

Scrutiny for Policies, Children and Families Committee

Friday 18 October 2019
10.00 am Library Meeting Room, Taunton Library



To: The Members of the Scrutiny for Policies, Children and Families Committee

Cllr L Redman (Chair), Cllr R Williams (Vice-Chair), Cllr M Dimery, Cllr N Hewitt-Cooper, Cllr James Hunt, Cllr J Lock, Cllr W Wallace, Cllr J Williams.
Mr P Elliott, Ms H Fenn, Mrs R Hobbs and Mrs E Tipper

All Somerset County Council Members are invited to attend meetings of the Cabinet and Scrutiny Committees.

Issued By Scott Wooldridge, Strategic Manager - Governance and Risk - 10 October 2019

For further information about the meeting, please contact Neil Milne on 01823 359045 or ndmilne@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Section 100A (4) of the Local Government Act 1972.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Scrutiny for Policies, Children and Families Committee - 10.00 am Friday 18 October 2019

**** Public Guidance notes contained in agenda annexe ****

1 **Apologies for Absence**

to receive Members' apologies

2 **Declarations of Interest**

Details of all Members' interests in District, Town and Parish Councils will be displayed in the meeting room. The Statutory Register of Member's Interests can be inspected via the Community Governance team.

3 **Minutes from the previous meeting held on (Pages 5 - 8)**

The Committee is asked to confirm the minutes are accurate.

4 **Public Question Time**

The Chairman will allow members of the public to ask a question or make a statement about any matter on the agenda for this meeting. **These questions may be taken during the meeting, when the relevant agenda item is considered, at the Chairman's discretion.**

5 **Scrutiny Work Programme (Pages 9 - 26)**

To discuss any items for the forthcoming work programme. To assist the discussion, the following documents are attached:

- a) – The Cabinet's latest published forward plan;
- b) – Current Work Programme for the Committee;
- c) – Outcome Tracker.

6 **Troubled Families update report (Pages 27 - 32)**

7 **2019/20 Revenue Budget Monitoring Report - Month 2 (Pages 33 - 54)**

8 **Value for Money: Tracker and Social Care Experts Review 2018 - 2019 (Pages 55 - 114)**

9 **Any other urgent items of business**

The Chairman may raise any items of urgent business.

Guidance notes for the meeting

1. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact the Committee Administrator for the meeting on 01823 359045 or email: democraticservices@somerset.gov.uk
They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers

2. Members' Code of Conduct requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership. The Code of Conduct can be viewed at: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

3. Minutes of the Meeting

Details of the issues discussed and recommendations made at the meeting will be set out in the Minutes, which the Committee will be asked to approve as a correct record at its next meeting.

4. Public Question Time

If you wish to speak, please tell the Committee's Administrator by 5.00pm on the Monday before the meeting.

At the Chair of the Committee's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total.

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the Agenda for this meeting may be taken at the time when each matter is considered.

You must direct your questions and comments through the Chair. You may not take a direct part in the debate. The Chair will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chair may adjourn the meeting to allow views to be expressed more freely. If an item on the Agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will be restricted, normally to two minutes only.

5. **Exclusion of Press & Public**

If when considering an item on the Agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

6. **Committee Rooms & Council Chamber and hearing aid users**

To assist hearing aid users the meeting rooms have infra-red audio transmission systems. To use this facility you need a hearing aid set to the T position.

7. **Recording of meetings**

The Council supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone wishing to film part or all of the proceedings.

No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chair can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

The Council will be undertaking audio recording of some of its meetings in County Hall as part of its investigation into a business case for the recording and potential webcasting of meetings in the future.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

SCRUTINY FOR POLICIES, CHILDREN AND FAMILIES COMMITTEE

Minutes of a Meeting of the Scrutiny for Policies, Children and Families Committee held in the Library Meeting Room, Taunton Library, on Friday 13 September 2019 at 10.00 am

Present: Cllr L Redman (Chair), Cllr M Dimery, Cllr James Hunt, Cllr J Lock, Cllr W Wallace, Cllr J Williams and Mrs Eileen Tipper.

Other Members present: Cllr Chilcott, Cllr Lawrence, Cllr Munt, Cllr Nicholson, Cllr Verdon

Apologies for absence: Cllr R Williams, Cllr N Hewitt-Cooper. Mr P Elliott, Ms Fenn and Mrs Hobbs.

1 **Declarations of Interest** - Agenda Item 2

There were no declarations made.

2 **Minutes from the previous meeting** - Agenda Item 3

The Scrutiny Manager explained that he had mislaid the minutes from the last meeting, and these would be presented to a future meeting.

3 **Public Question Time** - Agenda Item 4

There was a member of the public present but there were no question asked, statements made or petitions presented.

4 **Scrutiny Work Programme** - Agenda Item 5

The Chair directed the Committee's attention to the Council's forward plan of proposed key decisions, and it was noted that several decisions earmarked for 1 November appeared to be dependent on 'European' funding and sought reassurance. The Director of Children's Services stated that regardless of the status of the UK's withdrawal from the European Union, known as 'Brexit', the Government had committed to matching European funding.

On the topic of 'Brexit' it was asked if the Committee could receive a report outlining the Council's preparedness/plans. The Scrutiny Manager noted that any overall Brexit plan would be best considered by the Policies and Place Scrutiny Committee and he undertook to flag this with a recently created 'Brexit' team. It was requested that a report with a Children and Families aspect regarding contingencies to manage 'Brexit' be brought to a future meeting.

The Chair noted that on the Committee's forward plan a number of items had been suggested that would lend themselves to discussion by a joint meeting with the Adults and Health Scrutiny Committee and the Scrutiny Manager undertook to discuss this with the Chair of that Committee. It was also suggested that members of the Health and Well-being Board be invited, once arrangements had been finalised.

The Scrutiny Manager informed the Committee that he had followed up a request regarding a future agenda item on 'Safe routes to school'. He reflected several items had been highlighted by relevant Officers and the Committee agreed that the Chair, Vice Chair and Scrutiny Manager meet to determine the specific aspects to be considered.

The refreshed outcome tracker was noted and accepted.

5 **Early Help Strategic Commissioning Board Update** - Agenda Item 6

The Chair welcomed Louise Palmer & Angela Gascoigne to the meeting, and they began by providing an overview of the Early Help Board, and they noted the 5 key areas of activity approved by the Cabinet last February designed to develop and improve the early help offer in Somerset:

- Improve the support and interventions for children with some additional needs – level 2;
- Strengthening Early Help infrastructure with partners and redesigning the early help 'front door';
- Strengthening community capacity and capability;
- Improve the support and interventions for children with complex needs – level 3;
- Strengthen the multi-agency strategic approach to early help in Somerset.

They provided a brief presentation to supplement their report and noted that early help should not just be regarded as a service but be established as a recognised way of working. A tiered approach of top down delivery would no longer work, and it was now the case that several different agencies would work together to deliver services for families.

Current work was focusing on how best to capture data and information to identify where help and support was required, and some delivery models were based in a similar way to the get-set service. The importance of identifying what was needed and how best to respond to those needs was recognised, with the subsequent transition to get things in place, which could involve restorative practice and deepening dialogue between organisations.

The Committee heard some examples of different types of work in communities that had helped to bring about a positive change. The Chair of the Committee thanked both Officers for the interesting insight into early help and reflected that the examples of the case studies were heartening to hear things going right.

During the discussion of the report and presentation, issues/concerns were raised, questions asked/answered and further information was provided on:

- Membership of Board, were any other 'Health' providers other than the NHS trust involved? It was noted there were not, but all were welcome to become involved;

- There was a question about provision in the northeast of the County, and it was noted that the new safeguarding arrangements would also feed in to health arrangement there was a co-ordinated approach;
- It was asked how Officers knew interventions were successful and how could they be built on, and it was acknowledged this was a challenge to gather feedback from each intervention, and collect in a disciplined and useful way;
- Regarding the proposed digitising of the assessment process, it was suggested that lessons be learnt from similar programmes to process of change ran smoothly;
- Work was ongoing to link up data and knowledge including the speedy and secure dissemination of information and it was acknowledged that improvement wouldn't happen in it won't happen in a linear way, depend on and making changes across organisations, and building, taking personal responsibility;
- It was suggested that Governor Services be contacted to include some Governor training on Early Help;
- It was noted that it was important, in an era of limited resource to avoid duplication of effort and making the right interventions was key and, get people to understand what they are doing and name it;
- It was asked if the work would go through with the young person to the adult stage and it was noted that there were people from adult services involved and Officers were keen to create those links;
- It was noted that Level 3 support was working well, and it was stated that it was, and the voice of young people had been included when the CYPP had been refreshed CYPP;
- There was a discussion about how better identifying ways to contact people and allow them to access services and it was explained that work on designing 'the front door' to ensure a friendly triage service initially at 'the front door', and improve the skill set and work force development;
- It was noted that the Family Forum in Minehead was a brilliant piece of collaborative local work, and it was suggested that it be copied in other areas of the County.

The Chair summed up the discussion and noted that the Committee would endorse the call for better collaboration and support for transforming data capture and analysis to cope multi agency intervention. He encouraged Members, particularly those who were District Councillors to help work in district councils and to attend connection events.

The Chair also requested that Officers look in to arranging an appropriate visit for the Committee and that an update report be presented in 6 months.

6 **Any other urgent items of business** - Agenda Item 7

After ascertaining there were no other items of business, the Chair thanked all those present for attending, and closed the meeting at 11.00am.

(The meeting ended at 11.00 am)

CHAIRMAN

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP19/09/03 First published: 3 September 2019	3 Oct 2019 Cabinet Member for Children and Families	Issue: Increased Project Budgets - Bridgwater Special School, Somerton Primary School, Bridgwater College Academy Decision: Agree to increase the project budgets in line with increased construction costs.	Cabinet Member Key Decision - Uplift Contract Values - School Building Projects		Phil Curd, Service Manager: Specialist Provision and School Transport Tel: 01823 355165
FP/19/09/07 First published: 10 September 2019	Not before 14th Oct 2019 HR & OD Director	Issue: Use of Apprenticeship Levy funds as match funding for ESF Full Application - Somerset Skills in Employment Project Decision: That the Director of HR&OD authorises the commitment of £1,353,000 from the Apprenticeship Levy as match funding for a European Social Fund bid, led by Somerset County Council.			Benjamin Eve, Benjamin Eve
FP19/07/07 First published: 23 July 2019	Not before 14th Oct 2019 Cabinet Member for Resources	Issue: Sale of The Court and Popham House property, Wellington Decision: Authority to proceed to sale of the surplus SCC Property, previously known as the Popham Court Care Home, comprising of The Court and Popham House in Wellington.			Charlie Field, Estates Manager, Corporate Property Tel: 01823355325

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
<p>FP19/07/14 First published: 31 July 2019</p>	<p>14 Oct 2019 Cabinet Member for Resources</p>	<p>Issue: Sale of Morgan House site, Bridgwater, including former library office. Decision: Authority to proceed to sale of the surplus SCC Property, namely the Morgan House Site, Bridgwater, including Bridgwater library offices</p>			<p>Charlie Field, Estates Manager, Corporate Property Tel: 01823355325</p>
<p>FP19/08/01 First published: 12 August 2019</p>	<p>Not before 14th Oct 2019 Cabinet Member for Resources and Economic Development</p>	<p>Issue: Connecting Devon and Somerset (CDS) Superfast Extension Programme (SEP) Phase 2: decision to introduce additional funding into the Lot 4 contract. Decision: To approve the introduction of additional funding into the Lot 4 Contract.</p>			<p>Katriona Lovelock, Economic Development Officer Tel: 01823 359873</p>
<p>FP/19/09/08 First published: 10 September 2019</p>	<p>Not before 21st Oct 2019 Cabinet Member for Highways and Transport</p>	<p>Issue: Decision to accept the Heart of the South West Local Enterprise Partnership Local Growth Fund Award towards the Creech Castle junction improvements (Toneway Corridor phase 1) Decision: That the Director of Commissioning and Lead Commissioner for Economic and Community Infrastructure and Interim Director of Finance & Performance agree to accept the Local Growth Fund Award by signing an agreement with the Heart of the South West Local Enterprise Partnership.</p>			<p>Sunita Mills, Service Commissioning Manager Tel: 01823 359763</p>

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FP/19/07/10 First published: 30 July 2019	21 Oct 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure	Issue: Decision to authorise the allocation of funding for the development of the Chard Enterprise Centre. Decision: Decision to authorise the allocation of funding for the development of the Chard Enterprise Centre.	Finance for Chard Project		Katriona Lovelock, Economic Development Officer Tel: 01823 359873
FP/19/09/11 First published: 17 September 2019	23 Oct 2019 Cabinet	Issue: SCC Endorsement of the Heart of the South West Local Industrial Strategy Decision: SCC endorsement of the Heart of the South West (HotSW) Local Industrial Strategy (LIS). The HotSW LIS has been developed by the Local Enterprise Partnership in coordination with local partners and stakeholders, including SCC, and in partnership with Government.			James Gilgrist
FP/19/09/13 First published: 25 September 2019	23 Oct 2019 Cabinet	Issue: Climate Change Strategy Framework Decision: To endorse the framework			Michele Cusack, ECI Commissioning Director
FP/19/09/12 First published: 25 September 2019	25 Oct 2019 Cabinet Member for Resources	Issue: Approval to award the contract for the provision of Somerset County Council (SCC) Hybrid Mail Decision: Approval to award the contract			Heidi Boyle Tel: 01823 355524

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FP/19/10/08 First published:	Not before 28th Oct 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure	Issue: Radiation (Emergency Preparedness and Public Information) Regulations 2019 Decision: To consider this report			Paula Hewitt, Director of Commissioning for Economic and Community Infrastructure Tel: 01823 359011
FP/19/07/09 First published: 30 July 2019	Not before 1st Nov 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure	Issue: Decision to authorise the allocation of funding for the development of the Taunton Innovation Geospatial Centre. Decision: To allocate funding for the development of the Taunton Innovation Geospatial Centre. This will be used to both develop the project and act as matching funding for an ERDF grant funding application.			Samantha Seddon, Service Manager-Economy
FP/19/07/06 First published: 22 July 2019	1 Nov 2019 Cabinet Member for Education and Council Transformation	Issue: Creation of New Academies in Somerset Decision: The Secretary of State for Education has directed via an Academy Order, the conversion to Academy Status for the following schools.			Elizabeth Smith, Service Manager – Schools Commissioning Tel: 01823 356260
FP/19/07/11 First published: 30 July 2019	1 Nov 2019 Cabinet Member for Children and Families	Issue: Approval of Somerset Youth Justice Plan 2018/19 Decision: Approval of Somerset Youth Justice Plan 2018/19			Lise Bird, Strategic Manager - Prevention,

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
<p>19/09/04 First published: 3 September 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Highways and Transport</p>	<p>Issue: Decision to accept the Heart of the South West Local Enterprise Partnership Local Growth Fund Award towards the Creech Castle junction improvements (Toneway Corridor phase 1) Decision: That the Director of Commissioning and Lead Commissioner for Economic and Community Infrastructure and Interim Director of Finance & Performance agree to accept the Local Growth Fund Award by signing an agreement with the Heart of the South West Local Enterprise Partnership.</p>			<p>Sunita Mills, Service Commissioning Manager Tel: 01823 359763</p>
<p>FP19/07/08 First published: 25 July 2019</p>	<p>1 Nov 2019 Cabinet Member for Children and Families</p>	<p>Issue: Increased Budget - Bridgwater Special School Decision: Agree to increase the project budget in line with increased construction costs.</p>			<p>Phil Curd, Service Manager: Specialist Provision and School Transport Tel: 01823 355165</p>
<p>FP/19/07/01 First published: 2 July 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Highways and Transport</p>	<p>Issue: Decision to extend the Term Maintenance Contract for Highways Lighting maintenance services Decision: Somerset County Council's existing maintenance contract for highways street lighting is due to end in March 2020. The contract allows for up to a 48-month extension. This decision proposes that the Council should use this option to extend the contract.</p>			<p>Neil Guild, Highways Asset Improvement Officer</p>

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<p>FP/19/01/12 First published: 5 February 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Public Health and Wellbeing</p>	<p>Issue: Adoption of the Somerset Air Quality Strategy Decision: To agree the adoption of the statement</p>			<p>Stewart Brock, Public Health Specialist, Public Health Tel: 01823357235</p>
<p>FP/19/04/13 First published: 29 April 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure</p>	<p>Issue: Decision to appoint a contractor from a framework for the delivery of the Bruton Enterprise Centre Decision: To agree to appoint a supplier for the delivery of the Bruton Enterprise Centre</p>			<p>Katriona Lovelock, Economic Development Officer Tel: 01823 359873</p>
<p>FP/19/01/02 First published: 3 January 2019</p>	<p>Not before 1st Nov 2019 Interim Finance Director</p>	<p>Issue: Acceptance of European Regional Development Funding for the Heart of the South West Inward Investment Project Decision: Approval for Somerset County Council (SCC), in its capacity as the accountable body for the Heart of the South West Local Enterprise Partnership, to accept £1,181,308 of European Regional Development Funding (ERDF) for the Heart of the South West Inward Investment Project and to enter into an associated funding agreement with the Ministry for Housing, Communities and Local Government (MHCLG)</p>	<p>Heart of the South West Inward Investment Project</p>		<p>Paul Hickson, Strategic Manager - Economy and Planning Tel: 07977 400838</p>

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<p>FP/19/03/03 First published: 26 March 2019</p>	<p>Not before 1st Nov 2019 Interim Finance Director, Director for Economic and Community Infrastructure Commissioning</p>	<p>Issue: Somerset Energy Innovation Centre (Phase 3) - acceptance of Growth Deal 3 Funding Decision: Approves acceptance of Heart of the South West Growth Deal 3 funding £2,542,755 for the development of phase 3 of the Somerset Energy Innovation Centre and approve the decision to proceed with the construction of SEIC 3</p>			<p>Julie Wooler, Economic Development & Strategic Tourism Officer</p>
<p>FP/18/04/06 First published: 30 April 2018</p>	<p>Not before 1st Nov 2019 Director of Commissioning and Lead Commissioner for Economic Community Infrastructure</p>	<p>Issue: Procurement of the HotSW Growth Hub Service Decision: To undertake the procurement of a Business Support Service (Growth Hub) on behalf of the HotSW LEP</p>			<p>Melanie Roberts, Service Manager - Economic Policy Tel: 01823359209</p>
<p>FP/19/06/02 First published: 14 June 2019</p>	<p>1 Nov 2019 Director of Children's Services, ECI Commissioning Director</p>	<p>Issue: Approval to submit the full application for European Social Funding, under Priority Axis 1 - Inclusive Labour Markets (1.2) Decision: To consider thie report</p>			<p>Melanie Roberts, Service Manager - Economic Policy Tel: 01823359209</p>
<p>FP/19/04/01 First published: 3 April 2019</p>	<p>Not before 1st Nov 2019 Director of Corporate Affairs</p>	<p>Issue: The award of a contract for the provision of replacement end of life mobile devices & connections Decision: To approve the award of a three-year contract.</p>	<p>Replacement mobile devices</p>		<p>Andy Kennell Tel: 01823359268</p>

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<p>FP/10/01/11 First published: 5 February 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Education and Council Transformation</p>	<p>Issue: Bridgwater College Academy Expansion - Funding Decision: To agree funding as required</p>			<p>Elizabeth Smith, Service Manager – Schools Commissioning Tel: 01823 356260</p>
<p>FP/18/11/10 First published: 20 November 2018</p>	<p>Not before 1st Nov 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure, Economic and Community Infrastructure Commissioning Director</p>	<p>Issue: Decision to approve revisions to the Connecting Devon and Somerset phase 2 deployment contracts Decision: To approve revisions to the Connecting Devon and Somerset phase 2 deployment contracts</p>			<p>Nathaniel Lucas, Senior Economic Development Officer Tel: 01823359210</p>
<p>FP/19/07/03 First published: 16 July 2019</p>	<p>1 Nov 2019 Cabinet Member for Highways and Transport</p>	<p>Issue: Implementation of New Street Works Permitting System Decision: We are responding to a request from the Secretary of State for Transport to replace our existing Street Works Noticing system with a Street Works Permitting system in line with other Highway Authorities</p>			<p>Bev Norman, Service Manager - Traffic Management, Traffic & Transport Development Tel: 01823358089</p>

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<p>FP/19/07/13 First published: 30 July 2019</p>	<p>Not before 1st Nov 2019 Cabinet Member for Strategy, Customers and Communities</p>	<p>Issue: Revision of Corporate Complaints Policy Decision: A periodical update to the Council's complaints policy. Key changes are a switch in title from a 'procedure' to a 'policy', a change in the stage 1 resolution target time from 10 working days to 20 working days and the addition of a quality control process at stage 1.</p>			<p>Rebecca Martin, Service manager- Customer Experience & Information Governance</p>
<p>FP/19/10/06 First published:</p>	<p>7 Nov 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure</p>	<p>Issue: Connecting Devon and Somerset (CDS) Superfast Extension Programme (SEP) Phase 2: decision to introduce additional funding into the Lot 4 contract Decision: To approve the introduction of additional funding into the Lot 4 Contract</p>			<p>Michele Cusack, ECI Commissioning Director</p>
<p>First published: 30 September 2019</p>	<p>13 Nov 2019 Cabinet</p>	<p>Issue: SCC Endorsement of the Heart of the South West Local Industrial Strategy Decision: SCC endorsement of the Heart of the South West (HotSW) Local Industrial Strategy (LIS). The HotSW LIS has been developed by the Local Enterprise Partnership in coordination with local partners and stakeholders, including SCC, and in partnership with Government.</p>			<p>James Gilgrist</p>

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<p>FP/19/10/01 First published: 4 October 2019</p>	<p>13 Nov 2019 Cabinet Member for Education and Council Transformation</p>	<p>Issue: Creation of New Academies in Somerset Decision: The Secretary of State for Education has directed via an Academy Order, the conversion to Academy Status for the following four schools.</p>			<p>Helen Waring, Commissioning Officer - Schools</p>
<p>FP19/09/05 First published: 3 September 2019</p>	<p>13 Nov 2019 Cabinet Member for Economic Development, Planning and Community Infrastructure</p>	<p>Issue: SCC Endorsement of the Heart of the South West Local Industrial Strategy Decision: SCC endorsement of the Heart of the South West (HotSW) Local Industrial Strategy (LIS). The HotSW LIS has been developed by the Local Enterprise Partnership in coordination with local partners and stakeholders, including SCC, and in partnership with Government.</p>			<p>James Gilgrist</p>
<p>FP/19/05/10 First published: 28 May 2019</p>	<p>13 Nov 2019 Cabinet</p>	<p>Issue: Q2 Performance Report Decision: To agree the report.</p>			<p>Simon Clifford, Customers & Communities Director Tel: 01823359166</p>
<p>FP/19/08/02 First published: 20 August 2019</p>	<p>13 Nov 2019 Cabinet</p>	<p>Issue: Heart of the South West Joint Committee - Governance Arrangements & Budgetary Position Decision: To approve amendments to functions and note the updated budget position</p>			<p>Scott Wooldridge, Strategic Manager Governance & Risk and Council's Monitoring Officer Tel: 01823 359043</p>

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FP/19/09/09 First published: 17 September 2019	Not before 14th Nov 2019 Director for Economic and Community Infrastructure Commissioning	Issue: Award of contract for the provision of Somerset County Council (SCC) Hybrid Mail Decision: Approval to award the contract for the provision of Somerset County Council (SCC) Hybrid Mail			Heidi Boyle Tel: 01823 355524
FP/19/09/10 First published: 17 September 2019	16 Dec 2019 Cabinet Member for Highways and Transport	Issue: Implementation of Street Works Permitting Scheme in Somerset Decision: A decision to replace the current Street Works Noticing Scheme with a Street Works Permitting Scheme as required by the Secretary of State for Transport			Bev Norman, Service Manager - Traffic Management, Traffic & Transport Development Tel: 01823358089
FP/19/10/04 First published:	Not before 16th Dec 2019 Public Health Director	Issue: Changes to sexual health targeted prevention services Decision: Award of contract, additional targeted prevention services and arrangements for c-card condom distribution			Michelle Hawkes, Public Health Specialist Tel: 01823 357236
FP/19/10/05 First published:	18 Dec 2019 Cabinet	Issue: Annual Report of the Director of Public Health Decision: To agree the report			Pip Tucker, Public Health Specialist Tel: 01823 359449

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FP/19/10/07 First published:	22 Jan 2020 Cabinet	Issue: Somerset Waste Partnership Business Plan Decision: To consider this report			Mickey Green, Managing Director - Somerset Waste Partnership Tel: 01823 625707
FP/19/10/03 First published: 4 October 2019	Not before 31st Jan 2020 Cabinet	Issue: Admission Arrangements for Voluntary Controlled and Community Schools for 2021/22 Decision: Admission Arrangements for Voluntary Controlled and Community Schools for 2021/22			Jane Seaman, Access and Admissions Manager Tel: 01823 355615
FP/19/10/02 First published: 4 October 2019	12 Feb 2020 Cabinet	Issue: Decision to conclude the award of a contract for the provision of highway improvements at Toneway Creech Castle junction. Decision: The decision is to enter into a contract with the preferred contractor for the construction of the highways scheme to improve the Toneway Creech Castle junction.			Sunita Mills, Service Commissioning Manager Tel: 01823 359763

Scrutiny for Policies Children and Families Committee Work Programme

Committee meetings		Lead Member & Officer
18 October		
Troubled Families Programme update		Gill Bawler
CYPP Update 2019-2022 – Year 1 Quarter 1		Fiona Phur
Finance update report – Month 4		Lizzie Watkin
Value for Money: Tracker and Social Care Experts Review 2018/19		Sheila Collins
15 November		
West Somerset Opportunity Area update		Julia Ridge
New Safeguarding arrangements		Caroline Dowson
Children’s Social Care Statutory Customer Feedback report		Rebecca Martin
Scrutiny review report		Jamie Jackson
13 December		
CYPP Update 2019-2022 – Year 1 Quarter 2		Fiona Phur
CYP Mental Health Local Transformation Plan		John Dunning
Safe routes to school		Mike O’Dowd-Jones
Finance update report – Month 6 (quarter 2)		Lizzie Watkin
24 January 2020		
13 March		
24 April		
15 May		

(What impact does that have on Children in Somerset?)

