

Report No.  
DCYP11127

## London Borough of Bromley

### PART 1 - PUBLIC

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Decision Maker: **Children and Young People Portfolio Holder**

Date: **For Pre-Decision Scrutiny by the Children and Young People PDS Committee on 29 November 2011**

Decision Type: Non-Urgent Executive Non-Key

**TITLE: CHILDREN AND YOUNG PEOPLE BUDGET MONITORING REPORT 2011/12**

Contact Officer: David Bradshaw, Interim Head of Children and Young People Finance  
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Chief Officer: Gillian Pearson, Director of Children and Young People Services

Ward: Boroughwide

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#### 1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report reviews the Children and Young People Department budget monitoring based on spending to the end of October 2011.
- 1.2 The schools' budget is funded from Dedicated Schools' and specific grants and is forecast to spend in line with the budget.
- 1.3 The Non-Schools' Budget is funded from Council Tax, Revenue Support and specific grants and the controllable part of it is forecast to overspend by £220,000.

#### 2. RECOMMENDATIONS

- 2.1 **The Children and Young People Portfolio Holder is invited to:**
  - (i) **consider the projections, note the pressures, and endorse the action to reduce the overspending;**
  - (ii) **note contracts of £50,000 and above that have been exempted from the normal requirement to obtain competitive quotes.**

### Corporate Policy

1. Policy Status: N/A
  2. BBB Priority: Children and Young People
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A
  3. Budget head/performance centre: CYP Portfolio budgets
  4. Total current budget for this head: £67m
  5. Source of funding: RSG, Council Tax, DSG, other grants
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### Staff

1. Number of staff (current and extra) – 5,162 Full Time Equivalent, of which 4,425 are based in schools, and 737 are based in CYP Department
  2. If from existing staff resources, number of staff hours – N/A
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### Legal

1. Legal Requirement: Statutory requirement:
  2. Call in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected) - N/A
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments:

### 3. COMMENTARY

#### The Schools' Budget, Table 1 of Appendix 1

3.1 Projected to spend as per budget. Legislation requires us to carry any variance forward to next year. The components are:

	£'000 Current Variance	£'000 August Report
Previous years' overspend due mainly to withdrawal by government of Standards Fund in March	427	427
<b>Sub Total: 2010/11 deficit brought forward into 2011/12</b>	<b>427</b>	<b>427</b>
Final DSG was lower than anticipated in the budget	89	89
Forecast overspending on SEN placements (contingency has now been added in)	362	1011
Behaviour Support overspending due to pupil volume increase	40	40
Behaviour Support additional income from sales to Academies	-400	-400
Flexible Learning to be ended after the Summer Term	-300	-300
Jury and maternity cover reimbursement to schools reduced due to academy conversion	-300	-300
Contingency to be retained unspent (See note above on SEN placements)	-43	-633
Other variations (net overspending)	125	66
<b>Sub Total - Total projected net Underspending 2011/12</b>	<b>-427</b>	<b>-427</b>
<b>Projected underspending net of 2010/11 deficit</b>	<b>0</b>	<b>0</b>

#### The Non-Schools' Budget , Table 2 of Appendix 1

3.2 £220,000 overspending is projected, as summarised below.

	£'000 Current Variance	£'000 August Report
Increasing numbers and complexity of LAC requiring residential or fostering support including provision for likely increase to the year end.	608	328
Difficulty in recruiting social workers results in higher cost locum staff	50	50
SEN Transport overspending due to contract savings target not yet fully achieved	66	100
Disabled children – 4 additional placements for Looked After Children and provision for likely increase to the year end, offset in part by reductions negotiated by management	577	820
Savings from delayed appointments to vacant posts and running costs	-969	-694
Children's Centres saving in business rates	-125	-125
Further savings expected from general moratorium and freezing of vacancies	0	-200
Other variances, net overspending	13	70
<b>Total projected net controllable overspending</b>	<b>220</b>	<b>349</b>

