



City of Westminster

**Budget & Performance Task Group
Budget Scrutiny Slides
Thursday 2nd February 2017**



City of Westminster

Budget & Performance Task Group

2nd February 2017

Chief of Staff

Siobhan Coldwell

Chief of Staff

Executive Summary

- In 2016/17 Chief of Staff was allocated a gross controllable expenditure budget of £5.379m and a gross income budget of £2.651m (net controllable budget £2.728m).
- The projected outturn variance for 2016/17 is a surplus of £0.100m.
- The budget envelope for 2017/18 contains no pressures.
- The directorate has identified transformation, efficiencies, financing and commercial proposals totalling £0.291m.

2017/18 Key Issues

- The implementation and business readiness of charging of VAT on Local Land charges income. Negative impact on Local Land Charges income from any impact of Brexit on the property economy in the borough.
- Restructures of the Corporate Complaints Team and Lord Mayor's Secretariat.
- There could be cost implications in Coroner's Service as a result of the Criminal Justice's Act resulting in additional inquests required and use of alternative location for bigger and higher profile inquests.

Chief of Staff Budget 2016/17

The key controllable service area budgets for 2016/17 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Chief Executive Office	-	0.351	0.351
Chief of Staff	-	0.331	0.331
Corporate Management	-	0.246	0.246
Electoral Services, Coroners and Land Charges	(2.586)	1.870	(0.716)
Committee and Members Services	(0.065)	1.846	1.781
Complaints and Customers	-	0.221	0.221
Lord Mayor's Secretariat	-	0.514	0.514
TOTAL Controllable Budget 2016/17	(2.651)	5.379	2.728

Budgets do not include corporate costs and recharges

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (1)

The directorate is proposing a series of initiatives to support balancing the 2017/18 budget.

Key Initiatives	£m
Review of staffing, supplies and services	0.106
Review of the complaints process	0.110
Lord Mayor's Secretariat	0.075
Total	0.291

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (2)

Additional information on the key initiatives is provided below:

Review of staffing, supplies and services (£0.106m):

Removal of underspends by focusing on miscellaneous supplies and services across the Chief of Staff directorate.

Review of the complaints process (£0.110m):

Review of the complaints process in order to reduce activity. Realignment of responsibilities within resourcing in Chief of Staff's Department to reduce headcount.

Lord Mayor's Secretariat (£0.075m):

Delivered through a reviews of T's & C's of Macebearer and a review of workload to assess whether current staffing levels can be justified.

2017/18 Budget Pressures

No pressures in 2017/18.

Chief of Staff Budget 2017/18

The key controllable service area budgets for 2017/18 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Chief Executive Office	-	0.351	0.351
Chief of Staff	-	0.331	0.331
Corporate Management	-	0.246	0.246
Electoral Services, Coroners and Land Charges	(2.586)	1.770	(0.816)
Committee and Members Services	(0.065)	1.839	1.774
Complaints and Customers	-	0.111	0.111
Lord Mayor's Secretariat	-	0.439	0.439
TOTAL Controllable Budget 2017/18	(2.651)	5.087	2.436

Budgets do not include corporate costs and recharges

Consultations on 2017/18 proposals

No consultations are required on the above savings proposals.

2017/18 Capital Expenditure

No capital projects in Chief of Staff.



City of Westminster

Budget & Performance Task Group
2nd February 2017
Policy, Performance and
Communications

Julia Corkey

Executive Director

Executive Summary

- In 2016/17 Policy, Performance and Communications had a net controllable budget £7.598m of which gross controllable income budget was £8.055m and gross controllable expenditure budget was £15.653m.
- The projected outturn variance for 2016/17 is a deficit of £0.689m.
- The budget envelope for 2017/18 contains pressures of £0.428m.
- The directorate has identified transformation, efficiencies, financing and commercial proposals totalling £3.108m.

2017/18 Key Issues

There are a number of challenges faced next year, which will require positive and active budget management in order to address or mitigate:

- Agreement for media sites and implementation timeline of projects.
- Community Infrastructure Levy income is building but has not yet reached the anticipated long term level.
- The business intelligence savings could be at risk if cashable savings are not established.

