

Areas of Potential Variability in the Budget Formulation

Social Services

- a) The demand on care purchasing budgets in all service areas is volatile and unpredictable, eg. the number of children's placements ordered by the courts, the death rate of clients in residential/nursing care, the degree of clients' disability and consequent impact on cost of placements etc.
- b) Children and Families Purchasing budgets – The draft budget assumes that the managed reduction in current year spend/commitments will be achieved, so that expenditure will be within budget next year. Current monitoring for 2000/01 suggests that the proposed management action is only being partially effective, particularly because there are statutory responsibilities in this area.
- c) The forecast overspend on Children & Families out of county placements is £0.4m in the current year; only £0.2m has been included as a spending pressure for next year.
- d) Bucks Health Authority funding – there could be a significant reduction in income if the Health proportions of the costs of joint funded placements are reduced.
- e) There are significant numbers of new, joint funded Adult Disability clients in the budget projections for next year, which require significant additional funding from Health. It seems unlikely that Health will increase its investment in these areas to match our budgeted levels.
- f) No provision has been made for placing Older People currently on the waiting list for joint funded placements. (These placements may happen as part of winter pressures initiatives.) Cost in 2001/02, on 50:50 funding split, would be £90,000.
- g) The forecasts for Older People domiciliary care assume a greater number of packages ceasing than is currently being experienced. As reported in the current year's monitoring reports, it is believed that there are a significant number of 'excess commitments' in the system i.e. where delays in reporting that a care package has ceased or reduced means that the information is not included in budget monitoring. The level of "excess commitments" assumed in the draft 2001/02 budget is more than currently included in the forecast outturn for 2000/01.
- h) There continue to be significant difficulties in the recruitment and retention of staff. No allowance has been made for any additional costs of agency staff, or for initiatives to improve recruitment and retention.
- i) Expected requirements of the new National Learning Disability Strategy may have financial implications.
- j) There will be additional costs arising from the implementation of further elements of the NHS Plan.

- k) The conditions relating to the use of significant levels of specific and special grants (eg Promoting Independence grant) have not yet been received.

Environment

- l) A provision for increased waste volumes has been included, but the growth in this area remains a concern.
- m) The budget, as normal, assumes an average winter - a more extreme winter would increase the costs of winter maintenance.
- n) There is no specific provision for any future costs of 'flooding'.

Education

- o) Final details of the scheme of financial protection for former GM schools has not yet been confirmed. This could be more or less than the budget provision.
- p) Conditions around new funding from Learning and Skills Councils have yet to be confirmed.

Corporate Services

- q) The cash freeze, on top of previous year's reductions, has limited flexibility to deal with emerging corporate issues.