

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

Date: **For Pre-Decision Scrutiny by the Children and Young People PDS Committee on 20 March 2012**

Decision Type: Non-Urgent Executive Non-Key

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

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Chief Officer: Gillian Pearson, Director of Children and Young People Services

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report reviews budget monitoring based on spending to the end of January 2012.
- 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 underspend by £298,000.

2. RECOMMENDATIONS

2.1 The Children and Young People Portfolio Holder is invited to:

- (i) **consider the projections and note the success of the action taken to offset the previously reported overspending in Social Care and Children With Disabilities placements;**
- (ii) **note contracts of £50,000 and above that have been exempted from the normal requirement to obtain competitive quotes;**
- (iii) **recommend that Executive agree that £75k Pathfinder Grant be added to the 2011/12 CYP budget.**

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 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
-

Staff

1. Number of staff (current and additional): 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
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
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 January Report
Previous years' overspend due mainly to withdrawal by government of Standards Fund in March	427	427
Sub Total: 2010/11 deficit brought forward into 2011/12	427	427
Final DSG was lower than anticipated in the budget	89	89
Forecast overspending on SEN placements	369	60
Behaviour Support overspending due to pupil volume increase	193	40
Behaviour Support additional income from sales to Academies	-330	-330
Private Nurse payments in excess of budget due to greater take up than anticipated	200	0
Flexible Learning to be ended after the Summer Term	-300	-300
School Improvement Services supplies and services savings and additional grant offset by redeployment costs and additional supplements	-118	37
Jury and maternity cover reimbursement to schools reduced due to academy conversion	-300	-300
Deficit to carry forward (January was a surplus)	-327	150
Other variations (net overspending)	97	127
Sub Total - Total projected net Underspending 2011/12	-427	-427
Projected underspending net of 2010/11 deficit	0	0

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

3.2 £298,000 underspending is projected, as summarised below.

	£'000 Current Variance	£'000 January Report
Increasing numbers and complexity of LAC requiring residential or fostering support including provision for likely increase to the year end.	1245	999
Leaving Care Grant - potential loss of income	160	0
Care Leavers - additional Southwark judgement cases	100	0
SEN Transport overspending due to contract savings target not yet fully achieved	66	66
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	482	588
Children's Centres saving in business rates	-125	-125
Savings from delayed appointments to vacant posts and running costs	-2226	-1390
Total projected net controllable overspending	-298	138

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

Summary

- 3.3 At the last meeting we projected **an overspend of £138k**. Since that time we have conducted the usual officer scrutiny on the remaining expenditure. As in previous years there have been some positive movements in this process, therefore we are now advising Members of a projected **underspend of £298k**. This is a very good position given the massive in-year budget pressures arising from children's social care placements, and reflects the management action and measures in place throughout the year to contain these pressures through compensatory savings elsewhere within the CYP Service, a freeze on all vacant posts and a moratorium on non-essential spend. The actions taken are set out in paragraphs 3.4-3.7 below.

Background

- 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 and cost 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 has achieved compensatory savings in excess of the currently projected overspending from placements. This should be enough to protect the Council against any overspending in the current year, even if considerable new placements were to emerge between now and the end of the financial year.
- 3.5 While the Director CYP has contained the 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 £794k. 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. Although budgetary growth of £600k and £605k respectively largely offsets these pressures, the risk remains of continued escalation in child numbers and costs.
- 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 sustain rigorous management action to contain and reduce the costs of all types of placements. This range of measures includes:-
- (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 where 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 and one secondary school. Three of the schools (one primary and 2 secondary) have now become academies, and so a Deficit Recovery Plan is no longer required, since the deficit will be recovered from the Education Funding Agency. The CYP Schools' Finance Team have been working with the remaining three primary governing bodies and head teachers to agree DR Plans. Two of the Plans are expected to be agreed shortly, and the third one has been escalated with involvement by the Assistant Director for Education.