Policy, Performance and Communications Budget 2016/17

The key controllable service area budgets for 2016/17 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
PPC Management and Development Support	-	0.995	0.995
Cabinet Secretariat and Member Services including ward budgets	-	1.416	1.416
Communication and Campaigns	(2.419)	2.419	-
Digital and Customer services	-	1.677	1.677
Change and Programme Management Unit	-	1.327	1.327
City Promotions, Events and Filming	(2.404)	1.155	(1.249)
Evaluation and Performance	-	0.875	0.875
Policy and Strategy	(1.394)	2.100	0.706
Cross River Partnership hosted by WCC	(1.838)	1.838	-
Voluntary Sector Support	-	1.851	1.851
TOTAL Controllable Budget 2016/17	(8.055)	15.653	7.598

Budgets do not include corporate costs and recharges

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (1)

The directorate is proposing a series of initiatives to support balancing the 2017/18 budget.

Key Initiatives	£m
Outdoor media phase 2	2.250
Restructure of Change Programme and Management*	0.200
Business Intelligence	0.200
Allocation of funding for public health outcomes	0.129
Events and Filming fees	0.243
Digital transformation	0.086
Total	3.108

* Full EIA completed and provided separately with scrutiny documentation

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (2)

Additional information on the key initiatives is provided below:

➤ **Outdoor media phase 2 (£2.250m):**

A stream of revenue for Westminster City Council (WCC), utilising Council-owned assets and land for advertising and sponsorship opportunities. Projects will require initial council investment to develop, fabricate and construct, but this will be underwritten by the commercial value of the sites and the income they generate.

➤ **Restructure of Change Programme and Management Unit (£0.200m):**

To offer support in a more lean and efficient way to help deliver the council's transformational priorities.

➤ **Business Intelligence (£0.200m):**

It is expected that the Business Intelligence tool can assist in identifying savings within the council. Potential areas are being explored to assist services with enhanced management information to enable them to reduce costs or generate additional income.

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (3)

Additional information on the key initiatives is provided below:

➤ **Allocation of funding for Public Health outcomes (£0.129m):**

Funding transfer from Public Health to offset the cost of health outcome activities currently funded through the General Fund.

➤ **Events and Filming fees (£0.243m):**

Income from fees and charges for City Promotions, Events and Filming.

➤ **Digital transformation (£0.086m):**

The programme will look to drive customer contacts online, streamline business processes, thereby avoiding unnecessary and costly contacts and deliver process efficiencies to reduce running costs of services. The outcomes will be more efficient processes, digital by default customer contacts and an enhanced customer experience overall.

2017/18 Budget Pressures

Estimated pressures affecting 2017/18 that are built into the proposed budget are as follows:

Estimated Pressures	£m
Outdoor media income pressure	0.428

- This is anticipated to be one-off consisting of the following:-
 - The base income for outdoor media is adjusted by £0.310m due to adverse change in market conditions that has meant that income being generated from existing sites is lower than in previous years. There is expectation that market conditions will improve and further commercial opportunities will be explored to close the gap in 2018/19.
 - Expected pressure from Outdoor media phase 1 projects which commenced later than plan. This means that in 2017/18 actual income will be £0.118m lower than plan.

Policy, Performance and Communications Budget 2017/18

The key controllable service area budgets for 2017/18 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
PPC Management and Development Support	-	0.787	0.787
Cabinet Secretariat and Member Services including ward budgets	-	1.416	1.416
Communication and Campaigns	(2.419)	2.419	-
Digital and Customer services	-	1.656	1.656
Change and Programme Management Unit	-	1.127	1.127
City Promotions, Events and Filming	(4.326)	1.155	(3.171)
Evaluation and Performance	-	0.675	0.675
Policy and Strategy	(1.394)	1.971	0.577
Cross River Partnership hosted by WCC	(1.838)	1.838	-
Voluntary Sector Support	-	1.851	1.851
TOTAL Controllable Budget 2017/18	(9.977)	14.844	4.918

Budgets do not include corporate costs and recharges

Consultations on 2017/18 proposals

No public consultations are required for the above proposals.

2017/18 Capital Expenditure

The capital expenditure forecast for 2016/17 is £4.848m. The capital expenditure proposed for 2017/18 is £1.243m and includes the following major project:

Capital Programme 2017/18	Gross Expenditure £m	Income £m	Net Budget £m
Outdoor media phase 2	1.243	-	1.243

- The Outdoor media phase 2 project has an estimated capital cost for the development of a number of sites which once completed will create the opportunity to sell advertising space. This is linked to the income target set in 2017/18 of £1.266m.

Sites are not yet agreed. This may mean that the capital requirement is not needed but the income target may be at risk.



