

CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

10 DECEMBER 2013

DRAFT CAPITAL & REVENUE BUDGET 2014/15

Portfolio Holder: Councillor Alan Jarrett, Finance

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Summary

This report presents the Council's draft capital and revenue budgets for 2014/15. In accordance with the constitution, Cabinet is required to develop 'initial budget proposals' approximately three months before finalising the budget and setting council tax levels at the end of February 2014.

The draft budget is based on the principles contained in the Medium Term Financial Plan (MTFP) 2014/17 approved by Cabinet in October and reflects formula grant assumptions announced as part of Local Government Finance Settlement 2014/15 and 2015/16 Technical Consultation in July and September.

1. Budget and Policy Framework

- 1.1 It is the responsibility of Cabinet, supported by the management team, to develop draft capital and revenue budgets.

2. Constitutional rules

- 2.1 The budget and policy framework rules contained in the constitution specify that Cabinet should produce the initial budget proposals. These should be produced and submitted to overview and scrutiny committee three months before the Council meeting that is scheduled to determine the budget and council tax. The overview and scrutiny committees have a period of six weeks to consider these initial proposals. Any proposals for change will be referred back to Cabinet for consideration.
- 2.2 On 26 November, Cabinet considered the draft capital and revenue budgets for 2014/2015 and forwarded them to Overview and Scrutiny as work in progress, inviting comments on the proposals outlined. Business Support Overview and Scrutiny Committee, at its meeting on 6 December, referred consideration onto respective overview and scrutiny committees. Under the constitution Cabinet has complete discretion to either accept or reject the proposals emanating from the overview and scrutiny committees. Ultimately it is Cabinet's responsibility to present a budget to Council, with a special

Council meeting arranged for 20 February 2014. The adoption of the budget and the setting of council tax are matters reserved for Council. The statutory deadline for approving council tax is 11 March 2014.

2.3 The timetable for consideration by overview and scrutiny is as follows:

Business Support	05 December 2013
Children and Young People	10 December 2013
Regeneration, Community and Culture	12 December 2013
Health and Social Care	18 December 2013
Business Support	4 February 2014
Cabinet	11 February 2014
Council	20 February 2014

3. Budget monitoring 2013/14

3.1 The quarter 2 revenue monitoring report, considered by Cabinet on 29 October 2013, forecasts a net overspending on services of some £4.369 million. Approximately £3.440 million of this forecast related to this committee's remit, but this was following action agreed by the directorate management team to reduce the original forecast position reported by managers. The directorate remains committed to further action to reduce the deficit.

3.2 For the capital programme the forecast, based on the first half-year expenditure, is that the programme will spend to budget on the remaining programme of £81.6 million (Forecast spend 2013/14 £53.8 million, 2014/15 and beyond £27.7 million) and £29.4 million of this spend sits with this committee.

4. Budget Preparation Assumptions

4.1 The draft budget presented by Cabinet builds upon the resource projections and principles set out in the Medium Term Financial Plan (MTFP) considered by Cabinet on 1 October 2013. The budget to be approved by Council in February 2014 will need to adhere to the MTFP underlying aims of:

- Ensuring a sustainable budget, without recourse to the use of reserves;
- Generating efficiencies, in partnership with others where appropriate, for reinvestment in priority spending;
- Assessing the revenue impact of funding streams supporting capital investment decisions, whether that be from grants, prudential borrowing, use of reserves, or capital receipts; and
- Avoiding the sanction of central government controls, for example capping now in the guise of a local referendum requirement

4.2 The MTFP considered by Cabinet on 1 October 2013 presented a high level summary of the budget requirement for the next three years and identified a £16.29m gap for 2014/15 rising to a £46.6 million deficit for 2016/17 to be addressed through the budget preparation process. This report is part of that process and, whilst acknowledging the issues overall, focusses on those issues pertinent to Regeneration, Community and Culture services.

