

## Children, Education and Families Portfolio Budget Monitoring Summary

2018/19 Actuals £'000	Service Areas	2019/20 Original Budget £'000	2019/20 Final Approved £'000	2019/20 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>PEOPLE DEPARTMENT</b>							
	<b>Education Division</b>							
Cr 436	Adult Education Centres	Cr 409	Cr 384	Cr 350	34	1	34	0
385	Schools and Early Years Commissioning & QA	676	690	543	Cr 147	2	Cr 91	0
6,586	SEN and Inclusion	7,829	7,874	8,206	332	3	199	0
73	Strategic Place Planning	98	99	74	Cr 25	4	0	0
Cr 6	Workforce Development & Governor Services	Cr 30	Cr 30	8	38	5	Cr 6	0
430	Access & Inclusion	527	474	356	Cr 118	6	14	0
Cr 1,340	Schools Budgets	Cr 1,264	Cr 1,273	Cr 1,243	30	7	0	0
71	Other Strategic Functions	28	23	10	Cr 13		0	0
<b>5,763</b>		<b>7,455</b>	<b>7,473</b>	<b>7,604</b>	<b>131</b>		<b>150</b>	<b>0</b>
	<b>Children's Social Care</b>							
1,418	Bromley Youth Support Programme	1,518	1,522	1,427	Cr 95	8	41	0
879	Early Intervention and Family Support	1,156	1,156	920	Cr 236		Cr 122	0
5,706	CLA and Care Leavers	6,165	6,274	6,580	306		Cr 142	0
17,933	Fostering, Adoption and Resources	16,908	16,945	16,846	Cr 99		Cr 2	587
Cr 800	Management action	0	0	0	0		0	0
3,411	Referral and Assessment Service	3,407	3,411	3,581	170		239	199
2,743	Safeguarding and Care Planning East	2,912	2,857	2,943	86		45	96
4,470	Safeguarding and Care Planning West	4,575	4,597	5,163	566	864	559	
2,280	Safeguarding and Quality Improvement	582	552	1,071	519	259	379	
<b>38,040</b>		<b>37,223</b>	<b>37,314</b>	<b>38,531</b>	<b>1,217</b>		<b>1,182</b>	<b>1,820</b>
<b>43,803</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION, CHILDREN &amp; FAMILIES</b>	<b>44,678</b>	<b>44,787</b>	<b>46,135</b>	<b>1,348</b>		<b>1,332</b>	<b>1,820</b>
5,332	<b>Total Non-Controllable</b>	1,819	8,817	8,817	0		Cr 13	0
8,391	<b>Total Excluded Recharges</b>	8,678	8,541	8,541	0		0	0
<b>57,526</b>	<b>TOTAL EDUCATION, CHILDREN &amp; FAMILIES PORTFOLIO</b>	<b>55,175</b>	<b>62,145</b>	<b>63,493</b>	<b>1,348</b>		<b>1,319</b>	<b>1,820</b>
	<b>Memorandum Item</b>							
	<b>Sold Services</b>							
Cr 85	Education Psychology Service (RSG Funded)	Cr 116	Cr 116	37	153	9	108	0
8	Education Welfare Service (RSG Funded)	Cr 29	Cr 26	43	69		47	0
Cr 6	Workforce Development (DSG/RSG Funded)	Cr 34	Cr 32	8	40		Cr 6	0
52	Community Vision Nursery (RSG Funded)	62	62	27	Cr 35		Cr 29	0
93	Blenheim Nursery (RSG Funded)	86	86	47	Cr 39		Cr 27	0
<b>62</b>	<b>Total Sold Services</b>	<b>Cr 31</b>	<b>Cr 26</b>	<b>162</b>	<b>188</b>		<b>93</b>	<b>0</b>

**REASONS FOR VARIATIONS****1. Adult Education - Dr £34k**

There is an overspend in Adult Education, and this is due to an estimated under collection of course fees and other income of £90k and an overspend on staffing costs (£21k). This is offset by an underspend of £77k on running costs.

The collection of the income has been effected by the COVID-19 virus lockdown. This has resulted in the education setting ceasing all on-site delivery. This will lead to some of the fee income already collected being returned to the learner in the new financial year. The service is providing online services where the subjects being taught and tutor IT equipment and broadband connections permit. However not all planned provision can be delivered on line and some students do not have access to the resources necessary to engage with online learning.

**2. Schools and Early Years Commissioning & QA - Cr £147k**

The Nurseries underspent by £74k. This is broken down to underspend on staffing (£80k), running costs and Provisions (£54k). These are then offset by an any under collection of £60k on income. These variance would be expected at the nurseries as they have not been running at full capacity during the year.