City of Westminster

Budget & Performance Task Group Adult Social Care

Prakash Daryanani

Interim Director of Finance and Resources

Executive Summary

- In 2016/17 Adult Social Care was allocated a gross controllable expenditure budget of £105.090m and a gross income budget of £44.762m (net £60.328m)
- The projected outturn variance for 2016/17 at P8 is an underspend of £0.026m
- The proposed budget envelope for 2017/18 includes transformation, efficiencies, financing and commercial proposals amounting to £5.042m and net budget pressures of £0.891m

2017/18 Key Issues

- Demographic growth and an increasingly ageing population
- Increase in acuity and complexity of needs
- Workforce challenges, pressures and increasing costs due to the introduction of the living wage
- Customer journey and service re-design
- Reduced opportunities for commissioning and contract efficiencies
- Fragile state of the care market
- Focusing on preventative activities including cross-council focus
- Working more closely with Health partners on integration and service transformation. There is a National expectation that full integration has been achieved by 2020 as part of the NW London Sustainability and Transformation Plan
- Pressures in homecare linked to prevention of unnecessary hospital admissions and safe and timely discharge

Adult Social Care Budget

The key controllable service area budgets for 2016/17 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Assistive Equipment and Technology	(1.219)	2.167	0.948
Commissioning and Service Delivery	(1.255)	6.667	5.412
Information and Early Intervention	(1.408)	1.483	0.075
Expenditure on Social Care Activities	(3.779)	10.768	6.989
Learning Disability Support	(7.256)	26.350	19.094
Mental Health Support	(4.753)	10.912	6.159
Physical Support	(22.714)	37.665	14.951
Social Support	(0.000)	0.237	0.237
Support with Memory and Cognition	(2.378)	8.841	6.463
TOTAL BUDGET 2016/17	(44.762)	105.090	60.328

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (1)

Key Initiatives	£m
A – Commissioning, Transformation and Contract Efficiencies	0.383
B – Well being and prevention services - including Assistive Technology	0.922
C – Placements for people with learning disabilities and supplies/services review	0.200
D – Health Integration Benefits*	0.500
E – High Costs, High Needs packages review	0.150
F – Public Health investment in reduction in social isolation	0.200
G –Line by line review of supplies and services	0.200
H – Mental Health: Supported Housing and Placements review	0.100
I – Increased funding through 2017/18 ASC precept increase of 2%	0.983
J – Allocation of funding for public health outcomes	1.404
TOTAL	5.042

* Full EIA completed and provided separately with scrutiny documentation

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (2)

Additional information on the key initiatives is provided below and on the following slides:

Commissioning and Contract efficiencies (£0.383m):

Consists of a programme of work-streams, resulting in a combination of maximising value out of existing contracts, re-procurement, contract reductions, renegotiation with existing providers and harmonising contracts where beneficial. This saving will not result in service reduction as ASC customers will still have their assessed needs met as per the Council's statutory duties.

Well being and prevention services – including Assistive Technology (£0.922m):

Consists of an evolution of work undertaken over the past two years to use Assistive Technology and other preventative services to reduce new and increasing demand for home care. Practitioners will consider the use of assistive technology, equipment, reablement and/or major adaptations before commissioning new or increasing long term home care and/or support services.

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (3)

Learning Disability placements and supplies/services review (£0.200m):

Consists of a continuation of work to manage budgets, the market, client pathways and individual placement reviews to deliver efficiency savings.

Health integration benefit share (£0.500m):

This proposal sets out the anticipated share of financial benefits that will be achieved through work with Health. This will be achieved through the implementation of integrated services within the Better Care Fund (BCF) and supporting other existing associated integration programmes.

High cost, high needs packages review (£0.150m):

This is a continuation of work to promote independence amongst existing clients and in particular, targeting highest cost packages and placements to deliver efficiency savings.

Public Health investment in reduction in social isolation (£0.200m):

Adult Social Care delivers public health outcomes for tackling social isolation and is therefore funded via the Public Health ring fenced grant.

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (4)

Line by line review of supplies and services (£0.200m):

Consists of a continuation of work to manage budgets to deliver efficiency savings.

Mental health: supported housing and placements review (£0.100m):

Consists of a continuation of work to manage budgets, the market, client pathways and individual placement reviews to deliver efficiency savings.

Increased funding through 2017/18 ASC precept increase of 2% (£0.983m):

This represents the discretionary precept which is used to fund pressures in Adult Social Care. The corresponding budget pressures are detailed in the relevant section of this presentation.

Allocation of funding for public health outcomes (£1.404m):

Adult Social Care delivers a range of public health outcomes which are funded via the Public Health ring fenced grant.