## Chief Officer's Comments – Director of Children and Young People

- 3.3 The £220k overspend on the CYP budget arises largely from the continuing increase in numbers and costs of placements for children with disabilities and for looked after children. Controls are limited given the statutory obligations and limited options, especially for residential provision. Exercises continue to scrutinise costs and commitments of all placements. Due to the cost for each individual placement the pressure on the CYP budget is immense.
- 3.4 The Director CYP and Head of Finance CYP introduced a framework of measures earlier in the financial year to contain the cost of spend within the Department to off-set the service pressures. This included: a moratorium on spending, a 'freeze' on all vacant posts other than for essential posts, with costs of cover for vacancies minimised. Rigorous management action is achieving compensatory savings. These measures will continue for the remainder of the year with the aim of bringing the in year overspending to zero. Actions were reported in detail in previous budget monitoring reports.
- 3.5 Whilst the Director CYP is aiming to contain the projected overspend in 2011/12, the solution is only short term. The full year cost in 2012/13 of children with disabilities placements is estimated at £645k and for social care placements £263k. Given the projected service volumes and associated costs arising from the escalation in numbers of children requiring placements, these budget pressures will continue in 2012/13.
- 3.6 In the Schools' Budget, the full year effect of the SEN placement overspending in 2012/13 is estimated to be around £0.5m. Although funded through DSG and not core budget, this will have to be contained within the funding envelope for 2012/13 and may be a call on the contingency of the DSG.
- 3.7 The Director CYP, Assistant Directors and Head of Finance CYP will continue to take rigorous management action to contain and reduce the costs of all types of placements. This will include:-
- (a) Review children in high cost residential and independent fostering.
  - (b) Further strengthen gate keeping. All placements must be agreed and approved at CSC Placement Panel and by the Assistant Director of Social Care. Numbers of Looked After Children have reduced from 299 in May 2010 to 269 in March 2011.
  - (c) Implementation of an Adolescent and parenting support team to focus on preventing teenagers coming in to care.
  - (d) Joint work with the Housing Department to divert potential 16 plus homeless youngsters away from the care system to supported lodgings through the Housing Department.
  - (e) A review of fostering provision and costs. A programme is underway to increase the number of in-house foster placements and reduce dependency on external agencies as well as develop packages of support to carers to enable more challenging children to be cared for within foster homes.
  - (f) Introduction of rolling interview panels, a CSC social care micro-site on the Bromley website, and a two day short listing and invitation to interview turn around time for social work applications to support the recruitment and retention package.
  - (g) Tightly controlled purchasing of placements through negotiation, clear specifications, avoiding 'extras', achieving least expensive options were possible.
  - (h) In addition, a general moratorium has been introduced on all running costs expenditure other than those that are strictly essential and all vacancies will be frozen other than for essential posts, with a minimisation of cost of cover for vacant posts.

3.8 In terms of the Schools' Budget, ten primary and three secondary schools had deficits at 31 March 2011. The Schools Finance Team has agreed deficit recovery plans for six primary schools. Three of the schools (one primary and two secondary) have now become academies, and so a Deficit Recovery Plan is no longer required, since the deficit will be recovered from the YPLA funding agency. The CYP Schools' Finance Team will work with the remaining three primary and one secondary schools' governing bodies and head teachers to agree DR Plans.

3.9 Exemptions from rules on competitive tenders and extensions to contracts  
 Appendices 7 and 8 show contracts over £50k exempted from the requirement to obtain competitive quotes. The Chief Officer has to obtain the agreement of the Director of Legal, Democratic and Customer Services and Director of Resources and (where over £100,000) of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the previous occasion when exemptions were reported, there have been 8 contracts exceeding £50,000 but less than £100,000, and 8 exceeding £100,000.

**4. POLICY IMPLICATIONS**

- 4.1 "Building a Better Bromley" refers to the Council's intention to remain among the lowest Council Tax levels in Outer London through greater focus on priorities.
- 4.2 The Resources Portfolio Plan has the target that each department will spend within its budget.
- 4.3 "Updates on Financial Strategy 2012/13 to 2015/16" will be reported to the Executive highlighting the pressures facing the Council.
- 4.4 Chief Officers and Heads of Finance stress the need for strict budget monitoring to minimise the risk of compounding pressures in future years. It is key to performance management.

**5. FINANCIAL IMPLICATIONS**

5.1 These are contained in the body of this report and Appendix 2 explains the variations.

<b>Non-Applicable Sections:</b>	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2011/12 Budget Monitoring files in CYP Finance Section

