

PART 1 - PUBLIC

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

Date: **For Pre-Decision Scrutiny by the Children and Young People PDS Committee on 14 July 2011**

Decision Type: Non-Urgent Executive Non-Key

TITLE: CHILDREN AND YOUNG PEOPLE FINAL ACCOUNTS 2010/11

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Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report considers the final outturn for 2010/11 financial year and highlights variations which impact on future years.
- 1.2 The schools' budget is funded from Dedicated Schools' and specific grants and is overspent by £427,000. In the main the overspending was due to government withdrawing Standards Fund late in the financial year when the Council had already paid it out to schools. This has in part been offset by management action and the use of other grants. The overspending will be funded from the 2011/12 Dedicated Schools Grant.
- 1.3 The Non-Schools' Budget is funded from Council Tax, Revenue Support and specific grants and the controllable part of it is overspent by £18,000. This is after allowing for extensive management action to tackle the rising costs of social care placements, including the flexible use of grants to offset expenditure. Details are in 3.17 to 3.24 below.

2. RECOMMENDATIONS

- 2.1 **The Children and Young People PDS Committee are invited to consider the report and comment on the outturn position for 2010/11 for Children and Young People Services Department.**
- 2.2 **The Children and Young People Portfolio Holder is invited to:**
- (i) **consider the comments of the CYP PDS Committee;**
 - (ii) **consider the particular volume and activity pressures on the CYP budget and the management action undertaken by the Director and the Department to contain the related expenditure;**
 - (iii) **approve the final accounts 2010/11 for CYP and note that this information has been referred to the Council's Executive;**
 - (iv) **note that the Executive has been requested to agree carry forwards totalling £10,000.**
 - (v) **note the early indications of the continuing effect of budget variances highlighted in this Report into the following financial year.**

Corporate Policy

1. Policy Status: N/A
 2. BBB Priority: Children and Young People
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: CYP Portfolio budgets
 4. Total current budget for this head: £39m in 2010/11
 5. Source of funding: RSG, Council Tax, DSG, other grants
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Staff

1. Number of staff in 2010/11 – 5,377 Full-Time Equivalent, of which 4,556 are based in schools, and 821 are based in CYP Department.
 2. If from existing staff resources, number of staff hours – N/A
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Legal

1. Legal Requirement: Statutory requirement:
 2. Call in: Call-in is 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? N/A
2. Summary of Ward Councillors comments:

3. COMMENTARY

The Schools' Budget Centrally Managed Services £427,000 overspending, Table 1 of Appendix 1

- 3.1 The Schools' Budget has a net deficit of £427,000 at 31 March 2011. Legislation requires that surplus or deficit on the schools' budget is carried forward to the following financial year. This overall deficit is made up of a cumulative underspending of £335,000 brought forward from previous years (after allowing for the release of contributions accumulated for 6th form accommodation improvements), and an overspending of £762,000 in 2010/11 on central school budget services including on children with Special Educational Needs and reimbursements for school staff costs including maternity cover.
- 3.2 The components of the schools' budget net £427,000 overspending are:

	£'000 Outturn Variance	£'000 March Report
Previous years' underspend due mainly to delayed £2.8m to improve 6 th form accommodation.	-3,165	-3,165
Transfer of the contribution to capital (reduced by £520k because the variances in Schools Access and Maintenance are now retained in the Schools' Budget).	2,830	2,830
Sub Total: 2009/10 revenue surplus brought forward into 2010/11	-335	-335
Forecast overspending on SEN placements costs, and on SLAs	2,057	2,127
Contingency retained unspent to offset SEN overspending	-1093	-900
Vacancies in Pupil Support within Learning & Achievement Division	-179	-100
Prudential borrowing costs saving	-150	-150
Expenditure freeze in Phoenix	-68	-80
Expenditure on Jury, Maternity and other cover reimbursed to schools	447	300
Final DSG was higher than anticipated in the budget	-802	-802
Reduction to DSG for Academy conversion	150	119
Behaviour Service overspending driven by volume and complex needs increase	229	-
Application of Surestart grant to Phoenix Centre	-481	-
In March 2011 DfE reduced Standards Fund grant that had already been distributed	741	-
		-
Other variations (net underspending)	-89	-7
Sub Total - Total projected net Overspending 2010/11	762	507
Projected overspending net of 2009/10 surplus	427	172

- 3.3 The main cost pressure in the Schools' Budget in 2010/11 continued to be in SEN placements, which is volume driven and for which the Council has a statutory duty to make provision. There is a detailed analysis of the cost drivers and management action taken in **Appendix 2**.
- 3.4 The DfE notified Local Authorities on 18 March that Standards Fund Grant for 2010/11 would be capped at 95% of the allocations for the grants being mainstreamed into the Dedicated Schools Grant in 2011/12. This was to avoid double funding the April-August 2011 portion of the 2010/11 Standards Fund allocations. Bromley has already spent a major proportion of the total allocations in the 2010/11 Financial Year resulting in the overspending of £741k in the table above. This will be carried forward to be funded from the DSG Grant in 2011/12.

- 3.5 The overspending would have been greater but for the application of Surestart grant to eligible areas of the Schools' Budget. This was made possible by savings within the services that the Surestart grant would otherwise have been applied to.

Impact on 2011/12 Schools' Budget of Current Year Variances

- 3.6 Any over or under spending in the Schools' Budget is carried forward into the following year and so has no overall impact on core council funded services.
- 3.7 The first call on the 2011/12 Schools' Budget is the £427k overspend that has been brought forward from 2010/11. However this leaves sufficient contingency to deal with the current pressures.
- 3.8 Some pressures in the schools block area of spend for Special Education Needs placements are emerging. Pressures are coming from increasing volumes and costs of independent day provision and from costs in the maintained day sector.
- 3.9 There will be further in-year loss of DSG in 2011/12 as other schools convert to academy status. This loss to the centrally retained element of the DSG will have to be replaced by additional revenue from Academies choosing to buy into LA services, failing which there will have to be reductions to services.
- 3.10 These pressures will be contained within budgets by both management action where possible or will met from existing Schools' Budget contingencies held centrally.

Schools' Delegated Budgets

- 3.11 A school's budget is made up from funding from different sources, including Dedicated Schools' Grant and Standards Fund Grant. Consistent Financial Reporting (CFR) is a framework of income and expenditure items and balances, which provides schools with a benchmark to allow them to promote self-management and value for money. A CFR return has been produced by all schools maintained by the Local Authority as at 31 March 2011.
- 3.12 The following table shows schools' revenue reserves as at 31 March 2011 which have decreased by £1,252k over the outturn of the previous financial year. The decrease is largely accounted for by the fact that as at 31 March 2011 five schools had converted to Academy status and therefore their balances are no longer included.

	Primary Schools £000	Secondary Schools £000	Special Schools £000
Revenue balances only as at: 31.03.11			
Committed Revenue Balances	1,432 (1.65%)	938 (1.6%)	119 (1.19%)
Uncommitted Revenue Balances	2,992 (3.45%)	555 (0.95%)	243 (2.43%)
	4,424 (5.10%)	1,493 (2.55%)	362 (3.62%)
Revenue balances only as at: 31.03.10			
Committed Revenue Balances	1,832 (2.45%)	1,523 (2.13%)	304 (3.49%)
Uncommitted Revenue Balances	2,298 (3.07%)	163 (0.22%)	426 (4.89%)
	4,116 (5.50%)	2,685 (2.67%)	730 (8.38%)

- 3.13 A report containing more detailed information on spending by schools and school balances is elsewhere on this agenda.
- 3.14 10 primary and 3 secondary schools had deficits at 31 March 2011. The Schools' Finance Team will work with the schools and senior officers to agree Deficit Recovery Plans.
- 3.15 Academy Status was a pressure on the Schools' Budget. DfE withdrew £150k from DSG in 2010/11 following the conversion of five schools to Academy status. The non-Schools' Budget funding was unaffected in-year. There will be further in-year loss of DSG in 2011/12 as other schools convert.

