

<b>Committee:</b>	<b>Date:</b>
Community and Children's Services	07/ 02/ 2020
<b>Subject:</b> Departmental Budget Estimates and high-level summary Business Plan 2020/21 – Community and Children's Services excluding HRA	<b>Public</b>
<b>Report of:</b> Andrew Carter, Director of Community and Children's Services	<b>For Decision</b>
<b>Report authors:</b> Ellie Ward - Community and Children's Services Department  Louise Said - Chamberlains Department	

### Summary

This report presents for approval the budget estimates and final high-level summary Business Plan for the Department of Community & Children's Services for 2020/21. This report presents, at Appendix 1, the budget estimates for 2020/21 for the Community and Children's Services Department excluding HRA of which a summary is shown in the table below:

	<b>Original budget 2019/20 £'000</b>	<b>Original budget 2020/21 £'000</b>	<b>Movement original 2019/20 to original budget 2020/21 £'000</b>
Expenditure	(26,684)	(27,710)	(1,026)
Income	15,440	16,111	671
Support services and capital charges	(2,196)	(2,052)	144
Total net expenditure	(13,440)	(13,651)	(211)

### Recommendation

Members are asked to:

- i) review and approve the Community and Children's Services Department's (excluding HRA) proposed revenue budget for 2020/21 for submission to Finance Committee,

- ii) review and approve the Community and Children's Services Department's (excluding HRA) proposed capital and supplementary revenue projects budgets for 2020/21 for submission to Finance Committee,
- iii) authorise the Chamberlain, in consultation with the Director of Community and Children's to revise these budgets to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme,
- iv) agree that minor amendments for 2019/20 and 2020/21 budgets arising during budget setting be delegated to the Chamberlain,
- v) note the factors taken into consideration in compiling the Community and Children's Services Department's Business Plan, including efficiency measures, and
- vi) approve, subject to the incorporation of any changes sought by this Committee, the final high-level summary Business Plan for 2020/21.

## **Main Report**

### **Background**

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level, 2-side Business Plans for the first time in 2017 for the 2018/19 year. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.
2. For 2020/21, the high-level summary Business Plan has been further evolved to make use of the information now available and give a better overview of how the department's work contributes to the Corporate Plan. It provides an overview of departmental activity and resources, mainly but not limited to the forthcoming 12 months, including capital and revenue projects. As a high-level summary, this document does not capture the granularity of departmental work but gives the overall picture of departmental activity, customer feedback, trends where applicable and direction of travel.
3. For the first time in 2020/21, high-level summary Business Plans are being brought forward alongside budget estimates, pending full integration of the processes for 2021/22, to inform medium-term financial planning and the development of spending priorities. This report therefore presents the budget estimates and draft final high-level summary Business Plan together as appendices.

### **Departmental budget estimates for 2020/21**

4. This report presents, at Appendix 1, the budget estimates for 2020/21 for the Community and Children's Services Department analysed between:
  - Local Risk budgets – these are budgets deemed to be largely within the Chief Officer's control.

- Central Risk budgets – these are budgets comprising specific items where a chief officer manages the underlying service, but where the eventual financial out-turn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (such as interest on balances and rent incomes from investment properties).
- Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk. Further analysis can be found in Appendix 2

### **Proposed Revenue budget for 2020/21**

5. The provisional 2020/21 budgets, under the control of the Director of Community and Children's Services being presented to your Committee, have been prepared in accordance with guidelines agreed by the Policy and Resources and Finance Committees. These include continuing the implementation of the required budget reductions across local risk, as well as the proper control of transfers of non-staffing budget to staffing budgets. The budget has currently been prepared within the resources allocated to the Chief Officer and includes an inflation allowance of 2% which offsets a 2% efficiency saving.
6. Overall, the 2020/21 provisional revenue budget total £13,651 million, an increase of £211,000 when compared with the original budget for 2019/20. The main reasons for this increase are:
  - During the year, the Policy and Resources Committee agreed £216,000 of additional resources to meet pressures in social care and to offer free school meals at the City's only maintained primary school.
  - Additional resources agreed from the Priorities Investment Pot in relation to a mental health centre resulting in £151,000 being added to the 2020/21 original budget.
  - Decrease in support service costs and capital recharges of £144,000.
7. An analysis of service expenditure is provided in Appendix 1. Expenditure and unfavourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) have been commented on in the following paragraphs.
  - The increase in supplies and services is largely due to additional resources agreed in relation to a mental health centre along with increased budget set aside for our Private Voluntary and independent providers of nursery provision for 3 & 4 year olds which is met from external grant.
  - Third party payments overall have increased by £292,000 due in the main to a larger number of unaccompanied asylum seeking children presenting

themselves to the City. This increase has been partly offset by additional grant from the Home Office