## 2011/12 CHILDREN AND YOUNG PEOPLE REVENUE BUDGET MONITORING BUDGET AND SUMMARISED VARIATIONS

Projections, based on actual expenditure and income to 31 October 2011

2010/11		2011/12	2011/12	2011/12	Variation	Notes	Variation	Full Year
Actuals	TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	Original Budget	Latest Approved	Projected Expenditure	Projected This month	in App2	Last Reported	Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
11,805	Access	13,017	13,017	12,682	-335	A	-319	0
14,617	SEN and Inclusion	16,617	19,029	19,431	402	B	1,051	500
923	Commissioning and Business Services	501	501	201	-300	C	-300	-473
2,273	Standards and Achievement Services	800	800	827	27	D	-73	0
171,134	Schools Related Budgets	177,028	126,646	126,336	-310	E	-875	473
-200,404	Dedicated Schools Grant & Pupil	-208,024	-160,054	-159,538	516	F	516	-500
43	Research and Statistics	0	0	0	0			0
68	Strategic Planning and Commissioning	61	61	61	0			0
<b>459</b>	<b>SCHOOLS' BUDGET MET FROM COUNCIL BUDGET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
2010/11	TABLE 2: NON-SCHOOLS AND SOCIAL CARE PARTS OF EACH SERVICE	2011/12	2011/12	2011/12	Variation		Variation	Full Year
Actuals		Original Budget	Latest Approved	Projected Expenditure	Projected This month		Last Reported	Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
	<b>Education Division</b>							
1,466	Access	2,261	2,261	2,171	-90	1	-101	0
6,821	SEN and Inclusion	7,649	7,649	8,286	637	2	915	645
0	Commissioning and Business Services	1,082	1,062	898	-164	3	-14	0
660	Standards and Achievement Services	2,305	2,305	2,250	-55	4	-105	0
N/A	Early Intervention Grant	-10,999	-10,999	-10,999	0			
<b>8,947</b>		<b>2,298</b>	<b>2,278</b>	<b>2,606</b>	<b>328</b>		<b>695</b>	<b>645</b>
	<b>Safeguarding and Social Care</b>							
13,425	Care and Resources	12,934	12,897	13,450	553	5i	298	263
2,454	Safeguarding and Quality Assurance	2,091	2,188	2,081	-107	5i	-125	0
2,335	Safeguarding and Care Planning	2,565	2,505	2,515	10	5i	0	0
2,316	Referral and Assessment	7,312	7,312	7,004	-308	5i & 5ii	-154	0
3,589	Bromley Youth Support Programme	3,324	3,324	3,144	-180	5iii	-180	0
<b>24,119</b>		<b>28,226</b>	<b>28,226</b>	<b>28,194</b>	<b>-32</b>		<b>-161</b>	<b>263</b>
	<b>Strategy and Performance</b>							
580	Research and Statistics	580	580	513	-67		0	0
450	Strategic Planning and Commissioning	425	493	484	-9		15	0
<b>1,030</b>		<b>1,005</b>	<b>1,073</b>	<b>997</b>	<b>-76</b>	<b>6</b>	<b>15</b>	<b>0</b>
	<b>MORATORIUM SAVINGS</b>						<b>-200</b>	
<b>34,096</b>	<b>TOTAL CONTROLLABLE BUDGETS</b>	<b>31,529</b>	<b>31,577</b>	<b>31,797</b>	<b>220</b>		<b>349</b>	<b>908</b>
40,835	TOTAL NON CONTROLLABLE	10,376	29,126	29,120	-6		-6	
7,334	TOTAL EXCLUDED RECHARGES	6,173	6,173	6,173	0		0	
<b>82,265</b>	<b>TOTAL NON-SCHOOLS BUDGET</b>	<b>48,078</b>	<b>66,876</b>	<b>67,090</b>	<b>214</b>		<b>343</b>	<b>908</b>
Actuals	TABLE 3: TOTAL FOR EACH SERVICE	Original Budget	Latest Approved	Projected Expenditure	Projected This month		Last Reported	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
	<b>Education Division</b>							
13,271	Access	15,278	15,278	14,853	-425		-420	0
21,438	SEN and Inclusion	24,266	26,678	27,717	1,039		1,966	1,145
923	Commissioning and Business Services	1,583	1,563	1,099	-464		-314	-473
2,933	Standards and Achievement Services	3,105	3,105	3,077	-28		-178	0
-29,270	Schools Related Budgets Net of DSG	-30,996	-33,408	-33,202	206		-359	-27
N/A	Early Intervention Grant	-10,999	-10,999	-10,999	0			
<b>9,295</b>		<b>2,237</b>	<b>2,217</b>	<b>2,545</b>	<b>328</b>		<b>695</b>	<b>645</b>
	<b>Safeguarding and Social Care</b>							
13,425	Care and Resources	12,934	12,897	13,450	553		298	263
2,316	Safeguarding and Quality Assurance	2,091	2,188	2,081	-107		-125	0
2,335	Safeguarding and Care Planning	2,565	2,505	2,515	10		0	0
2,454	Referral and Assessment	7,312	7,312	7,004	-308		-154	0
3,589	Bromley Youth Support Programme	3,324	3,324	3,144	-180		-180	0
<b>24,119</b>		<b>28,226</b>	<b>28,226</b>	<b>28,194</b>	<b>-32</b>		<b>-161</b>	<b>263</b>
	<b>Strategy and Performance</b>							
623	Research and Statistics	580	580	513	-67		0	0
518	Strategic Planning and Commissioning	486	554	545	-9		15	0
<b>1,141</b>		<b>1,066</b>	<b>1,134</b>	<b>1,058</b>	<b>-76</b>		<b>15</b>	<b>0</b>
	<b>MORATORIUM SAVINGS</b>						<b>-200</b>	
<b>34,555</b>	<b>TOTAL CONTROLLABLE FOR</b>	<b>31,529</b>	<b>31,577</b>	<b>31,797</b>	<b>220</b>		<b>349</b>	<b>908</b>
40,835	TOTAL NON CONTROLLABLE	10,376	29,126	29,120	-6		-6	0
7,334	TOTAL EXCLUDED RECHARGES	6,173	6,173	6,173	0		0	0
<b>82,724</b>	<b>PORTFOLIO TOTAL</b>	<b>48,078</b>	<b>66,876</b>	<b>67,090</b>	<b>214</b>		<b>343</b>	<b>908</b>