2017/18 Budget Pressures (1)

Estimated pressures affecting 2017/18 that are built into the proposed budget are as follows:

Estimated Pressures (included in proposed budget)	£m
Demographic pressures	1.048
Effects of Living Wage	0.624
Children with learning disabilities transitioning into adults services	0.548
Complexity and acuity growth	1.374
Other (<i>Increased Demand for Homecare and Direct Payments/ILF grant shortfall/Pensions auto enrolment/asylum seekers</i>)	0.700
Improved Better Care Fund grant	(2.074)
Adult Social Care support grant 2017/18	(1.329)
TOTAL	0.891

2017/18 Budget Pressures (2)

Sustainable Transformation Programme (STP) – further information

- NHS England (NHSE) planning guidance released in December 2015 set out a requirement for local areas to develop a shared five-year Sustainability and Transformation Plan (STP), articulating how organisations in these areas would work together over the next five years to close the three identified gaps in the Five Year Forward View:
 - Health and wellbeing – preventing people from getting ill and supporting people to stay as healthy as possible
 - Care and quality – consistent high quality services, wherever and whenever they are needed
 - Finances and efficiency – making sure we run and structure our services as effectively as possible
- The STP describes a shared ambition across health and local government to create an integrated health and care system that enables people to live well and be well.
- A draft plan of NW London's STP vision was developed with involvement from commissioners, providers, local government and patient representative groups.
- The plan recognises funding pressures in both health and social care, and plans for transformational investment in community, prevention and social care services. This includes £110m in local government commissioned services, aimed at reducing cost and activity in the acute system
- As part of the Out of Hospital (OOH) strategy the 8 local authorities in NW London are developing a financial model to capture the implications from the shift in activities between health and social care.
- To date the baseline data from NHS and the 8 local authorities has been input into the model and it is expected that by early 2017/18 all interventions will be mapped out and the financial implications will be validated.

2017/18 Budget Pressures (3)

Pressures in homecare linked to prevention of unnecessary hospital admissions and safe and timely discharge – further information

- The Council's expectation is that health funding should at least equal the levels provided in 2016/17. However, there are on-going conversations through the STP as service proposals are likely to further increase demand as we support people to avoid hospital where appropriate and people with more complex needs are supported in the community. Further bids for funding will be made where these can be evidenced.

Adult Social Care Budget 2017/18

The key controllable service area budgets for 2017/18 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Assistive Equipment and Technology	(1.240)	2.188	0.948
Commissioning and Service Delivery	(1.318)	6.730	5.412
Information and Early Intervention	(1.422)	1.497	0.075
Expenditure on Social Care Activities	(4.416)	11.391	6.975
Learning Disability Support	(7.638)	26.876	19.238
Mental Health Support	(4.989)	11.143	6.153
Physical Support	(27.506)	38.016	10.511
Social Support	(0.002)	0.239	0.237
Support with Memory and Cognition	(2.721)	9.349	6.628
TOTAL BUDGET 2017/18	(51.252)	107.429	56.177

Consultations on 2017/18 proposals

None of the transformation, efficiency, financing and commercial proposals detailed in this presentation reflect a change to Adult Social Care statutory services in 2017/18. Accordingly no public consultations are required or have been carried out.

As notified elsewhere in this presentation there are significant budget pressures and challenges that are being responded to. However beyond 2017/18 these pressures and challenges are anticipated to continue and increase in severity in complexity. In response to this the department is continuing to organise transformation, efficiency and commercial opportunities to ensure these challenges are responded to appropriately.

The department will consult and communicate while these opportunities and proposals are being developed. These programmes focus on the Front Door, Demand Management and Prevention Services, Commissioned Care and Support Services and Whole Systems Integration. Should the possible alternative provision of services beyond 2017/18 require consultation this will be undertaken at the appropriate time.

2017/18 Capital Expenditure (1)

The capital expenditure forecast for 2016/17 is £0.43m gross.

The budget proposed for 2017/18 is £0.63m, including all of the following projects:

Capital Projects	2016/17 Forecast Net Outturn £m	2017/18 Gross Expenditure £m	2017/18 Income £m	2017/18 Net Budget £m	5yr Net Budget £m
Barnard Lodge and Florey	-	0.182	(0.182)	-	-
Framework-I upgrade to Mosaic	-	0.150	(0.150)	-	-
People First Website	-	0.100	(0.100)	-	-
Health Integration	-	0.100	(0.100)	-	-
Mobile Working	-	0.100	(0.100)	-	-
TOTAL BUDGET 2017/18	-	0.632	(0.632)	-	-

