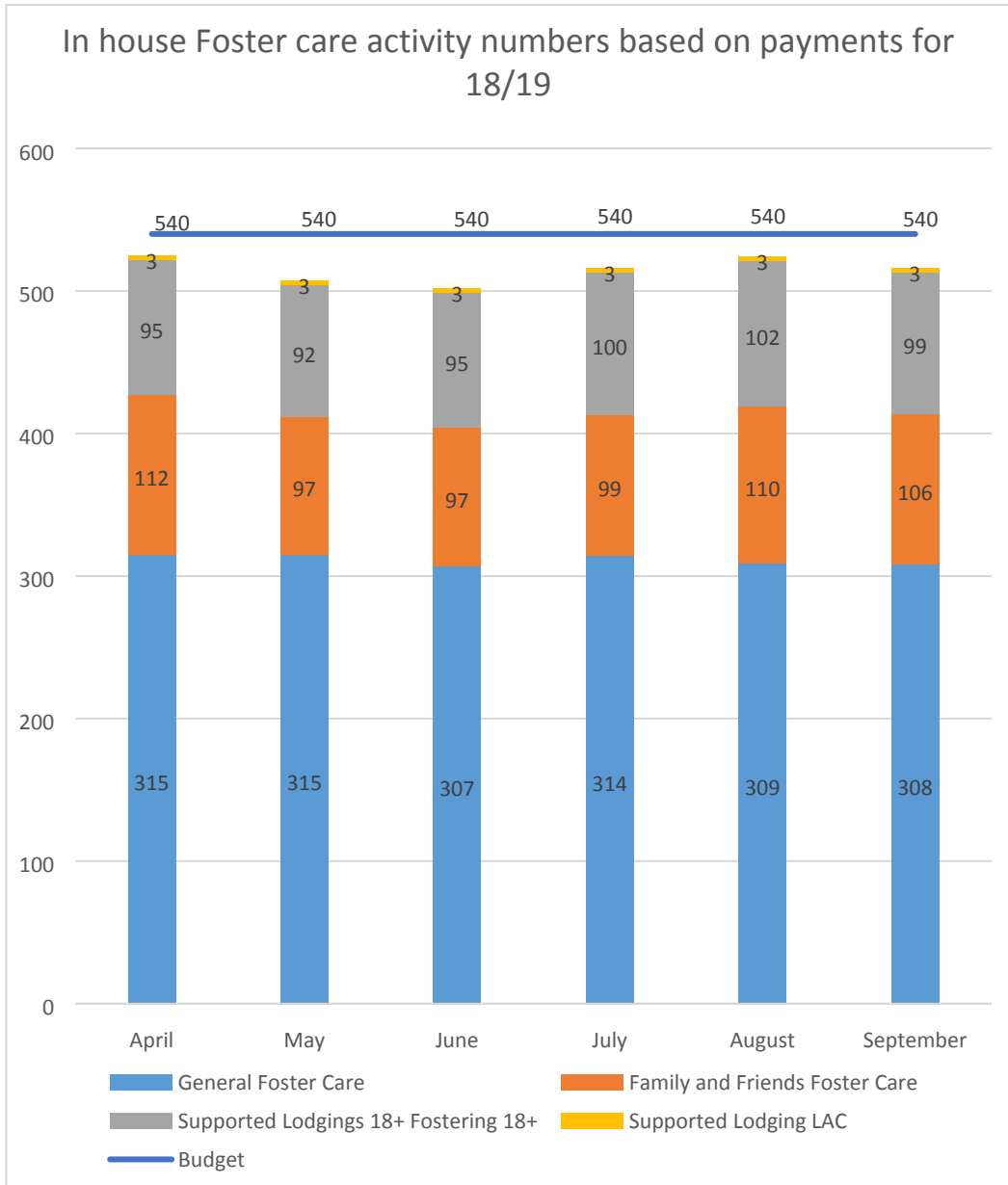
Care services volumes	Budget £m	Apr 2018 £m	Sep 2018 £m	Change £m	
<b>Special guardianship</b>	<b>432</b>	<b>401</b>	<b>417</b>	<b>4%</b>	<b>↑</b>
<b>In-house fostering</b>	<b>540</b>	<b>525</b>	<b>516</b>	<b>-2%</b>	<b>↓</b>
LAC - UASC		107	107	0%	→
LAC - Non UASC		831	877	6%	↑
<b>Looked After Children</b>		<b>938</b>	<b>984</b>	<b>5%</b>	<b>↑</b>
Care Leavers - UASC		240	261	9%	↑
Care Leavers - Non UASC		308	316	3%	↑
<b>Care Leavers</b>		<b>548</b>	<b>577</b>	<b>5%</b>	<b>↑</b>

