

**SURREY COUNTY COUNCIL**

**LEADER**

**DATE: 11 SEPTEMBER 2013**

**LEAD OFFICER: SARAH MITCHELL – STRATEGIC DIRECTOR ADULT SOCIAL CARE**

**NICK WILSON – STRATEGIC DIRECTOR CHILDREN, SCHOOLS AND FAMILIES**

**SUBJECT: APPROVAL FOR BUDGET VIREMENT IN EXCESS OF £250,000**



### **SUMMARY OF ISSUE**

Cabinet Member approval is required for budget virements in excess of £250,000.

Currently housing provision for young people aged 16 - 17 is commissioned and funded by the Children, Schools & Families (CSF) and Adult Social Care Directorates (ASC).

Following a strategic review it was recommended that there should be a single commissioning focus for these services and the appropriate place for commissioning these contracts should be the Children, Schools and Families Directorate. This ensures that the Council is able to maximise value for money through aligning existing contracts with the Youth Strategic Plan.

The Supporting People team, within Adult Social Care Directorate, identified those contracts which related to young people and have, since June 2012, worked jointly with Children, Schools and Families in respect of commissioning intentions.

### **RECOMMENDATIONS:**

It is recommended that:

1. Housing provision for young people aged 16 – 17 is commissioned by Services for Young People.
2. The Supporting People contracts which support young people are transferred to Children, Schools & Families.
3. A virement of £1,764,386 be approved in 2013/14 from Adult Social Care Directorate to Children Schools and Families. This being the value of the existing contracts, including a pro-rata element of the Supporting People efficiency target relating to these contracts. Also that the virement be adjusted in future years to reflect the 2013-18 Medium Term Financial Plan (MTFP) efficiencies relating to those contracts.

### **REASON FOR RECOMMENDATIONS:**

The proposed virement would transfer a budget of £1,764,386, funding the current 2013-14 housing services contracts for young people, from the Supporting People

budget within the Adult Social Care Directorate and moved to the Youth Support Service within the Children, Schools & Families Directorate.

The Transfer of £1.764m to Children's, Schools and Families represents 11.91% of the total Supporting People budget within Adult Social Care. The 2012-13 MTFP applied a £400k efficiency to this budget for 5 years until 2016-17, totalling £2m. Therefore 11.91% of this £400k efficiency target is also transferred with the budget virement as outlined in the table below. Overall the efficiency target transferred to Children's Schools and Families equates to a 2.6% efficiency each year until 2016-17.

	2013-14	2014-15	2015-16	2016-17
Transfer to Children's	1,812,033	1,764,386	1,716,739	1,669,092
Efficiency element	-47,647	-47,647	-47,647	-47,647
Amount to be vired	1,764,386	1,716,739	1,669,092	1,621,445

The transfer of this budget would ensure there is a single point of commissioning housing services for young people aged 16-17.

It would be achieved by a 2013-14 virement of £1,764,386 from ASC to CSF, followed by virements of £47,647 from CSF to ASC in each of the following three years.

#### **DETAILS:**

##### **Business Case**

1. The Council's financial regulations were revised and approved by the County Council on the 8 May 2012. Regulation 2.16 stipulates that budget virements in excess of £250,000 must be approved by the Leader in consultation with the relevant Cabinet Member.
2. The virement set out in this report relates to services for young people in supported housing which are currently funded by the Supporting People budget within Adult Social Care Directorate.
3. A strategic review of young people services was carried out within Supporting People team and led to a decision to carry out a Rapid Improvement Event (RIE) in June 2012. Following the RIE, sponsored by Services for Young People, there was a recommendation for those contracts currently being funded through the Adult Social Care Supporting People budget to transfer to Youth Support Service. The outcomes of the RIE were as follows:
  - Save supported local accommodation
  - Single entry to services to prevent homelessness
  - A clear single assessment and support process
  - Increased accommodation options for all levels of need
  - Better support for families to prevent homelessness
4. Currently a number of services are being commissioned and funded via both Adult Social Care and Children, Schools & Families Directorates and the

rationale for this virement is to create a single commissioning point for supported housing services for young people to deliver the RIE outcomes.

5. Since June 2012 staff within Adult Social Care and Children, Schools and Families have been working jointly with providers to enable a smooth hand-over of the existing contracts.

#### **CONSULTATION:**

6. District & Boroughs, and external providers have been involved in the consultation regarding the proposed budget transfer from Adults to Children, Schools and Families.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

7. All existing contracts will transfer, if approved, with the current level of budget, less a percentage of the Supporting People efficiency target. Achieving the identified efficiency savings will be challenging as there is currently an inadequate supply of suitable supported accommodation for young people. It is however anticipated that this can be achieved through having a single process for commissioning supported housing services for young people and via the ongoing commissioning project within CSF. This will entail redesign / recommissioning of both the supporting people provision and provision bought and funded directly by Surrey Children's Services. This coordinated approach is likely to both increase the quality and availability of provision and achieve economies.

#### **Section 151 Officer Commentary**

8. This is the formal virement report to facilitate the transfer of contracts for young people's housing from the Adult Social Care to the Children Schools and Families Directorate. The budget being transferred is £1.764m in 2013/14 plus the commitment to achieve planned efficiencies of £47,647 for the subsequent three years 2014/15 to 2016/17. Creating a single point for commissioning these services within the council will contribute to the achievement of these efficiencies.

#### **WHAT HAPPENS NEXT:**

9. The budgets will be adjusted in line with these approved virements. Payment and monitoring of contracts will transfer to the Youth Support Service.

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#### **Contact Officer:**

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#### **Consulted:**

Mary Angell, Cabinet Member for Children and Families

Mel Few, Cabinet Member for Adult Social Care

Paula Chowdhury, Strategic Finance Manager, Children, Schools & Families

Anne Butler, Assistant Director for Commissioning (Adult Social Care)

Joanne Parkinson, Commissioning Manager – Learning Disabilities (Adult Social Care)

Ben Byrne, Head of Youth Support Services, Children, Schools & Families

Kathryn Brooks, Area Manager, Youth Support Services, Children Schools and Families  
Catherine Allen, Principal Accountant, Schools and Learning

**Sources/background papers:**

- Council's Medium Term Financial Plan (MTFP)
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