

SOCIAL & HEALTH CARE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday, 31 st October 2018
Report Subject	Budget 2019/20 - Stage 2 proposals
Cabinet Member	Leader of the Council and Cabinet Member for Finance, Cabinet Member for Social Services
Report Author	Corporate Finance Manager and Chief Officer (Social Services)
Type of Report	Strategic

EXECUTIVE SUMMARY

A report to Cabinet in April provided the first detailed overview of the financial forecast for 2019/20. At that stage the projected budget gap stood at £12.2m; this reduced to £10.6m when taking account of the accounting policy change of the Minimum Revenue Provision (MRP) and the impact of the stepped annual increase in the charging cap for domiciliary care.

Member Workshops were held on 13 and 23 July and a further one held on 18 September. At these sessions members were updated on latest local financial forecast in the context of the overall national position. A report to Cabinet on 25 September provided an update on the financial forecast for 2019/20 detailing a projected budget gap of £13.7m.

An additional workshop specifically for this committee was held on 10 October and provided members with an opportunity to understand portfolio budgets in more detail. The risks and resilience levels of service areas was also considered at this session.

As in recent years the budget for 2019/20 will be considered in stages and this report advises of the pressures and efficiencies identified as part of the first stages.

RECOMMENDATIONS

1	That the Committee reviews and comments on the portfolio pressures and investments.
2	That the Committee reviews and comments on the portfolio efficiency options.

REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL FORECAST AND STAGE ONE BUDGET PROPOSALS										
1.01	A report to Cabinet in April provided the first detailed overview of the financial forecast for 2019/20. At that stage the projected budget gap stood at £12.2m; this reduced to £10.6m when taking account of the accounting policy change of the Minimum Revenue Provision (MRP) and the impact of the stepped annual increase in the charging cap for domiciliary care.										
1.02	Member Workshops were held on 13 and 23 July and a further one held on 18 September. At these sessions members were updated on latest local financial forecast in the context of the overall national position. A report to Cabinet on 25 September provided an update on the financial forecast for 2019/20 detailing a projected budget gap of £13.7m.										
1.03	An additional workshop specifically for this committee was held on 10 October and provided members with an opportunity to understand portfolio budgets in more detail. The risks and resilience levels of service areas was also considered at this session and detailed resilience statements have been prepared for each service area.										
1.04	As in recent years the budget for 2019/20 will be considered in stages and this report advises of the pressures and efficiencies identified as part of the first stages.										
1.05	<p>Portfolio Pressures and Investments</p> <p>Detailed below are the pressures and investments relating to the Social Services Portfolio :</p> <table> <tr> <td>Social Care Commissioning</td><td>£1.600m</td></tr> <tr> <td>Out of County placements (currently under review) *</td><td>£1.655m</td></tr> <tr> <td>Transition to Adulthood</td><td>£0.640m</td></tr> <tr> <td>Residential Care - new placements</td><td>£1.009m</td></tr> <tr> <td>Total -</td><td><u>£4.904m</u></td></tr> </table> <p>*includes the Educational element of Out of County placements</p>	Social Care Commissioning	£1.600m	Out of County placements (currently under review) *	£1.655m	Transition to Adulthood	£0.640m	Residential Care - new placements	£1.009m	Total -	<u>£4.904m</u>
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Residential Care - new placements	£1.009m										
Total -	<u>£4.904m</u>										

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As set out in the report.

4.00	RISK MANAGEMENT
4.01	As set out in the report.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>(i) Method Statements supporting 2019/20 budget pressures (ii) Method Statements supporting 2019/20 budget efficiency proposals</p> <p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.</p> <p>Financial Year: the period of 12 months commencing on 1 April</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>