

## 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
<b>CHILDREN, EDUCATION AND FAMILIES PORTFOLIO</b>								
<b>Education Division - Core funding</b>								
Cr 347	Adult Education Centres	Cr 430	Cr 344	Cr 304	40	1	20	0
576	Schools and Early Years Commissioning & QA	739	977	708	Cr 269	2	Cr 69	0
2,771	SEN and Inclusion	2,525	3,604	3,207	Cr 397	3	Cr 240	0
100	Strategic Place Planning	56	139	44	Cr 95	4	0	0
17	Workforce Development & Governor Services	Cr 22	Cr 2	28	30	5	0	0
7,516	Access & Inclusion	8,134	8,975	10,303	1,328	6	1,684	2,015
196	Other Strategic Functions	459	242	179	Cr 63	7	Cr 215	0
Cr 40	Central School Costs	Cr 60	Cr 60	35	95	8	0	0
<b>10,789</b>		<b>11,401</b>	<b>13,531</b>	<b>14,200</b>	<b>669</b>		<b>1,180</b>	<b>2,015</b>
<b>Children's Social Care</b>								
1,911	Bromley Youth Support Programme	1,798	1,841	1,688	Cr 153	9	62	0
1,260	Early Intervention and Family Support	1,545	1,520	1,593	73	10	Cr 46	0
10,034	CLA and Care Leavers	11,485	12,352	12,603	251	11	831	2,526
22,122	Fostering, Adoption and Resources	23,880	24,380	25,767	1,387	12	1,794	4,545
5,184	0-25 Children Service (Disability Services)	3,714	4,313	6,017	1,704	13	1,427	1,528
5,073	Referral and Assessment Service	4,765	5,280	6,166	886	14	463	Cr 105
4,582	Safeguarding and Care Planning East	4,181	4,181	5,233	1,052	15	901	0
2,998	Safeguarding and Care Planning West	2,493	2,134	3,096	962	16	774	0
Cr 2,489	Safeguarding and Quality Improvement	Cr 6,255	Cr 6,427	Cr 6,351	76	17	335	0
<b>50,675</b>		<b>47,606</b>	<b>49,574</b>	<b>55,812</b>	<b>6,238</b>		<b>6,541</b>	<b>8,494</b>
<b>61,464</b>	<b>TOTAL CONTROLLABLE FOR CEF CORE FUNDING</b>	<b>59,007</b>	<b>63,105</b>	<b>70,012</b>	<b>6,907</b>		<b>7,721</b>	<b>10,509</b>
129	<b>Total Non-Controllable</b>	1,424	464	464	0		0	0
11,182	<b>Total Excluded Recharges</b>	7,208	6,165	6,165	0		0	0
<b>72,775</b>	<b>TOTAL CEF PORTFOLIO CORE FUNDING</b>	<b>67,639</b>	<b>69,734</b>	<b>76,641</b>	<b>6,907</b>		<b>7,721</b>	<b>10,509</b>
<b>Education Division - DSG Funding</b>								
21,691	Schools and Early Years Commissioning & QA	21,512	22,404	20,963	Cr 1,441	18	Cr 535	0
39,401	SEN and Inclusion	40,787	40,003	43,542	3,539	19	4,501	0
3,272	Access & Inclusion	3,635	3,376	2,970	Cr 406	20	Cr 143	0
22	Strategic Place Planning	94	11	Cr 5	Cr 16	21	0	0
6	Workforce Development & Governor Services	20	0	0	0		0	0
130	Other Strategic Functions	481	348	219	Cr 129	22	Cr 1	0
Cr 97,312	Schools Budgets	Cr 103,139	Cr 104,474	Cr 100,682	3,792	23	0	0
17,840	Special Schools and Alternative Provision	18,983	19,723	18,760	Cr 963	24	0	0
7,847	Primary Schools	10,075	10,023	8,634	Cr 1,389	25	35	0
4,005	Secondary Schools	3,798	3,798	4,327	529	26	0	0
0	Charge to Reserves	0	0	Cr 3,516	Cr 3,516	27	Cr 3,857	0
<b>Cr 3,098</b>		<b>Cr 3,754</b>	<b>Cr 4,788</b>	<b>Cr 4,788</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>Cr 3,098</b>	<b>TOTAL CONTROLLABLE FOR CEF - DSG FUNDING</b>	<b>Cr 3,754</b>	<b>Cr 4,788</b>	<b>Cr 4,788</b>	<b>0</b>		<b>0</b>	<b>0</b>
11	<b>Total Non-Controllable</b>	81	14	14	0		0	0
3,087	<b>Total Excluded Recharges</b>	3,673	4,774	4,774	0		0	0
<b>0</b>	<b>TOTAL CEF PORTFOLIO - DSG FUNDING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>TOTAL CEF PORTFOLIO</b>		<b>67,639</b>	<b>69,734</b>	<b>76,641</b>	<b>6,907</b>		<b>7,721</b>	<b>10,509</b>

