

Children, Education and Families Portfolio Budget Monitoring Summary

2022/23 Actuals £'000	Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
CHILDREN, EDUCATION AND FAMILIES PORTFOLIO								
Education Division - Core funding								
Cr 347	Adult Education Centres	Cr 430	Cr 430	Cr 316	114	1	0	0
576	Schools and Early Years Commissioning & QA	739	736	674	Cr 62	2	Cr 119	0
2,771	SEN and Inclusion	2,525	2,615	2,358	Cr 257	3	Cr 160	0
100	Strategic Place Planning	56	56	56	0		0	0
17	Workforce Development & Governor Services	Cr 22	Cr 22	Cr 22	0		0	0
7,516	Access & Inclusion	8,134	9,134	10,344	1,432	4	43	1,700
196	Other Strategic Functions	459	357	387	30	5	0	0
Cr 40	Central School Costs	Cr 60	Cr 60	Cr 60	0		0	0
10,789		11,401	12,386	13,421	1,257		Cr 236	1,700
Children's Social Care								
1,911	Bromley Youth Support Programme	1,798	1,798	1,938	140	6	125	0
1,260	Early Intervention and Family Support	1,545	1,444	1,324	Cr 120	7	Cr 45	0
10,034	CLA and Care Leavers	11,485	12,352	13,296	944	8	328	590
22,122	Fostering, Adoption and Resources	23,880	24,380	25,703	1,323	9	Cr 32	4,420
5,184	0-25 Children Service (Disability Services)	3,714	4,313	5,671	1,358	10	1,068	969
5,073	Referral and Assessment Service	4,765	4,896	5,411	515	11	464	Cr 88
4,582	Safeguarding and Care Planning East	4,181	4,181	4,715	534	12	179	0
2,998	Safeguarding and Care Planning West	2,493	2,499	3,192	693	13	216	0
Cr 2,489	Safeguarding and Quality Improvement	Cr 6,255	Cr 6,408	Cr 6,440	Cr 32	14	75	0
50,675		47,606	49,455	54,810	5,355		2,378	5,891
61,464	TOTAL CONTROLLABLE FOR CEF CORE FUNDING	59,007	61,841	68,231	6,612		2,142	7,591
129	Total Non-Controllable	1,424	1,424	1,424	0		0	0
11,182	Total Excluded Recharges	7,208	7,208	7,208	0		0	0
72,775	TOTAL CEF PORTFOLIO CORE FUNDING	67,639	70,473	76,863	6,612		2,142	7,591
Education Division - DSG Funding								
21,691	Schools and Early Years Commissioning & QA	21,512	22,589	22,054	Cr 535	15	Cr 102	0
39,401	SEN and Inclusion	40,787	40,787	45,189	4,402	16	4,310	0
3,272	Access & Inclusion	3,635	3,635	3,812	177	17	0	0
22	Strategic Place Planning	94	94	94	0		0	0
6	Workforce Development & Governor Services	20	20	20	0		0	0
130	Other Strategic Functions	481	739	738	Cr 1		0	0
Cr 97,312	Schools Budgets	Cr 103,139	Cr 104,474	Cr 104,474	0		0	0
17,840	Special Schools and Alternative Provision	18,983	18,983	18,983	0		0	0
7,847	Primary Schools	10,075	10,075	10,075	0		0	0
4,005	Secondary Schools	3,798	3,798	3,798	0		0	0
0	Charge to Reserves	0	0	Cr 4,043	Cr 4,043	18	Cr 4,208	0
Cr 3,098		Cr 3,754	Cr 3,754	Cr 3,754	0		0	0
Cr 3,098	TOTAL CONTROLLABLE FOR CEF - DSG FUNDING	Cr 3,754	Cr 3,754	Cr 3,754	0		0	0
11	Total Non-Controllable	81	81	81	0		0	0
3,087	Total Excluded Recharges	3,673	3,673	3,673	0		0	0
0	TOTAL CEF PORTFOLIO - DSG FUNDING	0	0	0	0		0	0
TOTAL CEF PORTFOLIO								
		67,639	70,473	76,863	6,612		2,142	7,591

REASONS FOR VARIATIONS**1. Adult Education Centres - Dr £114k**

This area is currently expected to overspend by £114k and this is due to an under budget of fee income of £184k and an overspend on staffing of £57k. This is then being partially offset by an underspend of £127k in running costs.

2. Schools and Early Years Commissioning & QA - Cr £62k

The in-house nursery is currently expected to overspend by £19k, and this is down to an under budget of fee income (£100k) being offset by an underspend on staffing (£81k).