- 4.3 Resource assumptions for Revenue Support Grant, Business Rate share, Council Tax and New Homes Bonus are critical in the development of a balanced budget and the cabinet report set out the latest view of these. There is an inevitable risk that these assumptions could change prior to budget setting in February, not least with the Finance settlement to be confirmed in January 2014 (provisional release in December). The latest forecast also utilises our latest NNDR projection for 2013/14 as a base but it should be stressed that this is a forecast and could be subject to some significant variation that could be of significance as was seen with the closure of Kingsnorth power station and a loss of rate share for the Council of almost £2 million. It also remains an assumption that Council will approve a 1.999% increase in Council Tax, which even so will still see Medway firmly in the lower quartile of council tax levied nationally. However new rules introduced in 2013/14 mean that any proposed increase above the Government 'excessive' level of 2% is subject to a local referendum.
- 4.4 The aggregate reduction in Government grant support (now expressed as SFA) since CSR 2010, for which 2014/15 is the last funding year, is 33.6% compared to an original target declaration of 28%. However there is no sign of a reduction in the pace of change for Government support and the 14.3% additional cut in the July technical consultation takes this total to almost 48% by 2015/16 and climbing.
- 4.5 The taxbase upon which the current council tax is set was agreed as 76,712 Band D equivalents which is significantly lower than previous years because of the discount effect of the Council Tax Reduction Scheme that replaced Council tax Benefit for 2013/14. As at the end of September the taxbase is calculated at 77,296 reflecting an increase in the rate of new properties being added against that expected when the taxbase was set in January. Original predictions were that 746 new properties would be completed this year and 699 have already been added since the taxbase calculation was performed – almost double that anticipated. Growth for the next few years is predicted to be in the order of 0.5% (560 properties a year). However banding and discounts are unpredictable, not least because of the new Council Tax Support scheme. Accordingly assumptions underpinning the revenue receipts are a taxbase of 77,683 and 78,071 respectively for 2014/15 and 2015/16 with a 2% council tax increase in each year. This increases the revenue assumption by £0.683 million compared to that in the MTFP.
- 4.6 SR 2013 included provision to create a Single Local Growth Fund of £2.8 billion to be funded in part by a £400 million cut in the level of New Homes Bonus paid in 2015/16 and beyond. This equates to a 35% reduction in grant payable (£400m/£1.1bn originally planned). For Medway this will mean a reduction of £2.3 million for 2015/16. However in comparison to the MTFP assumptions the data for 2014/15 New Homes Bonus (calculated on returns to Government at 1 October 2013) has shown that efforts to reduce 'voids' in respect of unoccupied properties, together with the enhanced numbers referred to in 6.9, have increased the bonus payable in 2014/15 by £0.883 million compared to the MTFP but for 2015/16 the £1.9 million loss predicted in the MTFP rises to £2.3 million with 35% of the £0.883 million gain being lost through the top slice.

4.7 The key assumptions underpinning the budget requirement for 2014/15 and future years include:

- Zero uplift for general inflation, although some specific inflation assumptions have been applied where there is a contractual or unavoidable commitment;
- For the MTFP there was a 1% assumption for pay awards and 2% for the re-introduction of increments. This is now revised to a zero increase for pay but there are potential costs associated with proposals now before Employment Matters Committee in respect of the review of Pay and Grade provision;
- The MTFP reflected demographic projections for Adult Social Care based on population data but these are now revised to Government guidance at a 3% provision for growth in adult social care, offset by a funding assumption of more S256 NHS income; and
- Some provision for demographic growth in children's social care budgets;

5. Summary of draft revenue budget

5.1 The MTFP built upon the more detailed work that had been the feature of the previous plan. As such it represented a very real projection of spending demand and resource expectation for the period. As section 4 has identified, a number of the resource assumptions have now varied, and clearly work has been progressing on also addressing the spending demands and identifying areas where savings can be made. Table 1 below summarises the change in these spending pressures set against the MTFP for 2014/15 and 2015/16 and whilst this gives an 'at a glance' impression that the pressures have simply been removed the position is more complex than that with some removal, some reduction and additional savings. The analysis of this movement for RCC is set out in Appendix 1b with the directorate summary Appendix 1a. Table 2 below summarises the overall impact with RCC highlighted.