Request for carry forward of £10,000 Lottery Funding within the Schools' Budget

- 3.16 On 22nd June 2011 the Executive were requested to approve carry forward requests relating to unspent grant income, as detailed in **Appendix 9**.

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

- 3.17 The outturn for the non-Schools' Budget is a small net overspending of £18,000 in the controllable portion of the budget which represents 0.05% on the overall budget of £34m. The main components were as follows:

	£'000 Outturn Variance	£'000 March Report
Increasing numbers and complexity of LAC requiring residential or fostering support	1500	1,456
Management action to reduce costs to offset placements costs, including- training deferred;advertising savings;children in care education savings	-225	-225
Difficulty in recruiting social workers results in higher cost locum staff	465	464
Set up of support for the educational achievement of Looked After Children	-100	-100
Costs relating to clients with No Recourse to Public Funds	100	100
Shortfall in income target for charges to parents of children in care (policy to generate income has been subsequently suspended)	77	77
Leaving Care Team volume increase in client group and irrecoverable housing costs not met by Housing Benefit	497	100
Management action to further reduce Bromley Children and Family Project costs to offset placements costs.	-222	-
Youth Offender Team vacancies	-111	-87
Integrated Youth vacancies	-108	-60
SEN Transport was expected to overspend due to increasing volume and complexity of needs, but by outturn this had been more than offset by contract re-tendering savings, additional recovered income, and savings from adverse weather cancellations	-211	100
Use of grants to offset existing expenditure: Think Family/Surestart	-442	-414
Standards Fund	-594	-500
Schools in difficulty	-19	-100
Surestart applied to core expenditure	-593	-330
Other additional grant, net of Carefirst system costs	-79	
A moratorium on all CYP expenditure for the remainder of year.	as above	-100
Other variances, net overspending	83	36
Total projected net controllable overspending	18	417

The £1.9m overspending in the Safeguarding and Social Care Division

- 3.18 Significant volume increases in Children's Social Care have caused cost pressures. The Safeguarding and Corporate Parenting Executive Working Party monitors these trends, which are also scrutinised by the CYP PDS Committee through budget monitoring reports. Trends are summarised in the table below using the 2010-11 figures as at 26 May 2011:

	Baseline Figure 2007-08	% increase on base year figure	2010-11
Initial Contacts	3,425	165%	9,065
Referrals	1,441	88%	2,703
Initial Assessments	1,167	115%	2,510
Core Assessments	481	80%	922
New Admissions into Care	86	40%	120

The trend in Looked After Children numbers is also illustrated in **Appendix 7**. The Director CYP continues to monitor these trends and resultant costs very closely.

- 3.19 Rigorous management action was taken by the Director CYP and the Assistant Director (Safeguarding and Social Care) to contain and reduce costs: vacancies were held in non-social work posts; some agency social workers in the Looked After Children and Fostering Teams were dismissed and the posts held vacant.

Action to reduce the cost pressures from residential placements or fostering included:

- Reviewed children in high cost residential and independent fostering. One child moved from residential to fostering and one moved to independence, but savings were minor.
- 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 LAC 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 the care system to supported lodgings through the 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 IFAs 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 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.
- Tightly controlled purchasing of placements through negotiation, clear specifications, avoiding 'extras', achieving least expensive options were possible.

- 3.20 The Secretary of State has commissioned an independent review to reform child protection and safeguarding arrangements. Three principles underpin the review:
- (1) early intervention;
 - (2) trust professionals and remove bureaucracy to spend more time on the frontline;
 - (3) greater transparency and accountability.

An initial interim report from the Munro Review was published in January 2011, and the final report was published on 10 May 2011.

- 3.21 Further cost pressures result from London wide difficulties in recruiting and retaining Social Workers. The Executive approved funding for a recruitment and retention package on 3 February 2010, to stabilise the workforce. The Safeguarding and Corporate Parenting Executive Working Party monitors these measures, and on 24 January 2011 CYP PDS Committee considered a progress report.
- 3.22 The Director CYP reduced these cost pressures by redirecting £600,000 of Standards Fund grants. The reduction to grant from 2011/12 onwards limits the scope to address service pressures in this way in future years.

Area Based Grant

- 3.23 In July 2010, the Government reduced Area Based Grant in-year for 2010/11. The Director CYP presented reports to the CYP PDS Committee and to the Portfolio Holder at the July, September and January meetings to outline the strategy to achieve the £1.42m reduction to be made by the CYP Portfolio. The required savings were achieved in full.

Director CYP's statement on the overspending in the Non-Schools' Budget

- 3.24 Whilst there is an overall improvement in the final outturn position for 2010/11, there have been substantial cost pressures throughout the year as a direct result of unavoidable volume demands for CYP which have included: the escalation in numbers of referrals to children's social care, the levels and complexity of need for children requiring placements and increasing volumes of children entitled to SEN transport. These pressures would have generated a higher level of overspending, but for stringent management action taken throughout the financial year which has included: a 'freeze' on staffing vacancies (other than children's social care and frontline teaching posts within the Pupil Referral Service), a moratorium on all non-essential expenditure, re-division of grant funding to address service priorities and the flexible use of grants following the removal of 'ring-fencing'. In addition, management action was instigated to reduce spending on children's placements where possible, whilst fulfilling the Council's statutory duties.

Impact on 2011/12 Council Tax funded budgets of 2010/11 variances

- 3.25 Progress of actual expenditure against budget has been monitored for the first two months of the new financial year, with particular regard to the budgets with large variances against budget highlighted in this Report.
- 3.26 The results have been incorporated into **Appendix 8**. In the Safeguarding and Social Care Division (first three items in the appendix) the combination of additional budget resources and management action has been successful in minimising projected overspending, with the only overspending being the £100k projected against social worker salaries.

- 3.27 One other significant projected overspending has emerged from 2011/12 monitoring which was not an overspending in 2010/11, and which therefore does not feature in Appendix 8. This is in Children's Disability Team placements within SEN Division which is £300k overspent, relating to three recent high cost placements of Looked After Children.
- 3.28 Management action is taking place to mitigate the potential £400k overspend from the above two items. This may include a moratorium on spend and freezing posts without affecting front line services. A full budget monitoring report on the period to 30th June will be presented to the September CYP PDS Meeting.

Explanation of the Appendices

- 3.29 Appendix 1(A) shows the forecast, measured against revised budgets for each service.
- Table 1 shows the elements chargeable to the schools' budget and funded by the ring-fenced Dedicated Schools' Grant (DSG).
 - Table 2 shows the services outside the schools' budget funded by Council Tax and Revenue Support Grant.
 - Table 3 is the total of tables 1 and 2, so Members can see the total net cost of the services.
- 3.30 CYP manages the "controllable" costs, and Members should refer to these variations when considering performance. Other departments manage the "Non-controllable" lines.
- Appendix 1(B) shows changes from original to latest budget column of Tables 1, 2 and 3.
- Appendix 2 explains the variations, and includes the Director's comments.
- Appendix 3 details the SEN pupil volume driven variance.
- Appendix 4 compares unit costs for SEN from 2005/06 to 2010/11.
- Appendix 5 shows social care placements projections.
- Appendix 6 compares numbers and costs for Placements from 2006/07 to 2010/11.
- Appendix 7 trends in referrals, looked after children, and children on the "at risk" register with a Child Protection Plan.
- Appendix 8 details the possible impact on 2011/12 Council Tax funded budgets of current year variances. The high level of social care placements is being evaluated.
- Appendix 9 details a request to carry forward a grant to 2011/12 which would otherwise have to be returned to source.

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 2010/11 to 2013/14" are 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 significant variations, including the Director CYP's comments.

Non-Applicable Sections:	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2010/11 Budget Monitoring files in CYP Finance Section

2010/11 CHILDREN AND YOUNG PEOPLE REVENUE BUDGET MONITORING BUDGET AND SUMMARISED VARIATIONS

Projections, based on actual expenditure and income to 31 March 2011. The key lines referred to in the body of the Report are highlighted in a larger font size.