**Children, Families, Learning & Communities – Corporate Parenting**

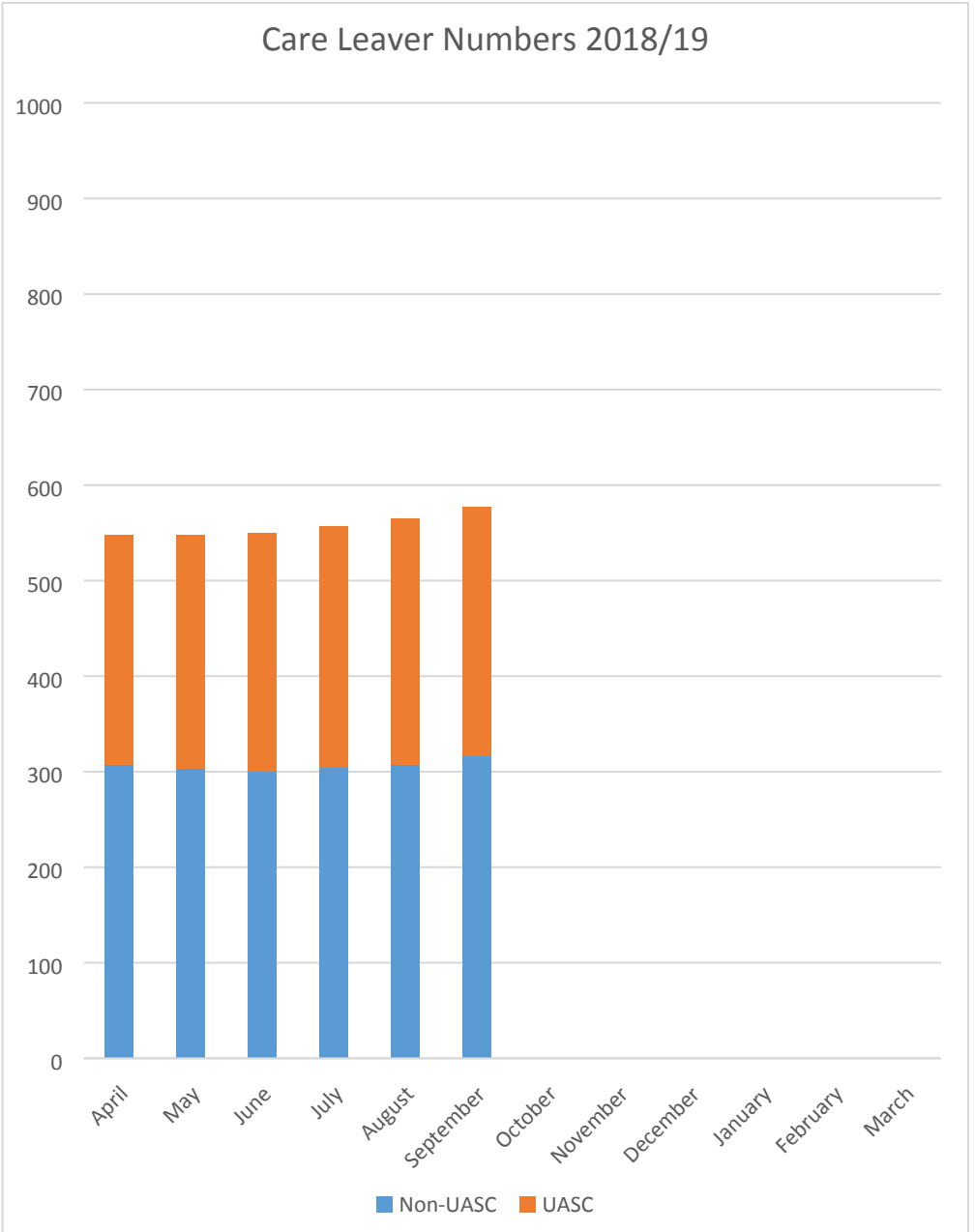
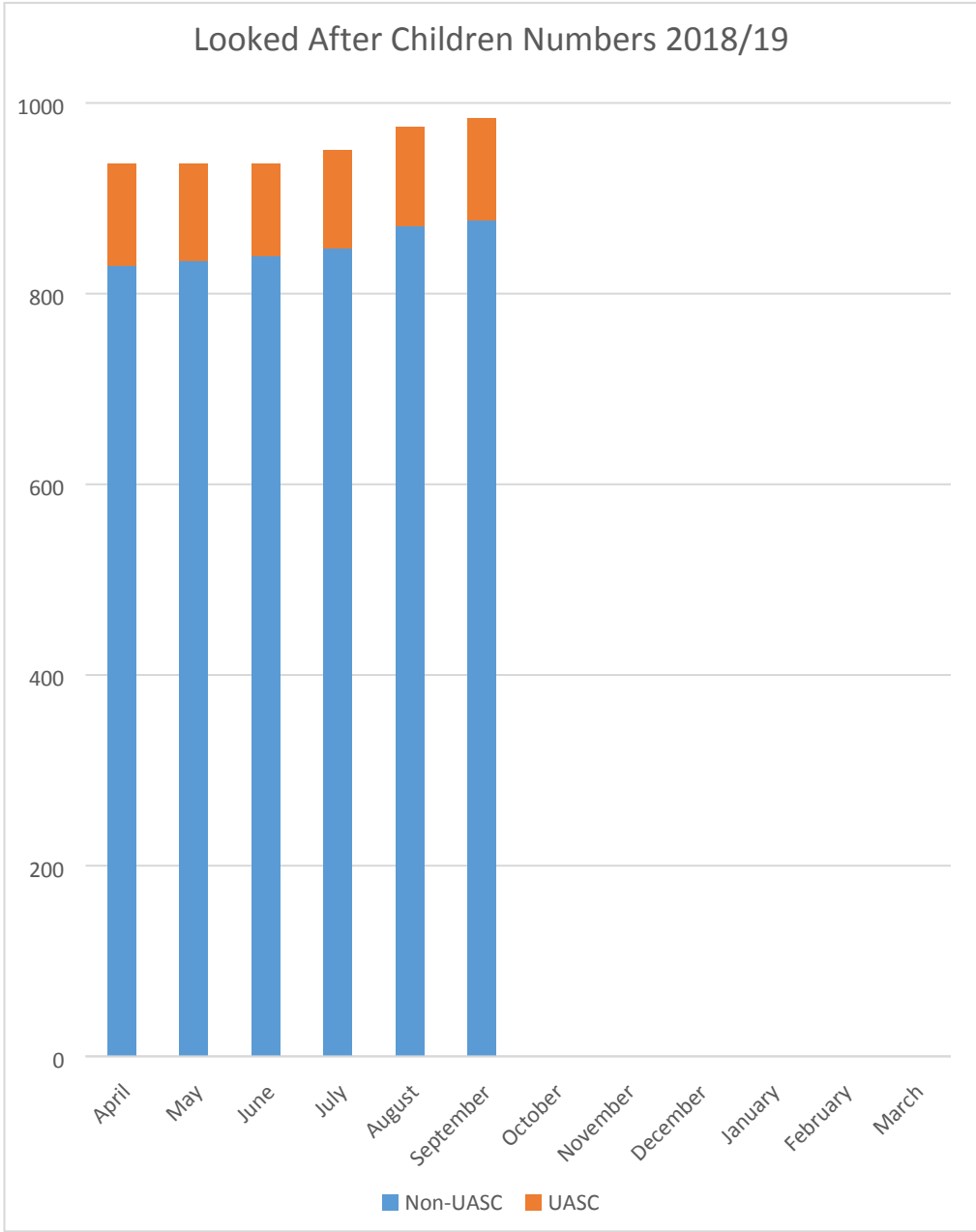
If children’s placements activity follows the savings plan (orange) lines below, then the service would achieve cost reductions of £0.9m in each of external fostering and external residential placements due to cost and volume differentials.