Table 1: Summary of additional resource requirement against 2013/2014 base

	2014/15		2015/16	
	MTFP	Revisions	MTFP	Revisions
	£000's	£000's	£000's	£000's
Children and Adults	6,660	(4,728)	2,916	(2,841)
Regeneration, Community and Culture	3,222	(3,009)	1,858	(1,563)
Business Support/Corporate Issues	147	(2,099)	1,738	(2,098)
Better for Less	0	0	(500)	0
Total – General Fund	10,029	(9,836)	6,012	(6,502)

Table 2: Draft Revenue Budget 2014/2016

	Q2 Adj. Original	Q2 Forecast Var.	MTFP Forecast	Base Adj.	Savings	Forecast Req.	MTFP Forecast	Savings	Forecast Req.
Directorate	2013/14	2013/14	2014/15	2013/14	2014/15	2014/15	2015/16	2015/16	2015/16
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Children and Adult Services (C&A):									
DSG and School Specific Expenditure	136,718	620	135,673	(1075)		134,598	(6,817)		127,781
Public Health	140		140			140			140
General Fund Services	111,763	3,290	119,232	(821)	(4,728)	113,683	2,916	(2,841)	113,758
Regeneration, Community and Culture (RCC)									
General Fund Services	49,414	484	55,771	(3,135)	(3,009)	49,627	1,858	(1,563)	49,922
Public Health	155		155			155			155
Business Support (BS):									
General Fund Services	25,525	(84)	21,769	3,903	(2,099)	23,573	1,738	(2,098)	23,213
DSG	1,496		1,496			1,496			1,496
Public Health	303		303			303			303
Public Health	12,572		13,682			13,682			13,682
Interest & Financing	14,892		14,892			14,892			14,892
Levies	879	8	879			879			879
Projected savings from 'Better for Less'	(596)	671	(1,542)	316		(1,226)	(500)		(1,726)
Norse JVC	(263)		0	(263)		(263)			(263)
Budget Requirement	352,998	4,989	362,450	(1,075)	(9,836)	351,539	(805)	(6,502)	344,232
Estimated Funding									
Dedicated Schools Grant	(131,149)	(620)	(130,567)	1,075		(129,492)	6,141		(123,351)
Other School Specific Grants	(7,079)		(6,602)			(6,602)	676		(5,926)
Council Tax	(87,565)		(89,763)		(683)	(90,446)	(2,253)	(17)	(92,716)
Revenue Support Grant	(63,311)		(51,845)			(51,845)	14,002		(37,843)
Business Rate share	(42,119)		(44,586)			(44,586)	(1,204)		(45,790)
New Homes Bonus	(3,613)		(4,698)		(883)	(5,581)	1,080	309	(4,192)
Specific Grants	(4,022)		(3,895)			(3,895)	814		(3,081)
Public Health Grant	(13,170)		(14,280)			(14,280)			(14,280)
Use of Reserves	(970)	(4,369)	0			0			0
Estimated Available Funding	(352,998)	(4,989)	(346,236)	1,075	(1,566)	(346,727)	19,256	292	(327,179)
Budget Gap									
- DSG	0	0	0	0	0	0	0	0	0
- General Fund	0	0	16,214	0	(11,402)	4,812	18,451	(6,210)	17,053

- 5.2 The forecast budget gap for 2014/15 now stands at £4.812 million for General Fund services and increases to £17.053 million for 2015/16 so clearly whilst this is a significant improvement on the MTFP position of a cumulative 2015/16 deficit of £34.664 million, there remains a lot of work to do particularly to address the 2015/16 position.
- 5.3 The MTFP identified net pressures of £6.660 million for the directorate, of which circa £4.0 million were specifically attributable to Children's Services and these were described in the MTFP appendices. Most of these pressures relate to the cost of the current service as reported in the quarter 2 monitoring, however a number of these were addressed through the budget process and together with some other savings proposals are set out at Appendix 1b, some £1.4 million attributable to Children's Services.