2009/10 Actuals £'000	TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	2010/11 Original Budget £'000	2010/11 Latest Approved £'000	2010/11 Actual Expenditure £'000	Outturn Variation £'000	Variation Last Reported £'000	Full Year Effect £'000
	Access and Inclusion Division						
10,403	Access	4,055	4,055	4,305	250	35	0
337	Bromley Children and Family Project	7,502	7,502	7,502	0	0	0
12,294	SEN and Inclusion	12,866	13,161	14,617	1,456	2,005	0
23,034		24,423	24,718	26,424	1,706	2,040	0
	Schools Related Budgets						
159,282	Delegated Budgets	164,010	164,369	164,369	0	0	0
-191,277	Schools Budget Grants	-196,464	-196,587	-200,404	-3,817	-3,848	0
3,894	Schools Related Budgets Not Delegated	5,451	5,156	7,190	2,034	2,080	0
3,165	Variation to c/forward (balancing figure)			-427	-427	-172	
-24,936		-27,003	-27,062	-29,272	-2,210	-1,940	0
	Learning and Achievement						
818	14-19 Strategy	972	974	923	-51	0	0
143	Integrated Youth Service	138	138	138	0	0	0
1,556	School Improvement Services	1,575	1,580	2,135	555	-100	0
2,517		2,685	2,692	3,196	504	-100	0
51	Children in Care Education	0	0	0	0	0	0
26	Information Systems - CYP	43	43	43	0	0	0
61	Workforce Development	68	68	68	0	0	0
87		111	111	111	0	0	0
753	TOTAL SCHOOLS BUDGET	216	459	459	0	0	0
2009/10 Actuals £'000	TABLE 2: NON-SCHOOLS AND SOCIAL CARE COMPONENTS OF EACH SERVICE	2010/11 Original Budget £'000	2010/11 Latest Approved £'000	2010/11 Actual Expenditure £'000	Outturn Variation £'000	Variation Last Reported £'000	Full Year Effect £'000
	Access and Inclusion Division						
1,996	Access	1,060	1,121	1,151	30	48	0
499	Bromley Children and Family Project	958	1,325	313	-1,012	-673	0
5,031	SEN and Inclusion	7,364	7,051	6,823	-228	137	0
7,526		9,382	9,497	8,287	-1,210	-488	0
	Schools Related Budgets						
-768	Schools Related Budgets Not Delegated	-59	0	0	0	0	0
-768		-59	0	0	0	0	0
	Learning and Achievement						
3,376	Integrated Youth Service	3,188	2,870	2,762	-108	-60	0
1,351	School Improvement Services	1,502	658	124	-534	-594	0
4,727		4,690	3,528	2,886	-642	-654	0
	Safeguarding and Social Care						
13,196	Care and Resources	10,865	11,679	13,425	1,746	1,452	0
353	Children in Care Education	648	648	536	-112	-96	0
2,852	Safeguarding and Quality Assurance	2,854	2,154	2,109	-45	-44	0
2,838	Safeguarding and Care Planning	2,890	2,257	2,335	78	103	0
3,237	Referral and Assessment	1,691	2,361	2,661	300	307	0
905	Youth Offending Team	938	938	827	-111	-87	0
23,381		19,886	20,037	21,893	1,856	1,635	0
	Strategy and Performance						
138	Information Systems - CYP	203	201	201	0	0	0
192	Partnerships and Planning	248	194	194	0	0	0
346	Research and Statistics	368	365	379	14	24	0
369	Workforce & Business Support	258	256	256	0	0	0
1,045		1,077	1,016	1,030	14	24	0
	Moratorium			0	0	-100	
35,911	TOTAL CONTROLLABLE BUDGETS	34,976	34,078	34,096	18	417	0
4,707	TOTAL NON CONTROLLABLE	-1,999	-2,104	40,835	42,939	-7	0
6,808	TOTAL EXCLUDED RECHARGES	7,066	6,990	7,334	344	0	0
47,426	TOTAL NON-SCHOOLS BUDGET	40,043	38,964	82,265	43,301	410	0

APPENDIX 1(A) continued

2009/10 Actuals £'000	TABLE 3: TOTAL FOR EACH SERVICE	2010/11 Original Budget £'000	2010/11 Latest Approved £'000	2010/11 Actual Expenditure £'000	Outturn Variation £'000	Variation Last Reported £'000	Full Year Effect £'000
	Access and Inclusion Division						
12,399	Access	5,115	5,176	5,456	280	83	0
836	Bromley Children and Family Project	8,460	8,827	7,815	-1,012	-673	0
17,325	SEN and Inclusion	20,230	20,212	21,438	1,226	2,288	0
30,560		33,805	34,215	34,709	494	1,698	0
	Schools Related Budgets						
159,151	Delegated Budgets	164,010	164,369	164,369	0	0	0
-191,277	Schools Budget Grants	-196,464	-196,587	-200,404	-3,817	-3,848	0
3,257	Schools Related Budgets Not Delegated	5,392	5,156	7,192	2,036	1,934	0
3,165	Schools Budget Variation to c/forward			-427	-427	-172	
-25,704		-27,062	-27,062	-29,270	-2,208	-2,086	0
	Learning and Achievement						
818	14-19 Strategy	891	974	923	-51	0	0
3,519	Integrated Youth Service	3,326	3,008	2,900	-108	-60	0
2,907	School Improvement Services	3,158	2,238	2,259	21	-694	0
7,244		7,375	6,220	6,082	-138	-754	0
	Safeguarding and Social Care						
13,196	Care and Resources	10,865	11,679	13,425	1,746	1,452	0
404	Children in Care Education	648	648	536	-112	-96	0
2,852	Safeguarding and Quality Assurance	2,854	2,361	2,316	-45	-44	0
2,838	Safeguarding and Care Planning	2,890	2,257	2,335	78	103	0
3,237	Referral and Assessment	1,691	2,154	2,454	300	307	0
905	Youth Offending Team	938	938	827	-111	-87	0
23,432		19,886	20,037	21,893	1,856	1,635	0
	Strategy and Performance						
164	Information Systems - CYP	246	244	244	0	0	0
253	Partnerships and Planning	248	194	194	0	0	0
346	Research and Statistics	368	365	379	14	24	0
369	Workforce & Business Support	326	324	324	0	0	0
1,132		1,188	1,127	1,141	14	24	0
	Moratorium			0	0	-100	
36,664	TOTAL CONTROLLABLE	35,192	34,537	34,555	18	417	0
4,707	TOTAL NON CONTROLLABLE	-1,999	-2,104	40,835	42,939	-7	0
6,808	TOTAL EXCLUDED RECHARGES	7,066	6,990	7,334	344	0	0
48,179	PORTFOLIO TOTAL	40,259	39,423	82,724	43,301	410	0

CHILDREN AND YOUNG PEOPLE REVENUE BUDGET MONITORING
Budget Variations Allocated to Portfolios in 2010/11