Numbers of children in foster care and with Special Guardianship Orders based on payments data



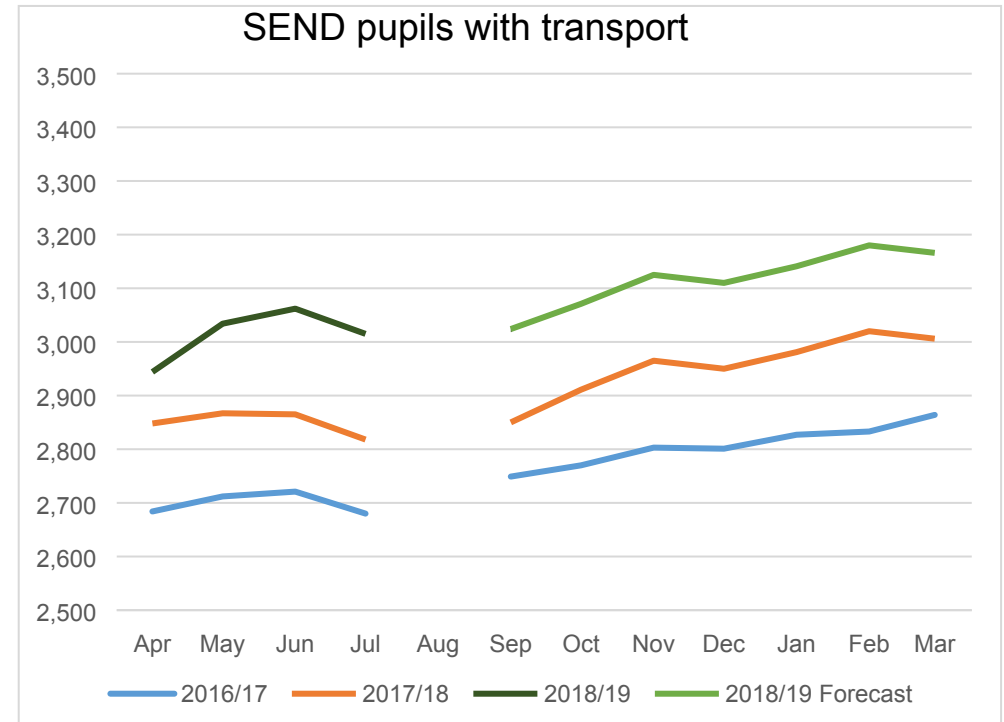
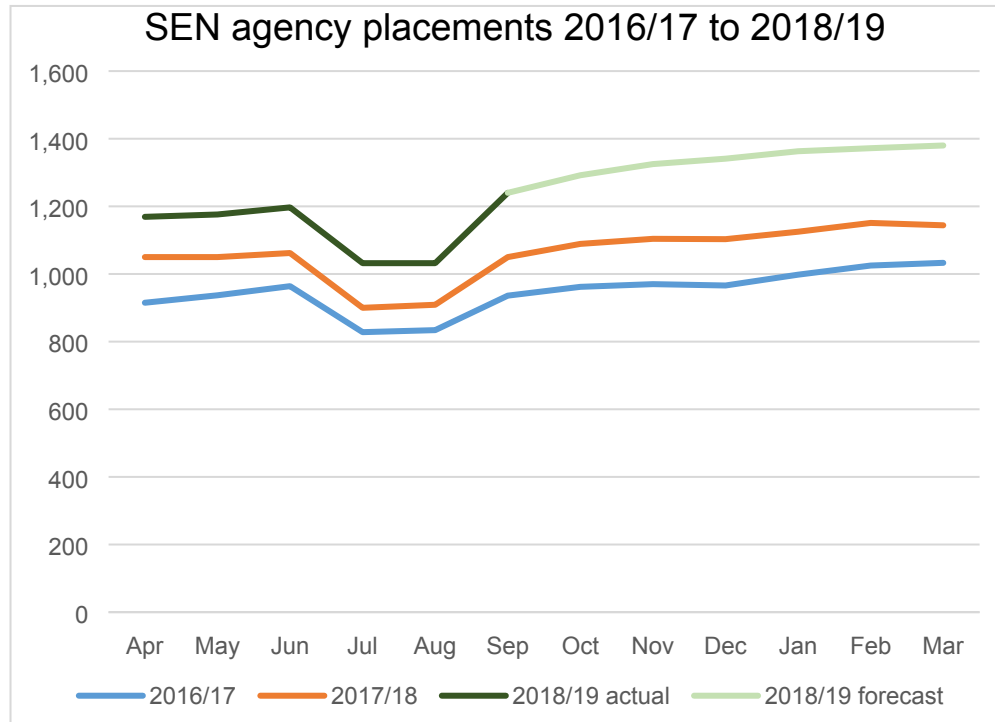
Numbers of looked After Children and care leavers showing proportion of unaccompanied asylum seeker children (UASC)