Early Years has underspent by £48k. This is due to staff vacancies (£33k) and a small underspend on running costs (£15k).

The remaining difference relates to running costs in this area that is an underspend of £25k.

**3. SEN and Inclusion - Dr £332k**

The SEN Transport has overspent by £57k. This is split between staffing (£23k underspent) and additional income (£161k) from services provided to other organisations. There is then an overspend of £220k for providing the transport service. Additionally there is a pressure of £21k relating to specialist legal advice the service required to resolve a supplier issue.

The Education Psychologists are currently in the process of recruiting to the vacant posts in their team. This has causing the statutory service they are required to provide to be underspent by £59k and the Trading Service they offer to the Schools to be overspent by £153k. This is due to the use of expensive agency staff to provide the service. This is a net overspend of £94k.

The costs for running the SEN service (included working on the EHCP's) has caused an overspend of £181k. This made up of an overspend on staffing (£126k), and a £92k overspend on running costs. This is being offset by additional income of £37k.

**4. Strategic Place Planning - Cr £25k**

There is an underspend of £25k due to vacancies during the year (£90k) that are partly offset by recharges to capital to give a gross underspend of (£64k). The remaining central departmental running expenses were underspent by £1k.

**5. Workforce Development & Governor Services - Dr £38k**

There is any overspend of £38k that is due to an overspend in running costs of £31k and an under collection of income (£15k). These are offset by an underspend on the staffing budgets of £8k.

**6. Access & Inclusion - Cr £118k**

There has been an overspend of £70k in the Education Welfare Trading account due mainly to the under collection of income (£61k) and a small overspend in the running costs of £12k. This is slightly offset by the underspend on staffing (£3k)

Due to the delay in recruitment of staff within this area, there is an underspend of £43k.

Across the division there is £145k underspend on running costs.

**7. Schools Budgets (Dr £30k)**

There is an overall small variance on the Schools Budgets this year on controllable expenditure. This is offset by an overspend on non-controllable expenditure due to more overheads being charged to the DSG budgets. The overall bottom line is balanced and the effect on the General Fund is zero.

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget. Any overspend or underspend must be carried forward to the following years Schools Budget.

The DSG overspent by £1,353k. This will be taken from the £2,495k carried forward from 2018/19. It was agreed to use £278k of the brought forward balance to support the services in-year. The carry forward figure has also been adjusted for the Early Year adjustment for 2018/19 of £869k. This gives us an DSG balance to carry forward of £1,733k in to the new financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements. The Council has contributed £1.9m of core funding to DSG services in 2019/20.

The in-year overspend is broken down as follows:-

There was a overspend of £182k on modular classroom rentals during the year and a underspend of £69k on what was budgeted to be spent at the start of the year for bulge classes.

The budget for the 2 year old children is expected to underspend by £120k and along with a underspend of £1,110k for 3 & 4 years old children (both normal 15 and the new additional 15 hours). Additionally there is a £12k underspend on the staffing budget that supports these payments and a £15k underspend on the DAF related spend. This is resulting in a net underspend of £1,257k.

The Home and Hospital service has overspent by £443k, mostly of staff and agency spend due to demand led pressures in the service. This continues to be an issue going forward.

The Education Welfare service has underspend of £39k due to higher than expected income collection (£35k) and a small underspend of £4k in running costs.

The Access & Admissions team has overspent by £45k and this is due to an overspend on staffing of £61k and an underspend on running costs and income of £16k.

During the year one of the Bromley Maintained schools closed, and after all payments were paid relating to the school there was £47k credit that has been returned to the DSG.

Following changes to the 6th Form Grant Allocation for the 2019/20 academic year there is a pressure of £373k on this budget.

SEN placements are projected to overspend by a total of £164k. There are underspends being caused by boarding placements (£1,002k). These underspends are then offset by overspends on day placements (£100k), Nursery Places (£57k) and SEN School Places (£395k), Alternative Provisions (£606k) and various small overspends of £8k.

Additional to the SEN Placements there is a £812k overspend on the Matrix Funding and Top Up Funding to mainstream schools.

The support we provide to SEN pupils in further education has overspent by £865k during the year.

The DSG funded element of SEN Transport has overspent by £144k due to new routes that were established in the last year. Due to the current funding regulations LBB are not permitted to increase this budget from the previous year.