BUDGET VARIATIONS - ALLOCATIONS FOR 2010/11	Table 1:	Table 2:	Table 3:
	Schools Budget	Non-Schools Children's Social Care Budget	Total for each service area
	£'000	£'000	£'000
2010/11 Original Budget	216,000	40,043,000	40,259,000
General			
Child Protection Adviser and Consultant Practitioner posts for 2010/11		195,000	195,000
Cost of implementing single status		200,000	200,000
Southwark Judgement increasing cost of social care support for young adults		100,000	100,000
Repairs & Maintenance savings		Cr 24,180	Cr 24,180
Multi Function Device (MFD's) savings adjustments ~ Photocopiers	}	Cr 58,340	Cr 58,340
Multi Function Device (MFD's) savings adjustments ~ Paper & Consumables	}	Cr 93,190	Cr 93,190
Review of Management & Overhead Costs		Cr 299,000	Cr 299,000
Total General		20,290	20,290
Grants included within Central Contingency Sum			
<u>Agreed by Executive on 3rd March 2010: Area Based Grants:-</u>			
- Child Death Review Process		42,000	42,000
- Designated Teacher Funding		15,000	15,000
- Positive Activities for Young People		180,000	180,000
Family Intervention Programme & Parenting Project Grants	}		
- grant related expenditure	}	414,000	414,000
- additional specific grant	}	Cr 414,000	Cr 414,000
Targeted Mental Health in Schools	}		
- grant related expenditure	}	150,000	150,000
- additional specific grant	}	Cr 150,000	Cr 150,000
Integrated Working Grant	}		
- grant related expenditure	}	45,000	45,000
- additional specific grant	}	Cr 45,000	Cr 45,000
Youth Inspectors Funding	}		
- grant related expenditure	}	28,000	28,000
- grant related income	}	Cr 28,000	Cr 28,000
Surestart, Early Years & Childcare	}		
- grant related expenditure	}	3,102,000	3,102,000
- additional specific grant	}	Cr 3,102,000	Cr 3,102,000
<u>Agreed by Executive on 31st March 2010:-</u>			
Apprenticeships, Skills, Children and learning Act 2009 - grant related expenditure	283,000	0	283,000
National Extension of the Disabled Children's Access to Childcare (DCATCH)	}		
- grant related expenditure	}	89,000	89,000
- additional specific grant	}	Cr 89,000	Cr 89,000
Foundation Learning KS4 grant expenditure	}	88,000	88,000
- additional specific grant	}	Cr 88,000	Cr 88,000
government in-year Area Based Grant reductions	Cr 130,300	Cr 1,289,700	Cr 1,420,000
Adjustment to above		4,000	4,000
Local Child Poverty/School Improvement Partners		52,600	52,600
14-19 Flexible Funding should be in the Schools' Budget - correction	90300	Cr 90,300	0
January Guarantee		26,610	26,610
Reduction in Strategic Support Charges		Cr 60,050	Cr 60,050
Review of Housing Benefit and Bed & Breakfast		101,200	101,200
Highway Primary School asbestos work		Cr 80,000	Cr 80,000
Sub-total	243,000	Cr 1,098,640	Cr 855,640
Total Variations per Budget Monitoring Report	243,000	Cr 1,078,350	Cr 835,350
2010/11 Latest Approved Budget	459,000	38,964,650	39,423,650

REASONS FOR VARIATIONS

Most variances in Table 3 of Appendix 1(A) are unique to either the Schools' Budget (Table 1), or Council Tax budget (Table 2). But the following are a combination of both:-

Service	Schools' Budget variation (Table 1) £'000	Council Tax funded budget variation (Table 2) £'000	Total variation (Table 3) £'000
Access	250 over	30 over	280 over
SEN and inclusion	1,456 over	229 under	1,227 over
School Improvement Services	555 over	-534 under	21 over

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 £427,000 Overspending (Appendix 1 (A), Table 2)

As well as the budget for each school, the Schools' Budget holds £32m of pupil-driven centrally managed services such as SEN and Pupil Referral. It is funded by Dedicated Schools', Young People Learning Agency, Standards Fund, and other grants.

ACCESS £250k overspending.

1. Access & Admissions Management £20k overspending

This overspending in salaries relates in part to additional overtime incurred in the close down of the student loans section, now transferred to a government agency.

2. Behaviour Service £229k overspending

A. Secondary PRS/Respite £254k overspending

Several pupils with high levels of challenging behaviour required educational provision at short notice. The Council has a statutory duty to provide education for these young people. Their needs could not be met within either the respite or PRS centres without destabilising the pupil population. Provision was therefore purchased from high cost providers on a short term basis. Pupil numbers have also increased significantly in the respite centres far above the numbers predicted when the budget was set. A number of these children had SEN and impacted on this budget rather than SEN.

B. Primary PRS/Respite/Outreach £94k underspending

Management action was taken to underspend the primary budgets in view of the above mentioned overspending in the secondary services.

C. Home and Hospital Tuition £87k overspending

Overspending was due to a large increase late in the year in the numbers of pupils with complex needs requiring tuition coupled with late invoices amounting to £70k for pupil receiving hospital tuition in other local authorities which could not have been predicted.

- D. The above has been slightly offset by the application of additional Standards Fund grant income £18k.

BROMLEY CHILDREN AND FAMILY PROJECT

Payments to Private Nurseries Nil overspending due to application of grant

1. Standards Fund grant was provided for the extension to 15 hours, but it did not cover the full cost. £188k overspending.
2. There were additional costs of supplements – £325k was added to budget but costs were higher at £509k. £184k overspending.
3. Pupil volume increased beyond the budgeted level. £125k overspending.
4. Surestart grant that was made available by management action elsewhere was applied to meet the above costs. £497k grant income

SEN AND INCLUSION (£1,456,000 overspending)

1. SEN Pupil-Driven: £2,057,000 overspending, details in Appendix 3

The Council has a statutory duty to meet the needs of children with SEN consequently the pupil driven budget is very volatile.

Pupil-driven budgets are monitored through the Capita One System and consist of:

- Non-delegated classroom assistants/matrix support.
- Out-borough independent and maintained school placements, and alternatives to placements.
- Other out-borough provision for children in mainstream schools.
- Delegated funding for the matrix in the Primary and Secondary Sectors.
The database holds child-by-child details which are reconciled monthly to the Ledger. The projected overspending allows for a normal number of leavers during the year, but actual leavers may be higher or lower than this.

Matrix: This budget line is overspent for 2 main reasons.

- (1) Complexity of needs has increased. Expenditure has increased far above what would be expected for the increase in numbers. This is because new Statements are only given to those with the most severe needs and there are also a number of children who require an increase in matrix funding at secondary transfer. Management will ensure all increases at secondary transfer are investigated thoroughly.
- (2) The SEN funding review was not implemented and we have therefore not seen the reduction in the number of statements as hoped. Management action was piloted from September to provide a small amount of support without recourse to a Statement. This will not have significant effect until next financial year.

There are stringent controls to ensure schools use resources from their own budgets and skilled outreach professionals. All schools and settings must follow the 4 stages in the DfE “SEN Code of Practice.” Guidelines and thresholds are monitored through an annual audit of all schools.

When a school or parent/carer asks for a statutory assessment the Local Authority Moderating Panel, consisting of professionals from a range of agencies, assesses:

- the child's level of difficulty,
- previous interventions by the school
- whether the school has exhausted the use of additional local resources
- whether the child meets the threshold for a statutory assessment.

This provides a check and balance across Bromley and ensures consistent decision making.

Independent Day and Boarding

Children with behavioural difficulties needing out borough placements have grown only slightly, (about 5) but placements can each cost £200k pa. Some follow family or fostering breakdown due to behaviour. A working group found gaps in provision which if filled would reduce costs over 2 or 3 years. Examples are the lack of places in Bromley Special Schools for primary age and/or girls and the need for therapeutic fostering to avoid boarding placements.

Residential placements are subject to the approval of both the Assistant Director, Safeguarding and Social Care and the Assistant Director, Access and Inclusion via a Complex Case Panel. Independent day placements in out of borough schools require the approval of the Assistant Director, Access and Inclusion.

Alternative Provision

This budget funds children who cannot attend school or awaiting a place. Numbers have increased significantly, and they often have behaviour difficulties or need home tuition due to mental health issues. Management action has been taken to provide for those awaiting a place within the respite centres and this will reduce the spending in year as well as in future. Additional support without recourse to a statement is subject to agreement by the multi-agency specialist support and disability panel chaired by the Head of Service and is only agreed for a limited period and is subject to a review.

Children's Disability placements

Volume and complexity of need have resulted in the budget being exceeded by £40k.

Management action taken to bring overspend down

Where children were identified as needing out borough placements their current placement was asked to hold them until 31 March.