Across the rest of the service there is a £81k underspend relating to staffing.

3. SEN and Inclusion - Cr £257k

The staffing in this area is currently forecasting an underspend by £319k. This is due to a number of posts that are currently vacant. The difference £62k relates to an overspend in running costs.

4. Access & Inclusions - Dr £1,432k

The overspend in this area is due to the costs around SEN Transport that is currently forecast to overspend by £1,422k. The remaining £10k is due to various running costs.

5. Other Strategic Functions - Dr £30k

There is current an overspend of £30k in this area, and this is being caused by costs related to the restructure that has just been finalised.

Children's Social Care - Dr £5,355k

The current budget variation for the Children's Social Care Division is projected to be an overspend of £5,355k, this is an increase from £2,378k at the time of the last report. Additional funding has been identified of £1,370k due to above inflationary increases in prices across the board in CSC. this has been applied but some pressures/demands still remain.

6. Bromley Youth Support Programme - Dr £140k

The BYSP budget is projected to overspend by £140k this year. The service is currently looking at transformational savings that have not yet been realised and this is the main cause behind the overspend on running costs of £205k. This is being offset by an underspend on staffing of £12k and over collection on income of £53k.

7. Early Intervention and Family Support - Cr £120k

The main projected variance relates to services is a projected underspend on staffing of £133k and running costs of £17k. These are then offset by a £30k under collection of income.

8. CLA and Care Leavers - Dr £944k

The budget for placements in this area is currently projected to overspend by £667k this year. This amount is analysed by placement type below.

- Staying Put - Dr £437k

- Direct Accommodation - Dr £740k

- Placement Support Leaving Care - Cr £510k

The remain overspend is due to an under collection of income of £210k and a £156k overspend on staffing. This is then offset by an underspend on running costs of £89k.

9. Fostering, Adoption and Resources - Dr £1,323k

The budget for children's placements is currently projected to overspend by £1,360k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £2,811k (Dr £804k)

- Boarding Schools - Cr £149k (Cr £121k)

- Secure Placement - Cr £230k (Cr £201k)

- Fostering services (IFA's) - Dr £31k (Dr £309k)

- Fostering services (In-house, including SGO's and Kinship) - Cr £792k (Cr £568k)

- Adoption placements - Cr £200k (Cr £199k)

- Outreach Services - Dr £109k (Dr £143k)

- Transport Costs - Cr £157k (Cr £79k)

- Dom Care - Cr £63k

Additionally there is an extra £304k worth of income - most of which relates to the cost of the placements. This is then being offset by overspends in staffing of £232k and running cost of £35k.

10. 0-25 Children Service - Dr £1,358k

The main area of overspend is the use of Direct Payments (£40k) and Dom Care (£1,093k) to support the client. There is also a overspend in running costs of £226k. These overspends are then being offset by an underspend in staffing of £1k.

11. Referral and Assessment Service Dr £515k

The main projected variance relates to a projected overspend on staffing of £577k, with additional pressure on running costs of £26k. This is then offset by a £88k underspend related to No Recourse to Public Funds (NRPF) clients.

12. Safeguarding and Care Planning East Dr £534k

The budget in this area is currently projected to overspend by £534k, and is due to staffing overspends of £372k and £162k on running costs.

13. Safeguarding and Care Planning West Dr £693k

The projected variance relates to a projected overspends on staffing of £497k and £196k on running costs that mostly relates to looked after clients.

14. Safeguarding and Quality Improvement Cr £32k

The projected underspend of £32k in this area mainly relates to staffing (£72k), and this includes the costs of recruiting and retaining social workers across the whole of Children's Social Care. This is then offset by a £40k overspend in running costs.

Schools Budgets (no impact on General Fund)

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.

There is a current projected overspend in DSG of £4,043k. This will be added to the £12,706k carried forward in the reserves from 2022/23. There has been a prior year Early Year adjustment which has increased the 2022/23 DSG allocation by £600k, and this is off set against the DSG reserve that effectively reduces the reserve. This gives us an estimated DSG reserve of £16,149k at the end of the financial year.

15. Schools and Early Years Commissioning & QA Cr £535k

There is a projected underspend on the costs of child care payments for 2, 3 and 4 year olds of £454k. This includes the costs related to the Early Years Supplementary Grant.

Additionally there are underspends of £81k due to staffing underspends over a range of cost centres.

16. SEN and Inclusion Dr £4,402k

SEN placements are projected to overspend by a total of £4,800k. The overspend is being caused by the Maintained Day (£1,633k), Independent Day (£943k), Alternative Programmes (£1,231k), Maintained Boarding Schools (£249k), Direct Payment (£228k) and Matrix funding (£703k). This is then slightly offset by an underspend on Independent Boarding Schools (£187k).