Early Intervention Grant (EIG)

- 3.9 In 2011/12 the Government introduced the Early Intervention Grant. This was an amalgam of many other grants under different funding streams brought together to streamline funding arrangements. Grant funding streams such as SureStart, Connexions, and Disabled children Short Breaks were combined into one grant. Many of the grants were ringfenced and could only be used for specific purposes.
- 3.10 When the Government created the EIG they made it an unringfenced grant. The reason behind this was to give Local Authorities greater freedom and flexibility in how they spend the money they receive from central government and be freed from unnecessary bureaucracy and intrusive performance targets. This has allowed Authorities freedom to use EIG in a flexible manner.
- 3.11 Bromley's allocation has been £11,021,136 in 2011/12 and provisionally £12,010,002 in 2012/13.
- 3.12 In Bromley the grant is notionally attributed to CYP although in effect no services are actually badged to EIG. In 2011/12 and 2012/13 as in previous years, all services have come under scrutiny to achieve efficiencies and savings in order to balance expenditure against a decreasing amount of total government funding. Services that in 2010/11 were financed through ring fenced specific grants, in 2011/12 when they were transferred to the EIG, were no longer restricted by ring fenced grant arrangements and therefore came under scrutiny in the same way as other core funded services.

An example would be that some services such as Connexions and Children and Family Centres that were seen traditionally as EIG funded services have undergone restructuring and their budgets have been reduced as part of the financial planning process. Children and Family Centres have reduced their budget by £600k in 2011/12 and a further £2,200k in 2012/13.

Pathfinder Grant

- 3.13 Bromley in partnership with Bexley LA applied for and was successful in achieving National Pathfinder status and a grant of £75k in 11/12 and £150k in 12/13. The purpose of the SEND Green Paper Pathfinder Grant is to support local authorities and their Primary Care Trust (PCT) partners to test out a range of proposals set out in the SEN and Disabilities Green Paper. This is a major reform agenda in the education and support of children and young people with disabilities and their families. Bromley have been asked to test single assessment processes and a plan birth to 25 covering education, health and care, banded funding, support to parents and carers, children and young people with disabilities and personalised budgets. Work is now successfully underway involving all partners including parents and the voluntary sector. Authority is now requested to adjust the 2011/12 budget accordingly for the £75k grant.

Bromley Welcare

- 3.14 In discussion with the Chief Executive, Director of Finance, Leader of the Council and the Portfolio Holder CYP, it is proposed that an earmarked reserve be created for Bromley Welcare from the projected underspend in the CYP Budget 2011/12. This will sustain the contract but at a lower level for 2012/13; during the course of the year Bromley Welcare will be required to assess alternative viability options for service provision and also alternative funding streams.
- 3.15 A full report on this matter and seeking CYP Portfolio Holder approval is elsewhere on this agenda.

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.

Non-Applicable Sections:	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 January 2012