Scrutiny for Policies Children and Families Committee Work Programme

12 June		

Note: Members of the Scrutiny Committee and all other Members of Somerset County Council are invited to contribute items for inclusion in the work programme. Please contact Democratic Services (01823) 359500 & democraticservices@somerset.gov.uk who will assist you in submitting your item.

Possible future items:

A Joint meeting with Adults & Health Scrutiny Committee: CAHMS service;
Immunisations;
Oral health;
Transitions Plans for LD service users (18-25) going in to Adult Services;
The impact on Children and Families of the next stage of migration/roll out of Universal Credit.

(What impact does that have on Children in Somerset?)

Scrutiny for Policies Children & Families Committee Outcome Tracker

Agenda items	Action owner	Agreed Outcome	RAG Status
22 July 2016			
Unaccompanied Asylum-Seeking Children (UASC)	Scrutiny Manager	There was a suggestion that the Council consider approaching the local Muslim Community to work with and offer advice on this area and that such a representative might also be invited to become a co-opted Member of the Committee.	Pending – this is being progressed with the Equalities Officer
26 April 2019			
Regional Adoption Agency	Suzanne Lyus	The update was accepted, and the Chair suggested, and it was agreed that an update report be provided in 6 months.	Pending
17 May 2019			
SEND Update	Annette Perrington	The Committee accepted the update and welcomed the offer of a 'SEND workshop' and a Q&A session, Members were encouraged to think about possible questions, and areas they would like to discuss in more detail.	Pending – workshop session at 17 July meeting
Somerset Children's Trust – revised safeguarding arrangements	Caroline Dowson	The Committee agreed that it would like to receive a further report on this topic to include details on: <ul style="list-style-type: none"> • the future framework and detail particularly regarding scrutiny; • how the voice of the child would be heard; • assurances concerning the new governance arrangements; and • how risk would be managed. 	Completed – report to June meeting
14 June 2019			
Work Programme		The Committee agreed that the next meeting would be a 2 agenda item meeting with a financial budget monitoring report, with a 2 hour SEND workshop. Health and Wellbeing Board members would be invited.	Completed – September mtg

Scrutiny for Policies Children & Families Committee Outcome Tracker

Self-Harm Update	Clerk	It was requested that the Life Hacks website details be circulated. A question was asked about the comparison rates for young males regarding self-harm and it was stated details would be provided. There was a discussion about Your Somerset and deliveries and availability and it was stated further details would be provided.	Completed Completed
Proposals to implement the new Somerset Safeguarding Children Partnership arrangements		The Chair and Vice Chair undertook to meet with the DCS and Portfolio holder outside of the meeting to discuss the issues further and establish clarity.	Completed
19 July 2019			
Scrutiny Work Programme	Jamie Jackson	The Committee requested an update at the next meeting, on the possible joint meeting with Adults and Health Scrutiny Committee regarding transition between children and adult services.	Pending
2019/20 Revenue Budget Monitoring - Month 2 Report	Julian Wooster	The Committee considered the recommendations and noted the reprofiled budgets for 2019/20 and the current overspend in the Children's Services budget, and requested that Cabinet be mindful of ensuring Value for Money from the service.	Pending
13 September 2019			
Scrutiny Work Programme	Scrutiny Manager	It was requested that a report with a Children and Families aspect regarding contingencies to manage 'Brexit' be brought to a future meeting.	Pending
	Scrutiny Manager	The Chair noted that on the Committee's forward plan a number of items had been suggested that would lend themselves to discussion by a joint meeting with the Adults and Health Scrutiny Committee and the Scrutiny Manager undertook to discuss this with the Chair of that Committee.	Pending
		The Scrutiny Manager updated Members on the 'Safe routes to school' item and the Committee agreed that the Chair, Vice Chair and Scrutiny Manager meet to determine the specific aspects to be considered.	Pending

Scrutiny for Policies Children & Families Committee Outcome Tracker

Early Help Strategic Commissioning Board Update	Scrutiny Manager	The Chair requested that Officers look in to arranging an appropriate visit for the Committee and that an update report be presented in 6 months.	Pending
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The new CYPP 2019-2022 had been produced following a multi-agency process, overseen by Somerset Children’s Trust. The CYPP had 4 priorities: **Supported Families; Healthy Lives; A Great Education; Positive Outcomes.**

Completed	Action complete and will be removed from tracker for next meeting and retained on Master Tracker document.
Pending	Action on-going or plans in place to address.
Incomplete	No action currently in place with a minimum of 3 months since action agreed.

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Somerset County Council
Scrutiny for Policies, Children and Families Committee
18 October 2019

Troubled Families update report

Lead Officer: Gill Bawler

Author: Gill Bawler

Contact Details: 07880 178 995

Cabinet Member: Frances Nicholson

Division and Local Member: All

1. Summary

- 1.1.** This report aims to give the committee an overview about how the Troubled Families programme has been delivered in Somerset and its current performance. The September 2019 Spending Review has confirmed an additional years funding.

The Somerset Troubled Families (TF) Programme (2015 – 2020) is run from the Ministry of Housing, Communities and Local Government (MHCLG) and managed by Somerset County Council and is working to achieve significant and sustained progress with up to 3000 Somerset families, who meet at least two of the six of the Troubled Families headline problems, addressing worklessness, poor school attendance, health problems, crime and anti-social behaviour, domestic abuse and children who need help.

The outcomes are measured against a Troubled Family Outcomes Framework using the Somerset Families Outcomes Framework¹

The delivery of the TF programme in Somerset, is through its partners, with families being supported by a Lead Practitioner, a whole family assessment and a whole family action plan.

The TF programme in Somerset has secured £2m in Payment by Results claims and additional funding for ‘transformation’ and attachments fees, this has been invested in Early Help and the Voluntary and Community Sector.

The TF programme in Somerset has strengthened partnership working, supporting partners to work with a ‘whole family’ approach, which led to the codeveloped Think Family Strategy². ‘Thinking Family’ means taking a broader view by ensuring that all members of the household and their wider community can get the support they need, at the right time, to enable them to achieve positive changes and improve their lives. It means making sure that families receive integrated, coordinated, multi-agency, solution focused support.

The Local Authority has developed a TF database – Transform, which enables practitioners (currently internal) to have a holistic view of the family’s complexities by drawing together information from different systems to provide a snapshot of the family. Additionally, this database provides information for the the Early help Strategic Commissioning Board and provides insight into the effectiveness of Early Help arrangements.

1.2. The TF programme links to the County Councils County Plan by:

- Supporting families to improve their lives
- Supporting families to build resilience
- Strengthening partnership working
- Using data to target support to those who need it most

2. Issues for consideration

2.1. The TF programme was due to conclude on 31 March 2020, however in the September 2019 spending review a further year of the funding for the programme was announced. There is currently no confirmation of a ‘successor’ programme from March 2021. Plans for 2020/21 include:

- I. Continue to maintain Transform (TF database) and enable selected partner access through a secure portal.
One of the TF programmes key analytical assets is Transform. This data warehouse draws together information from over thirty data sets, approximately 14,000 families in the Somerset local authority area and has enabled internal partners to have a holistic view of the family’s vulnerabilities. This is currently a work stream in the SCC Digital Transformation programme. Ongoing commitment by partner agencies will be needed to maintain Transform and ensure data is fully available.
- II. To enable partners to continue to work with a whole family approach. The Think Family strategy will be refreshed by the multiagency partnership
- III. Continue to make work an ambition for all families. The current commitment from the DWP is to support the hardest to reach families back into work with two FTE Troubled Families Employment Advisors (TFEA) collocated to the Local Authority, the certainty of the continuation of this arrangement is not known. The upskilling of Practitioners around benefits advice and employment support is ongoing, but there is no commitment from the DWP that the role of the TFEA will continue beyond March 2020.

2.2. Scrutiny’s views about the programme for the next year are sought and their endorsement and support to continue to take forward this multi-agency approach to supporting Somerset’s most vulnerable families.

3. Background

3.1. The Troubled Families Programme (henceforth the ‘TF Programme’ or ‘Programme’) is a programme of targeted intervention for families with multiple problems, including crime, anti-social behaviour, truancy, unemployment, health problems and domestic abuse. One aim of the Programme is to tackle issues before they require costlier interventions. The Government also hopes to drive wider system change at the local level, including improved multi-agency working, the adoption of a ‘whole family approach’

The delivery of the TF programme in Somerset is through its partnerships, with families being supported using the Troubled Families methodology: a Lead Practitioner, a whole family assessment and a whole family action plan Families who meet at least two of the six of the below Troubled Families

headline problems are included in the programme and are identified through both referrals and data.

1. worklessness
2. poor school attendance
3. mental and physical health problems
4. crime and anti-social behaviour
5. domestic violence and abuse
6. children who are classified as in need of help

3.2. Numbers of families

Somerset has been given a maximum of 3000 families to work with to achieve significant and sustainable outcomes. Somerset has set their ambition high in their Somerset Family Outcomes Framework and is working on a ratio of one in four families achieving the required significant and sustained outcomes. Although many more families will make positive change, these will not meet the specific requirements of the MHCLG outcomes to generate the Payment by Results (PbR) payment. Somerset wants to maximise the funding available through the TF programme, so is intending to work with 12,000 families to achieve its 3000 PbR funding. Currently 10,405 families have been / are being worked with under the programme.

3.3. Service Transformation

The TF programme encourages and incentivises services to work in a new way for families with multiple problems, taking an integrated, 'whole family' approach that recognises and deals with their overlapping and interconnected problems and histories.

Transforming services means families should experience a reduction in single agency assessments, thresholds, appointments and measures with a more connected and holistic approach being provided. The effect of this transformation should be a reduction in the demand placed on costly reactive services to pick up the pieces when a family's problems aren't gripped and addressed head on.

In order for Somerset to understand its current position, it undertook a Maturity Model self-assessment in Autumn 2017 which was refreshed in January 2019. The Somerset's maturity model self-assessment has worked across all partners and has helped to understand how the Local Authority was performing in transforming services across Somerset in areas such as information and data sharing.

The impact of this service transformation is being reflected in the data collected by the programme's national evaluation³

3.4. Measuring Success

The expanded Troubled Families Programme has ambitious service transformation goals and so has been designed to measure and pay for success differently. Rather than the previous programme's focus on a small number of relatively tightly defined national results per family, the expanded programme asks local authorities and their partners to measure success in three main ways and makes funding available for each of these:

By demonstrating either significant and sustained progress or continuous

employment. Each family's achievement of 'significant and sustained' progress is assessed against a locally defined in the Somerset Family Outcome Framework¹. The Family Outcome Framework is a dynamic document with outcomes changing over time. It was created with the help of our partners in police, health, early help and domestic violence services and was approved by the Strategic Early Help Commissioning Board. By capturing a much richer understanding of the progress achieved with a representative sample of families across a broader range of outcomes. This will be achieved through the collection and publication of Family Progress Data by developing a much better understanding of the financial benefits achieved through the programme. Local authorities have been asked to complete the online troubled families cost savings calculator.

- 3.5.** Qualitative data from staff involved in the Programme suggests that the second phase has been effective in initiating change at a local level. According to feedback, participant families see the benefit of the initiative. Somerset was part of the Research amongst Families. This report presents findings from research among families as they enrolled on the TF Programme and was conducted on behalf of the Department for Communities and Local Government (DCLG). The families were asked questions relating to the key programme themes and is one element of the national evaluation of the programme, alongside a series of annual surveys of delivery staff, qualitative case studies, and monitoring via data collected as part of the National Impact Study and Family Progress Data. (Report available on request)

3.6. Outcome for Families

2,254 families in Somerset have achieved 'significant and sustained' outcomes (August 2019), as detailed in pages 4 to 10 of the Somerset Families Outcomes Framework. Of these 92% achieved outcomes under the 'Children that Need Help' criteria and 65% have achieved outcomes under the 'Crime and Anti-social Behaviour' outcome. Many more make positive changes for their families but do not reach the ambitious outcomes set out in the Somerset Family Outcomes Framework. (Report available on request)

4. Consultations undertaken

- 4.1** A public consultation exercise was carried out from November 2018 and ran for 8 weeks, the purpose of which was to understand the impact of the Council no longer providing getset level 2 services for children with additional needs (as detailed in the Effective Support for Children and Families in Somerset guidance) and how best the Council, as the lead agency, ensures effective early help across the partnership in the future. The consultation was aimed at service users, partners and staff who work with children and their families across Somerset

The public consultation reflects the views of over seven hundred people through a questionnaire.

In addition, over 110 people attended public drop in sessions or were engaged via parenting support groups across the County. A wide range of partners and professionals who work with children and families

were also engaged through existing forums and meetings.

The full consultation report can be found on page 515 of the February 2019 Cabinet Report

<http://democracy.somerset.gov.uk/documents/g732/Public%20reports%20pack%2011th-Feb-2019%2010.00%20Cabinet.pdf?T=10>

5. Background papers

5.1. [Somerset Family Outcomes Framework](#)¹

[Think Family Strategy 2018/19](#)²

[Troubled Families \(2015 - 2019\) National Evaluation](#)³

Above reports available on request

Note: For sight of individual background papers please contact the report author.

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2019/20 Revenue Budget Monitoring Report – Month 2

Lead Officer: Sheila Collins, Interim Director of Finance
Author: Leah Green, Finance Manager MTFP – Corporate
Finance Contact Details: SDCollins@somerset.gov.uk 01823 359028
Cabinet Member: Cllr Mandy Chilcott – Cabinet Member for Resources
Division and Local Member: All

1. Summary

- 1.1. The Cabinet report sets out the Month 4 forecast outturn position for 2019/20 for the net Revenue Budget of £327.967m. It highlights variances to service budgets, as well as emerging issues, risks, areas of concern and proposed actions to resolve them. The Council's Medium-Term Financial Plan (2019-22) sets out proposals to further develop its financial resilience over the long-term whilst also supporting the delivery of the Council's key priorities.
- 1.2. Although still relatively early in the year, the report continues to show an overall projected **balanced position** for the Council, with the main variances being within Children's Services and Trading Units (Dillington House). Management action is under development in these areas that will aim to ensure a balanced budget by the end of the year. However, until these are more fully developed, these variances are being reported in the detail of the report (Annex A) and a proportion of the corporate contingency 'notionally' allocated to off-set the variances. This leaves £6.033m of the Corporate Contingency budget currently unallocated (following the requested transfer within the recommendations section of the Cabinet report) and therefore potentially available to further improve the Council's financial resilience in the medium term. A decision regarding use of the contingency will be considered by The Cabinet later in the year once the end of year position is firmer.
- 1.3. Children's Services are reporting an adverse variance within their budget of £0.467m which is a favourable movement of £0.030m from month 3. Movements across the service since month 3 are minimal and due to vacancy savings within the Commissioning Service and Placement Team.
- 1.4. Transport projections continue to be a focus due to ongoing concern regarding the management information and systems used in the current financial forecasting as highlighted over the last few months. Finance are continuing to work with Transport Commissioners and the Transporting Somerset Service to ensure these processes and system are working appropriately in order that Finance can provide an appropriate level of quality

and assurance.

- 1.5. Further work is also being undertaken to ensure models of demand are up to date and are being appropriately fed in to the financial forecasts. Tendering for routes to start in September will continue through August resulting in a more stable platform for management information from the service.
- 1.6. External placements projections remain reasonably stable with the projected overspend reduced by £0.021m.
- 1.7. Work has been undertaken to refine the financial model used for projecting the fostering and personal allowances for 16 and 17-year-olds.
- 1.8. The ongoing review of use of transport for contact and education by operations managers and business support has improved the forecast financial position.
- 1.9. Fees and allowances are reporting a reduced underspend of £0.130m.
- 1.10. To ensure that the financial position is closely monitored within Children's Services fortnightly meetings will take place involving key managers in the service and finance to scrutinise the current position of the children looked after budgets and to ensure appropriate management actions are identified and implemented. Improved financial management data aligned to activity is being produced in the form of a metrics report providing an overview across the service as well as a focus on areas of historic volatility.

2. Issues for consideration / Recommendations

- 2.1. The Committee is asked to comment on the projected revenue outturn for 2019/20 for the Children's Services budget, whether there are any suggestions for additional management actions or alternative options that they would like to recommend to the Cabinet.
- 2.2. The Committee is asked to consider any issues or information they would like to be addressed or included in future reports.

3. Background

- 3.1. The Cabinet report (Annex A) is the third revenue budget monitoring for 2019/20 and remains a relatively early forecast of the potential end of year position.
- 3.2. Nevertheless, it is encouraging that the forecast continues to show confidence that the more robust approach to budget planning for 2019/20 onwards has ensured that the budget assumptions are realistic, and deliverable with a relatively small adverse variance seen in Service forecasts of £0.520m. At this early stage in the year, this is being off-set by a 'notional' allocation from Corporate Contingency while firm management actions to correct variances are

being developed.

- 3.3.** The Council must, and will, sustain this tighter financial grip going forwards. This will include the continuation of formal monthly monitoring report to Cabinet and to Scrutiny for Policies and Place and continual improvements to the format, content and layout of the reports to aid effective review and scrutiny. Alongside this internal tracking and budget monitoring processes continue to be given close attention by the Senior Leadership Team.

4. Consultations undertaken

- 4.1.** See Annex A

5. Implications

- 5.1.** See Annex A

6. Background papers

- 6.1.**
- 2019/20 Revenue Budget Monitoring Report to Cabinet – 14 August 2019
 - Revenue Budget – Medium Term Financial Plan 2019-22 to Full Council – 20 February 2019

Note: For sight of individual background papers please contact the report author

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2019/20 Revenue Budget Monitoring – Month 4 Report

Cabinet Member(s): Cllr Mandy Chilcott – Cabinet Member for Resources

Division and Local Member(s): All

Lead Officer: Sheila Collins, Interim Director of Finance

Author: Leah Green, Finance Manager MTFP – Corporate

Finance Contact Details: SDCollins@somerset.gov.uk 01823 359028

	Seen by:	Name	Date
	County Solicitor	Honor Clarke	16/09/2019
	Monitoring Officer	Scott Wooldridge	16/09/2019
	Corporate Finance	Sheila Collins	16/09/2019
	Human Resources	Chris Squire	16/09/2019
	Property	Paula Hewitt / John Cooper	16/09/2019
	Procurement / ICT	Simon Clifford	16/09/2019
	Senior Manager	Sheila Collins	16/09/2019
	Commissioning Development Team	commissioningdevelopments@somerset.gov.uk	16/09/2019
	Local Member(s)	All	
	Cabinet Member	Mandy Chilcott	16/09/2019
	Opposition Spokesperson	Liz Leyshon	16/09/2019
	Relevant Scrutiny Chairman	Cllr Anna Groskop for Scrutiny Place	16/09/2019
Forward Plan Reference:	FP/19/06/05		
Summary:	This report sets out the Month 4 forecast outturn position for 2019/20 for the net Revenue Budget of £327.967m. It highlights variances to service budgets, as well as emerging issues, risks, areas of concern and proposed actions to resolve them. The Council's Medium-Term Financial Plan (2019-22)		

	<p>sets out proposals to further develop its financial resilience over the long-term whilst also supporting the delivery of the Council's key priorities.</p> <p>Although still relatively early in the year, the report continues to show an overall projected balanced position for the Council, with the main variances being within Children's Services and Trading Units (Dillington House). Management action is under development in these areas that will aim to ensure a balanced budget by the end of the year. However, until these are more fully developed, these variances are being reported in the detail of the report and a proportion of the corporate contingency 'notionally' allocated to off-set the variances. This leaves £6.033m of the Corporate Contingency budget currently unallocated (following the requested transfer below) and therefore potentially available to further improve the Council's financial resilience in the medium term. A decision regarding use of the contingency will be considered later in the year once the end of year position is firmer.</p> <p>The budget for 2019/20 includes a savings target of £21.547m and this report confirms forecast delivery of £21.485m. Of the remainder, very close monthly tracking and change control mechanisms continue to be in place as they have been since September 2018, to ensure full delivery during the year.</p>
<p>Recommendations:</p>	<p>It is RECOMMENDED that the Cabinet:</p> <ol style="list-style-type: none"> 1. Approve the transfer of £0.175m of Corporate Contingency to allocate the grant funding for Brexit to a specific Brexit budget within Economy Community and Infrastructure (section 4.7). 2. Note the forecast balanced budget position for the end of 2019/20 3. Note that £6.033m of the corporate contingency remains unallocated if the above recommendation is approved and this is expected to increase as management actions on service variances are confirmed 4. Note the delivery of £16.990m savings by Month 4 and the forecast delivery of £21.485m by the year end of the total target of £21.547m.