**REASONS FOR VARIATIONS****1. Adult Education Centres - Dr £40k**

This area has overspent by £40k and this is due to an shortfall of fees income of £191k. This is being offset by an underspend on staffing of £22k and £129k on running costs.

**2. Schools and Early Years Commissioning & QA - Cr £269k**

The in-house nursery is currently expected to overspend by £7k, and this is down to an under collection of income of £98k being offset by an underspend on staffing of £77k and running costs of £14k.

Across the rest of the service there is a £276k underspend relating to staffing (£155k) running costs (£55k) and additional income of (£66k).

**3. SEN and Inclusion - Cr £397k**

The staffing in this area is currently forecasting an underspend by £142k - this is due to a number of posts that are currently or have been vacant during the year. There is also an underspend of £344k on running costs that is then offset by a shortfall in income of £150k.

The Education Psychologists 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 £300k and the Trading Service they offer to the Schools to be overspent by £239k. This is a net underspend of £61k.

**4. Strategic Place Planning Cr £95k**

This area has underspent by £95k and this is due to underspends on staffing of £64k and £31k on running costs.

**5. Workforce Development and Governors Services - Dr £30k**

This area has overspent by £30k and this is due to a shortfall of fees income of £22k, along with overspends on both staffing (£2k) and running costs (£6k).

**6. Access & Inclusions - Dr £1,328k**

The overspend in this area is due to the costs of SEN Transport that has overspent by £1,394k due to the increasing number of children qualifying for this service, and the under collection of income of £125k. This is then offset by underspends on staffing of £56k and other running costs of £135k.

**7. Other Strategic Functions - Cr £63k**

This area has underspent by £63k. This is due to underspends on staffing (£39k) and running costs of (£110k). This is then being offset by an under collection of income of £86k.

**8. Central School Costs Dr £95k**

This area has overspent by £95k due to an under collection of income (£51k) and overspends on running costs (£44k).

**Children's Social Care - Dr £6,238k**

The current budget variation for the Children's Social Care Division is projected to be an overspend of £6,238k, this is an decrease of £303k from the quarter three position. Additional funding has been identified of £1,370k during the year due to above inflationary increases in prices across the board in CSC. This has been applied but pressures/demands still remain.

**9. Bromley Youth Support Programme - Cr £153k**

The BYSP has underspent by £153k 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 £125k. This is being offset by an underspend on staffing costs of £131k and an over collection on income of £147k.

**10. Early Intervention and Family Support - Dr £73k**

The service has overspent on staffing by £441k, that is then being offset but underspends on running costs of £42k and additional income of £326k.

**11. CLA and Care Leavers - Dr £251k**

The budget for placements in this area have overspent by £357k this year. This amount is analysed by placement type below.

- Staying Put - Dr £52k (Dr 435k)

- Direct Accommodation - Dr £821k (£Dr 1,118k)

- Placement Support Leaving Care - Cr £516k (Cr £661k)

This leave an underspend of £106k across the rest of the area, and this is made up of a £226k overspend on staffing and £523k on running costs that is then being offset by additional income of £855k.

**12. Fostering, Adoption and Resources - Dr £1,387k**

The budget for children's placements is currently projected to overspend by £808k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £2,672k (Dr £3,169k)
- Boarding Schools - Cr £208k (Cr £184k)
- Secure Placement - Cr £209k (Cr £250k)
- Remand Placement - Cr £506 (Cr £0k)
- Fostering services (IFA's) - Dr £213k (Dr £105k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £548k (Cr £833k)
- Adoption placements - Cr £197k (Cr £200k)
- Outreach Services - Cr £89k (Dr £109k)
- Transport Costs - Dr £23k (Cr £154k)
- Dom Care - Cr £343k (Cr £63k)

Additionally there is an extra £155k worth of grant income - most of which relates to the cost of the placements. This is then being offset by overspends in staffing of £689k and running cost of £45k.