Pressures remain for:

- The cost of current services and the ongoing growth in demand for children's social care services of £1.1 million as reflected in the MTFP;
- The cost of restructuring in response to recent Ofsted recommendations, has added a further £800,000;
- The cost of business rates on the empty Temple school site - £100,000;
- The £1.144 million additional current cost of SEN transport.

In addition savings have been identified as:

- The non-recurrent addition to the 2014/15 base budget of £0.35 million has now been deleted;
- Removal of the risk pressure related to CCG contributions - £0.228 million;
- £0.274 million from streamlined, recommissioned youth and services; and
- Removal of the risk pressure for school merger redundancies - £0.3 million.

The provisional budget requirement also reflects a £2.134 million reduction in DSG as set out at Table 1.

6. Meeting the funding gap

- 6.1 Table 2, above, highlights a funding gap of £4.812 million in relation to General Fund services for 2014/15 rising to £17.053 million in 2015/16. This is a greatly improved position compared to that forecast in the MTFP as a consequence of the measures outlined in section 5 above.
- 6.2 There has to be some caution over the resource projections as they are based on exemplifications of possible funding scenarios and assumptions for taxbase and business rates that could change. The Council will not know the definitive position in regard to Government support until the final settlement in January 2014 albeit the provisional settlement due in late December should provide greater certainty.

6.3 Officers and Portfolio Holders will be targeting specific areas where there are potential efficiencies to be gained or short-term advantage to be had pending delivery of longer-term savings. These include:

- Continuing to progress the 'Better for Less' programme to improve service delivery and drive out efficiencies in customer contact, administration and procurement;
- Considering opportunities for outsourcing services and shared service arrangements with other councils and public agencies;
- Ensuring that maximum gain is made from the recently established Category Management team;
- Property rationalisation; and
- Review of fees and charges across a whole range of service areas.

7. Draft capital budget proposals 2014/15

7.1 The Council has enjoyed a high level of capital investment in recent years with significant investment supported by Government grants for both regeneration and the establishment of three new academies together with ongoing support for the Local Transport Plan, Schools, Social Care and Disabled Facilities Grants. The Capital programme currently stands at £87.1 million – the major part of which at £43.7 million is within the remit of this committee. It is currently forecast that £53.8 million of this programme will spend in 2013/14 with a further £33.3 million in the years beyond, to which will be added the further funding streams in table 3 as they are confirmed (RCC components highlighted).

7.2 Whilst the financial settlement no longer includes any revenue support for capital, local authorities still have access to 'unsupported' borrowing through the prudential regime for capital, providing that these capital investment plans are affordable, prudent and sustainable. Developer contributions and capital receipts might also become available for capital investment, as well as HRA balances, but at this stage of the budget setting process, it is assumed that future investment will be restricted to the current programme, supplemented by the Council's expectations in relation to Government grant that are set out in table 3 below.

Table 3. 2014/15 Government grant assumptions

	C & A	BSD	RCC	Total
	£000's	£000's	£000's	£000's
Disabled Facilities Grant	0	739	0	739
Education Basic Needs Grant	0	0	0	0
2013/14 Targeted Basic Needs Grant	10,050	0	0	10,050
Schools Capital Maintenance Grant (est.)	2,670	0	0	2,670
Schools Devolved Formula Capital (est.)	480	0	0	480
Contribution from DSG Reserve	2,000	0	0	2,000
Adult Social Care Transformation Grant	547	0	0	547
LTP - Integrated Transport element	0	0	2,216	2,216
LTP - Highways Maintenance element	0	0	2,122	2,122
Total Forecast	15,747	739	4,338	20,824

- 7.3 The current capital programme reflects slippage from previous years, together with the 2013/14 grant allocations and other additional approvals. This programme will continue to be delivered throughout 2014/15 and beyond and Table 4 below summarises planned expenditure and provides an analysis of how it is funded.