Children, Families, Learning & Communities – Education, Lifelong Learning & Culture

Education, Lifelong Learning & Culture financial position as at 30 September 2018, -£0.7m management actions remaining

	Net budget £m	Forecast £m	Variance £m	Mgmt action remaining £m	Revised variance £m
Other SEND Services and ISPSB	46.3	46.4	0.1		0.1
School Agency Placements	42.5	60.6	18.1		18.1
SEND Transport	28.7	29.8	1.1		1.1
Delegated Budgets	54.6	55.3	0.7		0.7
Universal Education Services	43.7	41.3	-2.4		-2.4
Home to School transport	8.4	8.7	0.3		0.3
Early Years & SOLD	65.1	65.5	0.4		0.4
Cultural Services	22.8	22.2	-0.6		-0.6
Voluntary Sector Support	0.5	0.4	-0.1		-0.1
Income	-241.8	-245.6	-3.8		-3.8
Management actions				-0.7	-0.7
<b>Total</b>	<b>70.8</b>	<b>84.6</b>	<b>13.8</b>	<b>-0.6</b>	<b>13.1</b>



## Health, Wellbeing & Adult Social Care

Revenue -£5.0m forecast underspend and -£5.0m management action remaining

Financial position as at 30 September 2018

Service	Gross £m	Income £m	Net £m	Forecast £m	Variance £m	Mgmt action	Revised
						remaining £m	variance £m
Adult Social Care	500.6	118.7	381.9	376.9	-5.0	-5.0	-10.0
Public Health	37.3	36.7	0.7	0.6	-0.1	0.0	-0.1
<b>Total</b>	<b>538.0</b>	<b>155.4</b>	<b>382.6</b>	<b>377.5</b>	<b>-5.1</b>	<b>-5.0</b>	<b>-10.1</b>

Ongoing savings

Service	MTFP	Savings	Savings	High
	savings	forecast	variance	risk
	£m	£m	£m	£m
Adult Social Care	18.4	18.0	-0.4	0.0
Public Health	2.2	2.3	0.1	0.0
<b>Total</b>	<b>20.6</b>	<b>20.2</b>	<b>-0.3</b>	<b>0.0</b>

Adult Social Care Service budgets as at 30 September 2018

Service activity budgets	Net	Forecast	Variance
	budget	£m	£m
	£m	£m	£m
Older People (all care 65+)	209.3	206.1	-3.2
Physical Disabilities (26-64)	45.7	45.9	0.2
Learning Disabilities (26-64)	137.4	134.1	-3.3
Transition (18-25)	34.3	33.6	-0.6
Mental Health (18 -64)	12.1	12.4	0.4
Housing related Support	4.4	4.1	-0.3
Carers	6.3	6.3	0.0
Assessment & care Management & Support	51.1	49.6	-1.5
Income	-118.7	-120.4	-1.7
<b>Total</b>	<b>381.9</b>	<b>371.9</b>	<b>-10.0</b>