**13. 0-25 Children Service - Dr £1,704k**

The main area of overspend was the use of Direct Payments (£296k) and Dom Care (£709k) to support our clients. There is also a overspend in staffing of £136k and running costs of £94k and an under collection of income of £469k.

**14. Referral and Assessment Service Dr £886k**

The main variances in this area relate to an overspend on staffing of £809k, with additional pressure on running costs of £135k. This was then offset by a £58k underspend related to No Recourse to Public Funds (NRPF) clients.

**15. Safeguarding and Care Planning East Dr £1,052k**

The budget is overspent by £1,052k, and is due to staffing overspends of £544k and £57k on running costs. Additionally there is an overspend of £451k related to various costs related to supporting our clients.

**16. Safeguarding and Care Planning West Dr £962k**

The variances in this area relates to an overspend on staffing of £942k and £20k on running costs.

**17. Safeguarding and Quality Improvement Dr £76k**

The overspend of £76k in this area mainly relates to a shortfall in fees income of £187k that were then offset by underspends on staffing of £44k, (and this includes the costs of recruiting and retaining social workers across the whole of Children's Social Care), and £67k 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.

The DSG overspent by £3,516k in 2023/24. This will be added to the £12,706k carried forward in the reserves from 2022/23. This gives a DSG deficit reserve at the end of 2023/24 of £16,222k at the end of the financial year.

**18. Schools and Early Years Commissioning & QA Cr £1,441k**

There was an underspend on the costs of child care payments for 2, 3 and 4 year olds of £1,136k at the end of the year. This includes the costs related to the Early Years Supplementary Grant.

Additionally there are underspends of £46k on staffing, £255k on running costs and £4k additional income collected.

**19. SEN and Inclusion Dr £3,539k**

SEN placements has overspent by a total of £3,983k. The overspend is being caused by the Maintained Day (£1,194k), Independent Day (£815k), Alternative Programmes (£1,685k), Maintained Boarding School (£205k), Direct Payment (£252k), and Matrix funding (£1,140k). This is then slightly offset by an underspend on Independent Boarding Schools (£418k) and other various underspends (£890k).

In addition to the placement costs, there are underspends on staffing across a number of units of £17k, on running costs of £425k, and £2k extra income collected.

**20. Access & Inclusion Cr £406k**

The £406k underspend in this area is due to an overspend of £186k on running costs and an under collection of income of £21k. These are being offset by staffing underspends of £613k.

**21. Strategic Place Planning Cr £16k**

This area has underspent by £16k on running costs due the year.

## **22. Other Strategic Functions Cr £129k**

The year end position for this area is an underspend of £129k. This is made up of an underspend on running costs of £221k that is then offset by an overspend of £92k on staffing.

## **23. Schools Budgets Dr £3,792k**

This area has overspent by £3,792k mainly due to the amount charged to the DSG Reserve now being shown separating. This has caused a running cost overspend of £4,123k that is being offset by additional income of £331k during the year.

## **24. Special Schools and Alternative Provision Cr £963k**

This area has an underspend variance due to additional grant income (£402k) and an underspend on running costs (£561k) that is mainly down to lower number of payments to academies for top up funding than budgeted.

## **25. Primary Schools Cr £1,389k**

The cost pressure in this area relates to the deficit in one of schools when it converted to academy and joined a trust (£38k). This area has an underspend variance due to payments to schools (including academies) being less than that budgeted for (£3,035k) and this was offset by lower than expect grant income by £1,608k. The lower than expect grant income is a contributory factor to the lower than expected payments.

## **26. Secondary Schools Dr 529k**

This area has an underspend variance due to additional grant income (£365k) that is then offset by an overspend on running costs (£894k) that will include the additional grant we have received.

## **27. Charge to Reserves Cr £3,516k**

This is the amount that has been transferred to the DSG Reserve at year end. This offsets some of the overspend in the Schools Budget area.

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 £3,516k 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 £3,516k 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 10 waivers agreed for placements of between £50 and £100k, 1 between £100k and £150k, 1 between £150k and £200k, and 18 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.