	A	B	C	D	E	F	G	I	J	K
76	2010/11			2011/12	2011/12	2011/12	Variation	Notes	Variation	Full Year
77	Actuals		TABLE 1: SCHOOLS' BUDGET PART OF	Original	Latest	Projected	Projected	in	Last	Effect
78			EACH SERVICE	Budget	Approved	Expenditure	This month	App2	Reported	
79	£'000			£'000	£'000	£'000	£'000		£'000	£'000
80	12,063		Access	12,995	13,066	13,154	88	A	-237	0
81	15,530		SEN and Inclusion	16,667	19,762	20,170	408	B	101	500
82	412		Commissioning and Business Services	473	483	183	-300	C	-300	-473
83	904		School Improvement Services	907	907	789	-118	D	37	0
84	166,816		Schools Related Budgets	176,921	106,702	106,108	-594	E	-117	473
85	-195,830		Dedicated Schools Grant & Pupil Premium	-208,024	-140,981	-140,465	516	F	516	-500
86	43		Research and Statistics	0	0	0	0		0	0
87	62		Strategic Planning and Commissioning	61	61	61	0		0	0
88	0		MET FROM COUNCIL BUDGET	0	0	0	0		0	0
89										
90	2010/11			2011/12	2011/12	2011/12	Variation		Variation	Full Year
91	Actuals		TABLE 2: NON-SCHOOLS AND SOCIAL	Original	Latest	Projected	Projected		Last	Effect
92			CARE PARTS OF EACH SERVICE	Budget	Approved	Expenditure	This month		Reported	
93	£'000			£'000	£'000	£'000	£'000		£'000	£'000
94			Education Division							
95	1,189		Access	2,283	2,283	1,978	-305	1	-233	0
96	5,448		SEN and Inclusion	7,602	7,602	8,233	631	2	692	40
97	479		Commissioning and Business Services	1,840	1,810	1,000	-810	3	-413	0
98	1,258		School Improvement Services	1,574	1,574	1,322	-252	4	-169	0
99	8,374			13,299	13,269	12,533	-736		-123	40
100										
101	N/A		Early Intervention Grant	-10,999	-10,999	-10,999	0			
102										
103			Safeguarding and Social Care							
104	9,996		Care and Resources	12,503	12,465	14,022	1,557	5i	988	194
105	2,038		Safeguarding and Quality Assurance	2,091	2,169	2,062	-107	5i	-107	0
106	5,097		Safeguarding and Care Planning	2,996	2,937	2,937	0	5i	10	0
107	3,789		Referral and Assessment	7,312	7,322	6,438	-884	5i & 5ii	-386	0
108	4,146		Bromley Youth Support Programme	3,324	3,324	3,260	-64	5iii	-180	0
109	25,066			28,226	28,217	28,719	502		325	194
110										
111			Strategy and Performance							
112	665		Research and Statistics	580	566	511	-55		-55	0
113	450		Strategic Planning and Commissioning	425	507	498	-9		-9	0
114				1,005	1,073	1,009	-64	6	-64	0
115	1,115									
116										
117	34,555		TOTAL CONTROLLABLE BUDGETS	31,531	31,560	31,262	-298		138	234
118	40,835		TOTAL NON CONTROLLABLE	10,375	28,975	28,836	-139		-6	
119	7,334		TOTAL EXCLUDED RECHARGES	6,172	6,172	6,172	0		0	0
120	82,724		TOTAL NON-SCHOOLS BUDGET	48,078	66,707	66,270	-437		132	234
121										
122										
123	Actuals		TABLE 3:	Original	Latest	Projected	Projected		Last	Full Year
124			TOTAL FOR EACH SERVICE	Budget	Approved	Expenditure	This month		Reported	Effect
125	£'000			£'000	£'000	£'000	£'000		£'000	£'000
126			Education Division							
127	13,252		Access	15,278	15,349	15,132	-217		-470	0
128	21,022		SEN and Inclusion	24,269	27,364	28,403	1,039		793	540
129	891		Commissioning and Business Services	2,313	2,293	1,183	-1,110		-713	-473
130	2,162		School Improvement Services	2,481	2,481	2,111	-370		-132	0
131	166,816		Schools Related Budgets	176,921	106,702	106,624	-78		-117	473
132	-195,830		Dedicated Schools Grant & Pupil Premium	-208,024	-140,981	-140,981	0		516	-500
133	N/A		Early Intervention Grant	-10,999	-10,999	-10,999	0			
134	8,313			2,239	2,209	1,473	-736		-123	40
135										
136			Safeguarding and Social Care							
137	9,996		Care and Resources	12,934	12,465	14,022	1,557		988	194
138	2,038		Safeguarding and Quality Assurance	2,091	2,169	2,062	-107		-107	0
139	5,097		Safeguarding and Care Planning	2,565	2,937	2,937	0		10	0
140	3,789		Referral and Assessment	7,312	7,322	6,438	-884		-386	0
141	4,146		Bromley Youth Support Programme	3,324	3,324	3,260	-64		-180	0
142	25,066			28,226	28,217	28,719	502		325	194
143										
144			Strategy and Performance							
145	664		Research and Statistics	580	566	511	-55		-55	0
146	512		Strategic Planning and Commissioning	486	568	559	-9		-9	0
147	1,176			1,066	1,134	1,070	-64		-64	0
148										
149										
150	34,555		TOTAL CONTROLLABLE FOR CYP	31,531	31,560	31,262	-298		138	234
151	40,835		TOTAL NON CONTROLLABLE	10,375	28,975	28,836	-139		-6	0
152	7,334		TOTAL EXCLUDED RECHARGES	6,172	6,172	6,172	0		0	0
153	82,724		PORTFOLIO TOTAL	48,078	66,707	66,270	-437		132	234
154										
155										
156										

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
2011/12 Original Budget	0	48,078	48,078
General			
Revenue contribution to capital and property adjustments		Cr 310	Cr 310
Svces)		Cr 19	Cr 19
Government Grants Deferred - removal of 2011/12 budget allocation		18,910	18,910
Total General		18,581	18,581
Grants included within Central Contingency Sum			
<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		Cr 10
Lottery Funding - expenditure	10		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
Total Grants	0	0	0
Corporate contribution to CYP for temporary secondment arrangement		48	48
Total Variations per Budget Monitoring Report	0	18,629	18,629
2010/11 Latest Approved Budget	0	66,707	66,707

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

REASONS FOR VARIATIONS

Based on January figures

The comments below cover only significant variances, so the total for the itemised variations will not always be the same as the headline variance.