**CHILDREN AND YOUNG PEOPLE REVENUE BUDGET MONITORING**  
**Budget Variations Allocated to Portfolios in 2011/12**

BUDGET VARIATIONS - ALLOCATIONS FOR 2011/12	Table 1:	Table 2:	Table 3:
	Schools Budget	Non-Schools Children's Social Care Budget	Total for Children and Young People Department
	£'000	£'000	£'000
<b>2011/12 Original Budget</b>	0	48,078	48,078
<b>General</b>			
Revenue contribution to capital and property adjustments		Cr 160	Cr 160
Government Grants Deferred - removal of 2011/12 budget allocation		18,910	18,910
<b>Total General</b>		18,750	18,750
<b>Grants included within Central Contingency Sum</b>			
<u>Agreed by Executive on 25th May 2011</u>			
DFE Music grant (1 year only)			
- Bromley Youth Music Trust expenditure		362	362
- DFE grant income		Cr 362	Cr 362
<u>Agreed by Executive on 20th July 2011</u>			
Lottery Funding - income	Cr 10		
Lottery Funding - expenditure	10		
<u>Agreed by Executive 19th October 2011</u>			
Social Work Improvement Fund and Munro Fund			
- grant related expenditure		190	190
- grant related income		Cr 190	Cr 190
<b>Total Grants</b>	0	0	0
Corporate contribution to CYP for temporary secondment arrangement		48	48
<b>Total Variations per Budget Monitoring Report</b>	<b>0</b>	<b>18,798</b>	<b>18,798</b>
2010/11 Latest Approved Budget	0	66,876	66,876

**REASONS FOR VARIATIONS  
THE SCHOOLS' BUDGET (Appendix 1 (A), Table 1)**

The Schools' Budget holds the budget for each school and £38m of pupil-driven centrally managed services such as SEN and Pupil Referral. It is funded by Dedicated Schools', Young People Learning Agency, The Pupil Premium and other grants. The letters against the notes refer to Table 1

The variations are analysed across the services as follows:-

A.	<b>ACCESS Cr £335k</b>	£'000
		-400
	1) Sale of services to academies in behavioural services	40
	2) Volume increases in Home and hospital tuition	25
	3) Additional costs of redeployment	<u>-335</u>
<b>B.</b>	<b>SEN AND INCLUSION Dr £402k</b>	
	1) SEN placements Pupil-Driven spending Details in Appendix 3. Please note that the £573k of contingency set aside for matrix funding (referred to in the previous report) has now been brought into the table. This accounts for the large reduction in overspending since the last report.	362
	2) additional transport costs due to pupil volumes	<u>40</u>
		<u>402</u>
<b>C.</b>	<b>COMMISSIONING &amp; BUSINESS SERVICES Cr 300k</b>	
	Flexible Learning strategy ended in the summer term	<u>-300</u>
<b>D.</b>	<b>STANDARDS &amp; ACHIEVEMENT Dr 27k</b>	
	Additional staffing costs in Learning and support in part offset by additional income from Family Literacy Grant	<u>27</u>
<b>E.</b>	<b>SCHOOLS RELATED BUDGETS Cr 310k</b>	
	1) Jury and Maternity cover reimbursement expected to underspend as a result of Academy conversions	-300
	2) School Meals for Special Schools is overspending following re-tendering.	33
	3) Contingency will be unspent to offset overspending elsewhere in the Schools' Budget.	<u>-43</u>
		<u>-310</u>
<b>F.</b>	<b>DEDICATED SCHOOLS GRANT INCOME £516k below budget</b>	
	1) Cumulative overspending in the Schools' Budget at 31 March 2011 brought forward is the first call on the 2011/12 DSG	427
	2) The final DSG was lower than expected, due to 18 fewer pupils	<u>89</u>
		<u>516</u>



**REASONS FOR VARIATIONS  
THE NON-SCHOOLS' BUDGET (Appendix 1 (A), Table 2)**

**1. Access - cr £90k**

£'000

**1. Education Welfare Service - Cr 33k**

i. The budget was reduced on the assumption that a full year of savings would be yielded from managing the Education welfare Officers and Behaviour Support services together. However, this will only be achieved part way through 2011/12. The £16k overspending is the balance after adding an approved virement for £49k. to the budget.

16

ii. Additional income from sold services and savings in supplies and services more than offsets the above

-49

-33

**2. Early Years Cr 57k.**

savings are being made by holding some posts vacant.

-57

-90

**2. SEN and Inclusion - Dr £637k****SEN Transport Contracts, Non-Schools' Budget component - Dr £66k**

Pupil volumes have risen and the service has been given a challenging savings target on the basis of expected savings from the re-tendering of contracts.

66

**Children With Disabilities - Dr £577k**

There are additional high cost placements required for looked after children. The forecast now includes provision for cases that are likely to manifest later during this year, and also a contingency for further growth from as yet unknown cases.

577

In addition, a general moratorium has been introduced on all non-essential running costs, and all vacancies will be frozen other than for essential posts, with a minimisation of cost of cover for vacant posts.

Other minor savings

-6

637

**3. Education Commissioning & Business Services - Cr £164k**

Possible shortfall in sold services income

200

Savings from consolidating former Sure Start Grant funded services into Commissioned Services

-200

Under spend on Employees from delayed appointment of vacancies

-50

Savings from restrictions on supplies and services spending

-114

-164

**4. Standards & Achievement - Cr £55k**

Savings from delayed appointments to vacant posts.