**Carry Forwards from 2023/24 to 2024/25****MEMBERS' APPROVAL REQUIRED****Grants with Explicit Right of Repayment****CHILDREN EDUCATION & FAMILIES PORTFOLIO**

<b>1</b>	<b>COVID Recovery</b> This is an academic year grant. This allows LA's to carry forward all or part of the grant to be used in the remainder of the current academic year.	114,289
<b>2</b>	<b>National Tutoring Programme</b> This is an academic year grant. This allows LA's to carry forward all or part of the grant to be used in the remainder of the current academic year.	26,019
<b>Total Expenditure to be Carried Forward</b>		140,308
<b>Total Grant Income</b>		-140,308

**Grants with no Explicit Right of Repayment****CHILDREN EDUCATION & FAMILIES PORTFOLIO**

<b>3</b>	<b>Supporting Families, Investing in Practise Grant</b> 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.	475,170
<b>4</b>	<b>Virtual School - CIN Grant Carry Forward</b> Two years ago the LA were given new duties to promote the education to ALL children with a social worker. To recognise the significant extra work the LA were allocated an annual grant of £100k. This money is intended solely for this purpose, and the DCS has signed the memorandum of understanding that commits to this.  This is mainly used to pay for staff, although there has been issues with recruitment over the last financial year.	105,000
<b>5</b>	<b>GLA Adult Education Grant</b> The £82k is needed to support staffing and IT infrastructure needs at BAEC in the financial year 2024/25. The £82k was received late in 2023/24 (January 2024) as the funds BAEC operates with cover academic year. The funding will ensure the financial sustainability to fulfil the operational staffing and IT infrastructure needs of the service	82,000
<b>6</b>	<b>Delivery Support Fund</b> The DFE awarded in the Autumn term the sum of £65,703 to support the rollout of the expanding childcare funding streams. We have so far committed £29K of this grant, to pay for a full Childcare Sufficiency assessment over the summer term. The contract for this has only just been signed and works will commence in April.  It is crucial that we conduct a full childcare assessment to be able to determine the childcare needs in Bromley, which is one of our core duties as a Local Authority. To be able to spend this grant effectively, the local need will have to be understood.	65,703
<b>7</b>	<b>PDP3 Payment Grant</b> The DFE have provided a backfill grant for students from Early Years settings to undertaking training. Two payments were made this year based upon student take up. Some progress payments have been made but not all progress has been confirmed by the trainer, so some are outstanding.	9,419

<b>8</b>	<b>GLA Free Schools Meal Grant</b> The GLA UFSM allocation of £183,532 needs to be carried over to allow sufficient time to ensure remaining funds are calculated and distributed to our schools in proportion to eligibility criteria and latest data	183,532
<b>Total Expenditure to be Carried Forward</b>		<u>920,824</u>
<b>Total Grant Income</b>		<u>-920,824</u>

**OTHER CARRY FORWARD REQUESTS****CHILDREN EDUCATION & FAMILIES PORTFOLIO**

<b>9</b>	<b>The Youth Support Programme Mobile and Detached Team Van</b>  The Youth Support Programme Mobile and Detached Team provide a resource to engage with young people and target support within the borough where it is required. The service offers an accessible positive activities programme designed to meet the  The funding is from underspends and use of grant in 2023/24 that will not be replicated in 2024/25, so the funding is requested to be carried forward to support the cost of the vehicle.  The arrangements for the vehicle have been made but could not be completed before the end of the financial year	60,000
		<u>60,000</u>
<b>Total Other</b>		<u>60,000</u>
<b>TOTAL CARRY FORWARD TO 2024/25</b>		<u>60,000</u>

Description	2023/24 Latest Approved Budget £'000	Variation To 2023/24 Budget £'000	Potential Impact in 2024/25
Children's Social Care	49,574	2,263	The overall full year effect of the Children's Social Care overspend is a net £8,494k, analysed as Residential Care, Fostering and Adoption of £4,545k, Leaving Care costs of £2,526k, CWD costs of £1,528k, and referral and assessment of Cr £105k.
SEN Transport	10,324	1,394	The overall full year impact is £2,015k

## 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	Cr 525
Increase in Fuel Costs	187
Increase in Fuel Costs	44
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
Supporting Families; Investing in Practice Grant	
expenditure	473
income	Cr 473
Memorandum Items:	
Capital Charges	-1,070
Insurance	-14
Repairs & Maintenance	69
Rent income	-12
Excluded Recharges	57

**Latest Approved Budget for 2023/24**

**69,734**