£900k was reserved originally in the Schools' Budget contingency to offset part of the overspending – please see note below under Schools Budgets Not Delegated. Part of the remaining contingency was not needed, which contributes to offsetting SEN overspending by a further £193k..

2. Sensory Support: £38,000 underspending

Savings were made to contribute towards the overspending outlined above.

3. **Phoenix Centre £549,000 underspending**
 - (a) A freeze on spending yielded savings. £68k underspending
 - (b) One off Surestart grant made available from BCFP savings was applied to Phoenix so as to help to offset the SEN placements overspending. This grant will not be available in the future £481k income applied
4. **SEN Autism and SEN Audit £41,000 underspending**
Reductions made in services from third parties in view of the budgetary overspending.
5. **SEN Transport £15,000 overspending**
Costs of transporting pupils to additional in-borough provision established as part of the SEN strategy exceeded the budget.

DEDICATED SCHOOLS GRANT INCOME (£3,817,000 above budget)

1. The £3,165,000 cumulative underspending in the Schools' Budget at 31 March 2010 has been brought forward as extra grant available to spend. £2,830,000 of it arose from delayed contributions to secondary school investment transferred to the capital programme at year end – please see note under “Schools Budget Not Delegated” below.
2. The final DSG was £802,000 higher than expected, due to higher 4 to 10 year old pupils.
3. DfE deducted £150,000 of DSG on the conversion of five schools to Academy status.

SCHOOLS BUDGET NOT DELEGATED £2,034,000 “overspending”. (This is mainly funded by the Schools’ Budget surplus from prior years – please see the note above on DSG income.)

1. £2,830,000 “overspending” is the delayed contribution that has now been transferred to the capital programme. It is funded by the prior years’ DSG surplus referred to above.
2. Reimbursements to schools for maternity, jury, and other cover exceeded budget by £447k.
3. Savings in prudential borrowing costs. £150k underspending.
4. Contingency retained unspent to offset the overspending in SEN. £1,093k underspending.

14-19 STRATEGY £51,000 UNDERSPENDING

Savings were made so as to contribute towards offsetting the SEN overspending.

SCHOOL IMPROVEMENT SERVICES: £555,000 overspending

1. The DfE notified Local Authorities on 18 March that Standards Fund Grant for 2010/11 would be capped at 95% of the allocations for the grants being mainstreamed into the Dedicated Schools Grant in 2011/12. This was to avoid double funding the April-August 2011 portion of the 2010/11 Standards Fund allocations. Bromley has already spent a major proportion of the total allocations in the 2010/11 Financial Year resulting in an overspending. This will be carried forward to be funded from the DSG Grant in 2011/12. £741k overspending
2. Staff savings achieved due to freezing new appointments to vacancies in Pupil Support Services. £179k underspending

THE NON SCHOOLS' AND CHILDREN'S SOCIAL CARE BUDGET (Appendix 1 (A), Table 2)

Mainly funded by Council Tax, Surestart, and a number of smaller grants.

Net controllable variance: **£18,000 overspending**.

Only significant causes of variance are stated, and so the total for the itemised variations will not always be the same as the headline variance.

SAFEGUARDING AND SOCIAL CARE DIVISION (overspend of £1,856k)

SALARIES overspending by £465k across the Division

Contacts and referrals continued to increase in 2010/11 (contacts increased by 165% from a 2007/08 baseline and referrals by 88%). Agency social workers and managers were recruited to deal with the extra volumes causing salaries to overspend by £465k. The high levels of activity and related expenditure are regularly scrutinised by the CYP PDS, corporate parenting and safeguarding executive working group. 27 new social workers were recruited between April 2010 and January 2011. This has reduced dependency on locums, but long delays in CRB checks being returned has delayed start dates, and so agency costs have continued much longer than would otherwise have been necessary.

The Director CYP instigated action to reduce the staffing overspending. Non social work posts were left vacant and locum staff let go from some selected social work posts. This action helped reduce the earlier reported overspend by £55k.

The £465k overspending excludes increments, golden hellos, and other recruitment and retention incentives for permanent social workers, approved by Executive in February 2010, designed to reduce dependency on expensive agency staff. The amount reclaimed from the corporate sum set aside for 2010-11 was £95,600.

Since the comment above relates to staff costs across the Safeguarding and Social Care Division, the following comments relate to variances other than in staff costs:-

CARE AND RESOURCES £1,656,000 overspending excluding salaries (£1,746,000 including salaries – please see comment above)

1. The Children's Placement budget £1,500k overspending (Appendix 5 refers).

There were 247 looked after children (LAC) in March 2009, rising to 299 in May 2010 and falling to 269 in March 2011. Senior management reviewed all LAC placements focussing particularly on children placed in residential and independent fostering agencies in order to identify savings and to ensure prompt implementation of rehabilitation plans where possible to reduce the overspend.

2. Since the end of November, four new high cost placements had to be made. Even more rigorous management action was taken to drive down other costs within the Safeguarding and Social Care Division. This included the deferring of training to 2011-12 £69k; reduced levels of Staff Advertising £16k; additional reductions in Children's in Care Education costs £36k., and many other smaller savings across the Division. £225k saving.
3. Implementation of the charging policy was not successful and the expense of pursuing non payment was not cost effective causing a £77k shortfall in the income target. Following a member decision the charging policy has been put on hold.

4. Accommodation for Care Leavers £497k overspending
- (a) CYP is responsible for paying the housing costs of care leavers. Most but not all of this is recoverable as Housing Benefit. Projecting the historic shortfall (rental liability less HB) accumulated over several years, the sum is not recoverable and is around £200k. A management action was identified at the end of 2009-10 to improve the monitoring and controlling of this high spend budget area. Progress has been made in the year, but there is a continued need for action to resolve this issue. This will now be led by the Assistant Director – Safeguarding and Social Care. £200k overspending
 - (b) £65k of irrecoverable debt was written off during the year. £65k overspending
 - (c) Other costs for care leavers exceeded the budget by £232k, due to the increasing volume of such young people leaving care. This is after allowing for the £100k added from central contingency to the budget for the Southwark judgement. £232k overspending
5. At year end it was identified that additional Sure Start funding was available to offset the cost of the Family Support Workers used to provide valuable preventative support to single vulnerable female parents with children aged under 5. This contribution represents an underspending of £193k

SAFEGUARDING AND QUALITY ASSURANCE £79,000 underspending excluding salaries. (£45,000 underspending, including salaries)

- (a) Additional grant was received and approved by Executive which is being applied to offset costs and therefore helps to reduce the Division's overspending. £119k additional income
- (b) The CYP contribution to the cost of implementing the CareFirst system is being met by the above additional grant income. £40k overspending

SAFEGUARDING AND CARE PLANNING £75,000 underspending excluding salaries. (£78,000 overspending, including salaries)

Payments for Day Nurseries, Playgroups and play schemes were funded from Surestart Grant, to yield a saving £75k underspending

REFERRAL AND ASSESSMENT (£100,000 overspending excluding salaries, £300,000 overspending including salaries)

Clients with No Recourse to Public Funds rose steadily. The costs are to accommodate and provide for families who cannot work due to their legal status and who do not receive benefits. This was previously absorbed within s17 budgets but is now reported separately. £100k overspending.

CHILDREN IN CARE EDUCATION (£100,000 underspending excluding salaries, £112,000 underspending including salaries)

Care Matters Area Based Grant supports the Council's corporate parenting responsibilities. Due to recruitment problems, the full allocation will not be spent. £100k underspending

YOUTH OFFENDING TEAM (£111,000 underspending)

1. Savings from vacancy of the Head of Service post £69k underspending
2. Additional grant from the YJB not used in order to make savings within children's social care £15k additional income
3. Additional contribution from Community Safety also not used in order to make savings in children's social care £20k additional income

BROMLEY CHILDREN AND FAMILY PROJECT - £1,012,000 underspending

The remit of this service covers all aspects of Early Intervention provision.