-35

Savings from restrictions on supplies and services spending

-20

-55

**5. Safeguarding and Social Care Division - Cr £32k****5 i Children's Social Care Dr £378k**

£'000

**Salaries overspending across Social Care - Dr £50k**

50

Safeguarding and Social Care has exceeded the target to reduce the numbers of locum social workers as identified in the Recruitment and Retention report to the Executive on the 3rd February 2010 and so the £50k overspend is lower than planned. Every effort will be made to further reduce spending on locum social workers. The previously reported overspend of £100k has been reduced to £50k with the continued successful recruitment of front line Social Worker staff and holding of other vacancies.

<u>Care and Resources - Dr £518k (excluding salaries)</u>	£'000	£'000	£'000
Children's Placements	608		
Housing Benefit for Care Leavers:			
Under 18s	-56		
Over 18s - Under recovery of rent	15		
Freezing of Saxon Centre Supplies & Services Budgets	-25		
Freezing of posts with in Fostering Service	-24		
	<u>        </u>	518	
<u>Safeguarding and Quality Assurance - Cr £107k (excluding salaries)</u>			
Savings have been identified to help offset the overspend on Placements.			
Savings on the Training budget	-25		
Savings in staff advertising	-29		
Savings on supplies & services	-10		
A £14k contribution will be made from the Child Death Overview Process budget to supp	-14		
Additional income from the CWDC	-29		
	<u>        </u>	-107	
<u>Safeguarding and Care Planning - Cr £10k (excluding salaries)</u>			
£10k underspend on Section 17 budgets.		-10	
<u>Referral and Assessment - Cr £73k (excluding salaries)</u>			
Clients with No Recourse to Public Funds rose steadily during 2010-11. The costs are to accommodate and provide for families who cannot work due to their legal status and who do not receive benefits.	15		
This overspend will be met from an underspend on S17 budgets	-19		
A post in the Teenage and Parent Support Service Team will be held vacant for the remainder of the year	-27		
Saving in salaries from the new Triage Team	-25		
Underspending in CAMHS grant	-17		
	<u>        </u>	-73	<b>378</b>
<b><u>5 ii Bromley Children Project within Referral and Assessment Service - Cr 230k.</u></b>			
Savings in business rates against last years' accrual since charges were lower than expected		-125	
savings are being made by holding some posts vacant.		-35	
Savings in the commissioning budget		-70	<b>-230</b>
		<u>        </u>	
<b><u>5 iii. Bromley Youth Support Programme - Cr £180k</u></b>			
Youth - Savings from delayed appointments to vacant posts, running costs, and additional income. Youth Offending Team - Savings are being made on a mix of areas including grant income, salaries and running costs. An additional saving of £10k has been identified on Office Expenses to help reduce the overall overspend.		-150	
		-30	<b>-180</b>
		<u>        </u>	
		<u>        </u>	<u>        </u>
			-32
<b><u>6. Strategy &amp; Performance Division - Cr 76k</u></b>			
Additional income from services sold to schools			-46
Additional IT maintenance costs			13
Posts being held vacant			-43
			<u>        </u>
			<u>        </u>
			-76

## **EARLY WARNINGS**

### **Volatile Numbers-Driven Services**

CYP Department has several large demand-led budgets where spending varies with the number of children or young people. Of these, SEN Placements, Payments to Private Nurseries and Pupil Referral are in the DSG funded Schools' Budget, and Social Care Placements, Disability Placements, Leaving Care, SEN transport, and YOT are funded within the General Fund. The Department monitors these budgets closely.

### **Transfer of Schools to Academy Status**

Schools converting receive that school's own budget, a share of the non-Schools' Budget and of the Schools' Budgets retained at LA level (and also parts of corporate budgets such as Finance, Legal, Property and HR).

The potential longer-term impact has previously been reported to Members, and it had been assumed that for the current financial year only the Schools' Budget would reduce, since Revenue Support Grant for all Councils was top sliced to take account of this

However, on 19 July notice was received of a consultation on the future funding of schools, and that

"The Secretary of State for Education, in consultation with the Secretary of State for Communities and Local Government, has agreed to reconsider the appropriate reduction to local authority funding to be made to reflect the transfer of central services from local authorities to academies and Free Schools.

This consideration will apply to the transfers for both the 2011-12 and 2012-13 financial years."

It is therefore possible that further in-year reductions will be made to RSG funding.

### **The Schools' Budget. Behaviour Service Secondary Respite Centre and SEN Placements budget**

The Secondary Respite Centre is located on the same campus as a Gymnastic Centre. The Club have made a number of complaints relating to damage sustained to their property by pupils attending the Respite Centre. In response, management have restricted the numbers of pupils who will be present at any one time. This will reduce the income from charges to schools that can be recovered. The loss of Respite capacity will also put an additional pressure onto the SEN Placements budget, since the Centre will not be able to receive a number of excluded pupils who have SEN statements. Management are in the process of identifying alternative premises.

### **Youth Offending Team. The non-Schools' Budget.**

The Youth Offending Team Childview (YOIS) System requires a software upgrade. The cost of £26k may have to be met from the YOT Budget if the YJB do not provide funding.