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', Education Funding 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.	ACCESS Dr £88k	£'000
	1) Sale of services to academies in behavioural services	-330
	2) Volume and complexity of need increases in Home and hospital tuition	193
	3) Additional costs of redeployment	25
	4) Payments to private nurseries are above budget due to volume increases.	200
		<u>88</u>
B.	SEN AND INCLUSION Dr £408k	
	1) SEN placements Pupil-Driven spending Details in Appendix 3. The overspending has reduced from last month's reported overspending of £362k mainly because of a reduced forecast for expected starters across all categories.	369
	2) £ additional transport costs due to pupil volumes	39
		<u>408</u>
C.	COMMISSIONING & BUSINESS SERVICES Cr 300k	
	Flexible Learning strategy ended in the summer term	<u>-300</u>
D.	School Improvement Services Cr 118k	
	Additional Fam Lit & Num grant income (£70k) and savings in supplies and services (-£100k), offset in part by overspend on redeployees and additional supplements (£52k)	<u>-118</u>
E.	SCHOOLS RELATED BUDGETS Cr 594k	
	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) Deficit in the Schools' Budget to carry forward into 2012/13 Schools' Budget	-327
		<u>-594</u>
F.	DEDICATED SCHOOLS GRANT INCOME £516k below budget	
	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	89
		<u>516</u>

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

REASONS FOR VARIATIONS

Based on January figures

1. Access - cr £305k

£'000

1. Education Welfare Service

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

-55

-39

2. Pupil uniforms and transport awards

Savings from restrictions in awards

-88

2. Early Years

savings are being made by holding some posts vacant.

-178

-305

2. SEN and Inclusion - Dr £631kSEN Transport Contracts, Non-Schools' Budget component

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 £482k

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.

Pupil placements are driving the overspending in both the Schools' Budget and the non-Schools' Budget. Rigorous management action will continue to be taken by the Director of Children and Young People and the Assistant Directors (Education and Safeguarding & Social Care) to contain and reduce costs:

- Review children in high cost residential and independent fostering.
- Further strengthened gate keeping. All placements must be agreed and approved at CSC Placement Panel and by the Assistant Director for Social Care. Cases are reviewed quarterly. Numbers of Looked After Children reduced from 299 in May 2010 to 269 in March 2011.
- Implementation of an Adolescent and parenting support team to focus on preventing teenagers coming in to care.
- Joint work with the Housing Department to divert potential 16 plus homeless youngsters away from care system to supported lodgings through Housing Department.
- A review of fostering provision and costs. A work programme is currently under way to increase the number of LBB foster placements and reduce dependency on Independent Foster Agencies as well as develop packages of support to carers to enable more challenging children to be cared for within foster homes.
- Introduction of rolling interview panels, a Children's 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.
- Tightly controlled purchasing of placements through negotiation, clear specifications, avoiding 'extras', achieving least expensive options where possible.

482

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.

Education Psychologists: correction to back-pay for 6 staff		22
Cover for long term sickness within SEN team		22
Consultancy costs for ASD reprovion project and tribunal representation re placements		39
		<u>631</u>

3. Education Commissioning & Business Services - Cr £810k

Commissioned Services

Projected shortfall in sold services income. Although the new sold services are performing well by comparison with previous years' income, budgeted income was not well-matched to previous years' performance.

Savings from consolidating former Sure Start Grant funded services into Commissioned Services	160	
Savings from restrictions on supplies and services spending	-616	
	<u>-114</u>	-570

Business Partnerships

The service is in transition to converting to a sold services basis and it has been successful in generating additional income from sales to schools. It has also generated income from external contracts and agreements. This applies in the current year only and next year's budgets will be configured in line with the future shape of the service

-240
-810

4. School Improvement Services - Cr £252k

Savings from consolidating former Sure Start Grant funded services		-200
Vacancy savings, Children in Care Education Service		-52
		<u>-252</u>

5. Safeguarding and Social Care Division - Dr 502k

5 i Children's Social Care Dr £1517k

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.