NB: Framework-I upgrade started in 2016/17 and the remaining projects are scheduled to start in 2017/18. These projects continue beyond 2017/18 and further detail can be found on the following slides

2017/18 Capital Expenditure (2)

Additional information on the key projects in 2017/18 is provided below:

Barnard Lodge and Florey (£0.182m gross): Carlton Gate comprises two adjacent ground floor properties (Florey and Barnard) situated in the Carlton Gate Complex in north Westminster. The project supports the statutory deregistration of this service from residential care to a shared Supported Accommodation unit. The works involve sound proofing, creation of office space in Barnard Lodge, refurbishment of kitchens and improved lighting, refurbishment of bathrooms and replacement of door frames. The gross budget of £0.182m is fully funded from capital grants with works scheduled for completion in 2017/18. The net capital budget requirement is £Nil.

Framework-I upgrade to Mosaic (£0.900m gross): This is a key component in meeting ASC's statutory responsibilities under the Care Act 2014. It will increase the range of choice available to our customers, enable them to have a greater degree of control over their care and provide a digital platform to allow them to exercise it, in line with the City of Choice goals set out in the City for All Strategy.

In addition the system will also provide the base for working with health partners to develop a shared care record to meet the vision of a fully integrated, health and social care delivery system as articulated in the North West London Sustainability and Transformation Plan (STP). The gross budget of £0.900m is fully funded from capital grants with works scheduled for completion in 2020/21 (5 years in total). The net capital budget requirement is £Nil.

2017/18 Capital Expenditure (3)

Additional information on the key projects in 2017/18 is provided below:

People First Website (£0.200m gross): This will enable service users to retain their independence by providing a mechanism for an individual to complete activities relating to their needs themselves or in a supported manner. This portal will not only encourage people to self-assess but also allow them to view and interact with information held within the council's social care system. The gross budget of £0.200m is fully funded from capital grants with works scheduled for completion in 2018/19. The net capital budget requirement is £Nil.

Health Integration (£0.200m gross): This project will specifically facilitate the development of interoperability between Mosaic, a Care Information Exchange and our largest Health Partners (SystemOne) in anticipation of pan-London and national integration. The gross budget of £0.200m is fully funded from capital grants with works scheduled for completion in 2018/19. The net capital budget requirement is £Nil.

Mobile Working (£0.200m gross): This project draws on technologies widely available in the market place (ie. iPad's and email) and adds additional functionality that is specific to front line staff and our service users. The gross budget of £0.200m is fully funded from capital grants with works scheduled for completion in 2018/19. The net capital budget requirement is £Nil.

2017/18 Capital Expenditure (4)

The following projects are managed within the Growth, Planning and Housing capital budget, and make a material contribution to delivering the strategic aims of Adult Social Care:

Beachcroft House (£4.465m gross), Carlton Dene (£0.950m gross) and Westmead (£0.450m gross): These schemes are managed by the Major Projects team in Growth, Planning and Housing, but will provide a benefit to Adults Social Care. These developments will increase specialist housing services in the City by providing 137 care beds and 48 extra care flats. This equates to an increase of 53 care beds and 48 extra care flats, moving from having residential care units to having flexible facilities that are adaptable to a resident's changing care needs and well-being.



City of Westminster

Budget & Performance Task Group Public Health

Mike Robinson

Director of Public Health

Executive Summary

- Public Health was allocated an approved grant income budget of £32.9m in 2016/17
- The Public Health Grant allocation is £0.6m greater than the original budget (estimate) set (£32.3m) due to a delay in the announcement of the funding levels from the Department of Health.
- The projected outturn for 2016/17 is a balanced budget, i.e. the grant will be allocated/spent in full, including an anticipated drawdown of £0.5m from the PH ring-fenced reserve.
- The draft budget for 2017/18 reflects a ring-fenced Department of Health grant of £32.1m which is expected to be fully spent/allocated. This reduction of £0.8m reflects the Department of Health's plans to reduce the Public Health Grant by 2.5% per annum until the end of this Parliament.
- If the service spends to budget the reserves drawdown would be £5.7m.

2017/18 Key Issues

- Further reductions in the Public Health Grant allocation from Central Government.
- Identifying ways to achieve and fund Public Health outcomes in other Council departments to improve health and wellbeing and reduce health inequalities across the life course.
- It remains essential that funds are only spent on activities whose main or primary purpose is to improve the public health of local populations.
- Significant re-procuring, staff restructure and redesigning services in light of reducing resources.