### **Virements approved under Director's delegated powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in monthly financial monitoring reports to the Portfolio Holder. Since the last report to the Executive the following virements have been actioned:

To Education welfare Officers Salaries (Access Service)	£49,000
From Pupil Benefits (Access Service)	£49,000

Reason: The budget cuts assumed a full year of savings from management reductions, but for the first year only a part year saving has been possible

To Planning & Commissioning salaries	£20,000
From Standards & Achievement salaries	£20,000

Reason: to make good the difference between what a redeployee is actually being paid on preserved conditions and the available budget.

SEN 2011/12 PROJECTION

This statement does not include all SEN-related budgets

Pupils with statements, budgets not delegated to schools (Appendix 3, paragraph (1))	Oracle GL Account Code	Approved Budget		Projection		Variation		Note	Comparison	
		Funded pupil nos. or places	£	Funded pupil nos. or places	£	Funded pupil nos. or places	£		Previous reported variation in September 2011 £	Movement £
Additional Classroom assistants (non-delegated)	136595 1507	4.0	56,850	5	50,254	1.4	-6,596		-11,074	4,478
Outborough School placements:										
Recoupment Expenditure										
- Independent day	136598 3680	112.0	3,866,300	123	4,565,960	10.9	699,660	1	760,448	-60,788
- Independent boarding	136598 3681	84.3	5,823,680	82	5,713,451	-1.9	-110,229		90,713	-200,943
- OLEA maintained day	136598 3151	50.5	1,125,720	59	1,272,043	8.1	146,323		122,886	23,437
- OLEA maintained boarding	136598 3152	13.2	599,610	14	666,059	1.0	66,449		25,839	40,609
- Alternative Programmes / Therapy	136598 3692	79.9	600,520	69	609,533	-11.3	9,013		20,909	-11,896
- Additional support in mainstream	136598 3154/3160/3162	124.3	1,056,350	110	870,753	-14.3	-185,597		-217,667	32,070
General Contingency for additional starters			500,000				-500,000	1	-500,000	0
<b>Pupils with statements, non delegated budgets</b>		<b>468.2</b>	<b>13,629,030</b>	<b>462</b>	<b>13,748,052</b>	<b>-6.1</b>	<b>119,022</b>		<b>292,055</b>	<b>-173,033</b>
Recoupment income	136598 8150-8355	-292.0	-2,591,990	-190	-2,200,000	101.7	391,990		391,990	0
<b>Management action to reduce overspending</b>									0	0
<b>Cost related to education of Disabled Children Placements</b>							0		0	0
<b>Trends anticipated savings associated with leavers</b>						0	Net		0	0
<b>Total non-delegated variation: pupils with statements</b>		<b>176.2</b>	<b>11,037,040</b>	<b>272</b>	<b>11,548,052</b>	<b>95.6</b>	<b>511,012</b>		<b>684,045</b>	<b>-173,033</b>
<b>Pupils with statements: expenditure delegated to schools as Matrix funding</b>	102/104	915.6	6,681,175	954	7,484,559	38.8	803,384		734,584	68,800
<b>Approved addition to Matrix funding</b>			572,810		0		-572,810		0	-572,810
Effect of previous years creditors in 2011/12					-373,727		-373,727		-401,337	27,610
Effect of previous years debtors in 2011/12					-6,314		-6,314		-6,314	0
<b>Combined total, delegated and non-delegated</b>		<b>1,091.8</b>	<b>18,291,025</b>	<b>1,226</b>	<b>18,652,570</b>	<b>134.4</b>	<b>361,545</b>		<b>1,010,977</b>	<b>-649,433</b>