The following pages set out Information for the four most significant areas of ASC care expenditure. The analysis shows how the latest forecast expenditure, service volumes and average costs for these types of care compares to the budgets set for 2018/19 in the 2018-21 Medium Term Financial Plan. Actual volumes and average costs to date are also shown, which can be compared to the latest forecast for the year to show the changes planned to meet the latest forecast. Finally, the latest 2019/20 budget plans for each type of care are set out and compared to the current 2018/19 forecast to show the changes planned / required to deliver next year's budget. These 2019/20 budget plans take into account the available funding for ASC to ensure that the Council is financially sustainable and ASC's transformation plans to change practice within available resources.

Health, Wellbeing & Adult Social Care - Adult Social Care

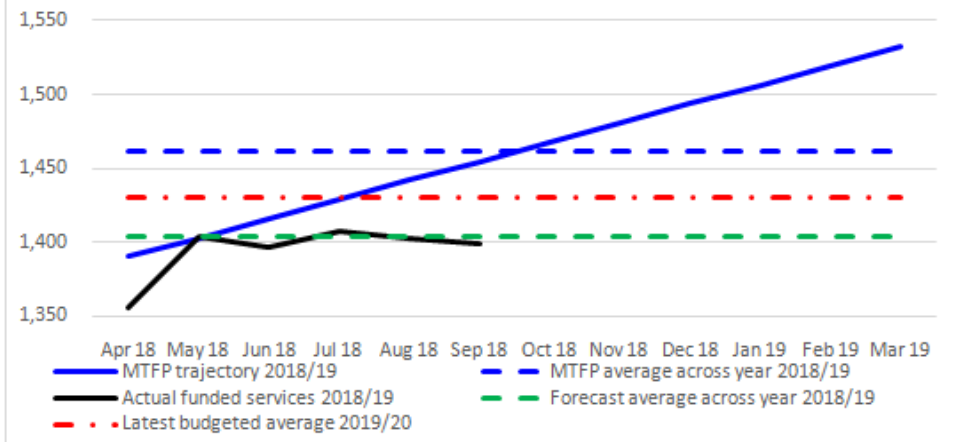
Older People Nursing Care

	Gross budget MTFP 2018/19	Latest forecast 2018/19	Variance 2018/19	% Variance 2018/19	Latest gross budget 2019/20	Change allowable from 2018/19 forecast	
Gross expenditure	£61.2m	£59.0m	-£2.2m	-3.6%	£61.3m	£2.3m	+3.8%
Average no of services across the year	1,461	1,404	-58	-3.9%	1,430	26	+1.9%
Average weekly cost of services	£803	£806	£3	+0.4%	£822	£16	+1.9%

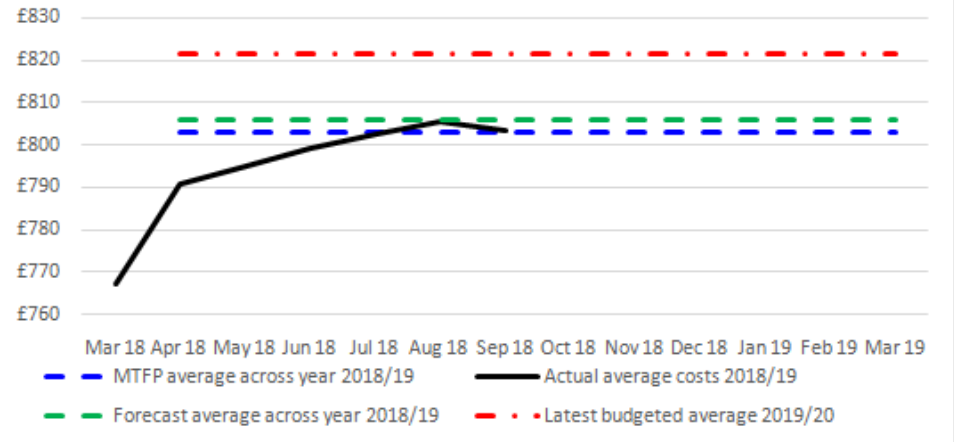
Care volumes have changed little since May, which makes both the 2018/19 and 2019/20 volume forecasts look achievable.

September was the first month this year when average costs reduced following agreement of new practices. This is a positive step in starting to mitigate the costs of care.