- The 2020/21 Original budget reflects the most recent grant allocations and shows increases in various grants such as Public Health, Dedicated Schools Grant, Improved Better Care Fund and Home Office funding for UASC
- A decrease in customer & client receipts of £113,000 is due in the main to lower contributions from the City Police towards the Drug intervention Programme which sits under Public Health, along with changes to social care packages / client circumstances resulting in less contribution from clients.
- Analysis of the movement in total manpower and related staff costs are shown in Table 2 below

## Staffing Statement

8. Analysis of the movement in staff related costs are shown in the table below. There is an increase of £351,000 in employee expenditure between the 2019/20 original budget and 2020/21 original budget. Factors influencing this overall increase are a provision for pay award, incremental progression along with additional resources to address pressures within social care.

Table 2	Original Budget 2019/20		Latest Approved Budget 2019/20		Original Budget 2020/21	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
People Services	58	(3,357)	67	(3,999)	61	(3,625)
Partnership Services (including Central Directorate)	38	(2,293)	38	(2,362)	37	(2,342)
Housing Services	16	(773)	15	(804)	15	(807)
<b>TOTAL COMMUNITY AND CHILDREN'S SERVICES</b>	<b>112</b>	<b>(6,423)</b>	<b>120</b>	<b>(7,165)</b>	<b>113</b>	<b>(6,774)</b>

9. The 2020/21 Latest Approved budget includes additional staff employed in relation to the expanded programme of homeless prevention, including the No First Night Out and Rough Sleepers initiatives. The Latest Approved budget also includes staff on fixed term contracts which come to an end this year. These are met from the government grant and will not impact on the Director's overall local risk budget.

## Potential Further Budget Developments

10. The provisional nature of the 2020/10 revenue budget recognises that further revisions may be required, including in relation to:

- decisions on funding of the Additional Works Programme by the Resource Allocation Committee
- budget adjustments relating to the Surveyors Repairs and Maintenance projects.
- Further budget adjustments in relation to the Fundamental Review

## Revenue Budget 2019/20

11. The current forecast out-turn for 2019/20 is expected to be a small underspend of up to £200,000. Appendix 4 shows the movement between the Original Budget 2019/20 and the Latest Approved Budget 2019/20

## Draft Capital and Supplementary Revenue Project budgets for 2020/21

12. An annual funding cycle to prioritise capital projects is being introduced for the first time this year, these bids will align with the Departmental Business Plan and Medium-Term Financial Planning process. Details of these proposed projects which were submitted to Resource Allocation Sub-Committee for consideration on the 12<sup>th</sup> December 2019 can be found in Appendix.

13. The latest estimated costs for the Department's current capital and supplementary revenue projects are summarised below:

Service Managed	Project	Exp. Pre 01/04/19 £'000	2019/20 £'000	2020/21 £'000	Later Years £'000	Total £'000
<b><u>Authority to start work granted</u></b>						
Public Health	City Mental Health Centre	11	446			457
Public Health	Health & Social Care IT Enabler	139	43			182
Community Development	Golden Lane Playground	313	22			335
<b>TOTAL COMMUNITY &amp; CHILDREN'S SERVICES EXCLUDING HRA</b>		<b>463</b>	<b>511</b>	<b>0</b>	<b>0</b>	<b>974</b>

- i. All schemes are in progress with completion expected within the current financial year.
- ii. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2020.

### **Draft final high-level summary Business Plan for 2020/21**

- 14. This report presents, at Appendix 6, the draft final high-level summary Business Plan for 2020/21 for the Community and Children's Services Department. This section outlines the factors taken into consideration in compiling the Business Plan and which activities will be reduced or stopped,
- 15. The priorities for the departmental business plan were agreed by Members of the Community and Children's Services Committee following a consultative process with Members and Senior Officers. The specific workstreams were developed by Senior Officers and individual teams reflecting the departmental business plan objectives and statutory requirements.
- 16. The balance of delivery and spend is driven by our statutory responsibilities in response to presenting needs, changes in the external environmental and national policy drivers. Where statutory service demand has increased, the department has reallocated or sought additional resources.
- 17. Delivery is evidenced and tested by a comprehensive set of performance and outcome indicators. These indicators are monitored, and remedial action is taken where necessary. Performance is benchmarked through bodies such as London Councils and HouseMark. There is a focus on continuous improvement in customer service in housing management and processes have been strengthened to secure quality and better value in adult and children's social care placements.
- 18. Some commissioned delivery is being reduced, such as the use of time credits to support and promote volunteering. Commissioning approaches have also been rationalised to reduce cost whilst preserving frontline delivery.
- 19. Some of the plans set out for consideration in 2020/21 will be brought back to committee for further debate and consideration at a later date.