Public Health Budget 2016/17

- The key controllable service area budgets for 2016/17 are broken down as

Service Area	Income £m	Expenditure £m	Net Budget £m
Department of Health Grant	(32.3)	-	(32.3)
Dietetics funding return (<i>funds awarded to LA in error – returned to NHS</i>)	0.9	-	0.9
Commissioned Services	-	27.5	27.5
Salaries & Overheads	-	2.0	2.0
Contribution to other Council departments with Public Health outcome objectives	-	6.2	6.2
Budget deficit before transfer from reserves	-	-	4.3
Transfer from PH Reserves	(4.3)	-	(4.3)
TOTAL BUDGET 2016/17	(35.7)	35.7	0.0

- The transfer from PH reserves is forecast to be £0.5m in 2016/17, not £4.3m as budgeted above. This is due to in-year contract efficiencies of £3.2m and additional grant income of £0.6m.

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals

- Public Health has identified £3.2m from efficiencies, savings and reserves to support other Council departments that meet Public Health outcomes. These are reflected in the commissioned services / reserves budgets as detailed below.

Commissioned Services	2016/17 Budget £m	Savings £m	2017/18 Budget £m
Sexual Health	7.4	(0.4)	7.0
Behaviour Change	2.9	(0.2)	2.7
Family and Children	9.3	(0.7)	8.6
Intel and Social Determinants	0.1	-	0.1
Substance Misuse	7.9	(0.3)	7.6
Total Commissioned Services	27.6	(1.6)	26.0
Balance from Earmarked Reserves budget	8.2	(1.6)	6.6
Total	35.8	(3.2)	32.6

- Public Health has a rolling programme of contract reviews for the services provided with the aim of delivering efficiencies, improving health and value for money while reducing inequalities.

2017/18 Estimated Pressures

- Significant reductions to other Council departments who are performing public health work, may result in Public Health needing to fund these activities.
- Unknown impact of restructure on ability to maintain contracts in their current form.
- Growing demand on School Nursing from:
 - Free schools
 - Changes to Children and Family Bill
 - Increased numbers of children with complex needs
- Access to dual diagnosis, substance misuse.

2016/17 onwards – Medium Term Plan

- At the start of 2016/17 the PH earmarked reserve was £8.2m and at the start of 2017/18 the PH earmarked reserve is estimated at £7.7m (see next slide)
- Current expenditure estimates and projected funding reductions indicate that the reserve will be exhausted by the end of 2019/20
- Therefore, in order for the expenditure to remain within the PH Grant Budget, further efficiencies will be required at an estimate of £1.5m - £2m from 2019/20 onwards

2016/17 – 2018/19 Estimated Movement in Reserves

Reserves	Opening Balance £m	Movement £m	Closing Balance £m
2016/17	8.2		
Proposed Drawdown to support in year expenditure		(0.5)	7.7
2017/18	7.7		
Transfer to support other Council Departments (£1.6m) *see slide 5 – & Transfer to support Commissioned services & PHIF (£4.1m)		(5.7)	2.0

Public Health Budget 2017/18

The budget for 2017/18 is broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Department of Health Grant	(32.1)	-	(32.1)
Dietetics Funding Return	0.8	-	0.8
Commissioned Services	-	25.9	25.9
Salaries & Overheads	-	1.9	1.9
Public Health Investment Funds	-	2.4	2.4
Funding of PH outcomes in other Council departments	-	6.8	6.8
Budget variance/proposed to transfer from reserves	-	-	5.7
Transfer from PH Reserves	(5.7)	-	(5.7)
TOTAL BUDGET 2017/18	(36.9)	36.9	0.0

Consultations on 2017/18 proposals

No public consultations are required for the above proposals.

2017/18 Capital Expenditure

There are no capital projects planned by the Public Health Directorate either for the current year or 2017/18



City of Westminster

Budget & Performance Task Group

2nd February 2017

Children's Services

Clare Chamberlain

Executive Director

Executive Summary

- In 2016/17 Children's Services was allocated a gross controllable expenditure budget of £147.558m and a gross income budget of £111.704m (net controllable budget £35.854m)

- The projected outturn variance for 2016/17 is an underspend of £0.400m as a result of additional in year savings

- The budget envelope for 2017/18 contains pressures of £1.190m

- The directorate has identified transformation, efficiencies, financing and commercial proposals totalling £6.259m for 2017/18

- Allocation of funding for Public Health outcomes of £0.960m with respect to the Multi Agency Safeguarding Hub, Children with Disability and Children and Adolescent Mental Health Services. A total of £2.580m is now allocated against Children's Services with Public Health outcomes from 2017/18.