## CHILDREN PLACEMENTS PROJECTIONS

Code	Description	2011/12 Latest Approved Budget				2011/12 Forecast				2011/12 Variation			
		£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £
<b>RESIDENTIAL</b>													
808***3504	Community Homes with Education	1,571,250	3,074	8.40	187,054	1,497,585	3,882	10.61	141,194	(73,665)	808	2.21	(45,859)
808***3505	Community Homes	1,257,000	4,392	12.00	104,750	1,270,875	3,285	8.98	141,595	13,875	(1,107)	(3.02)	36,845
808***3507	Secure Accommodation	52,400	110	0.30	174,667	77,370	136	0.37	208,216	24,970	26	0.07	33,550
808***3610	Boarding Schools	314,250	1,830	5.00	62,850	540,424	2,066	5.64	95,738	226,174	236	0.64	32,888
808***3764	Transport	153,020				26,083				(126,937)			
Various	Outreach Services	117,760				152,147				34,387			
808160	Care Proceedings (PLO)	496,350				497,399				1,049			
2640	Respite Care (all)	10,500				0				(10,500)			
<b>Sub total Residential Placements</b>		<b>3,972,530</b>	<b>9,406</b>	<b>25.70</b>	<b>124,315</b>	<b>4,061,883</b>	<b>9,369</b>	<b>25.60</b>	<b>132,284</b>	<b>89,353</b>	<b>(37)</b>	<b>(0.10)</b>	<b>7,969</b>
<b>FOSTERING</b>													
808***3630	Fostering IFA	1,699,000	11,895	32.50	52,277	1,875,648	15,578	42.56	44,068	176,648	3,683	10.06	(8,209)
833***3701	Fostering In house	2,618,750	41,358	113.00	23,175	2,830,522	47,720	130.38	21,709	211,772	6,362	17.38	(1,465)
833***3706	Fostering In house - Respite	0				2,181				2,181			
833***3747	Special Guardianship Orders	209,500	3,916	10.70	19,579	283,762	10,413	28.45	9,974	74,262	6,497	17.75	(9,606)
833***3766	Kinship Allowances	523,750	9,882	27.00	19,398	381,364	11,626	31.77	12,006	(142,386)	1,744	4.77	(7,392)
833***3767	Residence Order Allowances	261,900	13,615	37.20	7,040	353,423	13,605	37.17	9,508	91,523	(10)	(0.03)	2,467
833***3764	Transport	23,310				23,310				0			
<b>Sub total Foster Placements</b>		<b>5,336,210</b>	<b>80,666</b>	<b>220.40</b>	<b>24,106</b>	<b>5,750,210</b>	<b>98,942</b>	<b>270.33</b>	<b>21,177</b>	<b>414,000</b>	<b>18,276</b>	<b>49.93</b>	<b>(2,929)</b>
<b>SUB TOTAL RESIDENTIAL/FOSTER</b>		<b>9,308,740</b>	<b>90,073</b>	<b>246.10</b>		<b>9,812,093</b>	<b>108,311</b>	<b>295.93</b>		<b>503,353</b>	<b>18,238</b>	<b>49.83</b>	
<b>ADOPTION PLACEMENTS</b>													
833***1769	Interagency Adoption Fees	62,780				62,780				0			
833***3702	Adoption Allowances and other costs	204,640	13,359	36.50	5,607	311,988	15,330	42.00	7,428	107,348	1,971	5.39	1,822
833***9180	Income from Assessments	(40,920)				(43,353)				(2,433)			
<b>Sub total for Adoptive Placements</b>		<b>226,500</b>	<b>13,359</b>	<b>36.50</b>	<b>5,607</b>	<b>331,415</b>	<b>15,330</b>	<b>42.00</b>	<b>7,428</b>	<b>104,915</b>	<b>1,971</b>	<b>5.50</b>	<b>1,822</b>
<b>TOTAL OF CHILDREN'S PLACEMENTS</b>		<b>9,535,240</b>	<b>103,432</b>	<b>282.60</b>		<b>10,143,508</b>	<b>123,641</b>	<b>337.93</b>		<b>608,268</b>	<b>20,209</b>	<b>55.33</b>	

CHILDREN WITH DISABILITIES PROJECTIONS

2010/11 Outturn	Code	Description	2011/12 Latest Approved Budget				2011/12 Forecast				2011/12 Variation			
			£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £
	<b>RESIDENTIAL</b>													
576,067	3504	Community Homes with Education	437,700	1,423	3.89	112,587	783,257	2,514	6.87	114,011	345,557	1,092	2.98	1,425
399,596	3606	Specialist Community Homes	410,300	1,464	4.00	102,575	562,222	1,526	4.17	134,825	151,922	62	0.17	32,250
396,285	3610	Boarding Schools	449,800	2,211	6.04	74,457	459,789	2,108	5.76	79,824	9,989	(103)	(0.28)	5,368
<b>1,371,948</b>	<b>Sub total Residential Placem</b>		<b>1,297,800</b>	<b>5,098</b>	<b>13.93</b>	<b>93,174</b>	<b>1,805,268</b>	<b>6,149</b>	<b>16.80</b>	<b>107,456</b>	<b>507,468</b>	<b>1,051</b>	<b>2.87</b>	<b>14,282</b>
	<b>FOSTERING</b>													
47,736	3630	Fostering IFA	43,800	366	1.00	43,800	46,800	366	1.00	46,800	3,000	365	0.00	3,000
47,692	3701	Fostering In house	57,000	1,098	3.00	19,000	93,290	977	2.67	34,940	36,290	365	0.00	15,940
<b>95,428</b>	<b>Sub total Foster Placements</b>		<b>100,800</b>	<b>1,464</b>	<b>4.00</b>	<b>25,200</b>	<b>140,090</b>	<b>1,343</b>	<b>3.67</b>	<b>38,172</b>	<b>39,290</b>	<b>(121)</b>	<b>(0.33)</b>	<b>12,972</b>
	<b>DIRECT FINANCIAL SUPPORT TO 16-17 YEAR OLDS</b>													
44,432	4082	Financial Support	0		0.50		30,352		0.68	44,635	30,352		0.18	44,635
<b>1,511,808</b>	<b>TOTAL CHILDREN WITH DISABILITY PLACEMENTS</b>		<b>1,398,600</b>	<b>6,562</b>	<b>18.42</b>		<b>1,975,710</b>	<b>7,492</b>	<b>21.15</b>		<b>577,110</b>	<b>930</b>	<b>2.73</b>	