### **Corporate & Strategic Implications**

- 20. The Department of Community and Children's Services Business Plan for 2020 – 21 is aligned to both corporate and departmental priorities.

## **Security implications**

21. There are no specific security implications in relation to the budget or business plan but many of our workstreams contribute to the departmental priority 'safe' with the aim of people of all ages living in safe communities, our homes are safe and well maintained and our estates are protected from harm.

## **Public sector equality duty**

22. Promoting equality, fostering good relations and reducing discrimination are all integral elements of the work of the department as demonstrated in some of the work included in the high-level summary business plan. The department specifically considers this in service and policy development through Tests of Relevance and Equality Impact Assessments.

## **Conclusion**

23. This report presents the budget estimates and final high-level summary Business Plan for 2020/21 for the Community & Children's Services Department for Members to consider and approve.

## **Appendices**

- Appendix 1 – Committee Summary Budget – City Fund
- Appendix 2 – Support Services and Capital Charges from / to Community & Children's Services Committee
- Appendix 3 – Capital Project Bids for 2020/21
- Appendix 4 – Original 2019/20 budget to Latest Approved 2019/20 Budget
- Appendix 5- Original 2019/20 Budget to Original 2020/21 budget
- Appendix 6 – Final high-level summary Business Plan 2020/21

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## Appendix 1: Community and Children's Services Summary – City Fund

Analysis of Service Expenditure	Local or Central Risk	Actual 2018/19 £'000	Original Budget 2019/20 £'000	Latest Approved Budget 2019/20 £'000	Original Budget 2020/21 £'000	Movement 2019-20 to 2020-21 £'000	Para ref
<b>EXPENDITURE</b>							
Employees	L	(6,568)	(5,979)	(6,629)	(6,294)	(315)	8
Employees – mainly social workers dealing with Asylum Seekers and staff paid by Dedicated Schools Grant (DSG)	C	(428)	(444)	(536)	(480)	(36)	8
Premises Related Expenses(see note i)	L	(332)	(277)	(278)	(271)	6	
Premises Related Expenses (SRP: Islington Arts Factory)	C	(127)	(35)	(35)	(42)	(7)	
City Surveyor – R&M	L	(15)	(19)	(12)	(9)	10	
City Surveyor – Cleaning	L	(2)	(8)	(8)	(0)	8	
Transport-related Expenses	L	(19)	(24)	(29)	(21)	3	
Home to School Transport (met from DSG)	C	(93)	(72)	(72)	(72)	0	
Supplies and Services (mainly professional fees which are largely met from grant income plus expenses relating to contracts such as Broadway)	L	(4,144)	(3,921)	(4,910)	(3,927)	(6)	
Supplies and Services (mainly costs of our private, voluntary and independent childcare providers which are met from DSG)	C	(532)	(238)	(574)	(607)	(369)	7
Third Party Payments (mainly social care clients plus contract costs such as Toynbee Hall Advice and providers of adult learning)	L	(4,528)	(5,305)	(5,928)	(5,237)	68	
Third Party Payments (mainly agency costs relating to asylum seekers plus costs that are met from DSG)	C	(3,837)	(3,943)	(4,638)	(4,388)	(445)	7
Transfer Payments (mainly payment to Fusion Lifestyle funded by income from London Marathon Charitable Trust)	L	(209)	(247)	(247)	(190)	57	
Rent allowances – funded by Department for Work and Pensions (DWP) rent benefit rebates)	C	(4,289)	(6,172)	(6,172)	(6,172)	0	
Capital charges	C	(9)	0	0	0	0	
<b>Total Expenditure</b>		<b>(25,132)</b>	<b>(26,684)</b>	<b>(30,068)</b>	<b>(27,710)</b>	<b>(1,026)</b>	
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Analysis of Service Expenditure							
	Local or Central Risk	Actual 2018/19 £'000	Original Budget 2019/20 £'000	Latest Approved Budget 2019/20 £'000	Original Budget 2020/21 £'000	Movement 2019-20 to 2020/21 £'000	Para ref
<b>INCOME</b>							
Government Grants (mainly Public Health and Skills Funding Agency grant income)	L	3,380	3,055	4,313	3,277	222	7
Government Grants (mainly DSG, DWP rent benefit rebates, Home Office funding)	C	7,759	9,696	10,647	10,395	699	7
other grants, reimbursements and contributions (mainly B&B rent allowances, S256 Monies and London Marathon Charitable Trust)	L	647	635	1,167	594	(41)	
other grants, reimbursements and contributions (City's Cash contributions towards Toynbee Hall contract and Strings project at Sir John Cass's Foundation Primary School)	C	144	184	184	184	0	
Customer, client receipts (mainly fee income and client contributions towards their social care packages)	L	1,101	1,068	1,058	955	(113)	
Customer, client receipts	C	17	35	35	35	0	
Transfers from Public Health Reserve	L	15	196	221	93	(103)	
Transfer from Parking Meter Reserves (in relation to concessionary fares and taxi cards)	C	619	571	571	578	7	
Recharge to capital project	C	2	0	0	0	0	
<b>Total Income</b>		<b>13,684</b>	<b>15,440</b>	<b>18,196</b>	<b>16,111</b>	<b>671</b>	
TOTAL EXPENDITURE BEFORE SUPPORT SERVICES AND CAPITAL CHARGES		<b>(11,448)</b>	<b>(11,244)</b>	<b>(11,872)</b>	<b>(11,599)</b>	<b>(355)</b>	
<b>SUPPORT SERVICES AND CAPITAL CHARGES</b>							
Central Support Services and Capital Charges		(2,934)	(2,824)	(2,630)	(2, 427)	397	App 2
Recharges within Fund		661	628	403	375	(253)	
<b>Total Support Services and Capital Charges</b>		<b>(2,273)</b>	<b>(2,196)</b>	<b>(2,227)</b>	<b>(2,052)</b>	<b>144</b>	
<b>TOTAL NET (EXPENDITURE) / INCOME</b>		<b>(13,721)</b>	<b>(13,440)</b>	<b>(14,099)</b>	<b>(13,651)</b>	<b>(211)</b>	