2017/18 Key Issues

- National Funding Formula for Schools and role of LA in Education
- Special Educational Needs: increased numbers of young people receiving an Education, Health and Care (EHC) Plan and home to school travel assistance due to the extension of the age range to 25
- Legislative Pressures on Placement Costs (Homeless 16-18 Year Olds, UASC and Care Leavers)
- Ensuring that children remain safe and the excellent standard held by Family Services (Outstanding Ofsted grading) is not allowed to slip
- Partners In Practice/ Centre for Social Work (Sustainability)

Children's Services Budget 2016/17

The key controllable service area budgets for 2016/17 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Family Services	(5.871)	27.383	21.512
Safeguarding, Review and Quality Assurance	(0.233)	1.217	0.984
Children's Commissioning	(13.971)	19.726	5.755
Education and Disability	(15.296)	20.621	5.325
Finance and Resources	(0.516)	2.794	2.278
Schools	(75.817)	75.817	-
TOTAL Controllable Budget 2016/17	(111.704)	147.558	35.854

Budgets do not include corporate costs and recharges

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (1)

The directorate is proposing a series of initiatives to support balancing the 2017/18 budget. These total £6.259m.

Key Initiatives	£m
Children's Transformation – Commissioning contracts*	0.587
Children's Transformation – Commissioning team	0.017
Children's Transformation – Early Help*	3.135
Children's Transformation – Education	0.140
Children's Transformation – Finance & Resources	0.400
Children's Transformation – Focus on Practice	0.130
Children's Transformation – Other family services	0.540
Children's Services Savings – Virtual School Funding	0.300
Children's Transformation – Passenger Transport Mitigations	0.050
Allocation of Funding for Public Health Outcomes	0.960
Total	6.259

* Full EIA completed and provided separately with scrutiny documentation

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (2)

Additional information on the key initiatives is provided below:

Commissioning Contracts:

Contract re-procurement and contract savings including legal services (**£0.587m**)

Full year effect staffing restructure (**£0.017m**)

Early Help (£3.135m) – full year effect of savings delivered in 2016/17

- Reconfiguration of internal services for Early Help
- Reconfiguration of Children Centre's – Best start in life
- Reconfiguration of Youth services

Education Services (£0.140m):

- Asset Strategy - Reduction of discretionary expenditure
- Funding and Income Opportunities
- Staffing opportunities and efficiencies

2017/18 Transformation, Efficiencies, Financing and Commercial Proposals (3)

Additional information on the key initiatives is provided below:

Finance and Resources (£0.400m):

Savings from release of the Revenue budget for Building Schools for the Future

Focus on Practice (£0.130m):

Focus on Practice – reduced expenditure through reduced demand, lower numbers of children in care due to more effective family intervention.

Other Family Services Savings (£0.540m):

- Further Family services savings through changes in service configuration
- Funding and income opportunities
- Placement cost reduction and demand management, review of high cost placements

Review of Virtual School Funding (£0.300m)

Passenger Transport Cost Pressure Mitigation (£0.050m):

- Independent travel training
- Eligibility reviews

2017/18 Budget Pressures (1)

Estimated pressures affecting 2017/18 that are built into the proposed budget are as follows:

Estimated Pressures	£m
Unaccompanied Asylum Seekers Children (UASC) > 18	0.335
UASC Dispersal Scheme	0.093
Care Leavers aged 18 - 25 not in Education	0.105
Children with Disability – increase in packages around direct Payments and short breaks	0.150
Youth Offending Service – reduction to Youth Justice Board Grant	0.042
Passenger Transport Pressure	0.465
TOTAL	1.190

2017/18 Budget Pressures (2)

Additional information on the pressures is provided below:

UASC Over 18's (£0.335m) - Local Authority is responsible for funding first 25 UASC care leavers. Pressure is modelled to increase by a further £0.156m in 2018/19.

UASC Transfers under the National Dispersal Scheme (£0.093m) - This is a new pressure that has resulted in a Home Office & Department of Education initiative that became effective on 1st July 2016. This pressure recognises UASCs who present themselves and need to be accommodated until they are moved elsewhere. There is no funding available for the first 13 weeks.

Impact of extended Duty to Support Care Leavers to age 25 (£0.105m)

Children with Disability – increase in packages around direct payments and short breaks (£0.150m) - There is a 50 - 70% increase in payments to Families for Direct Payments and Short Break Packages for young people with disabilities. This increase is largely due to a higher level of complexity in the disabled cases handled by the Council

Youth Offending Service – reduction to Youth Justice Board Grant (£0.042m) - The grant funding has been progressively reduced since 2014/15.