Care and Resources - Dr £1522k (excluding salaries)

Children's Placements	1045
Bromley Welcare - earmarked reserve	200
UASC Leaving Care Grant - potential loss of income	160
Housing Benefit for Care Leavers:	
Under 18s - addit Southwark Judgement clients	100
Under 18s	14
Over 18s - Under recovery of rent	12
Over 18s - in-year write off	40
Freezing of Saxon Centre Supplies & Services Budgets	-24
Freezing of posts within Fostering Service	-25
	<u>1522</u>

1522

Safeguarding and Quality Assurance - Cr £107k (excluding salaries)

Savings have been identified to help offset the overspend on Placements.

Savings on the Training budget	-25	
Savings in staff advertising	-29	
A £14k contribution will be made from the Child Death Overview Process budget to support	-14	
Additional income from the CWDC	-39	
	<u>-107</u>	

Safeguarding and Care Planning - Cr £20k (excluding salaries)

£20k savings target on Section 17 budgets to off-set the costs of the NRPF clients. -20

Referral and Assessment - Cr £28k (excluding salaries)

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.

	182	
This overspend will be part met from an underspend on S17 budgets	-21	
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	-37	
	<u>72</u>	1517

5 ii Bromley Children Project within Referral and Assessment Service - Cr 951k.

Savings in business rates against last years' accrual since charges were lower than expected	-124	
savings are being made by holding some posts vacant.	-54	
Central BCFP expenditure and income	-62	
Savings in the commissioning budget	-476	
Blenheim & Hawes Down Hub 133603/133621	-126	
Community Vision Hub 811900	-109	
	<u>-951</u>	

5 iii. Bromley Youth Support Programme - Cr £64k

Youth - Savings from delayed appointments to vacant posts, running costs, and additional income.	-434	
Provision for remodelling of targeted youth support service	400	
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.	-30	
	<u>-64</u>	
		<u>502</u>

6. Strategy & Performance Division - Cr 64k

Additional income from services sold to schools		-46
Additional IT maintenance costs		17
Posts being held vacant		-35
		<u>-64</u>

7. THE SCHOOLS' BUDGET No impact on General Fund

Expenditure on schools is funded by Dedicated Schools Grant (DSG) provided by the Department for Education. DSG is ring - fenced and can only be applied to meet expenditure properly included in the Schools' Budget. The final DSG settlement was confirmed at £89k lower than anticipated due to reduced pupil numbers. Overspends and underspends must be carried forward to the following year's Schools' Budget. A modest surplus is projected.

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.

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.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, 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 last report to the Executive there have been three contracts exceeding £50,000 but less than £100,000, and 6 contracts exceeding £100,000.

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:

SEN Management salaries increased	£9,000	
Taken from Learning & Achievement Division professional fees	£9,000	
Reason: unavoidable sick cover in SEN Transport section		
Access service salaries increased to cover additional salary for sold services project worker	£25,000	
Taken from pupil benefits budget underspending		£25,000
Reason: Furtherance of the sold services to schools agenda.		

These will be included in the CYP budget monitoring report and Financial Regs require that they are also reported to Executive.