Notes – Examples of types of service expenditure:

- (i) Premises Related Expenses – includes repairs and maintenance, energy costs, rates, and water services.

## Appendix 2: Support Service and Capital Charges from/to Community and Children's Services Committee

Support Service and Capital Charges	Actual 2018/19 £000	Original Budget 2019/20 £000	Latest Approved Budget 2019/20 £000	Original Budget 2020/21 £000
Administrative Buildings	(244)	(239)	(271)	(285)
City Surveyor's Employee Recharge	(13)	(13)	(1)	(1)
Insurance	(47)	(45)	(52)	(54)
IS Recharges – Chamberlain	(758)	(685)	(723)	(634)
Capital Charges	(498)	(475)	(453)	(461)
Support Services –				
Chamberlain	(422)	(415)	(476)	(407)
Comptroller and City Solicitor	(429)	(429)	(134)	(101)
Town Clerk	(334)	(327)	(318)	(295)
City Surveyor	(61)	(60)	(62)	(63)
CPS	(128)	(136)	(140)	(126)
<b>Total Support Services and Capital Charges</b>	<b>(2,934)</b>	<b>(2,824)</b>	<b>(2,630)</b>	<b>(2,427)</b>
<b>Recharges Within Funds</b>				
Corporate and Democratic Core – Finance Committee	32	32	32	32
HRA	583	553	325	297
Barbican Residential Committee	46	43	46	46
<b>Total Support Service and Capital Charges</b>	<b>(2,273)</b>	<b>(2,196)</b>	<b>(2,227)</b>	<b>(2,052)</b>

### **Appendix 3 (Community and Children's Services)**

Capital Project Bids for 2020/21 – all subject to approval by Finance Committee and Court of Common Council

Project - Rough Sleeping, High support hostel (Option 1)  
Status: - Not yet in gateway

Project - Rough Sleeping, High support hostel (Option 2)  
Status - Not yet in gateway

Project - Rough Sleeping, Assessment Hub  
Status - Not yet in gateway

Project - City of London Primary Academy Islington (COLPI) temporary site  
Status - Not yet in gateway

Project - Golden Lane Area Lighting and Accessibility  
Status - Gateway 1-2

Project - Frobisher Crescent, Barbican Estate – fire safety improvement measures  
Status - Not yet in gateway

**Appendix 4: Movement between 2019/20 Original Book Budget and 2019/20 Latest Approved Budget**

	<b>£'000</b>
Original Budget 2019/20 (Excluding support service and capital charges)	(11,244)
Increase in Local risk budget as agreed by Policy & Resources	(361)
Increase in Central risk base budget due to successful bids from the Priorities Investment Pot	(167)
Increase in budget to cover apprentices which are centrally funded	(86)
Other adjustments	(21)
Decrease in Surveyors repairs and maintenance charge	7
<b>Latest Approved Budget (excluding support services and capital charges)</b>	<b>(11,872)</b>

## Appendix 5: Movement between 2019/20 Original Book Budget and 2020/21 Original Book Budget

	£'000
Original Budget 2019/20 (Excluding support service and capital charges)	(11,244)
Increase in Local risk budget as agreed by Policy & Resources	(216)
Increase in Central risk base budget due to successful bids from the Priorities Investment Pot	(151)
Savings as per Fundamental review	54
Other adjustments	(42)
<b>Original Budget 2020/21 (excluding support services and capital charges)</b>	<b>(11,599)</b>