<p>Reasons for Recommendations:</p>	<p>Closely monitoring spend against the agreed budget is necessary to ensure that the Council delivers its priorities within its means. This report requires action to be taken so that this objective can be met.</p>
<p>Links to County Vision, Business Plan and Medium-Term Financial Strategy:</p>	<p>The Medium-Term Financial Plan (MTFP 2019-22) sets the funding for the County Vision and the use of those funds is then monitored, via this report and others throughout the year to ensure delivery of Council objectives and actions within the resources available.</p>
<p>Consultations and co-production undertaken:</p>	<p>Information and explanations have been sought from directors on individual aspects of this report and their comments are contained in the report. Due process and consultations will be carried out where required for any further specific proposals for change.</p>
<p>Financial Implications:</p>	<p>The financial implications are identified throughout the report.</p>
<p>Legal Implications:</p>	<p>There are no specific legal implications arising from this report.</p>
<p>HR Implications:</p>	<p>There are no HR implications arising directly from this report, but remedial actions may have such implications. These will be dealt with in any subsequent reports.</p>
<p>Risk Implications:</p>	<p>The Council's corporate risk register recognises the difficulties to containing spend within budget in the face of service pressures, reducing funding and the challenges of delivering ever more savings and efficiencies.</p> <p>Although broader market uncertainty exists in view of the current Brexit negotiations, at this stage any precise implications are not known. The Council needs to be alert to potential implications as negotiations develop and respond accordingly at the time.</p> <p>The Children's Services budget, while rebased, remains under pressure as the Service continues to improve alongside the sensitivity of some aspects of the services to volume changes, especially placements.</p>

	<p>The Organisational Risk (00043) has a broad perspective, encompassing both current year spending and future years' budgets. At the beginning of each year this corporate risk is reviewed.</p> <p>The up-dated risk for 2019/20 acknowledges the improvement that has been made and describes the risk to be: "Maintaining a balanced budget for 2019/20 and ensuring a sustainable MTFP. There is a risk to the council's long-term sustainability if there are significant in-year service overspends, and or if the council suffers significant loss of funding in future years its ability to prepare a robust and sustainable MTFP for 2020/21 onwards may be impacted."</p> <p>Following the Spending Round (SR19) additional funding for Local Authorities has been announced mainly for social care and high needs education. However, the mechanisms for distribution of these additional funds is not known and the precise allocation for the Council is not expected to be known until the Provisional Local Government Financial Settlement expected in the autumn.</p> <p>Additionally, there is no current commitment to continue the significant levels of one-off funding beyond 2020/21. In view of this significant level of uncertainty facing local government in funding and on-going increasing demand pressures and costs, despite growing confidence with internal control mechanisms, the risk score remains at the current level of "very high" (4x4(16)).</p> <p>Robust control must be maintained.</p>				
	Likelihood	4	Impact	4	Risk Score

Other Implications (including due regard implications):	<p><u>Equalities Implications</u></p> <p>There are no specific equalities implications arising from the contents of this report.</p>				
	<p><u>Community Safety Implications</u></p> <p>There are no community safety implications arising from the</p>				

	<p>contents of this report.</p> <p><u>Sustainability Implications</u></p> <p>There are no sustainability implications arising from this report.</p> <p><u>Health and Safety Implications</u></p> <p>There are no health and safety implications arising from this report.</p> <p><u>Privacy Implications</u></p> <p>There are no privacy implications arising from this report.</p> <p><u>Health and Wellbeing Implications</u></p> <p>There are no health and wellbeing implications arising from this report.</p>
<p>Scrutiny comments / recommendation (if any):</p>	<p>This report will be presented to Scrutiny for Policies and Place Committee, on 9th October 2019 and Scrutiny for Children on 18th October; comments arising will be made available to the Cabinet at a subsequent meeting.</p>

1. Background

- 1.1. This report is the third revenue budget monitoring for 2019/20 and remains a relatively early forecast of the potential end of year position.
- 1.2. Nevertheless, it is encouraging that the forecast continues to show confidence that the more robust approach to budget planning for 2019/20 onwards has ensured that the budget assumptions are realistic, and deliverable with a relatively small adverse variance seen in Service forecasts of £0.520m. At this early stage in the year, this is being off-set by a 'notional' allocation from Corporate Contingency while firm management actions to correct variances are being developed.
- 1.3. The Council must, and will, sustain this tighter financial grip going forwards. This will include the continuation of formal monthly monitoring report to Cabinet and to Scrutiny for Policies and Place and continual improvements to the format,

content and layout of the reports to aid effective review and scrutiny. Alongside this internal tracking and budget monitoring processes continue to be given close attention by the Senior Leadership Team.

2. Reserves

2.1. Table 1 below shows a summarised position of the anticipated use of earmarked reserves in 2019/20. As part of the fuller quarterly budget monitoring reports, reserves will be reported in more detail including explanations for changes since the previous forecast and will include a forecast of the value of reserves that will be held at the end of the year.

2.2. Table 1 Earmarked Reserves: Anticipated movements for 2019/20

Service	Month 3 Forecast	Month 4 Forecast	Movement from Previous Cabinet Report
	£m	£m	£m
Adult Services	2.830	2.830	0.000
Economic & Community Infrastructure Services	0.780	1.908	1.128
Key Services Spending	3.610	4.738	1.128
Corporate & Support Services	(1.214)	(1.223)	(0.009)
Non-Service Items less contingency	(3.357)	(3.357)	0.000
Trading Units	0.000	(0.039)	(0.039)
Support Services & Corporate Spending	(4.571)	(4.618)	(0.047)
Total SCC Spending	(0.961)	0.120	1.081

3. Capital Receipts Flexibilities (CRF)

The MTFP (2019-22) process included a review of business cases supporting the transformation activity that planned to utilise capital receipts flexibilities during 2019/20 in compliance with Government Guidelines. This was planned at £2.795m in the MTFP. The Month 4 forecast position indicates a small reduction by £0.283m to £2.512m. A full summary of the forecasts will be included in the quarterly budget monitoring reports.

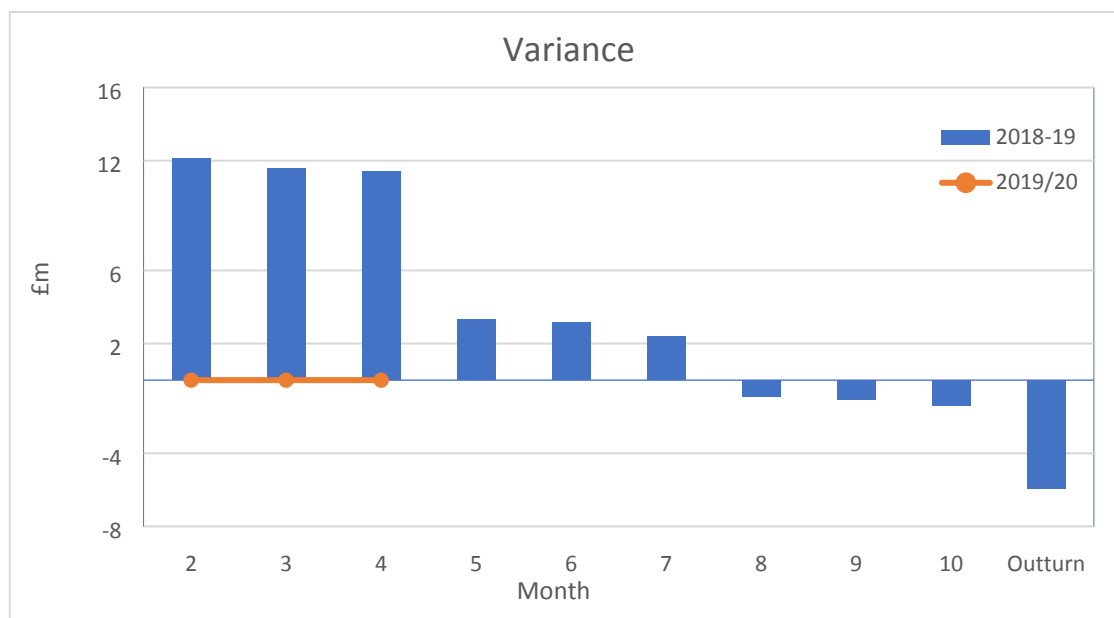
4. Summary Forecast 2019/20 – Revenue Budget

The Councils forecast shows a projected balanced position when compared to the revenue budget of £327.967m. There is a forecast overspend in Key Service Spend with most of the variance being within Children's Services and Trading Units (Dillington House). Most other areas of the Council are within reasonable

tolerance.

- 4.1. The following graph (Graph 1) compares the reported monthly budget variances in 2018/19 and the current financial year.

Graph 1 – Revenue Budget Variances 2018/19 and 2019/20



- 4.2. The table showing the projected end of year position, and variances from agreed budgets, are set out in Appendix A. The paragraphs below offer short explanations of the major parts of those variances. As part of continuing improvements to financial management the format of the table in Appendix A will be reviewed to ensure that it meets current best practice and aids transparency.

4.3. Key Variances

- 4.4. **Adults Services** (*Net budget £126.418m, £0.132m projected overspend, adverse movement £0.132m*)

Adult Services: adverse £0.132m, adverse movement; £0.132m

The Adults budget is projected to be overspent by £0.132m against the net budget of £126.418m.

There has been a small increase in the projected spend reported against Mental Health since the month 3 report which has resulted in an adverse movement of £0.132m (0.1%), and unlike previous months these ongoing costs have not been offset by resilience funding as this is now only available to fund one off costs in 2019/20.

The main reason for the reported increase against the Adults budget is Nursing placements for people with Dementia. There have been 2 new placements made this month as well as some backdated one-to-one costs for a client already in a Nursing Home. There is a projected overspend of £0.486m against the Mental Health budget and this is a particular area of demographic growth. The MH transformation plan alongside new models of care being commissioned will help to support the increased cost on this area.

There has been very little change against the rest of the Adult Social Care budgets where the underspend reported is currently -£0.233m. The reductions that there have been are contributing to the achievement of MTFP savings relating to reviews and managing demand in residential and nursing placements. Both of these savings are on track to be fully achieved in year. Other than this the projected spend has stayed static over the past month.

The Learning Disabilities Pooled Budget expenditure has remained the same this month with increases in Purchased support being offset by a decrease within Discovery.

The three main areas of increased spend within the Purchased budgets. One high-cost Supported Living placement, increased Domiciliary Care hours including some backdated to May and a net increase of 12 people taking a Direct Payment to meet their outcomes. These increases have been offset by reduced Residential, Domiciliary Care and Day Services provided through the Discovery contract.

There are MTFP savings of £5.157m to be achieved during 2019/20. Of these £3.491m have already been fully achieved with the remaining £1.666m on track to be delivered throughout the year.

4.5. Children's Services (*Net budget £83.550m, £0.467m projected overspend, favourable movement -£0.030m*)

Children's Services: adverse £0.467m, favourable movement; -£0.030m

Movements across the service since month 3 are minimal and due to vacancy savings within the Commissioning Service and Placement Team.

Transport projections continue to be a focus due to ongoing concern regarding the management information and systems used in the current financial forecasting as highlighted over the last few months. Finance are continuing to work with Transport Commissioners and the Transporting Somerset Service to ensure these processes and system are working appropriately in order that Finance can provide an appropriate level of quality and assurance. Further work is also being undertaken

to ensure models of demand are up to date and are being appropriately fed in to the financial forecasts. Tendering for routes to start in September will continue through August resulting in a more stable platform for management information from the service.

External placements projections remain reasonably stable with the projected overspend reduced by £0.021m, a total overspend of £1.025m. This is an area of volatility due to the individual and varying complexity of needs of our children and young people, with current average weekly rates for residential and fostering placements at £4,207 and £921 respectively. The budget continues to be subject to additional financial monitoring arrangements to ensure that any deviation from projection can be identified by managers as early as possible.

Work has been undertaken to refine the financial model used for projecting the fostering and personal allowances for 16 and 17-year-olds. This has resulted in a previously unidentified pressure of £0.115m, increasing the overall Leaving Care overspend to £0.357m.

The ongoing review of use of transport for contact and education by operations managers and business support has improved the forecast financial position by £0.168m, with the budget now projecting to underspend by the same amount.

Fees and allowances are reporting a reduced underspend of £0.130m. The number of Adoption allowances has increased resulting in an additional projected cost of £0.059m. This reflects a positive outcome for children in Somerset and is likely cost avoidance on other placements budgets.

There are no further movements across the service, leaving the remaining variances as previously report; Unaccompanied Asylum-Seeking Children (UASC) 0.175m underspend and staffing £0.487m underspend.

4.6. Public Health *(Net budget £1.114m, on budget.)*

Public Health: on budget £0.000m, movement; £nil

As reported previously there remains an underspend projected against this budget. However, the Director of Public Health is continuing to develop a plan to use this underspend to increase capacity within the specialist public health team. This capacity would provide additional support to the developing prevention focus across the organisation and wider system.

All savings have been fully achieved for 2019/20. These were a £0.547m reduction to the Public Health Grant and £0.100m of MTFP savings.

4.7. Economy Community and Infrastructure *(Net budget £66.285m, -£0.484m projected underspend, favourable movement of -£0.113m)*

Economy & Community Infrastructure: favourable -£0.484m, favourable movement; -£0.113m

Economy Community and Infrastructure's (ECI) are forecasting an underspend of £0.484m for 2019/20. The major variations are:

Economic Development are projecting an overspend of £0.033m this is as a result of the anticipated additional legal costs for Connecting Devon and Somerset.

Highways and Transport Commissioning are projecting a £0.461m overspend. This is as a result of new urgent technical studies and additional staff to improve service levels in highways development management. The adverse movement of £0.124m from month 3 is due to increased agency staff costs and the technical study costs for Edithmead junction.

Highways is forecasting a £0.459m overspend. The £0.151m adverse movement from month 3 is due to an anticipated overspend on the tree maintenance budget due to the high volume that requiring felling, the compliance testing project and the recruitment of two quantity surveyors to temporarily assist with contract management. The highways overspend is being closely monitored and a plan will be put in place to reduce this.

Traffic Management are forecasting a £0.178m underspend, an adverse movement of £0.002m to the underspend reported in month 3. This underspend is due to improved income forecasts as a result of an increase in applications for Temporary Traffic Regulation Order income (road closures and diversions) and a more consistent approach to enforcement charging.

Property Services are projecting a £0.283m underspend. This is as a result of rental income on some properties not reducing as expected due to the delay in the sale of properties. The underspend has increased from month 3 by £0.160m due to NNDR rebates for A block and a reduction in energy costs.

Transporting Somerset are £0.163m underspent which is an adverse movement of £0.034m from month 3. This in the main is due to Concessionary Fares projections. However, it is very early in the year and Concessionary Fares volumes and County Ticket take-up can impact the outturn position as the year progresses.

Somerset Waste Partnership are forecasting an £0.803m underspend, a favourable movement of £0.231m from month 3. The movement is as a result of being further

into the year and having more actual waste tonnage data available to project the outturn position. Waste volumes are currently down 0.5% on the same period last year. Landfill tonnages at the kerbside are down 1% and dry recycling is down 5%. Recycling sites landfill is down by 6% which is in part compensated by recycling site dry recycling being up by 3.5%.

There are still a number of factors that could change forecasts including winter and emergency costs and any upturn in waste volumes and transport costs (Concessionary Fares as a result of operator's data and County Ticket).

Central Government announced on 28 January 2019 that they would make available £40m of funding to aid Brexit preparations within local government. The Council's element of this funding was £0.175m of grant split between £0.087 paid in 2018/19 and £0.087m paid in 2019/20. The grant was assumed as additional funding for the council. The grant monies have been received however due to the restrictions on the expectations that these sums would only be used to enhance capacity and capability within the councils there is a need to pass this funding to be managed separately with additional spend and commitments. It is therefore requested that £0.175m is transferred from Corporate Contingency to the Civil Contingencies service within Economy, Community and Infrastructure services.

Economy Community and Infrastructure have £3.165m of savings for 2019/20. Of this £1.899m has been achieved, £1.256m is on track to be achieved and £0.010m is unachievable and is going through the change control process.

4.8. Corporate and Support Services *(Net Budget £22.270m, -£0.139m projected underspend, adverse movement of £0.133m)*

Corporate and Support Services: favourable -£0.139m, favourable movement; -£0.133m

Corporate and Support Services are forecasting an underspend of £0.139m for 2019/20. This is due to the following;

Customers and Communities are forecasting an underspend of £0.051m. This is due to staff vacancy savings of £0.080m offset in part by a shortfall in income and additional training costs. The movement of £0.021m from month 3 is due to a further increase in staff vacancies.

Democratic Services are projecting an overspend of £0.062m, this is as a result of a shortfall of Partnership Governance funding and £0.035m of MTFP savings (Member allowances voluntary deduction, Partnership Governance income generation and Democratic Services demand management) that are unachievable. These savings are unachievable due to the business need to continue as the Host

Authority for several significant Partnership Governance arrangements and additional work as part of the Improving Lives Programme and Peer Challenge recommendations for Member training and the review of the council's scrutiny function. The movement of £0.016m from month 3 is as a result of an increase in projected salary costs.

Commercial and Procurement are forecasting an £0.100m underspend, as a result of a number of staff vacancies that are yet to be filled and staff MTFP savings being achieved earlier than anticipated. The £0.007m movement from the month 3 position is down to further staff vacancies.

The ICT month 4 projection shows a favourable movement of £0.089m from month 3. This is due to an underspend on transformation projects resulting in a projected underspend of £0.053m.

There are number of other small over and underspends within Corporate and Support Services which offset each other at this stage.

Corporate & Support Services have £3.574m of savings for 2019/20. Of this £3.201m has been achieved, £0.326m is on track to be achieved and £0.046m is currently unachievable. This is made up of £0.034m of unachievable savings within Democratic Services for income recovery and generation and a £0.012m unachievable saving in Legal Services which is being reviewed.

4.9. Non-Service (*Net budget £21.603m, £0.255m projected overspend, adverse movement of £0.003m*)

Non-Service: adverse £0.255m, adverse movement; £0.003m

Although there is only a minor movement in Non-Service budget forecast there are adverse and favourable variances comprising £0.104m adverse variance due to the loss of long-term lease income from a Care Home, and £0.102m net favourable variance in financing costs comprising savings from a reduced calculation of Minimum Revenue Provision (due to Capital Programme slippage) and reduced cost of debt due to the repayment of a LOBO loan last year which are off-set by adjustments relating to overhead charges and precept base that were not confirmed at budget setting.

4.10. Trading Units: (*Net budget £0.000m, £0.290m projected overspend, no movement.*)

Dillington House: adverse £0.290m, movement; £nil

Dillington is currently forecasting a deficit of £0.290m following the latest monthly

budget/performance review of month 3 accounts. The variance reflects revised projections of income levels across all areas of activity. Costs have also been adjusted to reflect the reduction in forecast bookings, particularly for weddings. A development plan has been formulated and work is on-going to generate additional income wherever possible for this year and secure bookings for future years.

An additional analytical review of the trading position for Dillington will be carried out during September with a view to report with more confidence an update as part of quarter 2 budget monitoring which will also indicate future year forecasts.

Support Services for Education: on budget £0.000m, movement; £nil

e-Learning and Information Management's (eLIM) surplus position has increased by £0.066m. This is due to vacancy savings of £0.025m and increased traded income of £0.042m within the Education Technology and SIMS Teams following confirmed buyback.

Further favourable movements of £0.062m within Somerset Centre for Integrated Learning (SCIL), SSE Outdoors and Contract Support due to confirmed buyback of services has also resulted in increased income.

These favourable variances have been offset in part by increased staff costs of £0.010m within HR Advisory and Commercial Development plus reduced buyback within Health and Safety.

The previously reported managed pressure of £0.067m is confirmed as achieved across the service and now reflected within the financial report.

4.11. Contingencies: *(Net Budget £6.728m, -£0.520m projected underspend, adverse movement of -£0.142m)*

Contingencies: favourable; -£0.520m, movement; adverse £0.142m

The 2019/20 budget included £7.226m in a corporate contingency to mitigate against the risk of unexpected in-year service pressures and or funding changes. This sum is now £6.728m following the agreed recommendation to transfer £0.498m to fund some of the pressure within Children's Services for SEN transport (as per July Cabinet meeting). A request is now made to transfer £0.175m to fund the enhanced capacity and capability to aid Brexit preparations (see paragraph 4.7 above).

At this stage in the year it remains prudent for this contingency budget to be shown as fully committed however an element is being shown to off-set the small

overspend of £0.520m currently forecast in service areas and Trading Units which is a movement of £0.142m from month 3. If the current overspend in other services and Trading Units is not mitigated by additional management action the remaining available contingency budget would be £6.208m. If the above request to transfer £0.175m to aid Brexit preparations is approved the remaining available contingency budget would be £6.033m. If no other pressures materialise during the year the outturn position would be an overall underspend of this sum for the authority.

5. Delivery of Savings

5.1. The Financial Imperative approach, established to manage the preparation and delivery of MTFP continues to provide monthly assurance for the development, delivery and validation of savings plans.

5.2. The different savings statuses are as follows:

- Red: This means that the saving has been identified as being at risk of delivery and plans to replace the saving have not yet been agreed via the change control process.
- Green: The saving is on track for delivery.
- Blue: The saving has been delivered.

5.3. The following table (Table 2) shows a summarised breakdown of achievement of savings for 2019/20 as at 31st July 2019 and confirms that 99% of the proposals for change have been classified as having a green or blue status, meaning service directors are confident that these savings will be delivered or in the case of the blue savings, they have already been delivered. 1% of savings proposals have been classified as red meaning the savings are currently at risk or replacement savings have not been agreed through the change control process. The monitoring of the delivery of the savings across the three decision processes can be seen in Appendix B.

Table 2 – Revenue Savings 2019/20

Area	Agreed Savings (£)	Red (at risk) £	Green (on track) £	Blue (delivered) £
Adult Services	5,506,800	-	1,666,000	3,840,800
Children's Services	4,592,800	5,800	1,246,500	3,340,500
Corporate & Support Services	3,573,500	46,300	326,403	3,200,797
Economic & Community Infrastructure	3,165,300	10,000	1,256,100	1,899,200

Non-Service	4,708,800	-	-	4,708,800
Total	21,547,200	62,100	4,495,003	16,990,097
Percentage of Delivery		0.29%	20.86%	78.85%

6. Options considered and reasons for rejecting them

- 6.1. There is no alternative but to undertake effective and thorough budget monitoring to follow through with appropriate actions to address any variances.

7. Background Papers

- 7.1. • 14th August 2019 Cabinet Quarter 1 (month 3) Budget Monitoring Report

Appendix A – Revenue Budget Monitoring (month 4) – Headline Summary Table

Service	Total Revised Budget	Adverse (+) Variances	Favourable (-) Variances	Net Month 4 Variance (Under) / Overspend		Month 3 Cabinet Report Net Variance	Movement from month 3
	£m	£m	£m	£m	%	£m	£m
Adult Services	126.418	5.135	(5.003)	0.132	0.10%	(0.000)	0.132
Children Services	83.550	3.739	(3.273)	0.467	0.56%	0.497	(0.030)
Public Health	1.114	0.000	0.000	0.000	0.00%	0.000	0.000
Economic & Community Infrastructure Services	66.285	2.326	(2.810)	(0.484)	(0.73%)	(0.371)	(0.113)
Key Services Spending	277.366	11.200	(11.086)	0.114	0.04%	0.126	(0.011)
Corporate & Support Services	22.270	0.527	(0.666)	(0.139)	(0.62%)	(0.006)	(0.133)
Non-Service Items less contingency	21.603	0.640	(0.385)	0.255	1.18%	0.252	0.003
Trading Units	0.000	0.298	(0.008)	0.290	0.00%	0.290	0.000
Support Services & Corporate Spending	43.874	1.465	(1.059)	0.406	0.93%	0.536	(0.131)
Total SCC Spending before contingency	321.239	12.666	(12.145)	0.520	0.16%	0.662	(0.142)
Corporate Contingency	6.728			(0.520)		(0.662)	0.142
Total SCC Spending	327.967	12.666	(12.145)	0.000	0.00%	0.000	0.000

Total Revised Budget = Revised budget after transfers between services, not affecting the total budget for 2019/20

Adverse variance = one that deteriorates the projected outturn position

(Favourable) variance = one that improves the projected outturn position

Appendix B – Delivery of Savings Summary 2019/20

Savings agreed in February 2019 for 2019/20:

Area	Agreed Savings (£)	Red (at risk) £	Green (on track) £	Blue (delivered) £
Adult Services	3,389,000	-	1,666,000	1,723,000
Children's Services	1,701,000	-	98,300	1,602,700
Corporate & Support Services	2,955,900	-	270,503	2,685,397
Economic & Community Infrastructure	2,307,200	10,000	766,200	1,531,000
Non-Service	4,708,800	-	-	4,708,800
Total	15,061,900	10,000	2,801,003	12,250,897
Percentage of Delivery		0.07%	18.60%	81.34%

Savings agreed in September 2018 (MTFP2) for 2019/20:

Area	Agreed Savings (£)	Red (at risk) £	Green (on track) £	Blue (delivered) £
Adult Services	1,717,800	-	-	1,717,800
Children's Services	2,891,800	5,800	1,148,200	1,737,800
Corporate & Support Services	561,700	46,300	-	515,400
Economic & Community Infrastructure	842,400	-	489,900	352,500
Non-Service	-	-	-	-
Total	6,013,700	52,100	1,638,100	4,323,500
Percentage of Delivery		0.87%	27.24%	71.89%

Savings agreed in February 2018 for 2019/20:

Area	Agreed Savings (£)	Red (at risk) £	Green (on track) £	Blue (delivered) £
Adult Services	400,000	-	-	400,000
Children's Services	-	-	-	-

Corporate & Support Services	55,900	-	55,900	-
Economic & Community Infrastructure	15,700	-	-	15,700
Non-Service	-	-	-	-
Total	471,600	-	55,900	415,700
Percentage of Delivery		0.00%	11.85%	88.15%

ALL Combined Savings for 2019/20:

Area	Agreed Savings (£)	Red (at risk) £	Green (on track) £	Blue (delivered) £
Adult Services	5,506,800	-	1,666,000	3,840,800
Children's Services	4,592,800	5,800	1,246,500	3,340,500
Corporate & Support Services	3,573,500	46,300	326,403	3,200,797
Economic & Community Infrastructure	3,165,300	10,000	1,256,100	1,899,200
Non-Service	4,708,800	-	-	4,708,800
Total	21,547,200	62,100	4,495,003	16,990,097
Percentage of Delivery		0.29%	20.86%	78.85%

Somerset County Council
Scrutiny for Polices, Children and Families Committee –
18 October 2019

Value for Money: Tracker and Social Care Experts Review 2018/19

Lead Officer: Sheila Collins, Interim Director of Finance

Author: Sheila Collins, Interim Director of Finance

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Cabinet Member: Cllr Mandy Chilcott, Cabinet Member for Resources

Division and Local Member: All

1. Summary

- 1.1.** The Audit Committee considered the Councils external auditors (Grant Thornton) value for money conclusion for 2018/19 at its meeting on 19 September 2019. In reaching the improved value for money conclusion for 2018/19, the external auditor had sought additional assurance from social care experts from Grant Thornton, over the embeddedness of the arrangements in respect of sustainable resource deployment for adult and children's social care services.
- 1.2.** The experts report was used by the auditor to inform their overall value for money conclusion and managements actions have been incorporated into the new VFM tracker presented to the Audit Committee on 19 September 2019.
- 1.3.** The experts report from Grant Thornton and the VFM tracker develop by the Council in response to the overall VFM conclusion are attached in **Appendix A and B** for consideration by the Committee.