The High Needs Pre-school Service is underspent by £340k for the year. £320k of this relates to backdated rent that we have been estimating (at a higher amount) for a number of years now being paid. The remaining £20k relates to small underspends in staffing (3k), running costs (£8k) and £9k of extra income.

The SIPS and Pupil Support Service are all currently projected to underspend. Most of the underspend relates to lower than expected staffing costs, but there is also a small amount that relates to running costs that are not expected to be incurred during the year. These are then offset by overspends at the Complex Needs Team and other areas across within SEN. The net effect of these cost centres is a £72k overspend.

There is also a total small balance of overspends of £5k.

	Variations £'000	High Needs £'000	Schools £'000	Early Years £'000	Central £'000
Bulge Classes	-69		-69		
Classroom Hire	182		182		
Free Early Education - 2 year olds	-120			-120	
Free Early Education - 3 & 4 year olds (Inc. extra	-1,110			-1,110	
Early Year Support	-12			-12	
DAF	-15			-15	
Home & Hospital	443	443			
Education Welfare Officers	-39				-39
Access & Admissions	45				45
School Balance Returned	-47				-47
6th Form Grant Allocation Changes	373	373			
Other Small Balances	7	15			-8
SEN:					
- Placements & Alternative Programmes	164	164			
- Matrix Funding	812	812			
- Support in FE Colleges	865	865			
- Transport	144	144			
- High Needs Pre-school Service	-340	-340			
- Sensory Support	-11	-11			
- SEN Inclusion Fund (SENIF)	-34			-34	
- Complex Needs Team	16	16			
- SEN Staff	101	101			
- Other Small SEN Balances	-2	-2			
<b>Total</b>	<b>1,353</b>	<b>2,580</b>	<b>113</b>	<b>-1,291</b>	<b>-49</b>

There will continue to be pressures in the DSG from 2020/21 onwards, especially in the High Needs Block area. More children are coming through the system which will put pressure on DSG resources.

### **8. Children's Social Care - Dr £1,217k**

The current budget variation for the Children and Families Division is projected to be an overspend of £1,217k. This is an increase of £35k in the overspend reported in December which was £1,182k. Despite additional funding being secured in the 2019/20 budget, increases in the number of children being looked after together with the high cost of some placements has continued to put considerable strain on the budget.

Bromley Youth Support Programme (BYSP) - Cr £95k

This variation relates to staffing budgets within the service with a projected overspend of £7k on BYSP Delivery and an underspend of £102k on the Youth Offending Service due to increased income.

Early Intervention and Family Support - Cr £236k

The projected underspend is made up of:

- Staffing Cr £149k
- Contract costs Cr £82k
- Running costs Cr £5k

CLA and Care Leavers - Dr £306k

The projected variation in this area relates to overspends on accommodation costs in relation to the Staying Put scheme of £15k, Children Looked After placement support costs of £406k, and an increase of £102k in the Bad Debt Provision for children the council has placed in accommodation. This is offset by an underspend in staffing costs of £27k and additional grant of £190k.

Fostering, Adoption and Resources - Cr £99k

The final position for this area is a underspend of £99k. This is due to an underspend in staffing of £37k and a net underspend of £214k across all of the various Residential, Fostering and Adoption Placements. The provision of Adoption Services has moved to the new Regional Adoption Agency, with most services now being undertaken by Coram rather than the council. The new contract started on 11th July 2019, with an annual value of £435k, and is expected to be overspent by £152k which partially offsets the underspends above. The budget for children's placements (Residential, Fostering and Adoption Placements) is underspent this year, with the underspend increasing from December due to minor movements and projections for client numbers. The analysis of this over the various placement types is shown below, with the December position shown in brackets.

- Community Home's / Community Home's with Education - Cr £731k (Cr £913k)
- Boarding Schools - Dr £78k (Dr £44k)
- Placement Support services - Dr £435k (Dr £169k)
- Secure Accommodation - Cr £431k (Cr £501k)
- Youth on Remand - Cr £402k (Cr £429k)
- Fostering services (IFA's) - Dr £1,217k (Dr £1,627k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £251k (Cr £145k)
- Transport - Cr £124k (Cr £0k)
- Adoption placements - Cr £5k (Cr £7k)

Also included in the variations above are (1) Bromley CCG have continued to contribute £1m this year towards the continuing care costs of placements and have committed to a further £900k in 2019/20. (2) additional funding for Unaccompanied Asylum Seeking Children due to the 2019-20 change in daily allowance from £91 to £114/day. this equates to an additional £8,400 per annum for each UASC child, assuming they are in all the financial year.