2017/18 Budget Pressures (3)

Additional information on the pressures is provided below:

Passenger Transport (£0.465m) - Demand pressure due to legislative changes and increased parental awareness. The pressure is expected to increase over the medium term due the impact of incremental wage inflation on contract costs and the re-procurement following the end of the Tri-Borough contract.

Children's Services Budget 2017/18

The key controllable service area budgets for 2017/18 are broken down as follows:

Service Area	Income £m	Expenditure £m	Net Budget £m
Family Services	(6.381)	25.787	19.406
Safeguarding, Review and Quality Assurance	(0.233)	1.157	0.924
Children's Commissioning	(14.609)	17.686	3.077
Education and Disability	(15.596)	21.096	5.500
Finance and Resources	(0.516)	2.394	1.878
Schools	(75.817)	75.817	-
TOTAL Controllable Budget 2016/17	(113.152)	143.937	30.785

Budgets do not include corporate costs and recharges

Consultations on 2017/18 proposals

The following consultations have been arranged in respect of 2017/18 proposals.

Proposal name	Children's Centres in Westminster City Council
Value (£'000)	1,425 (2017/18)
Consultation Period	4 th to 30 th January 2016
Status of consultation	Complete. Changes to service implemented from 1 st Sept 2016
Impact/amendments?	The Maida Vale Children's Centre has remained as a children's centre with the full range of services rather than the initial proposal which was to provide 2 year old places from the site
Proposal name	Youth Provision – Westminster Youth Foundation
Value (£'000)	596 (2017/18)
Consultation Period	4 th to 31 st January 2016
Status of consultation	Consultation and communication is now complete. Youth provision was de-commissioned in September 2016.
Impact/amendments?	No change to proposals resulting. The Council is currently working with the youth sector to formally launch the Westminster Youth Foundation in Spring 2017

Consultations on 2017/18 proposals (2)

The following consultations have been arranged in respect of 2017/18 proposals.

Proposal name	Children Services Early Help Service Reorganisation
Value (£'000)	1,134 (2017/18)
Consultation Period	A formal staff consultation took place in the spring of 2016
Status of consultation	Complete
Impact/amendments?	Overall, partners positive about co-creating a new model and working better together.

Proposal name	Travel Care and Support Services
Value (£'000)	50
Consultation Period	February to October 2017
Status of consultation	The savings associated with this proposal relate to demand management and independent travel training to reduce the need for Special Educational Needs travel support. It does not relate to new Bi-Borough arrangements or from procurement processes for travel care and support in Westminster.
Impact/amendments?	This is not anticipated to be a statutory consultation as it is not anticipated that there will be a change to eligibility.

2017/18 Capital Expenditure (1)

The capital expenditure forecast for 2016/17 is £6.736m. The capital expenditure proposed for 2017/18 is £8.701m.

Capital Programme	2017/18 Gross Expenditure £m	2017/18 Income £m	2017/18 Net Budget £m	5yr Net Budget £m
Secondary School Expansion Programme	6.904	(6.904)	-	-
Schools Estate Maintenance Programme	1.209	(1.209)	-	-
Non-Schools Estate Maintenance Programme	0.588	-	0.588	1.588
Total Capital Programme	8.701	(8.113)	0.588	1.588

From 2019/20 onwards there is a sole recurring budget of £0.250m pa for the Non-Schools Estate Maintenance programme.

2017/18 Capital Expenditure (2)

Additional information on the programmes is provided below:

Secondary School Expansion Programme: In order to meet the projected rise in demand for secondary school places, four schools are being expanded to enable each school to offer an additional form of entry. The estimated cost of the programme is £18.100m, which commenced in 2015/16 and is due to be completed in 2018/19. It is funded by a combination of Department for Education grant and s106 receipts.

Schools Estate Maintenance Programme: Maintenance of the schools estate is required in order to maintain a suitable and effective learning environment, and to preserve the value of the Council's assets. The current programme consists of various minor works across the estate, as well as two major heating and distribution projects. The programme is wholly funded by Department for Education grant.

Non-Schools Estate Maintenance Programme: The Council delivers and commissions children's services from a wide variety of properties, and this programme enables the Council to maintain these properties in a state of repair required under lease covenants, and also to carry out targeted investment in line with service delivery strategies. The major project in this programme is the Bessborough Children's Hub, which is delivering building refurbishment works in order to accommodate additional Children's Centre services, and to enhance joint service delivery with partner organisations such as the NHS. As these works do not attract grant funding, the programme is funded by the Council's own balances.