Table 4. Funding the current capital programme

	C & A	BSD	RCC	Member Priorities	Total
	£000's	£000's	£000's	£000's	£000's
Forecast Programme					
2013/14	24,677	2,659	26,154	330	53,820
2014/15	6,996	1,222	15,886	295	24,399
2015/16	107	983	6,072	0	7,162
2016/17 & future year's	27	630	1,090	0	1,747
Total	31,807	5,494	49,202	625	87,128
Funding Source					
Grants	25,857	0	20,156	0	46,013
Developer & other contributions	2,399	0	2,015	0	4,414
Capital Receipts	2,437	2,598	3,109	625	8,769
Reserves & revenue	1,114	0	4,905	0	6,019
HRA reserves & revenue	0	0	5,286	0	5,286
Borrowing	0	2,896	13,731	0	16,627
Total Funding	31,807	5,494	49,202	625	87,128

- 7.3 Publication of the Local Government Finance Settlement is expected in late December and whilst capital grants are anticipated to be in line with the assumptions in Table 4, the capital programme for 2014/15 can only be considered as provisional at this stage.

8. Conclusions

- 8.1 These initial budget proposals represent a considerable step towards balancing the 2014/15 revenue budget in comparison to the MTFP and that is reflected in the more than halving of the 2015/16 cumulative deficit. However the budget agreed by Council for 2014/15 and indeed for 2015/16 will have to have a zero deficit so there is clearly much still to do, particularly to identify and implement the measures to close the 2015/16 gap and be deliverable that year. Experience has shown that savings measures of the scale that the predicted deficit demands will have a significant lead time to delivery.
- 8.2 However as the report also indicates, the available resources for the Council are still subject to some uncertainty and this will not be resolved until early next year. At this stage it is not expected that Government funding will deteriorate further but that risk will remain until the final allocations are announced.
- 8.3 There remains considerable work required in order to both present a balanced budget for 2014/15 and identify a strategy to meet the further deficit for 2015/16 in time to be deliverable. This will be undertaken during the period leading up to the Cabinet meeting on 11 February 2014. Overview and Scrutiny committees have a

vital role assisting in this process – both to review existing proposals and also to suggest new ones.

9 Risk Management

- 9.1 The risks exposed by a failure to effectively manage the resource planning and allocation process to achieve priorities and maintain effective service delivery are great. The uncertainty caused by the current economic climate and the consequences in terms of future financial assistance and targets imposed by Government will make this process difficult.

10 Diversity Impact Assessment

- 10.1 The council has legal duties to give due regard to race, gender and disability equality in carrying out its functions. This includes the need to assess whether any proposed changes have a disproportionately negative effect on people from different ethnic groups, disabled people and men and women, which as a result may be contrary to these statutory obligations. These draft budget proposals predict the resources available, against which to determine the service priorities within the Council Plan. Diversity Impact Assessments will be undertaken and reported to Members as part of the budget and service planning process as the impact of the financial settlement on Council services becomes clearer.

11 Financial and legal implications

- 11.1 The financial implications are fully detailed in the report. There are no direct legal implications.

12 Recommendations

- 12.1 Members are requested to:
- Consider the draft capital and revenue budget for 2014/2015, proposed by Cabinet on 26 November 2013, insofar as they affect this overview and scrutiny committee;
 - Consider the opportunities and implications of any other efficiencies or revenue generating measures for this committee;
 - Forward to Business Support Overview and Scrutiny Committee on 4 February 2014, comments and suggestions with regard to the preparation of the Council's capital and revenue budget for 2014/2015.

Background papers: Medium Term Financial Plan 2014/17 – Cabinet 1 October 2013:

<http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=21413>

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CHILDREN AND ADULT SERVICES - BUDGET BUILD 2014-2015

