

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 360	Cr 340	20	1	114	0
576	Schools and Early Years Commissioning & QA	739	758	689	Cr 69	2	Cr 62	0
2,771	SEN and Inclusion	2,525	2,615	2,375	Cr 240	3	Cr 257	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	10,818	1,684	4	1,432	2,315
196	Other Strategic Functions	459	357	142	Cr 215	5	30	0
Cr 40	Central School Costs	Cr 60	Cr 60	Cr 60	0		0	0
10,789		11,401	12,478	13,658	1,180		1,257	2,315
Children's Social Care								
1,911	Bromley Youth Support Programme	1,798	1,833	1,895	62	6	140	0
1,260	Early Intervention and Family Support	1,545	1,503	1,457	Cr 46	7	Cr 120	0
10,034	CLA and Care Leavers	11,485	12,352	13,183	831	8	944	1,646
22,122	Fostering, Adoption and Resources	23,880	24,380	26,174	1,794	9	1,323	5,117
5,184	0-25 Children Service (Disability Services)	3,714	4,313	5,740	1,427	10	1,358	72
5,073	Referral and Assessment Service	4,765	5,280	5,743	463	11	515	Cr 35
4,582	Safeguarding and Care Planning East	4,181	4,181	5,082	901	12	534	0
2,998	Safeguarding and Care Planning West	2,493	2,134	2,908	774	13	693	0
Cr 2,489	Safeguarding and Quality Improvement	Cr 6,255	Cr 6,426	-6,091	335	14	Cr 32	0
50,675		47,606	49,550	56,091	6,541		5,355	6,800
61,464	TOTAL CONTROLLABLE FOR CEF CORE FUNDING	59,007	62,028	69,749	7,721		6,612	9,115
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	70,660	78,381	7,721		6,612	9,115
Education Division - DSG Funding								
21,691	Schools and Early Years Commissioning & QA	21,512	22,589	22,054	Cr 535	15	Cr 535	0
39,401	SEN and Inclusion	40,787	40,787	45,288	4,501	16	4,402	0
3,272	Access & Inclusion	3,635	3,635	3,492	Cr 143	17	177	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		Cr 1	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	10,110	35	18	0	0
4,005	Secondary Schools	3,798	3,798	3,798	0		0	0
0	Charge to Reserves	0	0	Cr 3,857	Cr 3,857	19	Cr 4,043	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	70,660	78,381	7,721		6,612	9,115

REASONS FOR VARIATIONS**1. Adult Education Centres - Dr £20k**

This area is currently expected to overspend by £20k and this is due to an under collection of fees income of £177k. This is being offset by an underspend on staffing of £56k and £101k on running costs.

2. Schools and Early Years Commissioning & QA - Cr £69k

The in-house nursery is currently expected to overspend by £19k, due to an under collection of income of £101k being offset by an underspend on staffing of £81k and running costs of £1k.

Across the rest of the service there is a £88k underspend relating to staffing.

3. SEN and Inclusion - Cr £240k

The staffing in this area is currently forecasting an underspend by £182k - this is due to a number of posts that are currently or have been vacant during the year. There is an additional £20k in income and an overspend of £22k.

The Education Psychologists are currently have a number of vacant posts in their team. This is causing the statutory service they are required to provide to be underspent by £253k and the Trading Service they offer to the Schools to be overspent by £193k. This is a net underspend of £60k.

4. Access & Inclusions - Dr £1,684k

The overspend in this area is due to the costs around SEN Transport that is currently forecast to overspend by £1,660k due to the increasing number of children qualifying for this service, and the increases in costs. The remaining £24k is due to various running costs and under collection of income.

5. Other Strategic Functions - Cr £215k

There is current an underspend of £215k in this area relates to underspends on running costs.

Children's Social Care - Dr £6,541k

The current budget variation for the Children's Social Care Division is projected to be an overspend of £6,541k, this is an increase from £1,186k 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 remain.

6. Bromley Youth Support Programme - Dr £62k

The BYSP budget is projected to overspend by £62k 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 £243k. This is being offset by an underspend on staffing of £74k and over collection on income of £107k.

7. Early Intervention and Family Support - Cr £46k

The main projected variance relates to services is a projected underspend on staffing of £44k and running costs of £24k. These are then offset by a £22k under collection of income.

8. CLA and Care Leavers - Dr £831k

The budget for placements in this area is currently projected to overspend by £892k this year. This amount is analysed by placement type below.

- Staying Put - Dr £435k (Dr 437k)
- Direct Accommodation - Dr £1,118k (£Dr 740k)
- Placement Support Leaving Care - Cr £661k (Dr £510k)

This leaves an underspend of £61k on all of the other areas, and this is made up of a £113k overspend on staffing that is then being offset by an underspend on running costs of £174k.

9. Fostering, Adoption and Resources - Dr £1,794k

The budget for children's placements is currently projected to overspend by £1,699k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £3,169k (Dr £2,811k)
- Boarding Schools - Cr £184k (Cr £149k)
- Secure Placement - Cr £250k (Cr £230k)
- Fostering services (IFA's) - Dr £105k (Dr £31k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £833k (Cr £792k)
- Adoption placements - Cr £200k (Cr £200k)
- Outreach Services - Dr £109k (Dr £109k)
- Transport Costs - Cr £154k (Cr £157k)
- Dom Care - Cr £63k (Cr £63k)

Additionally there is an extra £362k worth of income - most of which relates to the cost of the placements. This is then being offset by overspends in staffing of £404k and running cost of £53k.