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 November 2011 £	Movement £
Additional Classroom assistants (non-delegated)	136595 1507	4.0	56,850	1.8	38,783	-2.2	-18,067		-18,068	1
Outborough School placements:Recoupment Expenditure										
- Independent day	136598 3680	112.0	3,866,300	122.7	4,434,925	10.7	568,625	1	538,813	29,812
- Independent boarding	136598 3681	84.3	5,823,680	82.9	5,659,730	-1.4	-163,950		-185,921	21,971
- OLEA maintained day	136598 3151	50.5	1,125,720	57.3	1,265,289	6.8	139,569		103,089	36,480
- OLEA maintained boarding	136598 3152	13.2	599,610	13.5	637,289	0.3	37,679		37,679	0
- Alternative Programmes / Therapy	136598 3692	79.9	600,520	71.1	696,314	-8.8	95,794		43,458	52,336
- Additional support in mainstream	136598 3154/3160/3162	124.3	1,056,350	101.2	913,446	-23.1	-142,904		-189,272	46,368
General Contingency for additional starters			500,000				-500,000	1	-500,000	0
Pupils with statements, non delegated budgets		468.2	13,629,030	450.5	13,645,777	-17.7	16,747		-170,222	186,969
Recoupment income	136598 8150-8355	-292.0	-2,591,990	-190	-2,200,000	101.7	391,990		391,990	0
Total non-delegated variation: pupils with statements		176.2	11,037,040	260.2	11,445,777	84.0	408,737		221,768	186,969
Pupils with statements: expenditure delegated to schools as Matrix funding	102/104	915.6	6,681,175	964.9	7,554,067	49.3	872,892		791,308	81,584
Approved addition to Matrix funding			572,810		0		-572,810		-572,810	0
Effect of previous years creditors in 2011/12					-333,447		-333,447		-373,727	40,280
Effect of previous years debtors in 2011/12					-6,314		-6,314		-6,314	0
Combined total, delegated and non-delegated		1,091.8	18,291,025	1,225.1	18,660,083	133.3	369,058		60,225	308,833

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 £
RESIDENTIAL													
808***3504	Community Homes with Education	1,571,250	3,074	8.40	187,054	1,438,721	3,729	10.19	141,210	(132,529)	655	1.79	(45,844)
808***3505	Community Homes	1,257,000	4,392	12.00	104,750	1,338,015	3,476	9.50	140,884	81,015	(916)	(2.50)	36,134
808***3507	Secure Accommodation	52,400	110	0.30	174,667	93,506	145	0.40	236,022	41,106	35	0.10	61,355
808***3610	Boarding Schools	314,250	1,830	5.00	62,850	484,214	1,925	5.26	92,064	169,964	95	0.26	29,214
808***3764	Transport	153,020				144,965				(8,055)			
Various	Outreach Services	117,760				152,233				34,473			
808160	Care Proceedings (PLO)	496,350				831,456				335,106			
2640	Respite Care (all)	10,500				0				(10,500)			
Sub total Residential Placements		3,972,530	9,406	25.70	124,315	4,483,110	9,275	25.34	132,370	510,580	(131)	(0.36)	8,055
FOSTERING													
808***3630	Fostering IFA	1,699,000	11,895	32.50	52,277	1,843,412	15,284	41.76	44,143	144,412	3,389	9.26	(8,133)
833***3701	Fostering In house	2,618,750	41,358	113.00	23,175	2,939,398	47,347	129.36	22,722	320,648	5,989	16.36	(453)
833***3706	Fostering In house - Respite	0				24,383				24,383			
833***3747	Special Guardianship Orders	209,500	3,916	10.70	19,579	300,244	11,047	30.18	9,947	90,744	7,131	19.48	(9,632)
833***3766	Kinship Allowances	523,750	9,882	27.00	19,398	421,154	11,030	30.14	13,975	(102,596)	1,148	3.14	(5,423)
833***3767	Residence Order Allowances	261,900	13,615	37.20	7,040	350,235	13,835	37.80	9,265	88,335	220	0.60	2,225
833***3764	Transport	23,310				60,559				37,249			
Sub total Foster Placements		5,336,210	80,666	220.40	24,106	5,939,385	98,543	269.24	21,744	603,175	17,877	48.84	(2,362)
SUB TOTAL RESIDENTIAL/FOSTER		9,308,740	90,073	246.10		10,422,495	107,818	294.58		1,113,755	17,745	48.48	
ADOPTION PLACEMENTS													
833***1769	Interagency Adoption Fees	62,780				67,695				4,915			
833***3702	Adoption Allowances and other costs	204,640	13,359	36.50	5,607	314,604	16,104	42.00	7,491	109,964	2,745	7.50	1,884
833***9180	Income from Assessments	(40,920)				(24,191)				16,729			
Sub total for Adoptive Placements		226,500	13,359	36.50	5,607	358,108	16,104	42.00	7,491	131,608	2,745	5.50	1,884
TOTAL OF CHILDREN'S PLACEMEN		9,535,240	103,432	282.60		10,780,603	123,922	336.58		1,245,363	20,490	53.98	