General Fund Activities

Commissioning and Client Financial Affairs

Older People

Independent Review & SCB

Social Care Management

Physical Disability

Learning Disability

Linked Service Centres

Mental Health

Total for Adult Social Care

Safeguarding Team

CRAST Team

Specialist Children's Services

Children's Care Management Team

Child Protection

Children's Care Training

Total for Children's Care

Directorate Management Team

Commissioning, Contracts and Business Support

School Organisation and Student Services

Commissioning Management Team

Total for Commissioning and Traded Services

Health and Wellbeing

Integrated Youth Support Services

Psychology and Inclusion

Inclusion Management Team

Early Years

Schools Commissioning and Traded Services

School Challenge and Improvement

Total for Inclusion and School Improvement

Finance Headings

HR Headings

School Grants

Total Schools Retained Funding and Grants

Schools Delegated Funding

Total for Children and Adult Services Directorate

	2013-14 Base (Q2 2013) £'000	Remove Support Services £'000	2013-14 Adjusted Base £'000	Medium Term Financial Plan			2014-15 MTFP Assumptions £'000	2014-15 Further Proposals £'000	2014-15 Draft Budget (Nov 2013) £'000	2014-15 Budget Requirement			
				Inflation £'000	Other Pressures £'000	Savings £'000				Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Net Expenditure £'000
Commissioning and Client Financial Affairs	2,986	(21)	2,965	0	0	0	2,965	(0)	2,965	3,490	(525)	0	2,965
Older People	22,110	(979)	21,132	449	429	0	22,010	(18)	21,992	33,551	(1,746)	(9,813)	21,992
Independent Review & SCB	1,068	(466)	602	0	0	0	602	0	602	661	(59)	0	602
Social Care Management	(6)	(234)	(239)	18	0	0	(221)	(1,518)	(1,739)	5,490	(7,230)	0	(1,739)
Physical Disability	12,717	(542)	12,175	252	54	0	12,481	(346)	12,135	13,027	(201)	(691)	12,135
Learning Disability	25,242	(1,075)	24,167	495	199	0	24,861	(744)	24,117	25,447	(57)	(1,273)	24,117
Linked Service Centres	63	(16)	47	1	0	0	48	(1)	47	49	0	(2)	47
Mental Health	4,474	(381)	4,092	93	14	0	4,200	(77)	4,122	4,293	0	(170)	4,122
Total for Adult Social Care	68,654	(3,714)	64,940	1,309	696	0	66,945	(2,705)	64,240	86,009	(9,819)	(11,950)	64,240
Safeguarding Team	6,185	(1,149)	5,036	79	0	0	5,115	(79)	5,036	5,106	(70)	0	5,036
CRAST Team	4,753	(434)	4,320	66	800	0	5,185	(66)	5,120	5,316	(70)	(127)	5,120
Specialist Children's Services	18,115	(350)	17,765	395	1,212	0	19,372	(395)	18,977	19,496	(519)	0	18,977
Children's Care Management Team	405	(17)	389	9	0	0	397	(9)	389	389	0	0	389
Child Protection	256	(25)	231	6	0	0	237	(6)	231	316	(85)	0	231
Children's Care Training	101	(16)	85	4	0	0	89	(4)	85	110	0	(25)	85
Total for Children's Care	29,815	(1,990)	27,825	559	2,012	0	30,396	(559)	29,837	30,733	(745)	(152)	29,837
Directorate Management Team	937	(38)	899	21	0	0	920	(371)	549	601	(52)	0	549
Commissioning, Contracts and Business Support	2,671	(93)	2,578	54	228	0	2,860	(282)	2,578	3,227	(650)	0	2,578
School Organisation and Student Services	1,767	(116)	1,652	16	100	0	1,768	(16)	1,752	2,368	(290)	(325)	1,752
Commissioning Management Team	146	0	146	(0)	0	0	146	0	146	206	(60)	0	146
Total for Commissioning and Traded Services	5,521	(246)	5,275	90	328	0	5,693	(668)	5,025	6,402	(1,052)	(325)	5,025
Health and Wellbeing	448	(9)	438	8	0	0	446	(8)	438	460	0	(22)	438
Integrated Youth Support Services	3,295	(138)	3,157	62	0	0	3,218	(336)	2,883	3,803	(851)	(69)	2,883
Psychology and Inclusion	15,401	(598)	14,803	31	1,144	0	15,978	(31)	15,947	17,319	(1,317)	(55)	15,947
Inclusion Management Team	949	(55)	893	25	0	0	918	(25)	893	2,669	(1,233)	(543)	893
Early Years	15,380	(993)	14,387	44	0	0	14,431	(44)	14,387	14,725	(31)	(307)	14,387
Schools Commissioning and Traded Services	560	(27)	532	22	0	0	555	(22)	532	1,817	(319)	(966)	532
School Challenge and Improvement	955	(36)	919	20	0	0	939	(20)	919	945	0	(25)	919
Total for Inclusion and School Improvement	36,987	(1,857)	35,130	211	1,144	0	36,485	(485)	36,000	41,738	(3,751)	(1,987)	36,000
Finance Headings	730	(13)	718	(5)	0	0	712	5	718	716	0	1	718
HR Headings	622	(61)	561	16	300	0	877	(316)	561	988	0	(428)	561
School Grants	7,079	0	7,079	0	0	0	7,079	0	7,079	7,079	0	0	7,079
Total Schools Retained Funding and Grants	8,431	(73)	8,357	11	300	0	8,668	(311)	8,357	8,784	0	(426)	8,357
Schools Delegated Funding	107,093	0	107,093	0	0	(2,134)	104,959	0	104,959	104,959	0	0	104,959
Total for Children and Adult Services Directorate	256,501	(7,880)	248,621	2,180	4,480	(2,134)	253,146	(4,728)	248,419	278,625	(15,366)	(14,841)	248,419