2. Issues for consideration / Recommendations

- 2.1.** The Committee is asked to consider the Grant Thornton experts report (**Appendix A**) alongside the VFM tracker (**Appendix B**) and determine how they might review progress during the year for the relevant actions.

3. Background

- 3.1.** The Audit Committee considered the Councils external auditors (Grant Thornton) value for money conclusion for 2018/19 at its meeting on 19 September 2019. In reaching the improved value for money conclusion for 2018/19, the external auditor had sought additional assurance from social care experts from Grant Thornton, over the embeddedness of the arrangements in respect of sustainable resource deployment for adult and children's social care services.
- 3.2.** The experts report was produced in collaboration with relevant senior leaders from the Council and is being used to inform the Medium Term Financial

Planning 2020-23 as well as by the auditor to inform their overall value for money conclusion.

- 3.3.** The experts report attached in Appendix A has a section on Children's Services and some useful benchmarking comparisons. The overall vfm experts opinion for Children's Services concludes that there is a moderate risk to the delivery of the MTFP for Children's services.
- 3.4.** The review identified a few areas for further action in strengthening the council's financial resilience for adults and children's social care and management actions have been incorporated into the VFM tracker that was presented to the Audit Committee on 19 September 2019. Progress will now be reported to each Audit Committee during 2019/20. A copy of the tracker is attached for consideration. There are three VFM actions being VFMY20008, VFMY20010 and VFMY20012 that have specific actions relating to Children's Services.

4. Consultations undertaken

- 4.1.** See Audit Committee papers from 19 September 2019.

5. Implications

- 5.1.** See Audit Committee papers from 19 September 2019.

6. Background papers

- 6.1.** External Audit up-date report to Audit Committee 19 September 2019
VFM Tracker report to Audit Committee 19 September 2019.
[Link to Audit Committee Papers - 19-09-19](#)

Note: For sight of individual background papers please contact the report author

Somerset County Council Demand Led Services Funding

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Report to the External Auditor

29th August 2019

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Purpose of the report

Role in supporting the external auditor

In connection with Grant Thornton's (GT) statutory audit of Somerset County Council, the Demand Led Services Team within GT's Public Sector Advisory team were asked to conduct a focused review of the robustness and deliverability of the Medium Term Financial Plan (MTFP) in relation to Children's and Adult Social Care Services, highlighting any areas of concern and any possible remediations.

Review Team

The review was undertaken by:

- Alex Khaldi – Partner, Demand Led Services, GT Public Sector Advisory
- Henry Claridge - Manager, Demand Led Services, GT Public Sector Advisory

The review was facilitated by:

- Peter Barber, GT Audit Partner
- Sheila Collins, SCC Interim Finance Director

Summary of Process

The process has taken the place from w/c 29th July – w/c 26th August. The key stakeholders were:

- Sheila Collins – Interim Finance Director
- Jason Vaughan – Deputy Finance Director
- Stephen Chandler – Director of Adult Services (departing)
- Mel Lock – Director of Adult Services
- Julian Wooster – Director of Children's Services
- Claire Winter – Deputy Director Children's Services
- Adele McClean – Children's Finance
- James Sangster – Adults Finance

The process involved:

1. Initial document review of information provided by appointed auditor
2. Phone conversation with Directors of Children's, Adults and Financial Services to:
 - Outline the purpose of the review
 - Establish the key lines of enquiry
 - Request/ discuss additional documentation to review
3. Desktop review of documentation
4. Face to Face discussion with key stakeholders on questions arising from the desktop review/ key lines of enquiry
5. Write up and submission of report to GT Audit Partner

Lines of enquiry

The lines of enquiry provided the focus for the desktop review of documents and subsequent points of discussion for the face to face meeting.

The key lines of enquiry were:

1. Are specific Children's and Adults transformation and savings plans realistic?
2. Have demand pressures been adequately forecast and provided for?
3. Have cost and market pressures been adequately forecast and provided for? (Cost pressures include the sufficiency and price of placements in both Adults and Children's external markets)
4. Are robust arrangements in place to exercise demand and financial control in Adults/Children's including arrangements for activity monitoring, risk management and financial delegation?

It should be noted for the purposes of this review, we have focused on 'social care' and therefore out of scope of the review are education budgets and the Dedicated Schools Grant.

Review of the MTFP for Children's and Adults

Structure

Following the desktop review and follow up discussions with key stakeholders we have developed a view to the appointed auditor of Somerset County Council as to whether the budget proposals through to 2021/22 within Children's and Adults Social Services are deliverable and to highlight any areas of concern.

Firstly, we have looked at historical financial performance and MTFP budget position (including allowances for pay award and use of Council's Contingency fund)

Then we have made a risk assessment conclusion against the following headings (to reflect our lines of enquiry)

- Delivery of savings
- Demand pressures
- Cost and market pressures
- Financial / demand control
- Other risks

For Children's services we have also set out a number of risk scenarios to test the ability of the Council to deal with potential cost and demand pressures.

Finally, we have applied an overall assessment for each service area under 'MTFP Funding'.

Risk Profile

The risk profile is as follows:

Risk	Level
Red	High
Amber	Moderate
Yellow	Low
Green	Very Low

Benchmarking

As part of our review, we carried out a benchmarking exercise of Children's and Adults services using our CFO Insights (CFOi) and Adult Social Care Insights (ASCI) analytics platforms (see Appendix 3 – CFOi Benchmarking Report and Appendix 4 – ASCi Report.)

The ability to benchmark is an important tool in providing an underpinning evidence base to analyse relative performance against peers and highlight particular areas of cost pressure within the services.

We have used evidence from this exercise to inform our lines of enquiry and discussions with key stakeholders.

Children's Services

Historical Financial Performance and MTFP

Children's Services Financial Performance and MTFP

	14/15	15/16	16/17	17/18	18/19	MTFP Budget		
						19/20	20/21	21/22
Children's Budget (£)	64,703,000	72,370,000	76,532,000	73,846,000	66,314,000	81,682,900	84,010,800	84,322,000
Children's Actual (£)	67,350,000	77,068,000	80,469,000	83,565,000	88,635,000	% change for MTFP		
% Change in Actual		14%	4%	4%	6%	-8%	3%	0%

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Historical Financial Performance

The table above shows an historical overspend against budget in Children's Services. However, it is acknowledged that previous budgets were unrealistic given the actual levels of spend. This has been addressed through the rebasing exercise during the last financial year (18/19).

Historical financial performance shows a steady year on year increase in spend on Children's Services, with a particularly sharp rise between 14/15 and 15/16. This can partly be explained due to an 'Inadequate' Ofsted rating in 2015, which is typically followed by increased investment/spend to improve the rating (which was achieved in 2017, with a 'Require Improvement to be Good' rating).

The 4% increase seen in 16/17 and 17/18 and 6% in 18/19 is reflective of the demand and cost pressures facing Children's Services and of budgetary increases we have seen through our work with other Councils.

MTFP Budget

The rebasing exercise of 18/19 saw circa £23m added to Children's Services budget. However, given the continued financial pressures facing the Council, savings were also assigned to the service, leading to an 8% reduction in spend from 18/19 in order to deliver to budget in 19/20. The next financial year allows for some increase in spend before maintaining a similar level for 2021/22.

It should be noted that the MTFP Children's Services budget position for 19/20-2021/22 does not include any contingency sums. In addition to reserves, the Council also maintains a contingency budget in recognition of the volatility and risks contained within of some its budgets. The level of contingency built into the Medium Term Financial Plan is £7.2m for the 2019/20 budget, £4.6m in 2020/21 and £4.1m in 2021/22. Historically, Children's Services has drawn from this reserve and therefore it can be assumed that additional sums will be available over the course of the MTFP. (Please see **Slide 7** for further analysis)

Pay Award and Use of Contingency Funding

Pay Award

As per the SCC Audit Findings Report 2018-2019, it is acknowledged that MTFP includes all expected known cost pressures including realistic allowances for pay awards. In the MTFP this amount has been assigned to service areas from a central fund and is based on the % of the total budget that each service makes up.

Corporate Contingency Fund

In addition to reserves, the Council also maintains a contingency sum in recognition of the volatility and risks contained within of some its budgets. The level of contingency built into the Medium Term Financial Plan is £7.2m for the 2019/20 budget, £4.6m in 2020/21 and £4.1m in 2021/22.

Historical Use

Recent historical use has seen Children's Services allocated an average of £5.8m from the Contingency fund for the last four years, which equates to 80% of the total contingency sum for this period. Only a very minimal amount was allocated to Adults Services over this period.

Future assumptions / Scenario's

Given the historical use of the contingency in Children's Services and for the purposes of our review, the table to the right reflects the budget position including the pay award (based on Children's Services making up an average of 30% of the total SCC Budget over the next 3 years) and an assumed 80% allocation of contingency for Children's Services (based on historical use).

MTFP with Pay Award and Contingency

	Actual	MTFP Budget		
		18/19	19/20	20/21
Children's MTFP Budget (£)		81,682,900	84,010,800	84,322,000
Corporate Contingency (£)		5,780,720	3,649,680	3,310,004
Pay Award (£)		900,137	1,222,790	1,531,579
MTFP with Pay and Contingency (£)	88,635,000	88,363,757	88,883,270	89,163,583
% Change in Actual		0%	1%	0%

With pay award and contingency sums factored in, the MTFP budget for Children's Services requires a containment of the current level of spend (as opposed to the 8% reduction displayed in Slide 6).

This is more realistic for the service and therefore it will be important to consider the adjusted amount when forming a view on the deliverability of MTFP budget for Children's services.

Children's Services – Risk assessment

Delivery of Savings

Risk Assessment

Low

- As part of the MTFP Children's services have a savings target of £4.592m for 19/20.
- The savings proposal was developed in partnership with PeopleToo, who, following a review in 2018, worked with the service to outline a 3 year programme of savings and efficiencies. PeopleToo currently chair the Children's Transformation Board.
- Whilst we believe the external challenge from PeopleToo serves a purpose (along with holding them to account for the delivery of their proposals), through our discussion greater clarity was needed over ownership of the savings, not just from a strategic level but through specific named officers owning the plans.
- Current financial reporting shows that the service has delivered £3.340m of the 2019/20 savings to date, and is on track to deliver the remaining £1.246m
- Some of the 'on track' items are in areas of demand volatility e.g. Placements budget and so are subject to external pressures which increase the risk of delivery.
- Strong reporting measures are in place to monitor progress, with a Transformation dashboard summarising the position and assessing risk against 'savings' and 'plans' and facilitating close working with senior leadership and finance colleagues.

Demand Pressure

Risk Assessment

Moderate

- A number of measures have been put in place in order to reduce the need for care and manage children in the system differently. There are good examples of progress at the front door where working with partners has helped redefine the Council's offer and ensured referrals only occur where there is an actual need and all other potential options exhausted. This has led to the referral rate starting to decline.
- Notwithstanding good recent work to manage demand there is an inherently high vulnerability to future demand pressures. It will be important for SCC to have identified their highest risk care cohorts and to have carried out forecasting work based on need, demography and unit cost. In turn the Council should be able to develop more robust 'target cost and demand' profiles/scenarios against which their transformation plans can be deployed.
- Discussion with key stakeholders suggested demand for Children's Services is under firmer control, and the strategy is focused on better management of the current demand and where possible improving the stability of placements. However, given the savings assigned to the service, and the need to contain current cost levels, this puts a significant amount of pressure on these controls, with any increase in spend impacting on the financial position and ability to deliver to budget.
- The pressure on the service can be seen in the 2019/20 Revenue Budget Monitoring – Month 3 Highlight Report which reports a predicted overspend of £1.046m on external placements. This is partly due to a carryover of pressures from the previous year due to additional residential placements however, it is reflective of the impact of unexpected demand on the budget.
- To address pressures on the service, a contingency sum exists that can be drawn upon. However, even with a contingency sum applied to the budget, as a minimum the service will be required to meet all current savings targets and to ensure spend is in line with the previous year.

Children's Services – Risk assessment

Cost and Market Pressures

Risk Assessment

Moderate

- Benchmarking with statistical neighbour local authorities (see Appendix 3) suggest unit costs for Children's Services in Somerset are high. Benchmarking is currently undertaken as part of the South West Quarterly Benchmark Report. However, this is primarily focused on performance measures. There is additional benefit in being able to benchmark financial performance, and having a better understanding of unit costs and where high cost areas sit within the service.
- Historically, cost pressures have been driven by a shortage of more cost effective placements such as foster care, resulting in more expensive placements in residential care. It is also as a result of practice where once a child has entered the system, a very low number would move back into their family setting. This follows a broad assumption that any cost associated with a child would be maintained for the course of their childhood (as opposed to working to move the child back into the family setting and therefore removing the associated costs of care).
- Measures have been put in place to change practice, through more regular reviews with the family, and a particular focus on the 10-15 year old age group.
- Lack of placement stability has also had an impact on cost and market demands. Lack of stability requires new placements to be identified, often at short notice particularly where breakdowns have occurred. This is acknowledged as an area of improvement for the services, and they have seen an improvement since focusing on this area.
- Somerset CC is in a Peninsula Framework through which services are purchased. The framework caps pricing for independent fostering and residential provision. Discussion suggested that Somerset did not always benefit from this arrangement (often they are getting cheaper rates off-framework), and that there could be an opportunity to pursue individual relationships with providers in order to generate a Somerset specific market, based on local needs.
- The Somerset market is saturated by residential homes. There is also a significant amount of local supply being used by external councils.

Financial/ Demand Controls

Risk Assessment

Very Low

- As the budget outturn reflects, Children's Services has seen an increase in spend year on year since 2014/15.
- It is acknowledged that during this time, more could have been done to manage demand costs and this has led to specific actions to improve financial grip.
- Placements are now closely monitored and tracked on a weekly basis against the approved budget. Any potential overspend will be clear and can be reported, escalated and remedial action put in place where variance surpasses manageable levels.
- There was clear evidence of controls through the reporting structure of the transformation programme, where monthly highlight reports update on status of projects against milestones, costs, resources and benefits.
- Spend is very tightly controlled, with sign off only through the DCS or Assistant DCS
- The service is also required to submit Finance and Quality Performance Reports, where each service manager submits a report on behalf of their service, and then this is discussed in a forum, with wider service and financial colleagues offering challenge. This has led to service managers taking a greater degree of responsibility for their budget performance, and a greater understanding of their budgets.

Children's Services – Risk assessment

Other risks

Risk Assessment

Low

Staffing

- Following the 'Inadequate' Ofsted rating in 2015, there was large investment in workforce to reduce caseloads
- This has led to an average caseload of 14 which can be considered reasonable when compared with other councils
- According to External Placements Budget 2019/20 document shared, staffing costs is the biggest area of expenditure for Children's Services.

New Opportunities

- As part of the discussion with stakeholders, we asked if additional opportunities beyond the current MTFP had been proposed or what contingency options could be introduced to address any budgetary pressures.
- The service was able to identify a number of opportunities such as introduction of the Mockingbird scheme, a prevention agenda focusing on child exploitation and domestic crime along with additional savings identified through the PeopleToo review. Given inherent demand and cost flexibility, it will be important for the service to increase their stock of contingency savings options.

Financial Risk Scenarios - Children's Services

Given the scale of change deployed in Children's over the past year, it is difficult to apply budget growth assumptions with confidence. However it is plausible to suggest that the outturn reduction for 19/20 will not be fully achieved, and further that cost will grow at per annum thereafter. To illustrate the materiality of higher Children's Services cost growth than planned, we have set out a number of alternative scenarios based on a number of assumptions.

Assumptions

- The '19/20 Revenue Budget Monitoring – Month 3 Highlight report' describes an external placement forecast overspend of £1,046,000. (This has improved from £2,600,000 at the beginning of the financial year.) However, given the relative lack of movement since Month 2 (there has actually been an adverse movement) for the purposes of the risk scenarios we have assumed this overspend remains at year end.
- Over the last 3 years, Children's Services spend has increased at an average of 5% per annum. For the purposes of the risk scenarios we have modelled the impact of a 1%, 3% and 5% increase against the MTFP budget.
- Given the historical use of the contingency fund in Children's Services, for the purposes of the scenarios, the budget position includes the pay award (based on Children's Services making up an average of 30% of the total SCC Budget over the next 3 years) and an assumed 80% allocation of contingency for Children's Services (based on historical use).

These scenarios look to test the ability of the Council to deal with costs and demand pressure based on historical performance, and non-delivery of current cost and demand reduction measures and to assess the total potential level of under/overspend against budget for the 3 year period 2019/20 to 2021/22.

We have modelled three scenarios

- Scenario 1 – External placements overspend and 3% budget increase
 - We believe this to be the 'most likely' scenario modelled. It assumes an improvement to the cost increase per annum during the MTFP based on measures introduced within the service but still reflects an annual budget pressure based on the volatility of cost and demand in Children's Services
 - The outcome of the Scenario 1 leads to an underspend of £3,179,096 across the 3 year period.
- Scenario 2 – External placement overspend and 5% budget increase
 - This scenario reflects the 'do nothing position'. It assumes that the measures introduced by the service have no impact, and instead cost pressure reflects historic trends.
 - The outcome of Scenario 2 gives the Council an overspend of £7,280,125 (with contingency and pay awards factored in) across the 3 year period.
- Scenario 3 – External placement overspend and 1% budget increase
 - This scenario assumes significant improvement as a result of measures introduced with limited need for draw on the contingency fund.
 - The outcome of Scenario 3 leads to an underspend of £13,367,779 across the 3 year period.

Financial Risk - Scenario 1

	Actual	MTFP Budget			
	18/19	19/20	20/21	21/22	
Children's MTFP Budget (£)		81,682,900	84,010,800	84,322,000	
External Placement Overspend		1,000,000			
3% Budget increase		2,480,487	2,554,902	2,631,549	
					Total Scenario Spend
Scenario Spend (£)	88,635,000	85,163,387	87,718,289	90,349,837	263,231,513
Corporate Contingency (£)		5,780,720	3,649,680	3,310,004	
Pay Award (£)		900,137	1,222,790	1,531,579	Total MTFP Budget
MTFP with Pay and Contingency (£)	88,635,000	88,363,757	88,883,270	89,163,583	266,410,609
					Total Variance
Variance between Scenario Spend and MTFP Budget		-3,200,370	-1,164,981	1,186,255	-3,179,096

Assumptions

- £1,000,000 overspend at the end of 19/20
- 3% increase on budget (including 19/20 overspend)

- The table above shows the impact of an assumed overspend in the external placement budget and a 3% increase in spend for the MTFP period
- Over the last 3 years, Children's Services spend has increased at an average of 5% per annum. Taking into account improvements as a result of change measures introduced, 3% can be considered a reasonable increase for the purposes of this modelling exercise.
- The table shows that for 19/20 and 20/21, the MTFP budget (including Pay award and contingency) is sufficient to manage the external placement overspend and 3% annual increase in spend. For 21/22 the budget is not sufficient. However, if you consider the total variance over the MTFP period (with 19/20 and 20/21 well under budget if Pay Award and Contingency is included) then there is sufficient contingency to address the final year position and manage the budget risk.
- For this scenario there is a low risk profile against delivery to budget.

Financial Risk - Scenario 2

	Actual	MTFP Budget			
	18/19	19/20	20/21	21/22	
Children's MTFP Budget (£)		81,682,900	84,010,800	84,322,000	
External Placement Overspend		1,000,000			
5% Budget increase		4,134,145	4,340,852	4,557,895	
					Total Scenario Spend
Scenario Spend (£)	88,635,000	86,817,045	91,157,897	95,715,792	273,690,734
Corporate Contingency (£)		5,780,720	3,649,680	3,310,004	
Pay Award (£)		900,137	1,222,790	1,531,579	Total MTFP Budget
MTFP with Pay and Contingency (£)	88,635,000	88,363,757	88,883,270	89,163,583	266,410,609
					Total Variance
Variance between Scenario Spend and MTFP Budget		-1,546,712	2,274,628	6,552,209	+7,280,125

Assumptions

- £1,000,000 overspend at the end of 19/20
- 5% increase on budget (including 19/20 overspend)

- The table above shows the impact of an assumed overspend in the external placement budget and a 5% increase in spend for the MTFP period
- Over the last 3 years, Children's Services spend has increased at an average of 5% per annum. This scenario assumes that the improvements, as a result of change measures introduced, have no impact on the budget and instead follow along historical lines.
- The table shows that for 19/20 the MTFP budget (including Pay award and contingency) is sufficient to manage the external placement overspend and 5% annual increase in spend. However for 20/21 and 21/22 the budget is not sufficient. Despite an underspent position for 19/20, this does not provide enough contingency for future years, with the service overspent by £7,280,125 over the period of the MTFP.
- For this scenario there is a high risk profile against delivery to budget.

Financial Risk - Scenario 3

	Actual	MTFP Budget			
	18/19	19/20	20/21	21/22	
Children's MTFP Budget (£)		81,682,900	84,010,800	84,322,000	
External Placement Overspend		1,000,000			
1% Budget increase		826,829	835,097	843,448	
					Total Scenario Spend
Scenario Spend (£)	88,635,000	83,509,729	84,344,826	85,188,275	253,042,830
Corporate Contingency (£)		5,780,720	3,649,680	3,310,004	
Pay Award (£)		900,137	1,222,790	1,531,579	Total MTFP Budget
MTFP with Pay and Contingency (£)	88,635,000	88,363,757	88,883,270	89,163,583	266,410,609
					Total Variance
Variance between Scenario Spend and MTFP Budget		-4,854,028	-4,538,443	-3,975,308	-13,367,779

Assumptions

- £1,000,000 overspend at the end of 19/20
- 1% increase on budget (including 19/20 overspend)

- The table above shows the impact of an assumed overspend in the external placement budget and a 1% increase in spend for the MTFP period
- Over the last 3 years, Children's Services spend has increased at an average of 5% per annum. This scenario assumes significant improvements as a result of change measures introduced.
- The table shows that the MTFP budget (including Pay award and contingency) is sufficient to manage the external placement overspend and a 1% annual increase in spend. There is sufficient contingency within each year to manage the budget risks.
- For this scenario there is a very low risk profile against delivery to budget.