- (1) The new Government unringfenced the Think Family grant and this was underspent by charging staffing costs to Standards Fund grant and Surestart grant instead.
- £442,000
- (2) Savings in Surestart grant supported services released £254k which was applied to Community Vision Nursery
- £254,000
- (3) Grant applied to the Common Assessment Framework reduced the burden on Council Tax funded services
- £94,000
- (4) With changes in management, spending was severely restrained across the BCFP services, especially towards the end of the financial year, yielding savings - £222,000

ACCESS: £30,000 overspending

1. **Education Welfare Service: £11,000 overspending**
Additional grant income was applied to reduce this overspending from the previously reported £36k overspending.
2. **Pupil Awards £14,000 overspending.**
Awards are demand driven and costs have slightly exceeded the budget.

SEN AND INCLUSION (£228,000 underspending)

1. **SEN Transport Contracts £211,000 Underspending**
 - (a) Savings from the retendering of the contract exceeded earlier projections
£66k underspending
 - (b) During the adverse weather conditions, SEN Transport carefully monitored the weather and maintained close communications with the school to ensure all closures were advised to contractors to eliminate or minimise aborted / non operation journeys.
£85k underspending
 - (c) Due to the council changing its ICT contractor new vehicle routing software that had been purchased was not installed before 31 March since no new installation was permitted 1 month either side of the changeover, and even beyond this period, the new contractor is proceeding slowly and cautiously with new software.
£35k underspending

- (d) Additional income was recovered from other boroughs for the transport of their domiciled pupils. £125k underspending
- (e) Pupil volumes and challenging behaviour both caused increased costs £100k overspending.

2. **SEN Management and Consultancy on SEN Tribunals: £46,000 overspending**

- (1) Earlier Reports noted overspending of £70,000 due to savings from reorganisation not yet achieved. But this overspending was met by diverting Area Based Grant (ABG) given for post-16 commissioning Nil variance
- (2) Tribunals continued at a high level, requiring consultants and compensation payments to parents where there is award against the Council. There is no budget, and an upward trend in costs. £46,000 overspending.

3. **SEN Audit £11,000 underspending**

Reductions made to third party provision to yield savings.

4. **Educational Psychologists £45,000 underspending**

Additional grant income was applied to reduce the net cost and so contribute to offsetting overspending elsewhere.

INTEGRATED YOUTH SERVICE: £108,000 underspending

Connexions Services: £100,000 overspending

In the context of CYP's need to make budget reductions of £325,000 at the start of the year followed by further in-year budget reductions, management reduced expenditure as below.

Youth Service: £208,000 underspending

The above overspending in Connexions was met by reducing Youth Opportunity Fund projects (the ringfence was removed from YOF grant), and a vacancy freeze.

SCHOOL IMPROVEMENT SERVICES: £534,000 underspending

- 1. A vacancy freeze, pending review of the structure, yielded £300k underspending. However, this is earmarked as part of the DfE £1.4m in-year Area Based Grant reduction, so cannot be double counted here. No variance.
- 2. Management used standards fund to meet further staffing costs and so achieved savings to offset overspends elsewhere in CYP. £500k underspending
- 3. As mentioned in previous Reports, it had been intended to fund the budget for supporting schools in difficulty from individual Schools' Budgets as a saving. However, following the Secretary of State's announcement on 1st March underlining Councils' continuing responsibilities for underperforming schools, it has been decided that budgetary capacity should be retained within the non-Schools' Budget. The previously reported £100k underspending arose from transferring all expenditure. This is replaced by an underspending against budget of £19k. £19k underspending

EXCLUDED RECHARGES**£344,000 overspending**

Variations in cross-departmental recharges are offset by corresponding variations within other portfolio budgets and have no impact on the position at overall Council level.

TRANSFER OF SCHOOLS TO ACADEMY STATUS

Schools converting receive that school's own budget, a share of the non-Schools' Budget and of the Schools' Budgets retained at LA level (and also parts of corporate budgets such as Finance, Legal, Property and HR). The potential longer-term impact has previously been reported to Members, but for 2010/11 only the Schools' Budget reduced. £150k was deducted from DSG for the first five schools to convert to Academy status. Further deductions will continue in 2011/12 as other schools convert to Academy status.

MANAGEMENT ACTION IN THIS REPORT

Containing the controllable overspending to the £18k on the non-Schools' Budget was achieved by:

- attributing £1,700,000 of previously core funded expenditure to grant funding instead;
- reducing Safeguarding and Social Care Division costs to save £225k;
- A strongly enforced spending moratorium and freezing of vacancies resulted in large scale savings in both grant funded and core funded budgets.

Containing the Schools' Budget overspending to £427k included applying Surestart grant to meet costs that would otherwise have resulted in a greater overspending in the Schools' Budget. The overspending is carried forward and will be met from DSG contingency in the 2011/12 Schools' Budget.

SEN 2010/11 OUTTURN
BASED ON ACTUAL FIGURES TO MARCH 2011

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		Outturn		Variation		Comparison	
		Funded pupil nos. or places	£	Funded pupil nos. or places	£	Funded pupil nos. or places	£	Previous reported variation March 2011 £	Movement £
Additional Classroom assistants (non-delegated)	136595 1507	4	56,850	4	71,184	0	14,334	4,886	9,449
Outborough School placements:									
Recoupment Expenditure									
- Independent day	136598 3680	92	2,894,300	108	4,114,774	16	1,220,474	1,268,126	-47,652
- Independent boarding	136598 3681	96	5,150,680	86	5,675,460	-11	524,780	497,968	26,812
- OLEA maintained day	136598 3151	64	1,200,720	54	1,006,617	-10	-194,103	14,842	-208,945
- OLEA maintained boarding	136598 3152	16	652,610	14	645,528	-1	-7,082	-52,577	45,495
- Alternative Programmes / Therapy	136598 3692	64	353,540	52	592,061	-12	238,521	90,175	148,346
- Additional support in mainstream	136598 3154/3160/3162	107	788,350	97	612,095	-10	-176,255	-3,524	-172,731
Recoupment income	136598 8150-8355		-2,251,990		-2,463,144		-211,154	-149,947	-61,207
Pupils with statements, non delegated budgets		443	8,845,060	414	10,254,576	-28	1,409,516	1,669,949	-260,433
Cost related to education of Disabled Children Placements							39,684	140,000	-100,316
Trends anticipated savings associated with leavers					0	Net	0	-23,400	23,400
Total non-delegated variation: pupils with statements							1,449,200	1,786,549	-337,349
Pupils with statements: expenditure delegated to schools									
Matrix funding (Appendix 3, paragraph (14))	102/104	961	6,462,985	981	7,070,425	19	607,440	557,548	49,892
Effect of previous years creditors in 2009/10		246	2,814,872	191	2,814,872	-55	0	-62,095	62,095
Effect of previous years debtors in 2009/10		250	-2,449,766	244	-2,449,766	-6	0	-154,829	154,829
Combined total, delegated and non-delegated		1,900	15,673,151	1,829	17,690,106	-70	2,056,640	2,127,173	-70,534