Older People Nursing Purchased Care Services



Older People Nursing Average Cost of Active Services





Health, Wellbeing & Adult Social Care - Adult Social Care

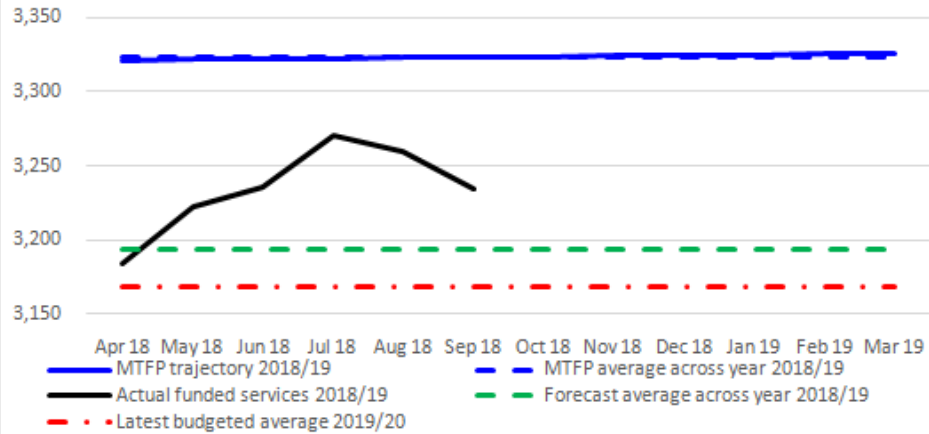
Older People Home Care

	Gross Budget MTFP 2018/19	Latest Forecast 2018/19	Variance 2018/19	% Variance 2018/19	Latest Gross Budget 2019/20	Change allowable from 2018/19 forecast	
Gross expenditure	£50.0m	£47.3m	-£2.7m	-5.3%	£46.1m	-£1.2m	-2.5%
Average number of services across the year	3,324	3,193	-130	-3.9%	3,168	-26	-0.8%
Average weekly cost of services across year	£288	£284	-£4	-1.3%	£279	-£5	-1.7%

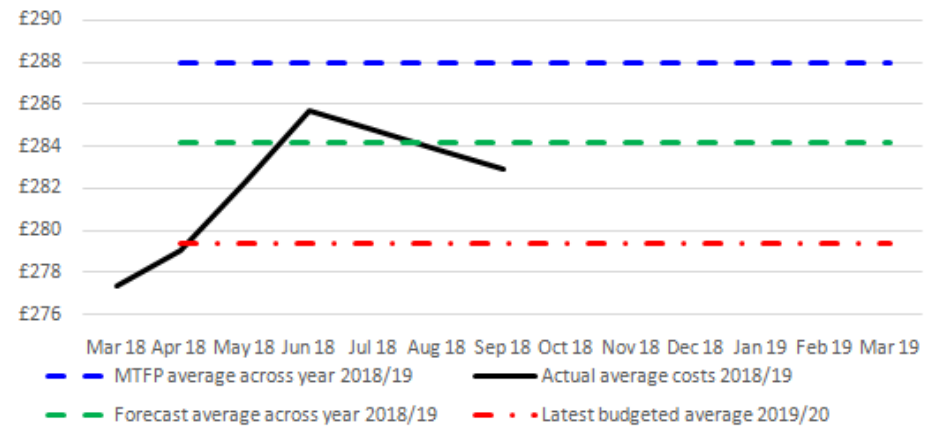
There have been positive reductions in volumes in the last two months. There has also been a positive reduction in average costs in the last quarter.

These trends will need to continue if future budget volume forecasts are to be achieved.

Older People Home Care Purchased Care Services



Older People Home Care Average Cost Active Services



Health, Wellbeing & Adult Social Care - Adult Social Care

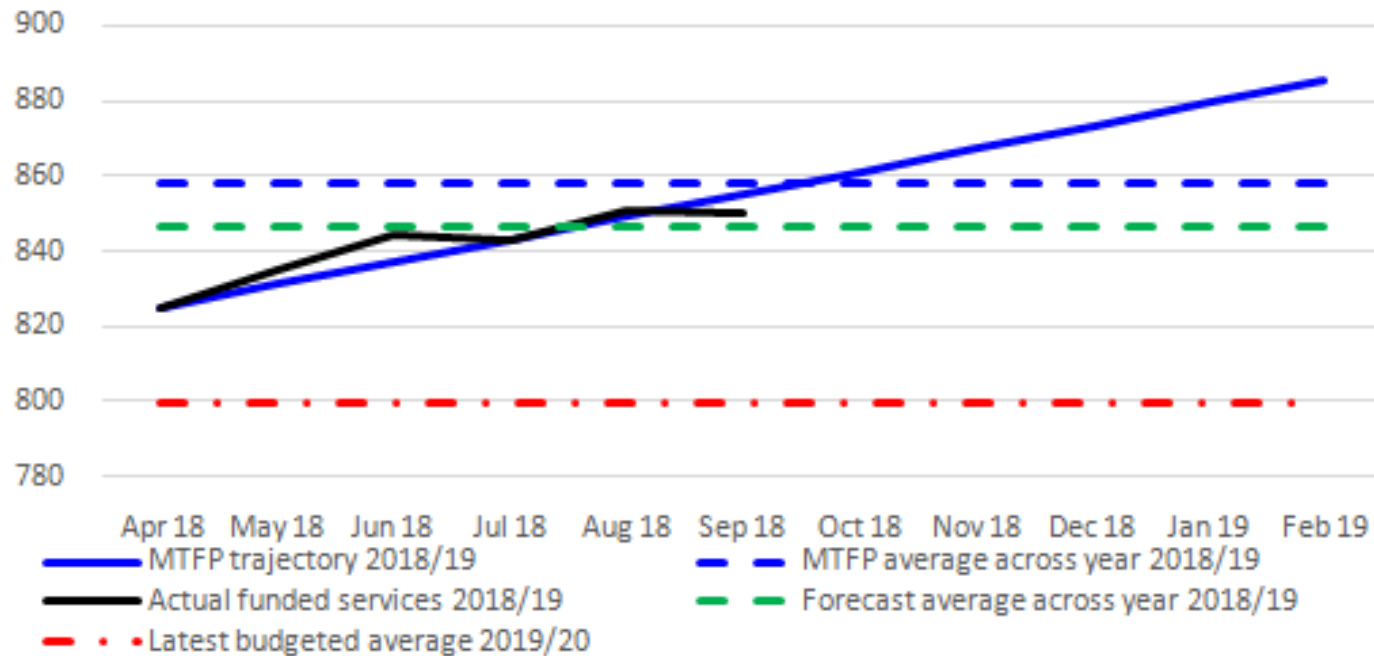
Learning Disabilities 18-64 Residential Care