**IMPACT ON FUTURE YEARS' BUDGETS OF CURRENT VARIANCES IN THE  
COUNCIL TAX FUNDED BUDGETS**

Description	2011/12 Latest Approved Budget £'000	Variation To 2011/12 Budget £'000	Impact on 2012/13
SEN Transport	3,357	66k overspent	<p>SEN Transport is currently projected to be £66k overspent.</p> <p>The savings target for 11/12 from re-tendering may not be achieved in full. Every effort will be made to achieve the full saving this year, or certainly by 2012/13, but this is a volatile demand driven budget.</p>
Children's Placement Projections (Appendix 4)	9,535	608k overspent	<p>Total full year effect projection £763k. Less sums already included in the financial forecast £500k. Net full year projection £263k. Any overspending in 2012/13 will be contained in the total CYP budget allocation, to the extent that it has not been factored into the four year forecast.</p>
Safeguarding & Social Care Division	21,356	50k overspent (salaries element)	<p>Substantial progress has already been made in replacing expensive locum agency staff with employees.</p> <p>However, any overspending in 2012/13 will be contained in the total CYP budget allocation, to the extent that it has not been factored into the four year forecast.</p>
SEN Children's Disability Team Placements (Appendix 5)	1,559	577K overspent	<p>Total full year effect projection £645k. Less sums already included in the financial forecast £Nil. Net full year projection £645k. Management action should eliminate or substantially reduce this overspending, but any remaining overspending in 2012/13 will be contained in the total CYP budget allocation, to the extent that it has not been factored into the four year forecast.</p>

**PLACEMENT CONTRACTS OVER £50,000 BUT LESS THAN £100,000**

**Contract Procedure Rules paragraph 13.1**

13.1 A decision to negotiate with one or more candidates on any arrangements required within the Procurement process shall not be made except in compliance with the following and any Public Procurement Regulations: Chief Officer in agreement with Director of Legal, Democratic and Customer Services and Director of Resources with a report of the use made of this exemption being made to Audit Sub committee on a bi-annual basis.

Prime Purpose	Placement Date	Placement Type	Client ID	Period from	Period to	Financial Commitment £	Review Date	Comments (if any)
Social Care	01/04/11	Community Home with Education	P22925	01/04/11	31/03/12	73,200		Financial commitment figure represents full year cost and is SEN 65%, SS 35%
Social Care	01/04/11	Community Home with Education	P7771	01/04/11	20/03/12	72,252	21/09/11	Financial commitment figure represents full year cost and is SEN 63.5%, SS 36.5%
Social Care	01/04/11	Community Home with Education	P7609	01/04/11	04/01/12	96,258	05/10/11	Financial commitment figure represents full year cost and is SEN 50%,SS 50%
Social Care	01/04/11	Boarding School	P5997	01/04/11	06/01/12	92,415	11/10/11	Financial commitment figure represents full year cost and is SEN 50%,SS 50%
Social Care	04/09/11	Boarding School	P9438	04/09/11	16/12/11	85,518	05/10/11	Fee shown is to end of financial year
Social Care	01/04/11	Fostering Independent	P20779	01/04/11	06/01/12	57,513	12/10/11	Fee shown is to end of financial year
Social Care	31/05/11	Fostering Independent	145313	31/05/11	31/10/11	53,428	30/11/11	Fee shown is to end of financial year
Education	Sept 02	Commissioning and Children's Education Services	5942	01/04/11	31/03/12	51932	01/9/12	Fees increased-child now year 12.



**PLACEMENT CONTRACTS OVER £100,000**

**Contract Procedure Rules paragraph 13.1**

13.1 A decision to negotiate with one or more candidates on any arrangements required within the Procurement process shall not be made except in compliance with the following and any Public Procurement Regulations: Chief Officer in agreement with Director of Legal, Democratic and Customer Services and Director of Resources with a report of the use made of this exemption being made to Audit Sub committee on a bi-annual basis.

Prime Purpose	Anticipate d Placement Date	Placement Type	Client ID	Period from	Period to	Financial Commitment £	Review Date	Comments (if any)
Social Care	16/06/11	Community Homes with Education	P8299	16/06/11	15/12/11	131,965	270/9/11	Financial commitment figure represents full year cost and is SEN 13.46,SS 86.54%
Social Care	01/04/11	Community Homes with Education	P12410	01/04/11	31/10/11	112,003	31/10/11	Financial commitment figure represents full year cost and is SEN 28.5%, SS 71.5%
Social Care	01/04/11	Community Homes with Education	P5256	01/04/11	11/01/12	136,481	12/10/11	Financial commitment figure represents full year cost and is SEN 23%, SS 77%
Social Care	01/04/11	Community Homes with Education	P6455	01/04/11	25/01/12	203,112	24/10/11	Fee shown is to end of financial year
Social Care	01/04/11	Community Homes	P9081	01/04/11	06/01/12	105,620	11/10/11	Fee shown is to end of financial year
Social Care	01/04/11	Community Homes	P9484	01/04/11	11/01/12	130,713	12/10/11	Fee shown is to end of financial year
Social Care	23/07/11	Community Homes	P126133	23/07/11	18/01/12	107,781	19/10/11	Fee shown is to end of financial year
Education	17/08/2011	Commissioning and Children's Education Services	140246	17/08/11	31/03/12	227,708	Aug 2012	Financial commitment relates to full financial year split 50/50 with CDS