MTFP Funding Assessment

Children's Services – MTFP Funding

Risk Assessment

Moderate

Children's Services are in the early stages of the journey to address historical cost and demand pressures and have introduced a number of measure to control and manage current demand. The rebasing of the budget has set a more realistic budget target for the service, albeit with challenging savings targets to reduce spend from previous years. Cost and market forces add to this pressure.

Given the need to contain current spend, along with the delivery of MTFP savings targets, there is a significant amount of pressure on the service to manage demand. These pressures can have a big impact on the projected budget and the potential to be overspent. This is reflected in the 2019/20 Revenue Budget Monitoring – Month 3 Highlight Report which reports a predicted overspend of £1.046m on external placements.

Given this position at Month 3, we have modelled a number of scenarios to test the ability of the service to deal with cost and demand pressure as part of the MTFP. There is sufficient contingency for up to a 3% increase on the budget, taking into account pay award and use of the Council's contingency fund.

Additional work has begun to better forecast demand for Children Looked After and Children in Need but more could be done to understand what is driving demand and where the significant cost pressures arise. This will help to understand future pressure and enable the service to generate a strategy to address this and ensure (as far as possible) it does not impact on the future budget.

As a result, there is a moderate risk to the delivery of the MTFP for Children's services. However, given an assumption that Children's Services will be the main beneficiary of the Council's Contingency Fund and the evidence from the risk scenario exercise carried out, we believe there is capacity to manage this risk.

The service has evidently embarked on a very positive change journey, which has created stronger financial grip, and a clear strategy. There are early signs these efforts are resulting in financial improvement.

Based on our analysis we suggest three areas of further action:

1. Whilst there is positive benefit to an improvement Partner, Council officer ownership and accountability for savings and demand management will be vital and should be considered.
2. We suggest, in the context of the MTFP, that better understanding and analysis of highest risk pressures is needed. Work on volatile cohort financial risk would given better direction to both transformation and financial management activity.
3. More work on placement sufficiency is required to ensure the Council gets best value for money in the context of dramatic increases (nationally) in the cost of placements.

Adult Services

Historical Financial Performance and MTFP

Adults Services Financial Performance and MTFP

	14/15	15/16	16/17	17/18	18/19	MTFP Budget		
						19/20	20/21	21/22
Adults Budget (£)	132,717,000	138,902,000	138,337,000	133,716,000	132,186,000	126,063,800	125,082,800	123,894,700
Adults Actual (£)	133,603,000	139,985,000	147,477,000	133,716,000	132,186,000	% change for MTFP		
% Change in Actual		5%	5%	-9%	-1%	-5%	-1%	-1%

Historical Financial Performance

The table above shows a steady increase in spend between 14/15-16/17 before a significant reduction in spend in 17/18 saw the service achieve it's budgeted position which it maintained in 18/19.

It should be noted that over this period (particularly in 17/18), Adult Social Services has drawn on earmarked reserves and made use of capital receipts to invest in transformation. However, as the budget shows, the benefits of the service transformation activities have now been realised, to the extent that earmarked reserves have been replenished as a result of a planned underspend in 18/19.

MTFP Budget

The MTFP budget for Adult Services shows a continued reduction in spend of 5% in 19/20. However, as previously mentioned, the service was actually underspent in 18/19 by circa £6m but with transfers to earmarked reserves and use of capital receipts the outturn is still reported as £132m (as shown in the table above). Therefore, based on the underspent amount for 18/19, the budget for 19/20 looks to maintain the 'as is' level' of spend.

The MTFP budget is consistent with the historical financial performance and is reflective of the transformation activity of the previous years and the continued grasp of cost and demand.

Pay Award and Use of Contingency Funding

Pay Award

As per the SCC Audit Findings Report 2018-2019, it is acknowledged that MTFP includes all expected known cost pressures including realistic allowances for pay awards. This amount has been assigned to service areas from a central fund and is based on the % of the total budget that each service makes up.

Corporate Contingency Fund

In addition to reserves, the council also maintains a contingency sum in recognition of the volatility and risks contained within of some its budgets. The level of contingency built into the Medium Term Financial Plan is £7.2m for the 2019/20 budget, £4.6m in 2020/21 and £4.1m in 2021/22.

Historical Use

Recent historical use has seen Adults Services allocated a very minimal amount from the Contingency fund for the last four years.

Future assumptions / Scenario's

For the purposes of our review (and to mirror our assessment of Children's services), the table to the right reflects the budget position including the pay award (based on Adult Services making up an average of 45% of the total SCC Budget over the next 3 years) and an assumed 20% allocation of contingency fund (assuming Children's Services are allocated 80% this is the remaining amount).

MTFP with Pay Award and Contingency

	Actual	MTFP Budget		
		18/19	19/20	20/21
Adults MTFP Budget (£)		126,063,800	125,082,800	123,894,700
Corporate Contingency (£)		1,445,180	912,420	827,501
Pay Award (£)		1,389,209	1,820,599	2,250,356
MTFP with Pay and Contingency (£)	132,186,000	128,898,189	127,815,819	126,972,557
% Change in Actual		-2%	-1%	-1%

As Slide 17 describes, the MTFP budget for Adult Services looks to maintain the 'as is' level' of spend (noting the underspend in 18/19.) With pay award and contingency sums factored in as well, Adult Services are in a very strong position to deliver to the MTFP budget, with very low risk against the impacts of potential cost and demand pressures.

Adult Services– Risk assessment

Delivery of Savings

Risk Assessment

Very Low

- As part of the MTFP, Adult Services have a saving target of £5.507m for 19/20
- Current financial reporting shows that the service has delivered £2.680m of savings to date, and is on track to deliver the remaining £2.827m
- There is strong ownership of the savings, with a relevant senior responsible officer assigned to each proposal.
- The service has created an environment of positive challenge, where finance and service officers work together to ensure savings are realistic, deliverable and on track.
- As the budget shows, the service is realising the benefits of significant work over the last 3 years, with current savings proposals in-line with the improvements the service has already experienced.

Cost and Market Pressure

Risk Assessment

Low

- Adult Services have worked hard to define a 'fair cost of care' in order to shape their market fees.
- In 2018 they commissioned Valuing Care to undertake a 'value for money' assessment of their homecare, residential and nursing costs which led to a better understanding of the usual costs required to deliver a service.
- The service has a good working relationship with its providers, and the Homefirst projects is evidence of positive partnership working between the two in order to enhance the service.
- Despite good financial performance, our benchmarking exercise showed unit costs for people with LD were high when compared to nearest statistical neighbours. This is in some part due to higher numbers of people with LD, compared with overall population.
- The cost and demand of this cohort could present a threat to the MTFP budget. However, through discussion, it was clear through the Discovery Contract that measures were already in place to work differently with this cohort. In addition, the 19/20 MTFP review savings were not overly reliant upon reductions for this cohort.

Demand Pressure

Risk Assessment

Very Low

- Adults services have a clearly articulated strategy towards managing demand based on promoting independence and seeking to maximise individual, family and community resources.
- This has seen the service move away from a paternalistic view of support and as a result has seen a significant number of referrals resolved without the need for council funding.
- The strategy assigns clear performance measures against key drivers of demand, and these are regularly reported and monitored.
- Forecasts for demand have been considered, especially given projected increase in older adult population. Work has started with providers to build capacity, blending homecare support with respite where needed.
- There was an acknowledgement that improvements could still be made in terms of forecasting especially for the LD and MH cohorts.

Finance/demand controls

Risk Assessment

Very Low

- Along with the strategy to promote independence, according to the DASS, Adult Services have reframed operations to "live within their means"
- Using a panel process, there has been challenge to the way practitioners viewed money, and a focus on the most cost effective way of providing services.
- It is clear from the evidence and discussion that robust financial controls are in place. Weekly finance meetings take place with senior leadership and finance officers. This is summarised in a monthly Finance Report.
- There is a separate MTFP meeting to keep account of progress against savings proposals.
- In addition, the service undertakes Performance Improvement Meetings which includes a financial element. On a quarterly basis these are chaired by an external facilitator to provide additional challenge.

Adults Services– Risk assessment

Other risks

Risk Assessment

Very Low

Staffing

- There has been a strong emphasis on reducing agency spend. Service managers, through closer management of budgets can clearly see how agency costs impact on their budget and therefore can better assess when there is an actual need for this resource.
- There has been a drive more widely to promote a positive career pathway for social work and an increase in local training programmes.

Relationship with Health

- Adult Services has a positive relationship with the local CCG based on a partnership approach.
- DASS is aware of the need to make sure the CCG is making proper contributions to joint-funded provision.
- The need to demonstrate value is driven by the CCG approach to investment and funding. For example, the Homefirst model was fully funded by the Council for the first year. However, through showing the value and impact of the model to the CCG, the Council was able to request a contribution for Year 2 onwards.

New Opportunities

- Over the course of the MTFP the focus is very much on a continuation of the benefits realised from the current way of working.
- Through discussion it is believed that there is some contingency built into current service projections if pressures were to exceed budgets.

MTFP Funding Assessment

Adults Services – MTFP Funding

Risk Assessment

Very Low

Adults Services have come through a significant transformation programme which has brought actual and budget spend in line, and led to an underspend in 2017/18. The strategy has installed a service practice which ensures a focus on independence and as a result, keeps people away from high-cost placements whilst at the same time improving outcomes for the individual.

The current savings targets are on-track and reflect the expected continued impact in the way services are delivered. Where some cost and demand pressures exist with the LD cohort, measures are in place to contain this spend with limited additional pressure through the MTFP savings. This is further evidenced by the projected balanced budget position as per the 2019/20 Revenue Budget Monitoring – Month 3 Highlight Report.

Given the success of the last 3 years, and the current measures in place, there is a very low risk to the delivery of the MTFP for Adults Services. There is an opportunity to increase resilience through better demand forecasting for high cost cohorts. In addition, the success of the past 3 years of transformation has taken out much of the more obvious efficiencies in the system. The challenge for the service now is maintaining the positive benefits achieved and dealing with any unexpected or future pressures.

We suggest two main areas for action in further strengthening the financial resilience of the service:

1. Whilst there is a strong financial grip, demand for Adults is still rising nationally and the service could improve their modelling of future activity. Younger Adults with complex needs as well as a growing over 75's population could be areas for more strategic analysis/thinking.
2. There is an opportunity for the service, having stabilised their finances, to think further ahead in terms of service innovation and improvement of outcomes for SCC residents.

Summary of MTFP Assessment

Final remarks

Our review has shown that both Children's and Adult Service, in partnership with the corporate finance team have strong financial measures in place with robust mechanisms to manage and monitor spend against the budget.

For Adults services we have confidence they can deliver to the MTFP. The budget is consistent with the historical financial performance and is reflective of the transformation activity of the previous years and their continued grasp of cost and demand.

We believe there is greater risk against Children's services, given the historical financial performance and reduction in spend required to deliver to budget in 19/20. As a result of this risk, we tested the budget against potential scenarios that may impact on spend. Given contingency is sufficient to manage an external placement overspend and 3% increase in annual costs, we believe, there is sufficient capacity within the budget to manage this risk and deliver to the MTFP.

Appendix 1 – Documents Reviewed

List of documents reviewed

Name of Document	Subject
Sent by Children's Services, SCC	
CTP governance July 2019	Overview of Transformation
CLA Placements CTP Highlight Report June 2019	Example of transformation reporting
CTP Fostering Highlight Report June MR version v1	Example of transformation reporting
SLT External Placements 12.03.19	Overview of External Placements
CTP Dashboard June 2019 (draft)	Overview of Transformation Programme
CLA with Fostering split June 201	Example of Cost/Demand monitoring
WeeksfromIssue 01.08.2019	Example of Cost/Demand monitoring
CSC Type CC3 matters by Area	Example of Cost/Demand monitoring
Placements Weekly Spend Analysis 22.07.19 - 28.07.19 v2	Example of Cost/Demand monitoring
Additional CSC statistics	Example of Cost/Demand monitoring
CSC Matters opened by Case type 07-19	Example of Cost/Demand monitoring
SW Q4 Benchmarking anonymised	South West Benchmarking Q4
Workforce Forecast Data (Jan 2019)	Forecast information
Sufficiency Action Plan April 2019	Sufficiency update
MTFP Savings 2019-20	Breakdown of 19/20 MTFP
Sent by Adults Services, SCC	
Adult Social Care - Grant Thornton Review Index - 1.8.19	Index of document sent
Appendix 1 - Promoting Independence Strategy 2018	Strategy document behind transformation
Appendix 2 - Market Position Statement	Approach to the market
Appendix 3a - Fair Cost of Care - Home Care Report -Somerset - 20.3.2018	Understanding of care costs
Appendix 3b - Fair Cost of Care - Residential Nursing Report -Somerset - 28.3.2018	Understanding of care costs
Appendix 4a - PIMS Community Connect & Demand Management - July 2019	Example of Performance Improvement Meeting
Appendix 4b - PIMS Community Localities Flow - July 2019	Example of Performance Improvement Meeting
Appendix 4c - PIMS Health Interface Service - July 2019	Example of Performance Improvement Meeting
Appendix 4d - PIMS Finance Update - July 19	Example of Performance Improvement Meeting
Appendix 5a - CIPFA Social Care Risk Tool Somerset 2018 Edition Feb 2019	CIPFA Risk assessment
Appendix 5b - CIPFA ADASS Risk Tool	CIPFA Risk assessment

List of documents reviewed

Name of Document	Subject
Sent by Sheila Collins, Finance Director, SCC	
VFM Overview Statement for GT - FINAL	Value for Money Update
14 08 19 Cabinet Month 3 Monitoring Report WIP	Example of Budget Monitoring
Children's Finance Flow July 2019 v2	Children's Finance Controls/Reporting
Copy of ASC MH Report - January 2019	Example of Budget Monitoring
Copy of LD Report - January	Example of Budget Monitoring
Going Concern Statement - July 2019	Part of VFM process
Qtr1 Leaving Care	Children's Finance Controls/Reporting
Sent by Peter Barber, Audit Partner, GT	
SCC State of Play	Overview of Demand Led Services
MTFP Model 2019-20 to 2023-24	Detail on MTFP
20190722 SCC Audit Findings Report 2018-19 final	Context for DLS review
Appendix B	Latest MTFP saving position
20190319_Local_Area_Older_People_Somerset	CQC Benchmarking for ASC
Item 4_SD_PIMS report June 2019	Example of Performance Improvement Meeting
SCC Council Papers/Reports	
Cabinet September 2018	Summary of savings and proposals
Cabinet February 2019	Summary of savings and proposals
Cabinet July 2019	Budget Monitoring
Children's Scrutiny Committee January 2019	Children's MTFP and PeopleToo Recommendations

Appendix 2 – Key Stakeholders and Engagements

Key Stakeholders and Engagements

Key Stakeholders

Name	Role
Sheila Collins	Finance Director
Jason Vaughan	Deputy Finance Director
Stephen Chandler	(Outgoing) Director of Adult Services
Mel Lock	Director of Adult Services
Julian Wooster	Director of Children's Services
Claire Winter	Deputy Director of Children's Services
Adele McClean	Children's Finance
James Sanster	Adults Finance

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Record of engagement

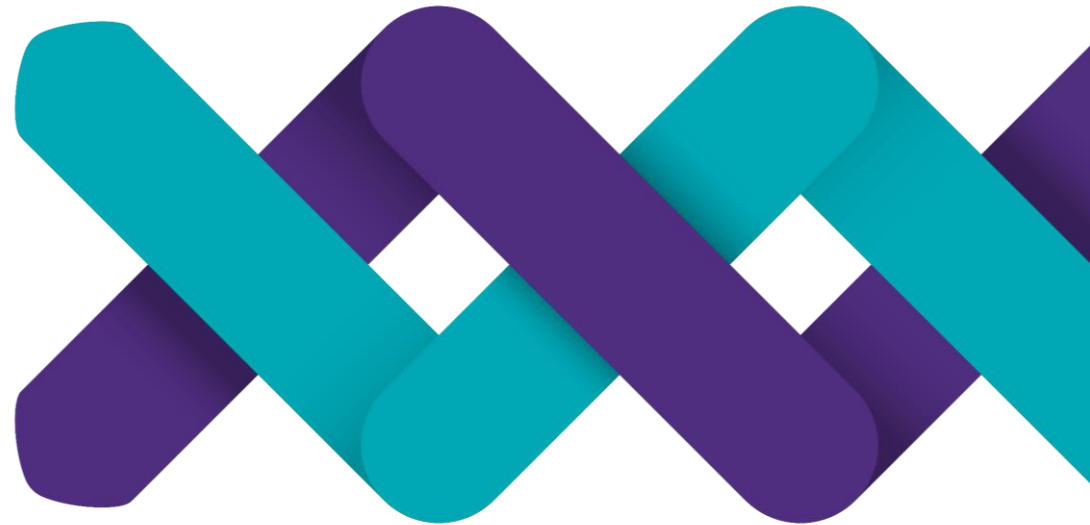
Date	Meeting Type	Subject	Attendance
30/07/2019	Call	Review Planning	Alex Khaldi, Henry Claridge, Sheila Collins, Jason Vaughan
01/08/2019	Call	Introduction and Review Outline (Children's)	Alex Khaldi, Henry Claridge, Sheila Collins, Claire Winter, Adele McClean
01/08/2019	Call	Introduction and Review Outline (Adults)	Alex Khaldi, Sheila Collins, Stephen Chandler, Mel Lock
06/08/2019	Face to Face	Discussion on lines of enquiry (Children's)	Alex Khaldi, Henry Claridge, Sheila Collins, Jason Vaughan, Claire Winter, Adele McClean
06/08/2019	Face to Face	Discussion on lines of enquiry (Adults)	Alex Khaldi, Henry Claridge, Sheila Collins, Jason Vaughan, Stephen Chandler, Mel Lock, James Sangster
06/08/2019	Face to Face	Discussion on lines of enquiry (Finance)	Alex Khaldi, Henry Claridge, Sheila Collins, Jason Vaughan
13/08/2019	Call	Update on review (Children's)	Alex Khaldi, Julian Wooster

Appendix 3 – CFOi Benchmarking Report

Adults and Children Social Care Benchmarking Report

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Somerset
August 2019



Children's social care

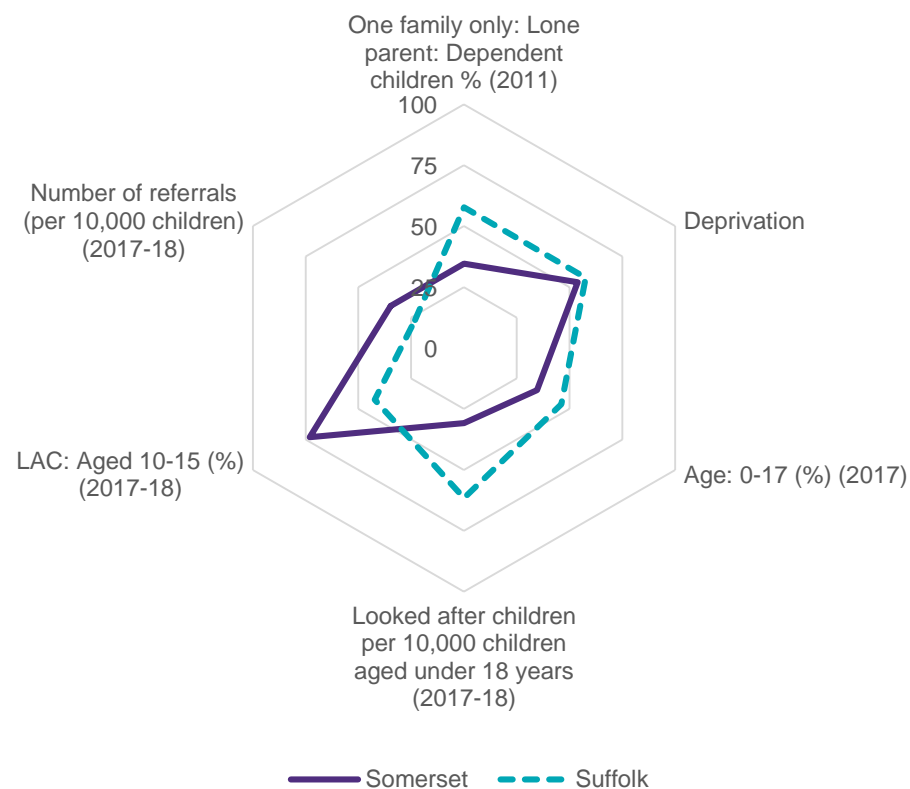
Children's social care – Nearest Neighbours

The socioeconomic profile, to the right, shows Somerset in the context of all counties. The 50 line represents the group median, consequently points closer to the outside of the profile are 'very high' in comparison to the group and those closer to the centre are 'very low'. The spider chart shows that Somerset has a high proportion of looked after children aged 10-15 in comparison to the group and average levels of deprivation. Somerset's population has low levels of looked after children per 10,000 children under 18 years old, referrals per 10,000 children and lone parent dependent children.

Using the measures set out in the spider chart we have identified the ten most statistically similar counties to Somerset, with Suffolk being most similar overall. These are shown in the table below. The nearest neighbour group identified has been used as a more focused benchmark group for this report in order to appropriately benchmark Somerset against similar areas.

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Near Neighbours
Somerset
Suffolk
Gloucestershire
Devon
Oxfordshire
Staffordshire
North Yorkshire
Hampshire
West Sussex
Leicestershire
Nottinghamshire



Children's social care

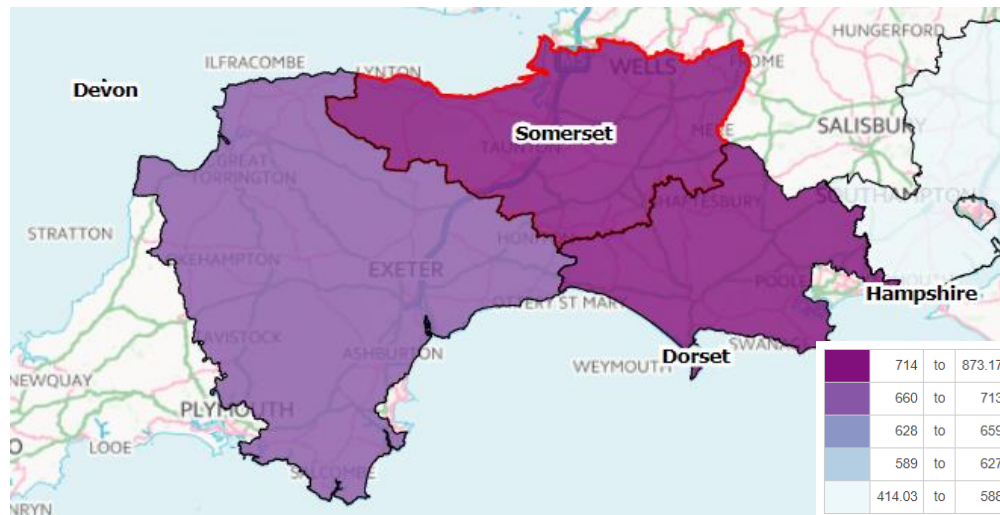
Net expenditure in context

The map to the right illustrates that Somerset's net expenditure per head on children's social care services was £739.77 in 2017/18, which is very high in the context of all counties. Compared to the nearest neighbour group (bar chart), in 2017/18 Somerset had the highest net expenditure per head on children's social care services. The two councils with the most similar level of spend were Nottinghamshire and Devon, at £735.64 and £712.66 respectively.