	Gross Budget MTFP 2018/19	Latest Forecast 2018/19	Variance 2018/19	% Variance 2018/19	Latest Gross Budget 2019/20	Change from 2018/19 forecast	
Gross expenditure	£70.7m	£69.7m	-£1.0m	-1.4%	£63.3m	-£6.4m	-9.1%
Average number of services across the year	858	847	-12	-1.4%	799	-47	-5.6%
Average weekly cost of services across year	£1,579	TBC*	TBC*	TBC*	£1,520	TBC*	TBC*

Volume changes remain very close to the original budget profile. A very significant reduction in volumes is required to get close to next year's budget assumptions.

\* ASC is currently implementing a new pricing structure for Learning Disability residential and supported living care services including fee uplifts backdated to April 2017. It is not currently possible to assess current average costs accurately until the new pricing structure has been implemented. The ongoing review of sleep in rates following the Court of Appeal ruling in July 2018, means this is not likely to be completed until towards the end of the current financial year.

LD Residential Purchased Care Services



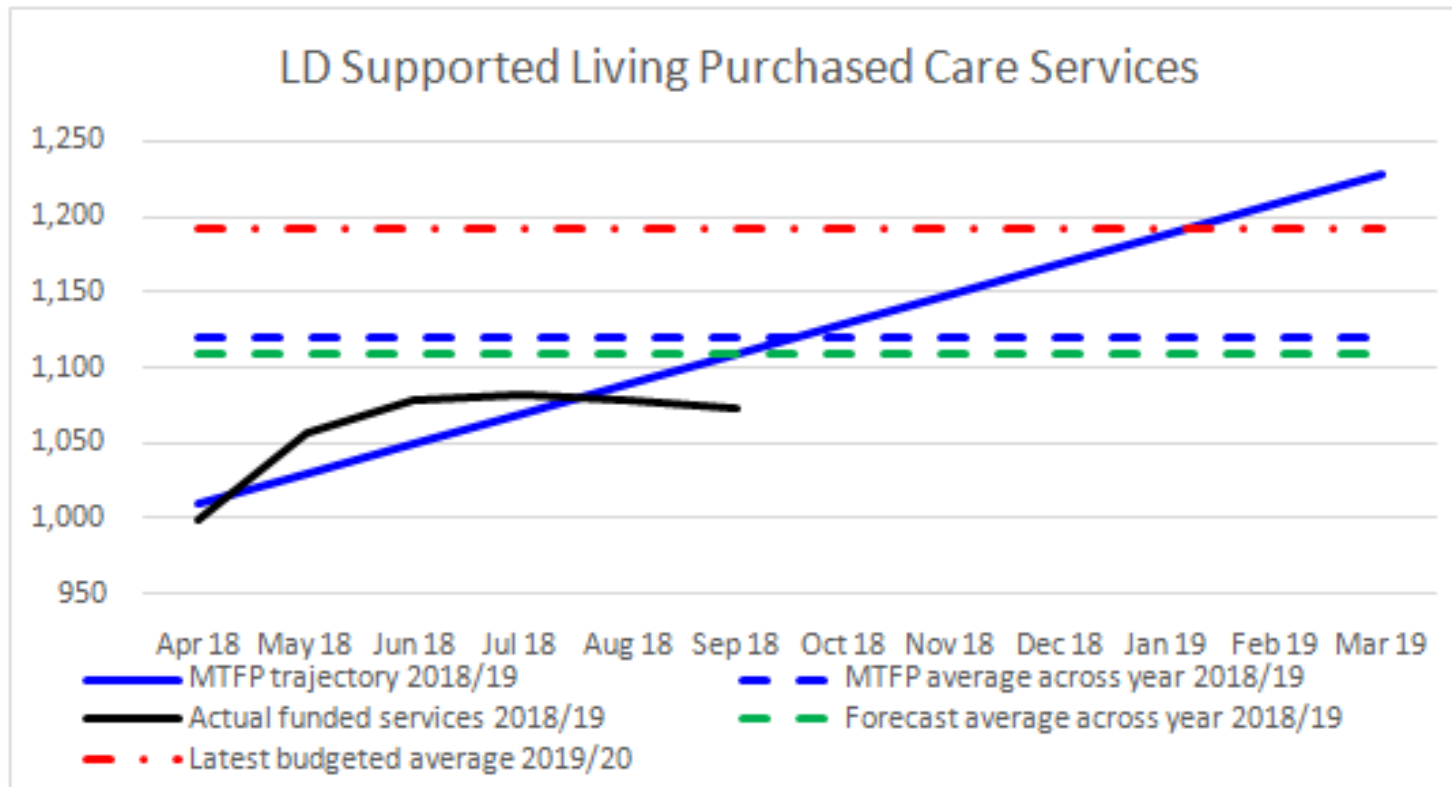
Health, Wellbeing & Adult Social Care - Adult Social Care