The main pressure area continues to be the number of placements being made into Independent Fostering agencies (IFA) which on average cost £20k to £30k more than an in-house fostering placement and are 12fte places above the budgeted provision of 67 fte places. Costs of IFA's are more expensive on average per placement than budgeted for which has also led to increases in costs

Referral and Assessment Service - Dr £170k

The overspend in this area relates to staffing costs which is £264k overspent as a result of the use of agency staff. This is offset by an underspend on the No Recourse to Public Funds budget of £94k, with actual numbers continuing to remain under budget.

Safeguarding and Care Planning East - Dr £86k

The overspend in this area relates to staffing costs which is £161k overspent as a result of the use of agency staff and various running costs that have overspent by £48k. This is offset by an underspend on Public Law Outline costs that has underspent by £123k, as the call on this budget has reduced.

Safeguarding and Care Planning West- Dr £566k

The overspend in this area is £566k that relates to staffing costs (£246k) and arises as a result of the use of agency staff which cost more than a permanent member of staff and various running costs that have overspent by £59k. There is also an overspend on direct payments for children with disabilities (£103k), Care Support Initiatives (£183k) and support for the placements (£77k). This is offset by an underspend on short breaks of £102k.

Safeguarding and Quality Improvement - Dr £519k

The overspend in this area of £519k relates to staffing costs (£470k) and arises as a result of the use of agency staff which cost more than a permanent member of staff. This includes the costs of recruiting from overseas workers and payments to recruitment agencies. There have also been some additional costs for pre inspection work for the Youth Offending Service and some other small overspends totalling £49k

**9. Sold Services (net budgets)**

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

**Waiver of Financial Regulations**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning and (where over £100,000) approval of the Portfolio Holder and report use of this exemption to Audit Sub-Committee bi-annually. Since the last report to the Executive, there has been no waiver in the Education area. In Children's Social Care there were 8 waivers agreed for placements of between £50k and £100k and 10 for more than £100k.

**Virements Approved to date 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 financial monitoring reports to the Portfolio Holder. Since the last report to Executive, there have been no virements

**Carry Forwards from 2019/20 to 2020/21****MEMBERS' APPROVAL REQUIRED****Section 1 - Grants with Explicit Right of Repayment****CHILDREN EDUCATION & FAMILIES PORTFOLIO****3 Extension of Virtual Heads** 34,365

This grant was paid by the Department for Education and the allocation for 2019-20 was not announced until August 2019. This represented an increase of £21,752 on the 2018-19 allocation and the Service are developing the provision to support Bromley children specifically targeted by this grant. DfE have confirmed permission to carry forward this 2019-20 allocation.

**4 Reducing Parental Conflict** 40,100

The Department of Work and Pensions has provided funding totalling £40,100 to address local issues relating to the reduction in parental conflict. The purpose of the funding is to support the development of strategies and to purchase frontline practitioner training.

**Childrens, Education and Families Portfolio** 74,465

**Total Grant Income** -74,465

**Section 2 - Grants with no Explicit Right of Repayment****CHILDREN EDUCATION & FAMILIES PORTFOLIO****9 Delivery Support Fund** 18,074

"The Delivery Support Fund was a capital grant awarded by the DfE for the implementation of 30 hours of funded childcare for working parents for which Bromley received £69,100.

A total of £42,326 was spent on a range of projects to increase capacity within the local sector. In an email dated 24/08/2018 the DfE advised LA's that any unspent money from the fund needs to be spent on aims that benefit 30 hours delivery or to implement necessary requirements in the IT system. The Early Years' service has recently purchased an IT system to support the flexibility and complexities involved in managing the 30 hours funding alongside all the existing funding streams. Bromley Early Years are now working with the service provider to develop their existing off the shelf product into a comprehensive funding support and delivery product. To date £51,700 has been spent on the procurement, initial installation, training and licencing of the product. These costs have been met through the capital grant 30 Hours Funded Childcare IT Solution Scheme (£43k) with an additional £8,700 from the Delivery Support Fund.

It is therefore requested that the remainder of this grant, £18,074 is carried forward into the next financial year to contribute to the remaining costs for the next phase of development of the system, estimated to be £34k. This work has commenced and will be completed during the 2020/21 financial year

**10 Troubled Families Grant** 542,798

This grant is to fund the development of an ongoing programme to support families who have multi-faceted problems including involvement in crime and anti-social behaviour with children not in education, training or employment. This support is delivered through a number of work streams cross cutting across council departments and agencies. This sum represents the underspend in 2019-20.