Additionally to the placement costs, there are underspends on staffing across a number of units of £377k and on running costs of £21k.

17. Access & Inclusion Dr £177k

The £177k overspend in this area is due to an overspend of £644k on running costs and an under collection of income of £47k. These are being offset by staffing underspends of £514k.

18. Charge to Reserves Cr £4,043k

Section 25 of the Local Government Act 2003 requires the Section 151 Officer to report on the robustness of the budget calculations and adequacy of reserves. The 151 Officer within that commentary is now required to consider the Councils DSG deficit position, despite the statutory override being in place.

The statutory override effectively means that any DSG deficits are not included in the Councils main revenue budgets. However funding will ultimately need to be identified

In effect the Council has to still set aside resources to meet the DSG deficit and where no ongoing funding is identified such funding will need to come from the Councils reserves. On that basis the budget monitoring report identifies a deficit of £4,043k which has to ultimately be funded from the Councils reserve.

Although DSG is effectively ring fenced the ongoing increase through funding by reserves (general and earmarked) creates a financially unsustainable position in the medium to longer term

The External Auditor as part of the annual accounts, are required to comment on the Councils Value for money arrangements and will be required to consider any DSG deficit and the impact on the Councils finances

In terms of presentation of the DSG deficit of £12,706k up to 31/3/2023 and the estimated in year sum of £4,043k in 2023/24, there will need to be adequate funding from the Councils reserves unless alternative savings can be found. The use of reserves have been assumed in this report, although the specific reserves to use have not been identified at this stage.

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 in Children's Social Care 9 waivers agreed for placements of between £50 and £100k, 2 between £100k and £150k, and 6 for a value of over £200k.

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 processed.

Description	2023/24 Latest Approved Budget £'000	Variation To 2023/24 Budget £'000	Potential Impact in 2024/25
SEN Transport	10,324	1,422k	The overall full year impact is £1,700k
Children's Social Care	49,440	2,378	The overall full year effect of the Children's Social Care overspend is a net £5,891k, analysed as Residential Care, Fostering and Adoption of £4,420k, Leaving Care costs of £590k, CWD costs of £969k, and referral and assessment of Cr £88k.

Reconciliation of Latest Approved Budget	£'000
Original Budget 2023/24	67,639
Contingency:	
Carry forwards:	
Deed Settlement for Hawes Down Site	5
	expenditure
	income
	Cr 5
Virtual School - CIN Grant Carry Forward	82
	expenditure
	income
	Cr 82
Homes for Ukraine DfE Grant	1,187
	expenditure
	income
	Cr 1,187
BAEC upgrading hardware and supporting software - GLA Grant	26
	expenditure
	income
	Cr 26
YOT NHS Money	29
	expenditure
	income
	Cr 29
COVID Recovery Grant	130
	expenditure
	income
	Cr 130
National Tutoring Programme	22
	expenditure
	income
	Cr 22
GLA Adult Ed Grant Repayment	16
	expenditure
	income
	Cr 16
Supporting Families; Investing in Practice Grant	475
	expenditure
	income
	Cr 475
Homes for Ukraine Main Grant	300
	expenditure
	income
	Cr 300
Other:	
Transfer of Staff from LD Care Management to Children's 0-25 years' service	144
Transfer of Care Placements Team Staff to Children's Services	320
S31 Leaving Care Uplift Grant	68
	expenditure
	income
	Cr 68
GLA free school meal payment	6,036
	expenditure
	income
	Cr 6,036
UKSPF funding	275
	expenditure
	income
	Cr 275
Above Inflation Pressures on Children Placements	1,370
Drawdown of SEN Transport	1,000
Early Years Supplementary Grant	1,669
	expenditure
	income
	Cr 1,669
Extended Personal Advisor Grant	11
	expenditure
	income
	Cr 11
Homes for Ukraine Main Grant - Adult Education	80
	expenditure
	income
	Cr 80
Reducing Parental Conflict Grant	30
	expenditure
	income
	Cr 30
Adult Education GLA Grant Funding	82
	expenditure
	income
	Cr 82

Uplift to Youth Justice Board Grant	expenditure		12
	income	Cr	12
Change in DSG Early Years and High Needs Block	expenditure - Early Years		1077
	expenditure - High Needs		258
	income	Cr	1,335
Draw Down from Reserve to meet demand in EHCP's / High Needs	Expenditure		525
	Income		-525
Latest Approved Budget for 2023/24			<u><u>70,473</u></u>