Children and Adult Services Directorate

BUDGET BUILD 2014/15 - BASE BUDGET ADJUSTMENTS

	MTFP 14/15 £000s	Further proposals 14/15 £000s	MTFP 15/16 £000s	Further proposals 15/16 £000s
Adult Social Care				
Commissioning & Client Financial Affairs				
Older People				
- Inflation: Older people (average 2% pa).	351	(351)	358	(358)
- Demographic Projections (based on POPPI projections)	429	431	371	489
Independent Review & Safeguarding Children Board				
Social Care Management				
- Additional Section 256 funding to meet demographic pressures		(1,400)		(1,400)
- Restructure of the ASC management team		(100)		
Physical Disability				
- Inflation: People with a physical disability (average 2%).	192	(192)	196	(196)
- Demographic Projections (based on PANSI projections)	54	56	84	26
Learning Disability				
- Inflation: People with a learning disability (average 2%).	418	(418)	359	(359)
- Demographic Projections (based on PANSI projections)	199	201	220	180
- Full year effect of the 'high cost placements' workstream		(600)		
Mental Health				
- Inflation: Mental health services (average 2%).	40	(40)	41	(41)
- Demographic Projections (based on PANSI projections)	14	16	12	18
Children's Care				
Safeguarding Team				
CRAST Team				
- Cost of restructured division in response to OFSTED recommendations	800			
Specialist Childrens' Services				
- Cost of Current Service: Higher than anticipated LAC nos.	1,100			
- Inflation: Fostering and residential (2% pa).	229	(229)	234	(234)
- Demographic Projections (based on ONS 0-17 population projections)	112		75	
Children's Care Management Team				
Child Protection				
Children's Care Training				
Commissioning				
Directorate Management Team				
- Delete the non-recurring Improvement Plan budget		(350)		
Commissioning, Contracts & Business Support				
- Risk to CCG contribution towards Preventative Fund and voluntary sector grants	228	(228)		
School Organisation & Student Services				
- Temple Site NNDR pending being brought back into operational use	100			
Commissioning Management Team				
Inclusion				
Health and Wellbeing				
Integrated Youth Support Services				
- Delete the non-recurring transition funding for YES contract		(75)		
- Potential for more streamlined commissioning of youth services		(174)		
- 15% reduction in the childminding contract		(25)		
Psychology & Inclusion				
- Cost of Current Service: SEN Transport based upon Q1 forecast	1,144			
Inclusion Management Team				
Early Years				
Schools Commissioning & Traded Services				
School Challenge & Improvement				
Schools Retained Funding and Grants				
Finance Headings				
HR Headings				
- Redundancies arising from school reorganisations and deficit plans	300	(300)		
School Grants				
Schools Delegated Funding (DSG)	(2,134)		(6,817)	
Pay Award	317	(317)	320	(320)
Increments	633	(633)	646	(646)
Total for Children and Adults	4,526	(4,728)	(3,901)	(2,841)