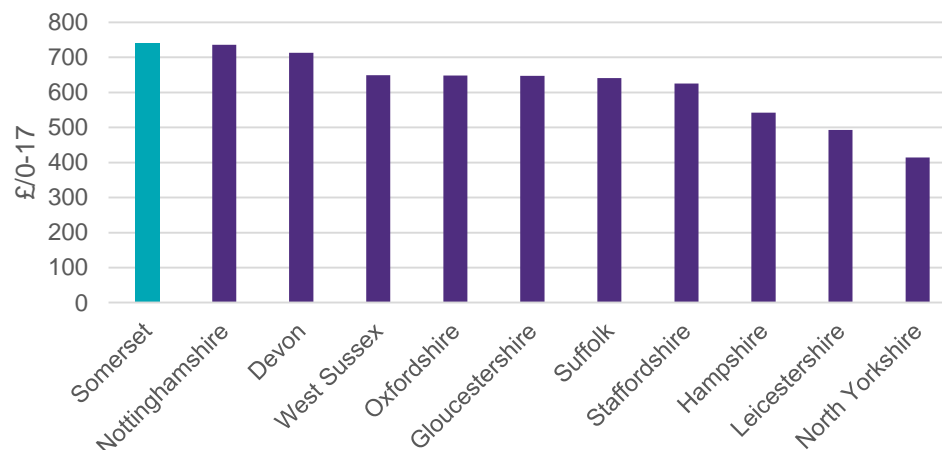
Based on revenue outturn returns submitted to the Ministry of Housing, Communities and Local Government by Somerset it can be seen that between 2011 and 2017 there was an increase in net expenditure for children's social care services of 43%, equating to £35,071,000 (see below).

Children's social care has been consistently over budget since 2012, most recently net expenditure was 12.8% over budget.

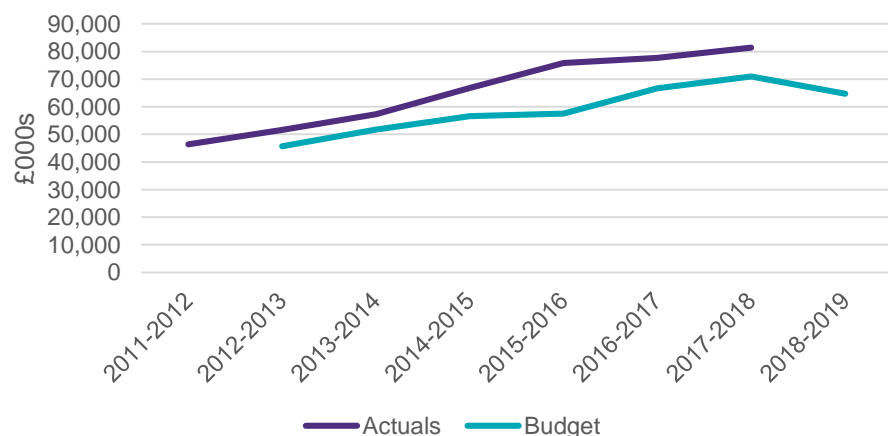
Children's social care net expenditure per head (£/0-17) 2017/18 - Unitary context



Children's social care net expenditure per head (£/0-17) 2017/18 - Nearest neighbour context



Budget vs Actuals: Children's Social Care (2011– 2017)

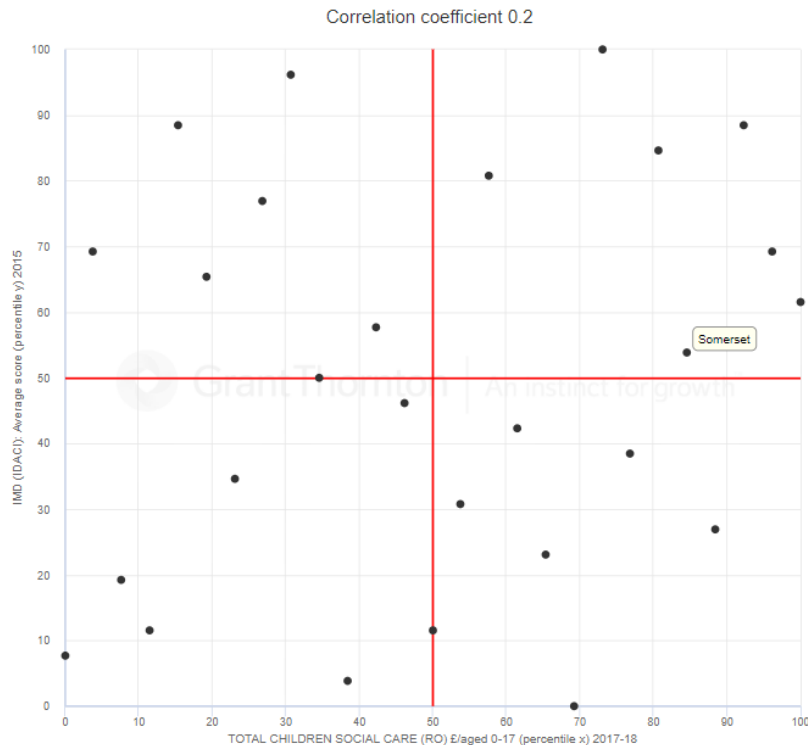


Children's social care

The scatter chart below correlates net expenditure per child on children's social care services against child poverty for all counties (based on the Index of Multiple Deprivation – Income Deprivation Affecting Children Index).

This shows a weak positive correlation between the two variables which indicates that there may not be linkages between child poverty levels and the associated spend on child social care. Somerset sits in the top right of the chart, indicating relatively high levels of spend per child and high child poverty.

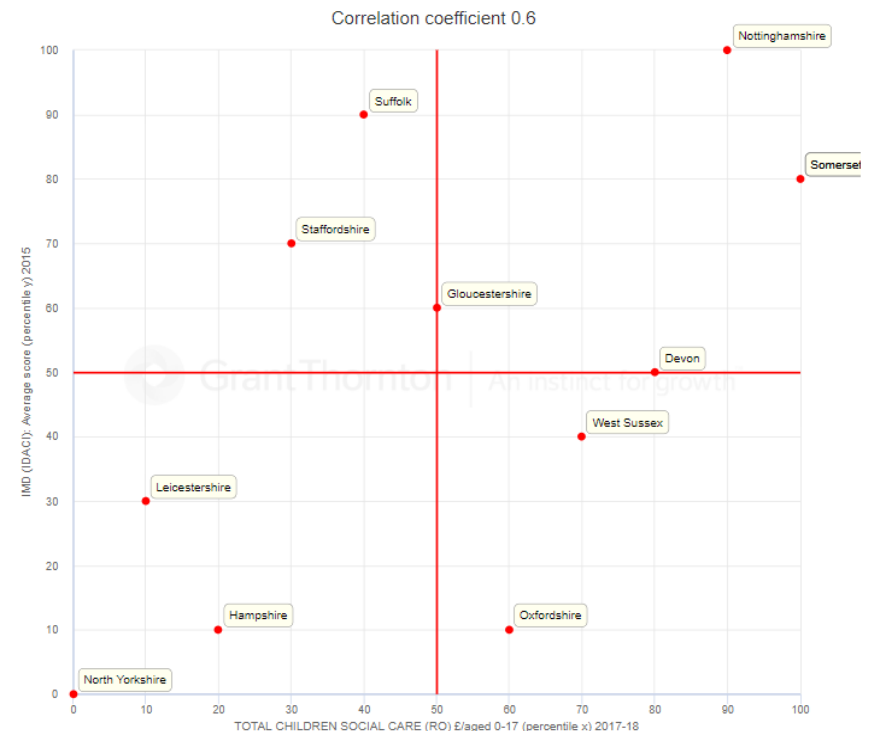
Total children social care (RO) (£/0-17) vs. Child poverty – Counties context



The scatter chart below correlates net expenditure per child on children social care against child poverty for Somerset and its near neighbour group.

This shows that there is a positive relationship between the two variables, which is stronger than the counties context correlation, as indicated by the higher correlation coefficient (0.6). Somerset has the highest spend per child on children's social care services relative to the near neighbour, and very high levels of child poverty.

Total children social care (RO) (£/0-17) vs. Child poverty – Nearest neighbours

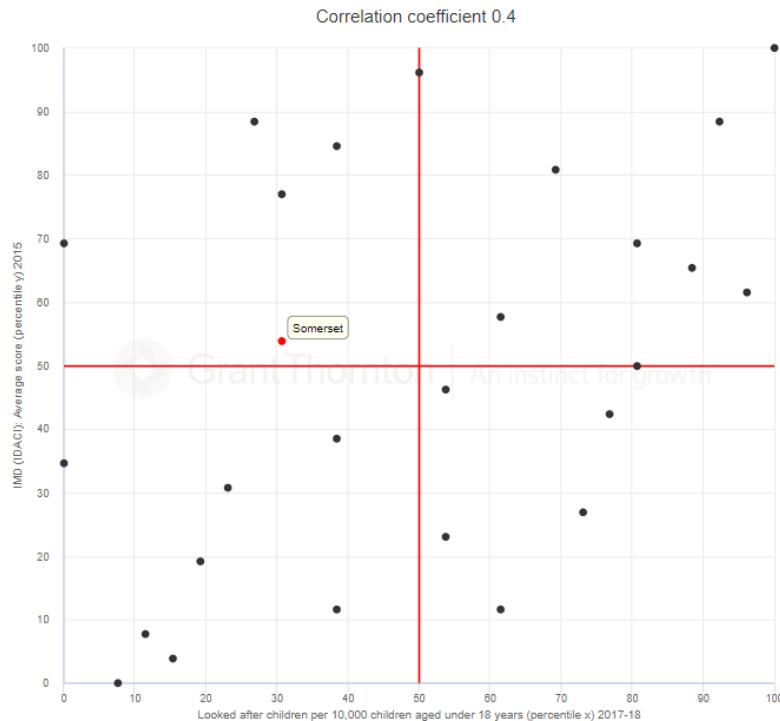


Children's social care

The scatter chart below correlates the number of looked after children per 10,000 children against child poverty for all counties (based on the Index of Multiple Deprivation – Income Deprivation Affecting Children Index).

This shows a moderate positive correlation between the two variables which indicates that there are linkages between child poverty levels and levels of looked after children. Somerset sits in the top left of the chart, indicating low levels of looked after children and average child poverty.

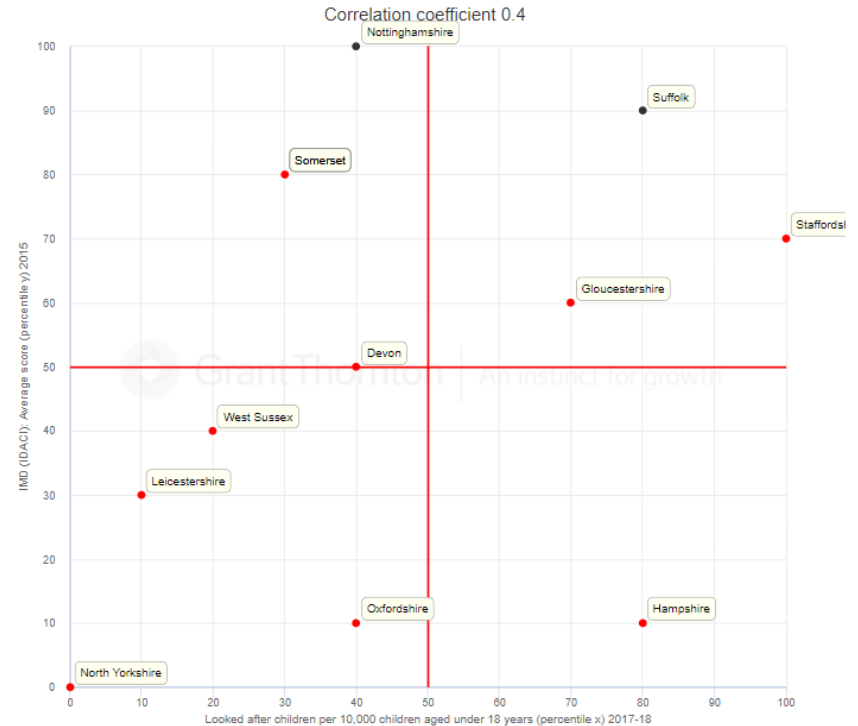
Looked after children per 10,000 children vs. Child poverty – Counties Context



The scatter chart below correlates looked after children per 10,000 children against child poverty for Somerset and its near neighbours group.

This shows that there is still a moderate positive relationship between the two variables, as indicated by the correlation coefficient (0.4). Compared to the near neighbour group, Somerset has low levels of looked after children and very high child poverty.

Looked after children per 10,000 children vs. Child poverty – Nearest neighbours



Children's social care

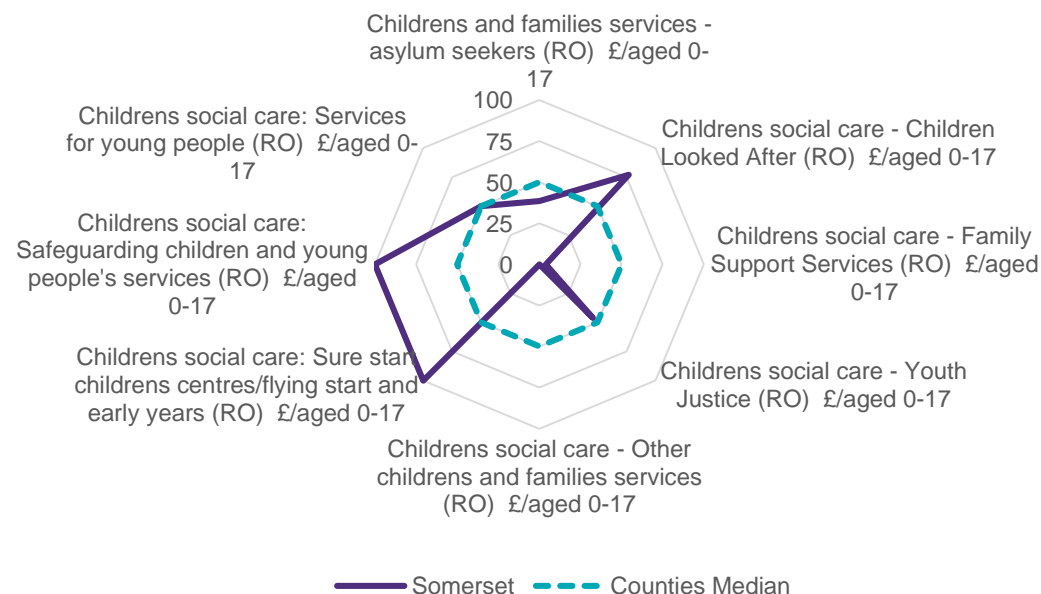
The spider chart to the right shows that in 2017/18 Somerset incurred very high net expenditure per child on safeguarding children and young people's services at £218.72, compared to the counties median. Additionally, spend on sure start children's centres / flying start and early years services was very high in the context of all counties, at £80.01.

However, the pie chart shows that although the unit cost spend on sure start children's centres / flying start and early years services is very high relative to other counties, as a proportion of total spend on children services it accounts for just 10.8% of spend. Whilst spend on looked after children accounts for 47.9% of total spend on children services.

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Children services - individual lines	£000's	£/head
Childrens and families services - asylum seekers (RO)	467	4.00
Childrens social care - Children Looked After (RO)	38,971	354.01
Childrens social care - Family Support Services (RO)	5,203	47.26
Childrens social care - Youth Justice (RO)	1,169	10.62
Childrens social care - Other childrens and families services (RO)	0	0
Children's social care: Sure start children's centres/flying start and early years (RO)	8,808	80.01
Children's social care: Safeguarding children and young peoples services (RO)	24,078	218.72
Children's social care: Services for young people (RO)	2741	24.9

Children's social care: Unit cost breakdown (RO) £/aged 0-17 (2017/18) – Counties median



Children's social care: proportional share of total children's services spend by individual line (RO) (2017/18)



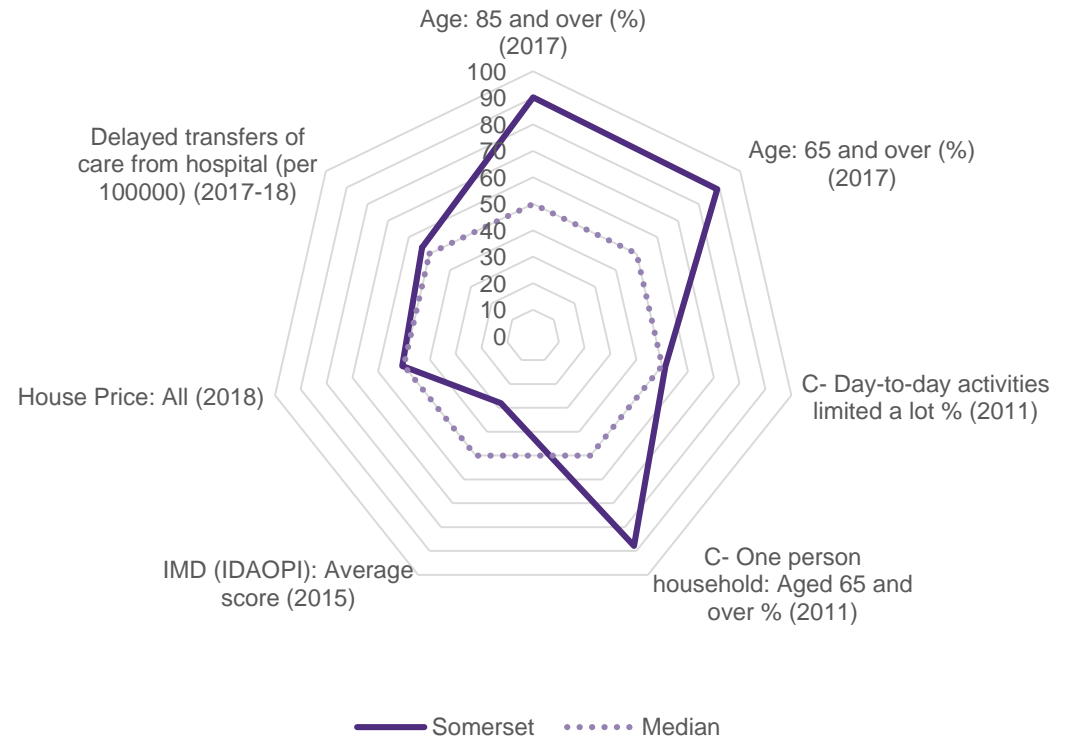
Adult social care

Adult social care – Nearest Neighbours

The socioeconomic profile, to the right, shows Somerset in the context of all counties. The 50 line represents the group median. Points closer to the outside of the profile are 'very high' in comparison to the group and those closer to the centre are 'very low'. The spider chart shows that Somerset has a very high proportion of people aged 65 and over in comparison to the group which indicates an ageing population. Somerset's population also has low levels of deprivation. Using the measures set out in the spider chart we have identified the ten most statistically similar counties and unitary authorities to Somerset. These are shown in the table below. The nearest neighbour group identified has been used as a more focused benchmark group for this report in order to appropriately benchmark Somerset against similar areas.

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Nearest Neighbours
Hertfordshire
Norfolk
North Yorkshire
North Somerset
Suffolk
Devon
Shropshire
Poole
Cheshire East
East Riding of Yorkshire



Adult social care

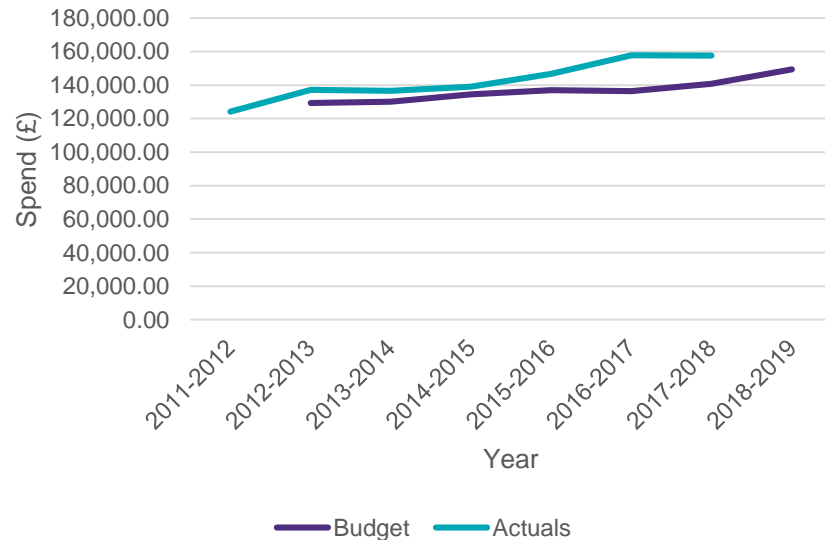
Net expenditure in context

The map to the right illustrates that Somerset's net expenditure per head on adult social care services was £353.83 in 2017/18, which is average in the context of all counties unitary authorities.

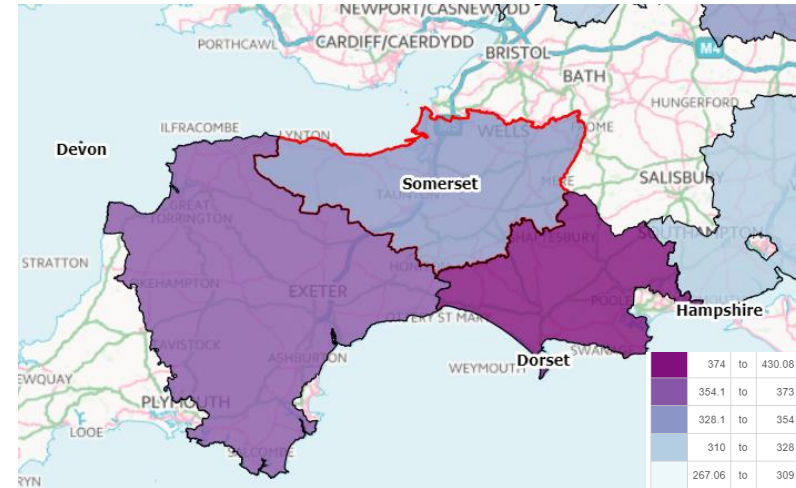
The bar chart displays unit spend on adult social care, Compared to the nearest neighbour group. The chart shows that during 2017/18, Somerset spent £353.83 per person aged 18-64. The two councils with the most similar level of spend were Devon and Poole, at £357.07 and £351.45 respectively.

Based on revenue outturn returns submitted to the Ministry of Housing, Communities and Local Government by Somerset it can be seen that between 2011/12 and 2017/18 there was an increase in net expenditure for adult social care services of 26.8% (see below). Adult social care net expenditure has been consistently above budget since 2012/13.