SPECIAL EDUCATIONAL NEEDS KEY BUDGETS - TREND INFORMATION 2005/06 TO 2010/11

Provision	2005/06								2006/07								2007/08							
	Budget			Outturn			Variance		Budget			Outturn			Variance		Budget			Outturn			Variance	
	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£
Extra support - Bromley schools	878	4,272,610	4,866	804	4,085,580	5,082	-74	187,030	826	4,547,600	5,506	823	4,561,150	5,542	-3	13,550	899	5,193,340	5,777	851	5,035,266	5,917	-48	-158,074
Outborough placements																								
- Independent day (incl Alt Prog)	63	1,467,540	23,294	52	1,317,110	25,329	-11	150,430	56	1,534,090	27,394	51	1,539,760	30,191	-5	5,670	53	1,865,770	35,203	70	2,323,872	33,293	17	458,102
- Independent boarding	81	3,654,510	45,117	75	3,463,380	46,178	-6	191,130	80	3,944,070	49,301	74	3,885,630	52,509	-6	-58,440	79	4,375,620	55,097	80	4,542,813	56,785	1	167,193
- Maintained day	78	926,290	11,876	74	1,037,020	14,014	-4	110,730	81	1,215,150	15,002	66	960,890	14,559	-15	254,260	73	1,229,870	16,848	67	1,173,781	17,493	-6	-56,089
- Maintained boarding	23	665,740	28,945	19	619,990	32,631	-4	-45,750	20	655,040	32,752	19	574,060	30,214	-1	-80,980	19	653,530	34,396	18	608,641	33,627	-1	-44,889
- Alternative programmes/ therapy	18	129,170	7,176	35	180,810	5,166	17	51,640	35	215,910	6,169	47	276,840	5,890	12	60,930	42	265,630	6,325	59	338,156	5,751	17	72,526
Outborough - support in mainstream	78	490,350	6,287	72	394,890	5,485	-6	-95,460	79	452,560	5,729	70	420,320	6,005	-9	-32,240	80	560,970	7,012	91	595,614	6,567	11	34,644

Provision	2008/09								2009/10								2010/11							
	Budget			Outturn			Variance		Budget			Outturn			Variance		Budget			Outturn			Variance	
	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£	No.	£	Unit cost (£)	No.	£	Unit cost (£)	No.	£
Extra support - Bromley schools	922	5,390,650	5,849	927	5,619,268	6,113	6	276,538	925	5,863,010	6,338	941	6,403,322	6,802	16	540,312	965	6,519,835	6,754	985	7,149,707	7,212	20	629,872
Outborough placements																								
- Independent day	53	1,865,770	35,203	65	2,289,694	35,226	12	423,924	73	2,651,530	36,322	80	3,018,655	37,875	7	367,125	92	2,894,300	31,324	108	4114774	38100	16	1220474
- Independent boarding	79	4,375,620	55,388	80	4,631,224	57,890	1	255,604	93	4,977,033	53,402	83	5,289,895	63,580	-10	312,862	96	5,150,680	53,653	86	5675460	65994	-10	524780
- Maintained day	73	1,229,870	16,848	56	1,078,693	19,262	-17	151,177	64	1,192,830	18,580	58	1,221,020	21,162	-7	28,190	64	1,200,720	18,761	54	1006617	18641	-10	-194103
- Maintained boarding	19	653,530	34,396	19	570456	30,024	0	-83,074	16	615,376	38,341	16	661,696	40,890	0	46,320	16	652,610	40,788	14	645528	46109	-2	-7082
- Alternative programmes/ therapy	42	265,630	6,325	56	286,019	5,107	14	20,389	51	282,312	5,492	51	490,947	9,683	-1	208,635	64	353,450	5,523	52	592061	11386	-12	238611
Outborough - support in mainstream	80	560,970	7,012	82	497,290	6,065	2	-63,680	95	576,700	6,071	94	735,268	7,839	-1	158,568	107	788,350	7,368	97	612095	6310	-10	-176255

CHILDREN'S PLACEMENT PROJECTIONS 2010/11

Code	Description	2010/11 Latest approved Budget				2010/11 Outturn				2010/11 VARIATION			
		£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £	£	Res. Days	FYE	Unit Cost £
RESIDENTIAL													
808***3504	Community Homes with Education	952,920	1,862	5.10	186,847	1,624,439	4,201	11.51	141,138	671,519	1,801	4.93	(50,341)
808***3505	Community Homes	516,520	1,825	5.00	104,130	1,078,363	3,594	9.85	109,517	561,843	2,185	5.99	29,314
808***3507	Secure Accommodation	85,620	183	0.50	171,240	23,356	134	0.37	63,619	(62,264)	(80)	(0.22)	(70,429)
808***3606	Specialist Community Homes	71,890	365	1.00	71,890	0	0	0.00		(71,890)	(1,825)	(5.00)	57,642
808***3610	Boarding Schools	449,090	2,665	7.30	61,519	239,611	1,621	4.44	53,953	(209,479)	(4,228)	(11.58)	50,374
808***3764	Transport	146,020				102,605				(43,415)			
Various	Outreach Services	178,290				125,047				(53,243)			
808160	Public Law Outline Requirements	379,450				648,434				268,984			
2640	Respite Care (all)	0				459				459			
808101 5000	Funding for Care Plan /Price increases	209,690				0				(209,690)			
834130	2010-11 contribution from CAMHS					(93,848)				(93,848)			
Sub total Residential Placements		2,989,490	6,899	18.90	109,843	3,748,466	9,550	26.16	113,351	758,976	2,652	7.26	3,508
FOSTERING													
808***3630/3750	Fostering IFA	1,268,620	9,125	25.00	50,745	2,007,013	15,037	41.20	48,717	738,393	6,095	16.70	(1,779)
833***3701	Fostering In house	3,013,710	47,450	130.00	23,182	2,907,737	42,897	117.53	24,741	(105,973)	(1,329)	(3.64)	604
833***3706	Fostering In house - Respite	0		0.00		23,953				23,953			
833***3766	Kinship abd Special Guardianship Allo	472,200	12,410	34.00	13,888	568,386	21,793	59.71	9,520	96,186	5,884	16.12	(9,654)
833***3767	Residence Order Allowances	175,850	9,125	25.00	7,034	289,266	12,502	34.25	8,445	113,416	1,079	2.96	(2,711)
833***3764	Transport	22,210				30,811				8,601			
833***3764	Specialist Fostering Service	94,980				0				(94,980)			
	Southwark Judgement Clients	0				(50,000)				(50,000)			
Sub total Foster Placements		5,047,570	78,110	214.00	23,039	5,777,166	92,229	252.68	22,845	729,596	14,119	38.68	(195)
SUB TOTAL RESIDENTIAL/FOSTERING PLACEMENTS		8,037,060	85,009	232.90		9,525,631	101,779	278.85		1,488,571	16,771	45.95	
ADOPTION PLACEMENTS													
833***1769	Interagency Adoption Fees	59,930				63,900				3,970			
833***3702	Adoption Allowances and other costs	195,340	13,323	36.50	5,352	311,688	15,330	42.00	7,421	116,348	2,008	5.50	262
833***9180	Income from Assessments	(10,920)				(122,072)				(111,152)			
Sub total for Adoptive Placements		244,350	13,323	36.50	5,352	253,516	15,330	42.00	7,421	9,166	2,008	5.50	2,069
TOTAL OF CHILDREN'S PLACEMENTS		8,281,410	98,331	269.40		9,779,147	117,109	320.85		1,497,737	18,778	51.45	

