

Committee(s): Community and Children's Services	Dated: 11 November 2024
Subject: Community and Children's Services (Non-Housing) Revenue Outturn Forecast as at Quarter 2 2024/25	Public For Information
This proposal: <ul style="list-style-type: none"> provides statutory duties 	This report includes information on the City of London Corporation's statutory Community and Children services function
Does this proposal require extra revenue and/or capital spending?	N
Report of: The Director of Community and Children's Services and the Chamberlain	
Report author: Mark Jarvis, Head of Finance and Beatrix Jako, Financial Business Partner, Chamberlain's Department	

Summary

- This report sets out the Quarter 2 estimated outturn for the Community and Children's Services Committee budget (excluding the ring-fenced Housing Revenue Account (HRA)).
 - The total local risk projected overspend for the full year is currently £211k, mostly related to Adult Social Care services, the Directorate and Commissioning budget (see paragraphs 3 to 8).
 - The total central risk budget is projected to underspend by £855k, mostly related to higher than anticipated grant income (£1.5m) from the Home Office in relation to the Afghan Resettlement Scheme, partly offset by the increased cost asylum support (£400k) and benefits administration (£300k) (see paragraphs 9 and 10).

	2024/25 Latest Approved Budget £000	Forecast Outturn £000	Variation Underspend / (Overspend) £000
Net local risk expenditure	(14,600)	(14,811)	(211)
Net central risk expenditure	(1,193)	(338)	855
DCCS Local and Central Risk Net expenditure	(15,793)	(15,149)	644

Recommendation

2. That the Q2 projected outturn report for 2024/25 is noted.

Main Report

Quarter 2 Projected Outturn

Table B gives the detailed forecast by service area.

Table B – Forecast by service area	2024/25 Latest Approved Budget £000	Forecast Outturn £000	Variation Underspend / (Overspend) £000	Paragraph
<u>LOCAL RISK</u>				
Supervision and Management	(1,594)	(1,674)	(80)	3
Housing Services				
Other Housing Service	18	18	-	
Supporting People	(538)	(538)	-	
Service Strategy	(5)	(5)	-	
Total Housing	(525)	(525)	-	
People Services				
Older People	(1,774)	(1,612)	162	4
Adult Social Care	(2,705)	(2,873)	(168)	5
Occupational Therapy	(398)	(413)	(15)	
Homelessness	(3,328)	(3,428)	(100)	6
Housing Benefit	104	104	-	
Children's Social Care	(2,006)	(2,203)	(197)	7
Total People Services	(10,107)	(10,425)	(318)	
Education and Skills				
Early Years and Childcare	(657)	(654)	3	
Other Schools Related Activity	(307)	(339)	(32)	
Adult Community Learning	(183)	(133)	50	
Total Education and Skills	(1,147)	(1,126)	21	
Partnerships				
Commissioning incl. recreation	(786)	(618)	168	8
Public Health	28	28	-	
Youth Service	(179)	(181)	(2)	
Community Safety Team	(290)	(290)	-	
Total Partnerships	(1,227)	(1,061)	166	
TOTAL LOCAL RISK CITY FUND	(14,600)	(14,811)	(211)	

	2024/25 Latest Approved Budget £000	Forecast Outturn £000	Variation Underspend / (Overspend) £000	Paragraph
<u>CENTRAL RISK</u>				
Supervision and Management	(80)	(80)	-	
Commissioning inc. recreation	140	124	(16)	
Early Years and Childcare	(704)	(704)	-	
Other School Related Activity	748	748	-	
Asylum Seekers	(1,260)	(89)	1,171	9
Delegated Budget	30	30	-	
Other Housing Services	-	-	-	
Housing Benefit	(67)	(367)	(300)	10
Total Central Risk	(1,193)	(338)	855	
TOTAL LOCAL RISK & CENTRAL RISK CITY FUND	(15,793)	(15,149)	644	

3. The Directorate's local risk budget is projecting an overspend of £80k. There is further potential expenditure in respect of resolving a long-standing staff dispute case.
4. The Older People local risk budget is projecting an underspend of £162k. It should be noted that we are awaiting agreements for placement costs uplifts, and, as a result this forecast is subject to change. Placement costs are reviewed by Commissioning throughout the financial year.
5. The Adult Social Care local risk budget is forecasting an overspend of £168k, mainly due to large temp/agency costs and uplifts for client placements agreed and backdated for 2023/24. However, some of these costs may be able to be offset against specific grants before the year end in discussion with Department leads.
6. The Homelessness local risk budget is projecting an overspend of £100k, primarily due to an anticipated increase in bad debt provision due to the high level of rough sleepers in temporary accommodation (hard to chase debt as tenants move on with no forwarding details).
7. The forecast for the Children's Social Care local risk budget indicates an overspend of £197k, mainly due to added pressures stemming from family support costs, residential accommodation cost, legal fees, adoption costs and expenses for two new short break clients.

8. There is an anticipated underspend of £168k in the local risk budget for Commissioning due to additional backdated rental income following a rent review in relation to Half Moon Court.
9. The Asylum Seekers central risk budget is projected to underspend by £1.171m. This is due to higher than anticipated grant income of £1.5m from the Home Office in relation to the Afghan Resettlement Scheme in prior periods. The initial grant accrual was prudently made on the basis of only recovering direct costs and the terms of the settlement were on a more favourable basis. Partly offsetting this is an additional cost of £400k for staffing as a result of an internal review of the split of staff duties between this and other service areas.
10. Housing Benefit Administration central risk budget is projecting an estimated overspend of £300k. This is largely attributable to a shortfall between housing benefits awarded for temporary accommodations and what the Department for Work and Pensions paid. Some of the accommodations are over their limit and the shortage of temporary accommodation at reasonable prices led to the increased shortfall in this area.
11. The Homes for Ukraine Scheme continues during the year. The costs involved with this programme is fully met from government grants and has no impact on the Directors overall net forecast outturn.
12. In general it should be noted that both the social care and asylum budgets are very volatile and a small change in client numbers has a major effect on the eventual full year outturn.

Caroline Al-Beyerty
Chamberlain & Chief Financial Officer

Judith Finlay
**Director of Community and
Children's Services**

Contact officers:

Mark Jarvis
Head of Finance – Chamberlain's Department
E: Mark.Jarvis@Cityoflondon.gov.uk

Beatrix Jako
Finance Business Partner – Chamberlain's Department
E: Beatrix.Jako@cityoflondon.gov.uk