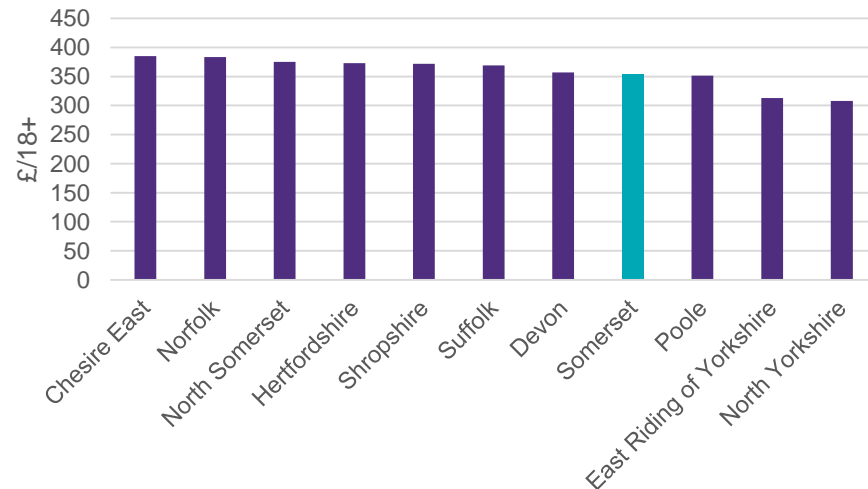
Budget vs Actuals: Adult Social Care (2011/12 – 2018/19)



Adult social care net expenditure per head (£/18+) 2017/18- Unitary context



Adult social care net expenditure per head (£/18+) 2017/18 - Nearest neighbour context

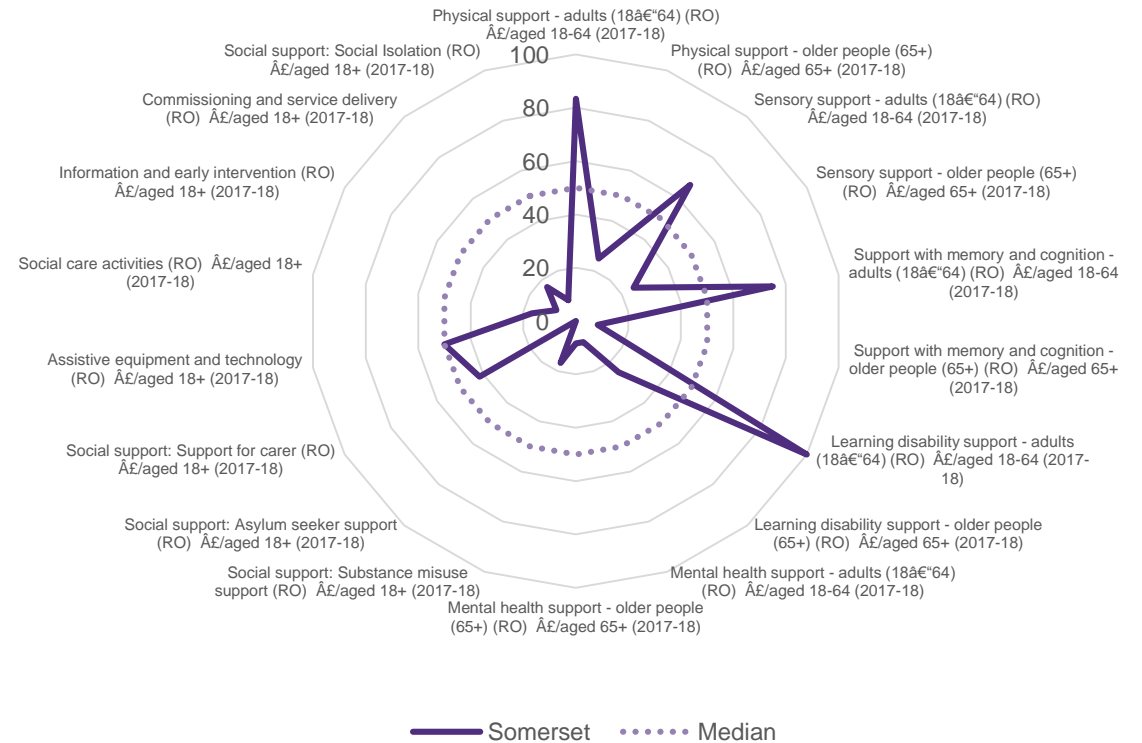


Adult social care

The spider chart below provides a detailed breakdown of adult social care net expenditure per head relative to all counties. Points to the outer edge of the chart show higher relative spend per head. This illustrates that spend on learning disability support for adults is very high relative to all counties, at £181.28 per person aged 18 and over. Somerset also has high net expenditure on physical support for adults at £57 per person aged 18-64. These high spend areas are indicated in the table below.

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Indicator	£000s	Unit	£/unit
Physical support - adults	17,725	18-64	57
Physical support - older people	50,164	65+	374
Sensory support - adults	289	18-64	0.93
Sensory support - older people	393	65+	2.93
Support with memory and cognition - adults	722	18-64	2.32
Support with memory and cognition - older people	1,409	65+	10.50
Learning disability support - adults	56,374	18-64	181.28
Learning disability support - older people	5,130	65+	38.25
Mental health support - adults	2,822	18-64	9.07
Mental health support - older people	2,929	65+	21.84
Social support: Substance misuse support	0	18+	0
Social support: Asylum seeker support	0	18+	0
Social support: Support for carer	259	18+	0.58
Assistive equipment and technology	1,019	18+	2.29
Social care activities	13,690	18+	30.76
Information and early intervention	0	18+	0
Commissioning and service delivery	4,567	18+	10.26
Social support: Social Isolation	0	18+	0



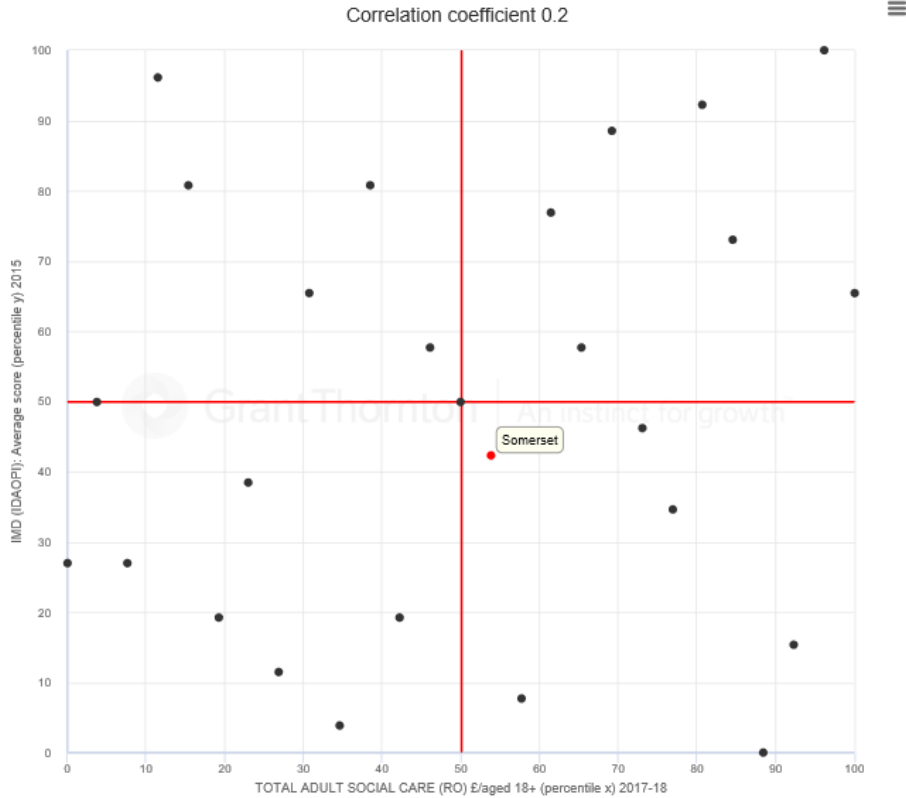
Adult social care

The scatter chart below correlates net expenditure per child on adult social care services against adult poverty for all counties (based on the Index of Multiple Deprivation – Income Deprivation Affecting Children Index).

This shows a weak positive correlation of 0.2 between the two variables which indicates that there are slight linkages between poverty levels and the associated spend on adult social care. Somerset sit in the bottom right quarter of the chart, indicating higher spend on adult social care and lower levels of deprivation.

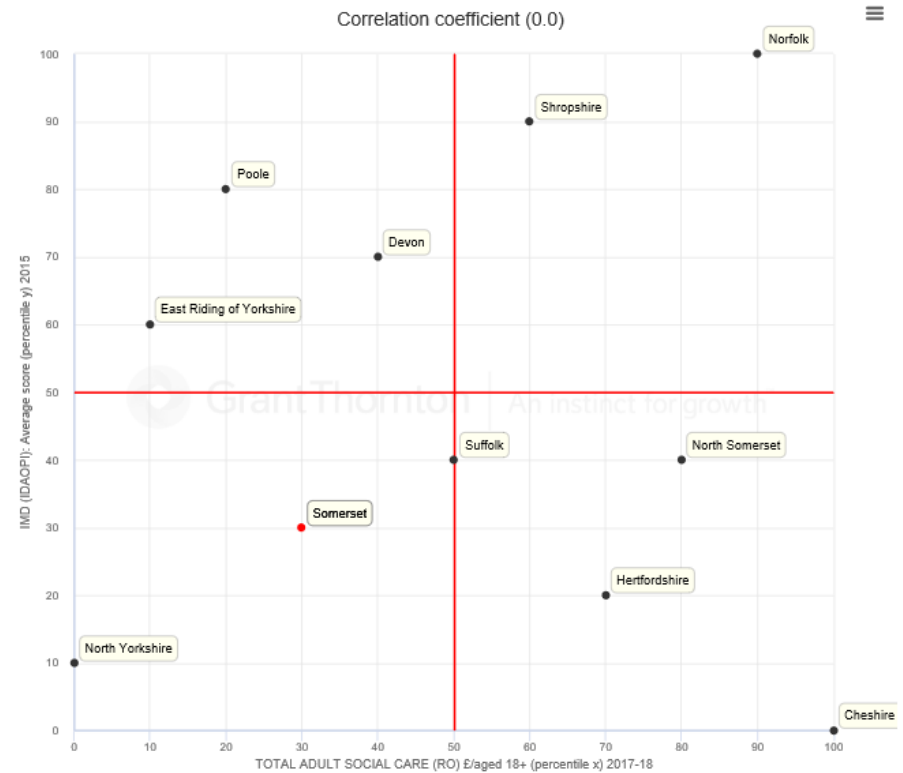
Total adult social care (RO) (£/0-17) vs. Adult poverty – Counties context

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The scatter chart below correlates net expenditure per adult on adult social care against poverty for Somerset and its near neighbour group. This shows that there is a correlation coefficient of 0.0, which is lower than the county context, indicating there is no relationship between the two variables.

Total children social care (RO) (£/0-17) vs. Adult poverty – Ofsted nearest neighbours



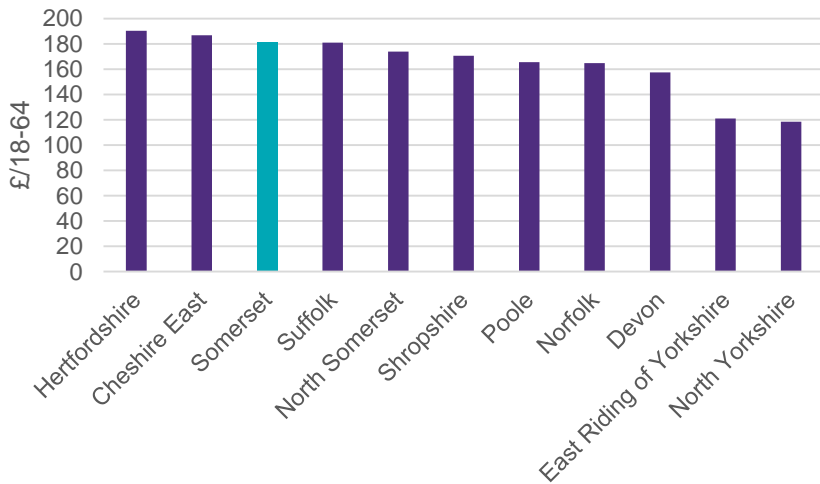
Learning disability support (18-64)

Net expenditure in context

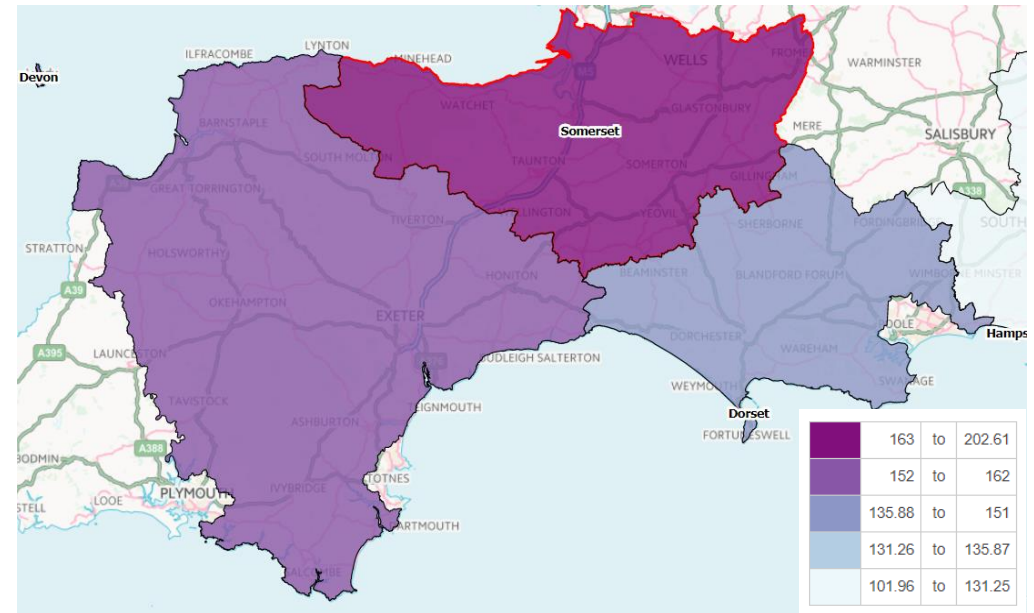
The map to the right illustrates that Somerset's net expenditure per head on learning disability support for those aged 18-64 was £181.28 in 2017/18, which is very high in the context of all counties.

Compared to the nearest neighbour group (bar chart below), in 2017/18 Somerset had the third highest net expenditure per head on learning disability support for 18-64 year olds. The two councils who had higher net expenditure were Hertfordshire and Cheshire East. Of the near neighbours, North Yorkshire had the lowest spend per person aged 18-64, with a value of £118.53.

Learning disability support net expenditure per head (£/18-64) 2017/18 - Nearest neighbour context



Learning disability support net expenditure per head (£/18-64) 2017/18- Counties context



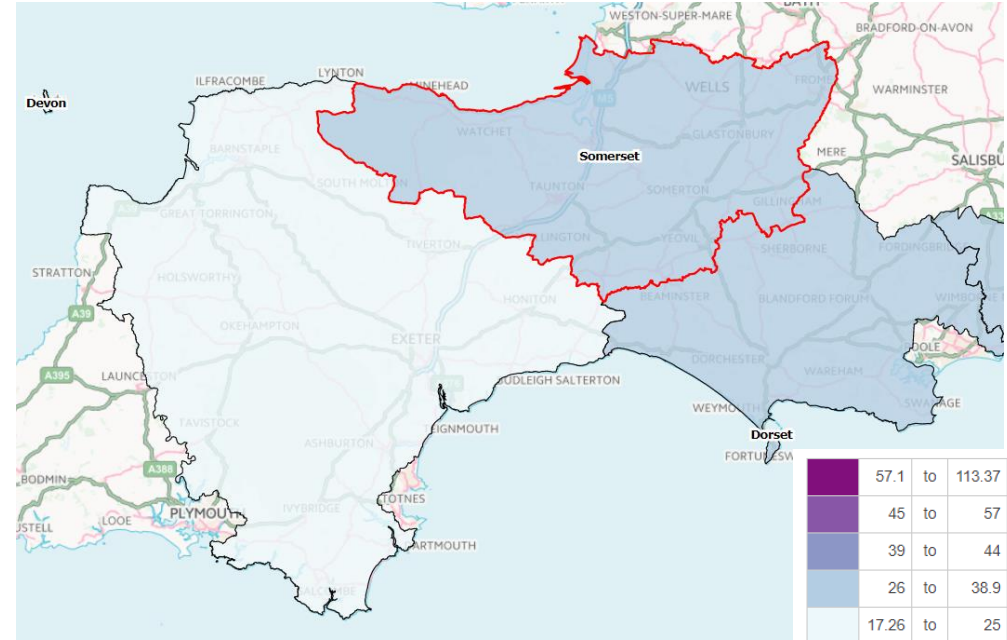
Learning disability support (65+)

Net expenditure in context

The map to the right illustrates that Somerset's net expenditure per head on learning disability support for those aged 65+ was £38.25 in 2017/18, which is low in the context of all counties.

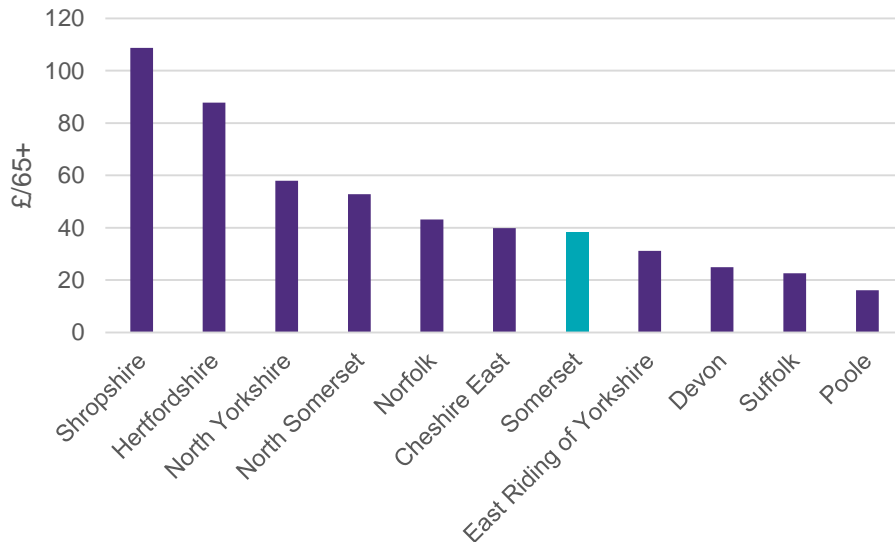
Compared to the nearest neighbour group (bar chart below), in 2017/18 Somerset had average net expenditure per head on learning disability support for people aged 65+. The two councils with the most similar level of spend were Cheshire East and East Riding of Yorkshire at £39.80 and £31.16 respectively. Shropshire had the highest expenditure of the near neighbours, with a value of £108.69 per person aged 65+.

Learning disability support net expenditure per head (£/65+) 2017/18- Unitary Counties context



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Learning disability support net expenditure per head (£/65+) 2017/18 - Nearest neighbour context



Mental health support (18-64)

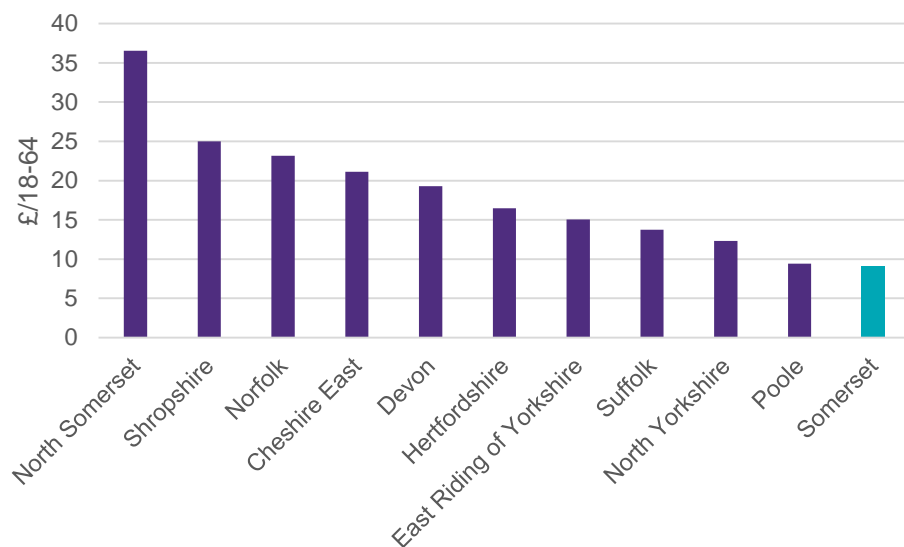
Net expenditure in context

The map to the right illustrates that Somerset's net expenditure per head on mental health support for those aged 18 to 64 was £9.07 in 2017/18, which is very low in the context of all counties.

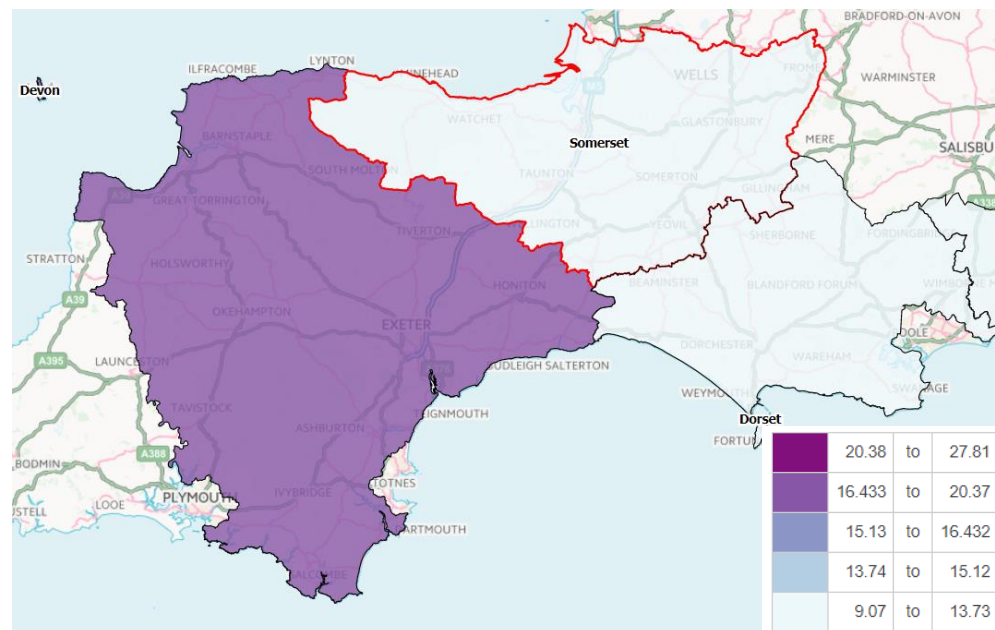
Compared to the nearest neighbour group (bar chart), in 2017/18 Somerset had the lowest net expenditure per head on mental health support for 18 to 64 year olds, spending only £9.07 per person in this age category. Poole had slightly higher spend with £9.43 per head, while North Somerset ranked highest with £36.55 per person aged 18-64.

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Mental health support net expenditure per head (£/18-64) 2017/18 - Nearest neighbour context



Mental health support net expenditure per head (£/aged 18-64) 2017/18- Unitary authorities context



Mental health support (65+)

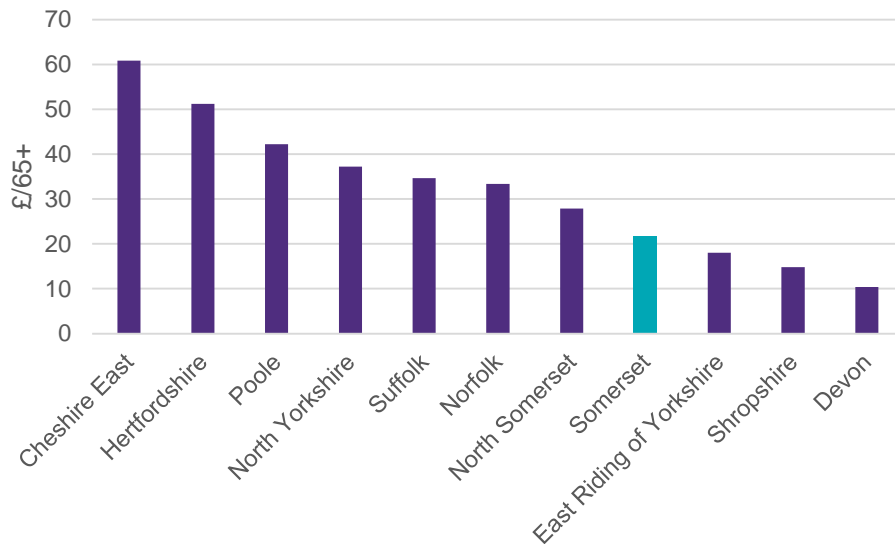
Net expenditure in context

The map to the right illustrates that Somerset's net expenditure per head on mental health support for those aged 65+ was £22.84 in 2017/18, which is low in the context of all counties.

