

Appendix 3: Additional General Fund Budget Risks - Month 6

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| Environment and Regeneration |
| The directorate relies on around £50m of income across a range of services such as parking, leisure, commercial waste, planning & building control, licensing & enforcement and highways. These income streams are subject to external factors such as economic activity, customer behaviour and competition and a small change in these factors could potentially have a significant financial impact on the directorate's financial position. |
| Housing |
| Early indications in 2019/20 suggest increasing client numbers and rising costs in the provision of temporary accommodation. If client numbers rise significantly this could add substantial costs in terms of procuring temporary accommodation. This trend has been exacerbated, as the General Fund's largest temporary accommodation housing provider (Notting Hill Genesis Housing) has ended many tenancies and increased charges, resulting in many clients needing to move into more expensive temporary accommodation and those remaining facing rent rises. |
| Legal costs arising from new legal challenges can result in increased use of resources on court fees and barristers. This has grown month on month in 2019/20, primarily due to new HRA Act 2017 related legal challenges. The current forecast (£0.333m) is more than double the 2018/19 outturn. |
| The benefit cap is reducing the disposable income available for those in larger properties, resulting in an increase in bad debt payments and write-offs as rents are not prioritised for payment. |
| People - Adult Social Services |
| Unrealised savings (current and future years). The re-profiling of savings is offset by the one-off additional Adult Social Care funding. |
| Transforming Care programme - which aims to reduce the commissioning of hospital beds for people with learning disabilities and/or autism with behaviour that challenges |
| Demographic pressure above budget provision |
| Provider handing back Homecare contract - approx. 3,251 hours per week. Cost is dependant on re-procurement route. |
| Section 117 of the Mental Health Act 1983 places a duty on Health and Local Social Services Authorities to provide aftercare services for patients detained under Sections 3, 37, 45A, 47 or 48 of the same Act until the said authorities are satisfied that the person concerned is no longer in need of such services. Identification of service users previously unknown to the Council as being detained under Section 117 of the Mental Health Act and charged for care could result in a potential increase in reimbursement costs above the existing S117 provision. |
| In 1999 a Judicial Review of 3 Local Authorities ruled that there is no right to charge for aftercare services provided under Section 117 of the Mental Health Act 1983. This was upheld by the Court of Appeal in July 2000. |
| People - Children's Employment and Skills (General Fund) |
| SEN transport - potential further increases in cost if numbers increase. |
| Secure welfare placements - increases in demand for secure welfare placements, due to children being at high risk of harm can cost up to £6k per week per young person. |
| Remand - increases in numbers of young people placed on secure remand is £3.8k per week. Alternatives will always be offered to the court but if offences involve violence connected to knife crime remand is likely. |
| Remand - potential reduction in Youth Justice Board remand grant funding in 2020/21 as allocations are lagged based on the previous year's activity |
| Supported Accommodation (non-regulated placements) - increase in demand in the 18 plus cohort due to complexities of needs and risk concern, young people are not ready for their tenancy and continue to need higher level support. |
| Residential (regulated) placements - recent increase in numbers of high cost residential placements |
| Joint Agency Panel (JAP) - increase in children with complex needs being placed in joint funded specialist provision. |
| People - Children's Employment and Skills (DSG) |
| High Needs – continued increase in numbers of pupils with Education, Health and Care Plans. |

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High Needs funding risk - £0.433m of additional funding for 2018/19 and 2019/20 is only guaranteed by the ESFA until the end of the current spending review period ending on 31 March 2020.

Maintained Nursery Schools - £0.377m supplementary funding for maintained nursery schools is only guaranteed by the ESFA until the end of the current spending review period ending on 31 March 2020. Maintained Nursery Schools were disproportionately affected by the implementation of a national funding formula for early years by the DfE.

Resources

Digital Services is in its first year as a new entity. A significant degree of risk/uncertainty has been inherited from the Shared Digital transition – particularly in the area of contract commitments. Whilst there continue to be pressures to transform the technology environment to meet the needs of front line services, these are becoming well understood. For contracts, work is ongoing to understand the services, phasing and benefits of technology contracts with a view to rationalisation and stronger planning