CHILDREN'S PLACEMENT PROJECTIONS
2006/07 to 2010/11

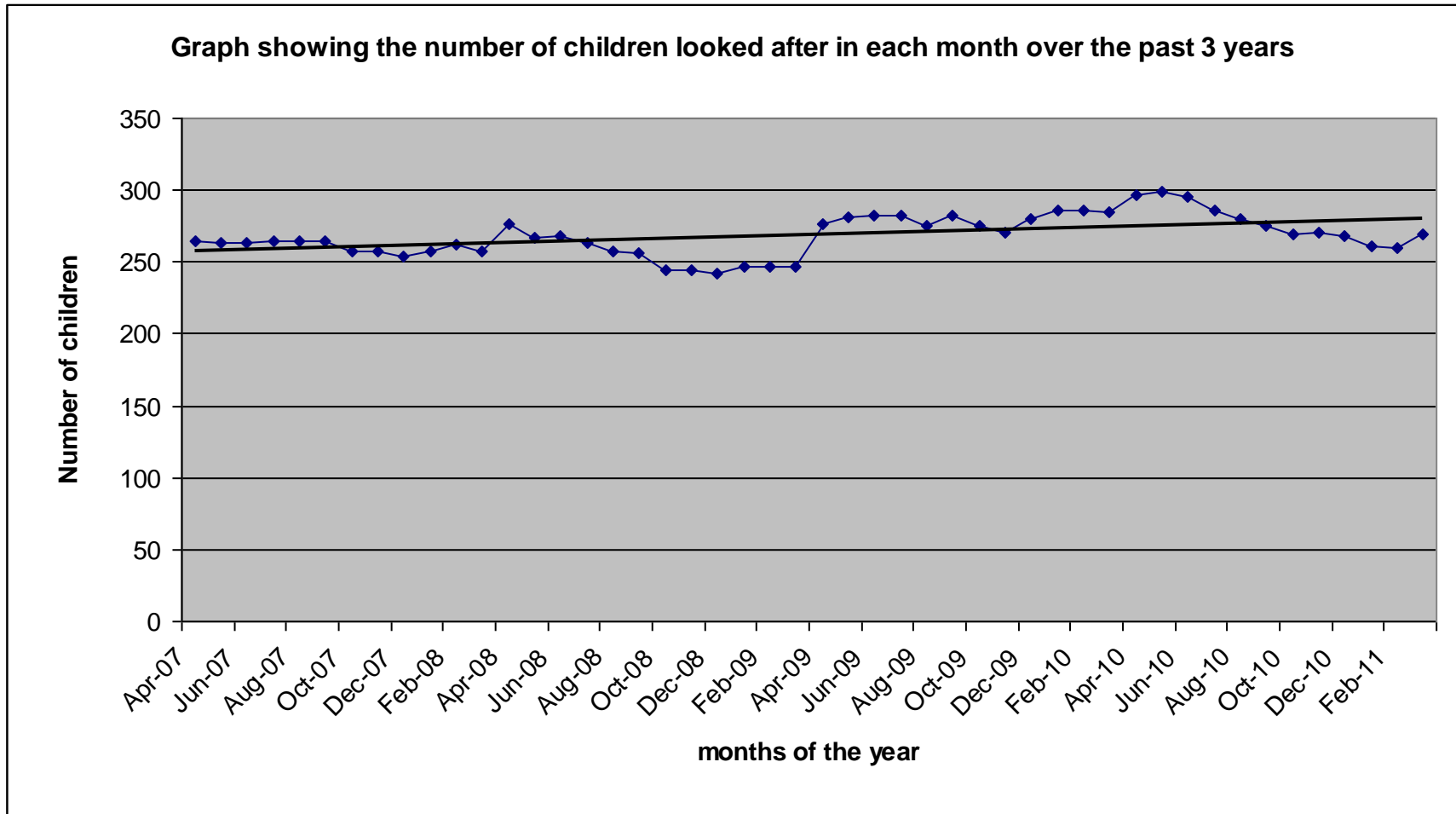
2006/07	Budget		Final Outturn	
	Nos	£'000	Nos	£'000
In House Fostering	191.00	3,396	165.6	2,947
Independent Fostering	30.30	1,293	28.7	1,292
Other Residential/Placement Costs	75.90	4,058	80.0	4,686
	297.20	8,747	274.3	8,925

2007/08	Budget		Final Outturn	
	Nos	£'000	Nos	£'000
In House Fostering	130.00	2,849	124.2	3,089
Independent Fostering	30.30	1,325	35.1	1,351
Other Residential/Placement Costs	123.70	4,421	134.5	4,332
	284.00	8,595	293.8	8,772

2008/09	Budget		Final Outturn	
	Nos	£'000	Nos	£'000
In House Fostering	130.00	2,934	110.4	3,128
Independent Fostering	30.00	1,325	33.8	1,296
Other Residential/Placement Costs	124.40	4,689	130.5	4,565
	284.40	8,948	274.5	8,989

2009/10	Budget		Final Outturn	
	Nos	£'000	Nos	£'000
In House Fostering	130.00	3,002	126.36	3,273
Independent Fostering	27.00	1,323	35.74	1,445
Other Residential/Placement Costs	125.50	5,120	153.42	5,303
	282.50	9,445	315.52	10,021

2010/11	Budget		Final Outturn	
	Nos	£'000	Nos	£'000s
In House Fostering	130.00	3,013	117.53	2,908
Independent Fostering	25.00	1,268	41.20	2,007
Other Residential/Placement Costs	114.40	4,000	162.12	4,864
	269.40	8,281	320.85	9,779



**IMPACT ON FUTURE YEARS' BUDGETS OF CURRENT VARIANCES IN THE
COUNCIL TAX FUNDED BUDGETS**

Description	2010/11 Latest Approved Budget £'000	Variation To 2010/11 Budget £'000	Impact on 2011/12
The first three items below relate to Safeguarding & Social Care Division			
1. Placement Projections (Appendix 5)	8,281	1,500k overspent	<p>In recognition of the continuing cost pressures £1.6m of growth was added to the 2011/12 budget and ongoing. Early indications from the first two months of budget monitoring in 2011/12 are that this increased provision will be enough to prevent an overspending.</p> <p>However, the placements budget is stringently monitored and reviewed, as explained in the body of this Report.</p>
2. Salaries	20,277	465k overspent (salaries element)	<p>Based on budget monitoring to 31 May, a £100k overspending is projected for 2011/12. Management has exceeded the agreed target to reduce the numbers of locum social workers as identified in the Recruitment and Retention report to the Executive on the 3 February 2010 and as a consequence the £100,000 overspend is lower than anticipated and planned. Progress on replacing locum social workers with permanent staff is continuing and every effort will be made to further reduce spending in this area.</p> <p>Any overspending in 2011/12 will be contained in the total CYP budget allocation, to the extent that it has not been factored into the four year forecast.</p>
3. Leaving Care	1,216	497k overspent	<p>The 2010/11 overspending includes a build up of irrecoverable accommodation expenditure over a number of years. The Assistant Director – Safeguarding and Social Care will lead on liaising with Housing Benefit colleagues within Resources Department to improve the monitoring and controlling of this aspect of this high spend budget area. The budget for this area has been increased in 2011/12, and early indications from the first two months monitoring in 2011/12 suggest that this will be sufficient budget, with no overspending projected.</p>
4. SEN and Inclusion	7,287	-228k underspent	<p>SEN Transport has a growing number of exceptionally high cost pupils, a trend is likely to increase it in future years. £150k was added to the 2011/12 budget to reflect this pressure.</p> <p>The 2011/12 budget was also reduced by £500k to anticipate savings from the retendering of contracts. We cannot be certain that this demand-led service will remain within budget in 2011/12, but expenditure will be closely monitored and any overspending in 2011/12 will be contained in the total CYP budget allocation.</p>

Description	2010/11 Latest Approved Budget £'000	Variation To 2010/11 Budget £'000	Impact on 2011/12
5. Diverting expenditure to be met by grant funding		£1,700K diverted	Containing the controllable CYP overspending to just £18k on the non-Schools' Budget in 2010/11 was achieved by attributing £1,700k of previously core funded expenditure to grant funding instead. The majority of the pressure areas received growth in 2011/12 and therefore the impact on continuing pressures in 2011/12 has been minimised. Continuing management action will be required to mitigate any further pressures that occur in year.

CARRY FORWARD REQUESTS

1. Grants with Condition of Repayment Attached

The Behaviour service (which is within the Schools' Budget) successfully bid for £10k of grant to be used towards horticultural training within the service. The grant was received in financial year 2010/11 but has not yet been used, due to the time required to develop courses and support arrangements with partner organisations.

It is a condition of the grant that it must be used for its intended purpose, or otherwise it would have to be returned to the Lottery Fund. It is therefore recommended that the Portfolio Holder recommend to Executive that they permit it to be carried forward into financial year 2011/12.

The accounting entries in the new year 2011/12 would be as follows:

Grant: Use of open spaces for education and the community	£'000
Grant related expenditure	£10 dr
Grant related income	<u>£10 cr</u>
Net Carry Forward	<u>£ 0</u>

2. Grants without Condition of Repayment Attached

There are no such grants within Children and Young People Department requiring to be carried forward.