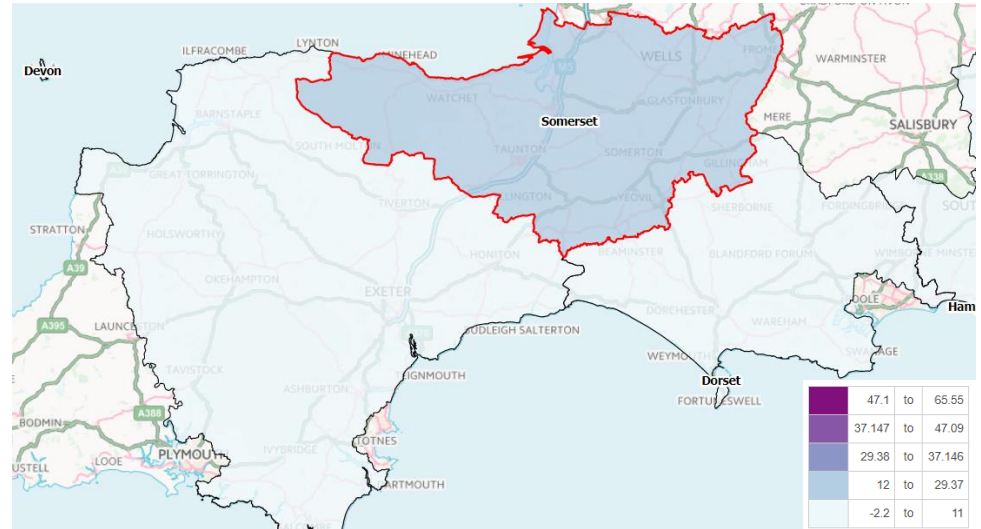
Compared to the nearest neighbour group (bar chart below), in 2017/18 Somerset had average net expenditure per head on mental health support for 65 year olds and over. The two councils with the most similar level of spend were North Somerset and East Riding of Shropshire, at £27.84 and £18 respectively. Devon had the lowest spend of the nearest neighbours, with only £10.36 per person aged 65+.

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Mental health support net expenditure per head (£/65+) 2017/18 - Nearest neighbour context

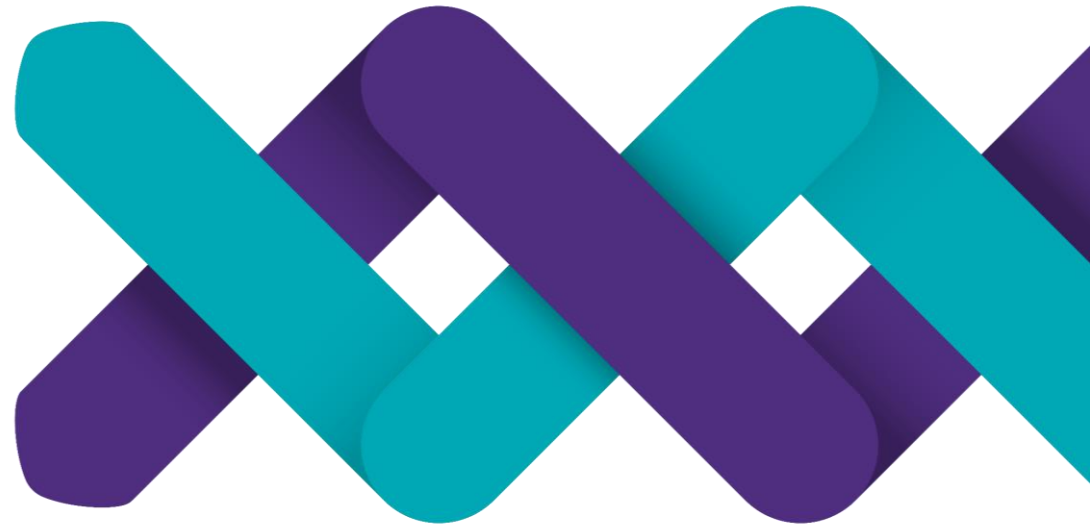


Mental health support net expenditure per head (£/65+) 2017/18 - Unitary authorities context



Appendix 4 – ASCi Benchmarking Report

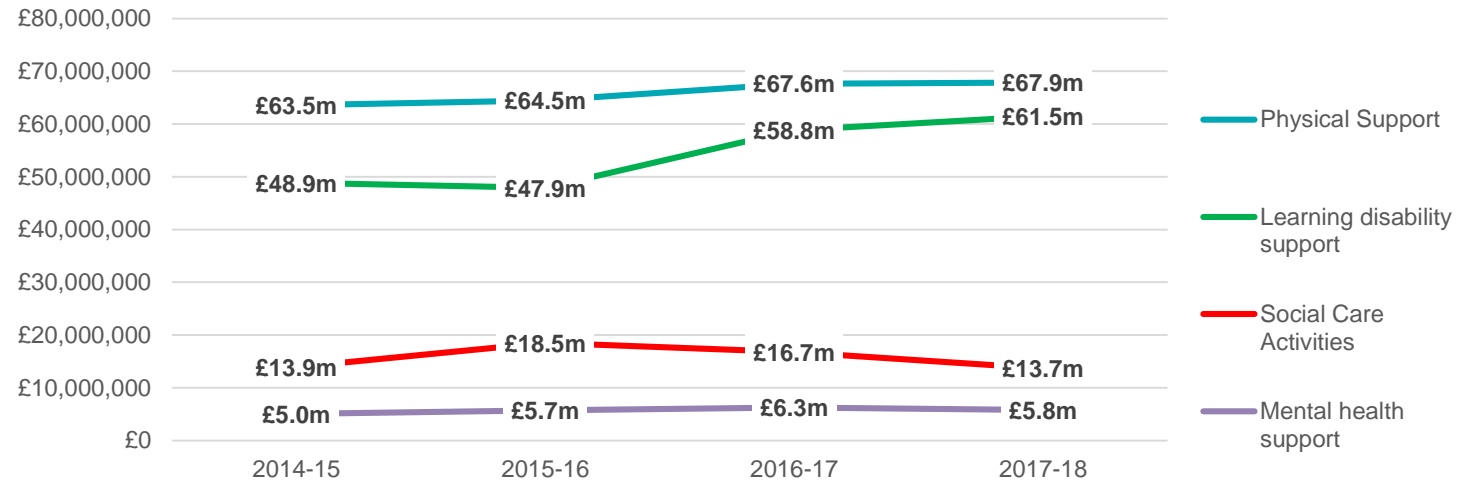
Somerset County Council Adult Social Care Insights



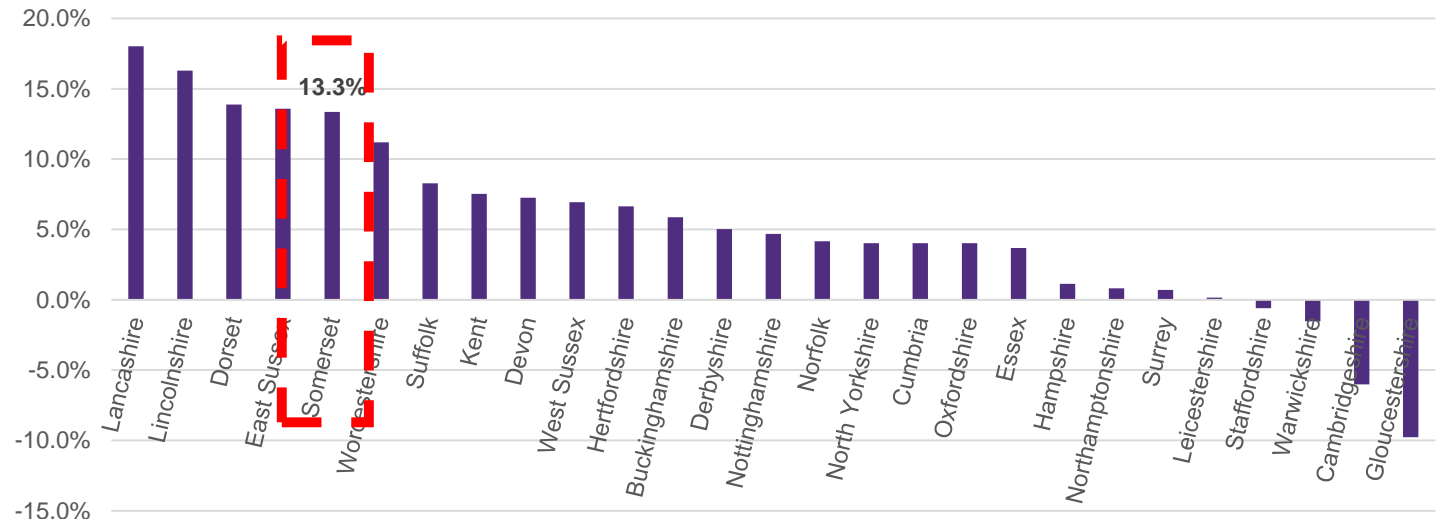
Financial view of Somerset Council

- The chart to the right illustrates adult social spend on four major support services. All data is taken from the RO returns.
- Spend on Learning Disability support has seen the greatest change over the last 4 years, increasing by £12.6m since 2014-15.
- The bar chart below compares the four year change in total spend on Adult Social Care services with other county councils. Somerset's total net spend has risen from £139.0m to £157.5m over this period, a 4.4% increase.
- In comparison to other county councils, Somerset have experienced a large increase in their net spend on Adult Social Care services.

How has spend on services changed since 2014-15?

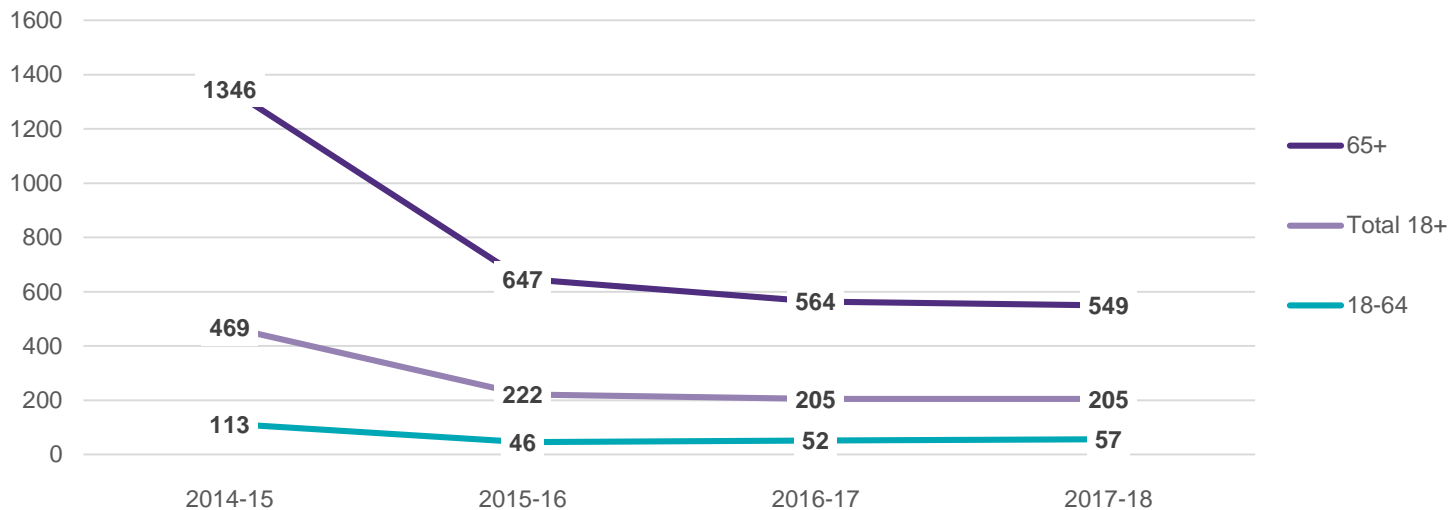


Change in Total Service Spend (Net) since 2014-15



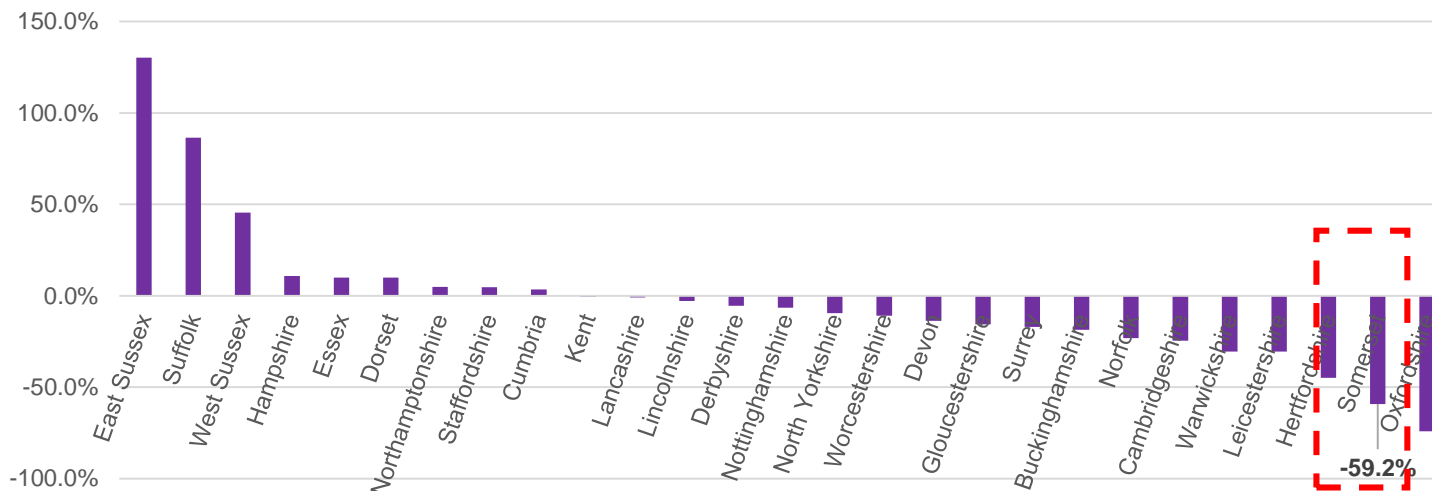
Demand for Adult Social Care services

Number of Requests, per 10,000 population, split by age range



- The graph on the left illustrates total demand for services within Somerset, and how it's changed since 2014-15. The greatest decrease in the number of requests is from the 65+ age range, which has fallen year-on-year, from 1,346 per 10,000 population to 549.
- Taking these figures in isolation can be misleading; the bar chart below compares the change in demand from the 65+ age range with other county councils.

Change in the number of referrals from the 65+ population, since 2014-15



- From this, it's clear that Somerset has experienced an unusually large decrease in demand within this population group.
- The following slide illustrates what the driver of this increase in demand is.

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VFM Tracker

Risk Ref	Risk	Uncontrolled Risk	Action Required (In progress Only)	Control Owner Review Date Target Date	Current Risk Score	Controlled Risk Assessment for Financial Year	Comments
VFMY20001	<p>Risk Description: The council should review the format of its budget setting, monitoring and outturn reports to ensure they maximise the ability of both officers and members to understand the challenge delivery against budget. As part of this process, members should be consulted with to determine what they would like to see and, in particular, how risks o non-delivery will be flagged.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Continue the improved revenue and capital reporting to Officers and Members established during 2018/19. Continue improvements to the content and layout of information to improve accessibility and user friendliness. This improved reporting includes to SLT, Cabinet, Scrutiny Committees, Full Council. Ensure links between MTFP and in-year budget monitoring are reported as relevant. <i>In Progress (10% complete)</i> ○ Develop the next phase of budget holder training to increase further financial literacy Develop a follow-up programme to that initiated in 2018/19 to increase the financial awareness among staff of their financial responsibilities and ensure they have the right tools / knowledge to carry these out effectively. <i>In Progress (10% complete)</i> ○ Liase with External auditors and LGA link officers to learn from their experience of best practice This learning likely to range from how to simplify our Statements of Accounts, to effective governance, to effective budget reporting and planning <i>In Progress (10% complete)</i> 	<p>Lizzie Watkin 14/10/2019 31/03/2020</p> <p>Lizzie Watkin 10/10/2019 31/03/2020</p> <p>Sheila Collins 14/10/2019 31/03/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	

	<p>VFMY20002</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 14/10/2019</p>	<p>Risk Description: The Council should ensure that a robust MTFP is built for 2020-23, in particular ensuring that base budget for each service area are realistic and achievable, having regard to the previous year's performance. As part of this process, consideration should be given, if any, should be set aside for unexpected pressures versus direct service line allocation.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Ensure a robust MTFP process for 2020-23 Up-date the MTFP process to strengthen stakeholder engagement, service ownership of service pressures and savings, assessment of level's of confidence, review of reserves strategy and policy and consideration of appropriateness of levels of corporate contingency <i>In Progress (10% complete)</i> ○ Continue to take opportunities to ensure Central Government departments are aware of Somerset CC's financial position Be actively involved in relevant government consultations (including Spending Round 2019, Comprehensive Spending Review, FFR, BRR, ASC Green Paper etc.) <i>In Progress (10% complete)</i> 	<p>Sheila Collins 14/10/2019 28/02/2020</p> <p>Sheila Collins 14/10/2019 31/03/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	
	<p>VFMY20003</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 14/10/2019</p>	<p>Risk Description: The Council should ensure that there is consistency of reporting between budget setting and monitoring with a clear approach to how savings are identified, quantified financially and monitored.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Continue the sharpe focus on tracking savings delivery introduced in 2018/19 Sustain the fortnightly reporting to SLT and the monthly inclusion in revenue budget monitoring report. <i>In Progress (10% complete)</i> 	<p>Vikki Hearn 14/10/2019 31/03/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	

VFM Tracker

	<p>VFMY20004</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 14/10/2019</p>	<p>Risk Description: Committees and meetings responsible for monitoring financial delivery should explicitly minute the challenge and actions taken, where necessary. These should be followed up at the next meetings to ensure proposed action is having the desired effect and to inform what further action, if any, is necessary.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Continue to maintain effective minutes of challenges / discussions on financial matters and review at the next meeting This includes keeping notes and minutes at officer and member meetings (including SLT, Cabinet, Scrutiny, Full Council, Audit Committee). notes should cover challenge and review and capture agreed actions. <i>In Progress (10% complete)</i> ○ Continue to ensure that financial papers are presented regularly to appropriate meetings This includes officer meetings (SLT, DMT's) and Members (Cabinet, Full Council, Scrutiny, Audit committee) <i>In Progress (10% complete)</i> ○ Continue to develop more effective scrutiny Consider the recommendations for improving the Scrutiny function from the Centre to Public Scrutiny report completed in Summer 2019. <i>In Progress (30% complete)</i> ○ Ensure broader stakeholder engagement in financial position during MTFP (2020-23). Increase awareness of the councils financial position through stakeholder engagement at relevant stages of the MTFP process. <i>In Progress (10% complete)</i> 	<p>Scott Wooldridge 14/10/2019 31/03/2020</p> <p>Sheila Collins 14/10/2019 31/03/2020</p> <p>Scott Wooldridge 10/10/2019 31/03/2020</p> <p>Sheila Collins 14/10/2019 20/02/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	
	<p>VFMY20005</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 14/10/2019</p>	<p>Risk Description: Reporting of financial performance to members should be transparent and understandable and include greater analysis of areas such as use of reserves or grants and application and achievement of transformational projects through the use of capital flexibilities.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Continue to make improvements to reports to Committees (Cabinet, Full Council, Scrutiny) Seek regular feedback from Members on reports and take actions to improve understandability where helpful. <i>In Progress (10% complete)</i> 	<p>Lizzie Watkin 14/10/2019 31/03/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	

VFM Tracker

	<p>VFMY20006</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 10/10/2019</p>	<p>Risk Description: Capital receipts flexibilities: ensure all identified projects are included in the MTFP process accompanied by business cases that are approved prior to the financial year along with achievement against prior year projects. In-year reporting should up-date for any changes including newly identified projects or those projects that are delayed or unlikely to deliver.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Ensure full compliance with capital flexibilities Ensure report on the improvements as a result of transformation funded through capital receipts. Ensure any business cases for use of capital receipts included in MTFP (2020-23) as relevant. <i>In Progress (10% complete)</i> ○ Continue reporting of use of capital receipts through budget monitoring <i>In Progress (10% complete)</i> 	<p>Jason Vaughan 18/11/2019 28/02/2020</p> <p>Lizzie Watkin 10/10/2019 31/03/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	
Page 112	<p>VFMY20007</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 14/10/2019</p>	<p>Risk Description: The S151 Officer to articulate clearly in her / his report under Section 25 of the LG Act 2003 on the adequacy of reserves and balances, their view on the adequacy of both the General Fund and other reserves (earmarked), along with any proposed action to strengthen going forward. As part of this process, consideration should also be given to the appropriateness of holding negative reserves.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ○ Develop a strategy to eliminate negative reserves as part of the MTFP (2020-23) process. Ensure plans are built into the MTFP (2020-23) to eliminate any legacy negative reserves. <i>In Progress (10% complete)</i> ○ Review approach for drawn down on reserves to ensure tighter control <i>In Progress (10% complete)</i> ○ work closely with Schools Forum to progress the DSG deficit recovery plan <i>In Progress (10% complete)</i> 	<p>Sheila Collins 14/10/2019 28/02/2020</p> <p>Sheila Collins 14/10/2019 25/11/2019</p> <p>Lizzie Watkin 14/10/2019 28/02/2020</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	

	VFMY20008 Risk Owner: Julian Wooster Next Risk Review Date: 06/10/2019	Risk Description: Whilst there is positive benefit to an Improvement Partner, Council Officer ownership and accountability for savings and demand management will be vital and should be considered Cause: Consequence:		<ul style="list-style-type: none"> ○ Implement the enhance budget management arrangements across all management levels in Children's Services <i>In Progress (30% complete)</i> ○ Review the effectiveness of Children's Transformation arrangements <i>In Progress (10% complete)</i> 	Julian Wooster 14/10/2019 31/01/2020 Julian Wooster 14/10/2019 31/01/2020	Likelihood : Impact : 0	Likelihood : Impact :	
Page 113	VFMY20009 Risk Owner: Sheila Collins Next Risk Review Date: 14/10/2019	Risk Description: In the context of the MTFP, ensure there is better understanding and analysis of highest risk pressures. Work on volatile cohort financial risk would give better direction to both transformation and financial management activity. Cause: Consequence:		<ul style="list-style-type: none"> ○ Review MTFP process to ensure effective challenge and evidencing of pressures and savings before adding to MTFP <i>In Progress (30% complete)</i> ○ Consider the value of benchmarking against similar authorities to inform forward planning and transformation <i>In Progress (10% complete)</i> 	Sheila Collins 14/10/2019 31/01/2020 Sheila Collins 14/10/2019 29/11/2019	Likelihood : Impact : 0	Likelihood : Impact :	
	VFMY20010 Risk Owner: Julian Wooster Next Risk Review Date: 14/10/2019	Risk Description: More work is needed on placement sufficiency (i.e. markets) to ensure the councils gets best VFM in the context of dramatic increases (nationally) in the cost of placements Cause: Consequence:		<ul style="list-style-type: none"> ○ Review the strategic approach to the care market incorporating regional and national initiatives <i>In Progress (10% complete)</i> 	Julian Wooster 14/10/2019 31/01/2020	Likelihood : Impact : 0	Likelihood : Impact :	

VFM Tracker

	VFMY20011 Risk Owner: Mel Lock Next Risk Review Date: 06/10/2019	Risk Description: Demand for ASC is still rising nationally, and the service could improve their modelling for future activity. Younger Adults with complex needs as well as a growing over 65's population could be areas for more strategic analysis/ thinking. Cause: Consequence:		<ul style="list-style-type: none"> ○ Consider the value of benchmarking against similar authorities to inform forward planning and transformation <i>In Progress (10% complete)</i> 	Mel Lock 14/10/2019 31/12/2019	Likelihood : Impact : 0	Likelihood : Impact :	
Page 114	VFMY20012 Risk Owner: Mel Lock Next Risk Review Date: 06/10/2019	Risk Description: There is opportunity for the service to think further ahead in terms of service innovation and improvement of outcomes for SCC residents Cause: Consequence:		<ul style="list-style-type: none"> ○ To explore opportunities provided by Government initiatives to further transform Children's Services <i>In Progress (10% complete)</i> ○ ASC transformation programme is the vehicle to deliver change This delivery of the change is monitored through the Performance improvement board that has external scrutiny on a quarterly basis <i>In Progress (10% complete)</i> 	Julian Wooster 14/10/2019 31/01/2020 Mel Lock 14/10/2019 14/10/2019	Likelihood : Impact : 0	Likelihood : Impact :	

Report Selection Criteria

Status Flag=ACTIVE - Ref like VFMY*