10. 0-25 Children Service - Dr £1,427k

The main area of overspend is the use of Direct Payments (£65k) and Dom Care (£1,081k) to support our clients. There is also a overspend in staffing of £55k and running costs of £226k.

11. Referral and Assessment Service Dr £463k

The main projected variance relates in this area relate to an overspend on staffing of £464k, with additional pressure on running costs of £52k.

This is then offset by a £53k underspend related to No Recourse to Public Funds (NRPF) clients.

12. Safeguarding and Care Planning East Dr £901k

The budget in this area is currently projected to overspend by £901k, and is due to staffing overspends of £485k and £181k on running costs. Additionally there is an overspend of £235k related to various costs related to supporting our clients.

13. Safeguarding and Care Planning West Dr £774k

The projected variance relates to a projected overspends on staffing of £520k and £254k on running costs that mostly relates to looked after clients.

14. Safeguarding and Quality Improvement Dr £335k

The projected overspend of £335k in this area mainly relates to staffing (£149k), and this includes the costs of recruiting and retaining social workers across the whole of Children's Social Care. This is also an overspend of £186k relating to general 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 £3,857k. This will be added to the £12,706k carried forward in the reserves from 2022/23. There has been a prior year Early Years DSG adjustment which increased the 2022/23 DSG allocation by £600k, and this is offset against the DSG reserve and effectively reduces the reserve. This gives an estimated DSG deficit reserve of £15,963k 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 £4,501k

SEN placements are projected to overspend by a total of £4,898k. The overspend is being caused by the Maintained Day (£1,647k), Independent Day (£866k), Alternative Programmes (£1,432k), Maintained Boarding Schools (£234k), Direct Payment (£224k), Matrix funding (£705k) and other overspends (£40k). This is then slightly offset by an underspend on Independent Boarding Schools (£250k). In addition to the placement costs, there are underspends on staffing across a number of areas of £377k and on running costs of £20k.

17. Access & Inclusion Cr £143k

The £143k underspend in this area is due to an overspend of £319k on running costs and an under collection of income of £89k. These are being offset by staffing underspends of £551k.

18. Primary School Dr £35k

The cost pressure in this area relates to the closing deficit in a school when it converted to academy status

19. Charge to Reserves Cr £3,857k

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 £3,857k 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 £3,857k 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 22 waivers agreed for placements of between £50 and £100k, 1 between £100k and £150k, and 19 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
Children's Social Care	49,550	3,619	The overall full year effect of the Children's Social Care overspend is a net £6,800k, analysed as Residential Care, Fostering and Adoption of £5,117k, Leaving Care costs of £1,646k, CWD costs of £72k, and referral and assessment of Cr £35k.
SEN Transport	10,324	1,660	The overall full year impact is £2,315k

Reconciliation of Latest Approved Budget	£'000
Original Budget 2023/24	67,639
Contingency:	
Carry forwards:	
Deed Settlement for Hawes Down Site	
expenditure	5
income	Cr 5
Virtual School - CIN Grant Carry Forward	
expenditure	82
income	Cr 82
Homes for Ukraine DfE Grant	
expenditure	1,187
income	Cr 1,187
BAEC upgrading hardware and supporting software - GLA Grant	
expenditure	26
income	Cr 26
YOT NHS Money	
expenditure	29
income	Cr 29
COVID Recovery Grant	
expenditure	130
income	Cr 130
National Tutoring Programme	
expenditure	22
income	Cr 22
GLA Adult Ed Grant Repayment	
expenditure	16
income	Cr 16
Supporting Families; Investing in Practice Grant	
expenditure	475
income	Cr 475
Homes for Ukraine Main Grant	
expenditure	300
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	
expenditure	68
income	Cr 68
GLA free school meal payment	
expenditure	6,036
income	Cr 6,036
UKSPF funding	
expenditure	275
income	Cr 275
Above Inflation Pressures on Children Placements	1,370
Drawdown of SEN Transport	1,000
Early Years Supplementary Grant	
expenditure	1,669
income	Cr 1,669
Extended Personal Advisor Grant	
expenditure	11
income	Cr 11

Homes for Ukraine Main Grant - Adult Education		
expenditure		80
income	Cr	80
Reducing Parental Conflict Grant		
expenditure		30
income	Cr	30
Adult Education GLA Grant Funding		
expenditure		82
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		1,077
expenditure - High Needs		258
income	Cr	1,335
Draw Down from Reserve to meet demand in EHCP's / High Needs		
Expenditure		525
Income		-525
Increase in Fuel Costs		187
Autism Funding transferred from ACH		
expenditure		42
income	Cr	42
Youth Justice Grant Increase		
expenditure		3
income	Cr	3
DFE Delivery Support Fund		
expenditure		66
income	Cr	66
Strengthening Multi-Agency Leadership Grant		
expenditure		47
income	Cr	47

Latest Approved Budget for 2023/24

70,660