**11 Investing in Practise Grant** 104,300

The new programme, Supporting Families; Investing in Practice, will help families work on issues together, including those impacted by domestic violence, substance misuse or addiction, in order to help create stability in the home for young people and prevent them being taken into care, where that is in their best interests. This is part of wider Government work to improve outcomes for children in need of support of a social worker, by creating home and school environments in which they can thrive. This grant was received late in the financial year and will be used to extend Family Group Conferencing in 2020/21 and other relevant projects.

<b>Childrens, Education and Families Portfolio</b>	<u>665,172</u>
<b>Total Grant Income</b>	<b>-665,172</b>

**Section 3 - OTHER CARRY FORWARD REQUESTS**

**CHILDREN EDUCATION & FAMILIES PORTFOLIO**

**28 North Lodge** 79,000

On the 1st April 2020, the Executive approved the drawdown of £79k to refurbish the North Lodge in order to provide a Care Leavers Hub, improving services for young people. The house will allow the service to meet and engage with young people in a less formal environment. Additional group work events are planned for young people who are NEET (not in education employment or training) as well as group sessions for young mothers and young people preparing to leave care. The group work programme will offer important life skills as well as create new relationships and benefit from support from staff. The active involvement team also run the Living in Care Council (LinCC) and the Change for Care Leavers Forum (CFCL) which operate fortnightly. Both groups offer social opportunities for young people to meet other care experienced young people but those involved also work with officers to inform thinking around how practice is delivered to ensure we are responding to their needs. Work on the house will progress in the new financial year and therefore a request to carry forward the funding is requested.

**29 Adult Education Match Funding** 25,000

In March 2020 Adult Education were successful with a small capital bid to the GLA for £25k to be used for upgrading the IT equipment across the teaching rooms at both of Bromley's adult education sites. Under the terms of the bid the LA were required to guarantee to match fund the bid so that the full costs of the project were shared 50/50 between the GLA and the bidding organisation. Confirmation of the award was not received until March 2020, therefore all expenditure for this project will need to be carried forward into the 2020/21 financial year. The capital grant funds have not yet been received by the LA as adult education are currently revising the project plan timescales to the current lockdown situation. Approval to carry forward the £25k of match funding into the 2020/21 financial year is sought so that it is available when required to undertake the project and ensure continued compliance with the conditions of the grant.

	<u>104,000</u>
<b>Total Other</b>	<u><b>104,000</b></u>
<b>TOTAL CARRY FORWARD TO 2020/21</b>	<u><b>104,000</b></u>

Description	2019/20 Final Approved Budget £'000	Variation To 2019/20 Budget £'000	Potential Impact in 2020/21
Children's Social Care	37,314	1,217	The overall full year effect of the Children's Social Care overspend is a net £1,820k, analysed as Residential Care, Fostering and Adoption Dr £587k , Children with Disabilities direct payments £400k and staffing costs of £833k.



<b>Reconciliation of Latest Approved Budget</b>	<b>£'000</b>
<b>Original Budget 2019/20</b>	<b>55,175</b>
<b>Carry forwards:</b>	
SEN Reforms Grant	
- expenditure	55
- income	Cr 55
SEN Pathfinder Grant	
- expenditure	8
- income	Cr 8
Early Years Grant	
- expenditure	15
- income	Cr 15
Delivery Support Fund	
- expenditure	27
- income	Cr 27
Step up to Social Work Cohort 6	
- expenditure	48
- income	Cr 48
Reducing Parental Conflict	
- expenditure	40
- income	Cr 40
FGM Focussed Outreach Grant	
- expenditure	10
- income	Cr 10
Tackling Troubled Families	
- expenditure	511
- income	Cr 511
Family Group Conferences	
- expenditure	52
- income	Cr 52
<b>Other:</b>	
MOPAC YOS Grant	
- expenditure	20
- income	Cr 20
Tackling Troubled Families	
- expenditure	365
- income	Cr 365
Additional MOPAC expenditure 19/20	50
Additional MOPAC Grant recharged to Children's Services	Cr 50
Expenditure on North Lodge	79
Contributions to creation of Local Offer Development Officer	Cr 21
Family Group Conferences	
- expenditure	52
- income	Cr 52
Merit awards	26
Adult Education Match Funding	25
<b>Memorandum Items:</b>	
Capital Charges	3,132
Insurance	217
Repairs & Maintenance	Cr 99
IAS19 (FRS17)	3,763
Excluded Recharges	Cr 138

Rent Income

Cr 14

**Latest Approved Budget for 2019/20**

62,145