Learning Disabilities 18-64 Supported Living

	Gross Budget MTFP 2018/19	Latest Forecast 2018/19	Variance 2018/19	% Variance 2018/19	Latest Gross Budget 2019/20	Change from 2018/19 forecast
Gross expenditure	£48.0m	£47.6m	-£0.5m	-1.0%	£50.7m	£3.2m +6.6%
Average number of services across the year	1,120	1,109	-11	-1.0%	1,191	82 +7.4%
Average weekly cost of services across year	£823	TBC*	TBC*	TBC*	£817	TBC* TBC*

A tapering of volume growth in recent months means the increase in care packages is now below the budgeted profile. Growth in the remainder of the year, particularly for those individuals who finished education in the summer, may yet increase the growth rate.

\* ASC is currently implementing a new pricing structure for Learning Disability residential and supported living care services including fee uplifts backdated to April 2017. It is not currently possible to assess current average costs accurately until the new pricing structure has been implemented. The ongoing review of sleep in rates following the Court of Appeal ruling in July 2018, means this is not likely to be completed until towards the end of the current financial year.



## Highways, Transport and Environment

Revenue -£2.3m underspend and -£1.0m management actions remaining

Financial position as at 30 September 2018

Service	Gross £m	Income £m	Net £m	Forecast £m	Variance £m	Mgmt action remaining £m	Revised variance £m
Highways & Transport	81.0	12.8	68.2	66.4	-1.8	-0.5	-2.3
Environment	73.5	4.4	69.2	69.4	0.2	-0.5	-0.3
Surrey Fire & Rescue Service	45.4	13.9	31.5	31.2	-0.3	0.0	-0.3
Trading Standards	3.9	2.1	1.8	1.7	-0.1	0.0	-0.1
Communities Support function	0.7	0.0	0.7	0.5	-0.2	0.0	-0.2
Emergency Management	0.5	0.0	0.5	0.4	-0.1	0.0	-0.1
<b>Total</b>	<b>205.0</b>	<b>33.1</b>	<b>171.9</b>	<b>169.7</b>	<b>-2.3</b>	<b>-1.0</b>	<b>-3.3</b>

Ongoing savings

Service	MTFP savings £m	Savings forecast £m	Savings variance £m	High risk £m
Highways & Transport	1.7	1.7	0.0	0.0
Environment *	-0.1	-0.5	-0.4	0.0
Surrey Fire & Rescue Service	0.7	0.3	-0.4	0.0
Trading Standards	0.1	0.1	0.0	0.0
Communities Support function	0.0	0.0	0.0	0.0
Emergency Management	0.0	0.0	0.0	0.0
<b>Total</b>	<b>2.5</b>	<b>1.7</b>	<b>-0.8</b>	<b>0.0</b>

\* Negative target due to roll forward of previous year's target

Environment service budgets as at 30 September 2018

	Net budget £m	Forecast £m	Variance £m
Waste Management & Reduction	64.4	64.4	0.0
Countryside	1.4	1.4	0.0
Place & Sustainability	0.0	0.0	0.0
Planning Group	2.2	2.2	0.0
Other Environment costs	0.1	0.3	0.2
<b>Environment</b>	<b>68.1</b>	<b>68.3</b>	<b>0.2</b>
Directorate costs	1.0	1.0	0.0
<b>Total</b>	<b>69.1</b>	<b>69.3</b>	<b>0.2</b>

## Highways, Transport and Environment – Waste Management and reduction

### Eco Park

Construction of the Eco Park, while progressing, is delayed. The Council does not start to pay for the facility until it is complete, consequently costs will also be delayed into future years. The Council intends to manage these cost movements between years through the Waste Sinking Fund. The forecast outturn therefore assumes that reduced costs in 2018/19, of around £13.5m, will result in a sinking fund contribution in order to meet the costs when they arise in future years. Cabinet approval will be sought for the sinking fund contribution, once the final amount is known.

Despite the further delay to the Eco Park, processing and disposal costs have not increased as anticipated. This is because of an improvement in tonnages going into the Council's main energy from waste outlets recently and falling residual tonnage.

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