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 £
	RESIDENTIAL													
576,067	3504	Community Homes with Education	437,700	1,423	3.89	112,587	729,057	2,375	6.49	112,335	291,357	952	2.60	(251)
399,596	3606	Specialist Community Homes	410,300	1,464	4.00	102,575	520,076	1,435	3.92	132,672	109,776	(29)	(0.08)	30,097
396,285	3610	Boarding Schools	449,800	2,211	6.04	74,457	461,452	2,108	5.76	80,113	11,652	(103)	(0.28)	5,657
1,371,948	Sub total Residential Placem		1,297,800	5,098	13.93	93,174	1,710,585	5,918	16.17	105,788	412,785	820	2.24	12,613
	FOSTERING													
47,736	3630	Fostering IFA	43,800	366	1.00	43,800	47,057	366	1.00	47,057	3,257	365	0.00	3,257
47,692	3701	Fostering In house	57,000	1,098	3.00	19,000	94,062	977	2.67	35,229	37,062	365	0.00	16,229
95,428	Sub total Foster Placements		100,800	1,464	4.00	25,200	141,119	1,343	3.67	38,452	40,319	(121)	(0.33)	13,252
	DIRECT FINANCIAL SUPPORT TO 16-17 YEAR OLDS													
44,432	4082	Financial Support	0		0.50		29,146		0.68	42,862	29,146		0.18	42,862
1,511,808	TOTAL CHILDREN WITH DISABILITY PLACEMENTS		1,398,600	6,562	18.42		1,880,850	7,261	20.52		482,250	700	2.10	

**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	1,245k overspent	<p>Total full year effect projection £794k. Less sums already included in the financial forecast £600k. Net full year projection £194k. 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	482K overspent	<p>Total full year effect projection £645k. Less sums already included in the financial forecast £605k. Net full year projection £40k. 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)
		There have been no new placements less than £100k since the previous report.						

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	Anticipated Placement Date	Placement Type	Client ID	Period from	Period to	Financial Commitment £	Review Date	Comments (if any)
Social Care	07-Jan-12	Comm Home + Ed	P (RS)	07-Jan-12	01-Jun-12	£187,512	01-Jun-12	
Social Care	01-May-05	Spec Comm Home	P (SM)		01-Jun-12	£175,188	01-Jun-12	
Social Care/PCT	09-Apr-09	Spec Comm Home	P (TRW)		01-Jun-12	£150,384	01-Jun-12	
Social Care	28-Apr-11	Spec Comm Home	P (JCG)		01-Jun-12	£174,304	01-Jun-12	
Social Care	20-Jan-12	Comm Home + Ed	P (LB)	20-Jan-12	See comment	£150,800	31-Mar-12	This placement is likely to change before 31 March 2012.

NON-PLACEMENT CONTRACTS UNDER AND 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.

NAME OF PROVIDER(S)	CONTRACT DESCRIPTION	TYPE OF WAIVER	START DATE OF CONTRACT	END DATE OF CONTRACT	REVISED END DATE OF CONTRACT (WHERE APPLICABLE)	ANNUAL VALUE	WHOLE LIFE VALUE	Authorisation
Between £50 and £100k								
Community Service Volunteers	Community Service Volunteers help support the statutory child care services in the safeguarding of children and young people. The service is designed to assist families through the input from volunteers to develop and understand the importance of care routines for children, to develop parenting skills and to sign- post families into universal support services.	Extension	01/04/2011	31/03/2012	31/03/2013	38000	76000	Approved by Director CYP; Director of Resources; Finance Director.
Fleet Tutors	1:1 tuition for Looked After Children.	Extension	01/10/2010	31/09/2011	31/09/2012	55000	87060	Approved by Director CYP; Director of Resources; Finance Director.
Bromley Healthcare	Speech and Language Occupational Therapy at Bromley special schools; schools with SEN units; Phoenix Pre-School Assessment Centre; and Inclusion Support Service	Exemption	01/04/2012	31/07/2012		80943	80943	Approved by Director CYP; Director of Resources; Finance Director. Short term exemption to develop longer term procurement strategy for continuation of provision post July 2012.
Over £100k								
Principals Catering	Catering provision at the Education Development Centre	Extension	01/04/2011	31/03/2012	31/03/2013	53426	106853	Approved by CYP Portfolio Holder via CYP PDS February 2011.