

**Children's Services  
Overview and Scrutiny  
Committee  
16th September 2014**

**Budget Monitoring  
Q1 – June 2014/15**

# Revenue

Key points to note (see link to the Executive report for details):

- The 2014/15 forecast outturn is to overspend by £1M.
- The overspend is after the use of £0.777M of Earmarked Reserves brought forward from 2013/14.
- The Year to Date (YTD) spend is £0.31M under budget.
- Total debt for Children's Services is £495k of which £268k is debt over 61 days.

# Revenue

## Key points to note (cont):

- The Children's Services net budget of £44.793M is a net increase from 2013/14 of £5.242M. The efficiencies of £2.591M are offset by £7.833M of pressures. The pressures reflected in part (£2.486M) for the reduction in Grant income.
- The forecast overspend is partly due to increased costs in the use of Independent Foster Agencies where referrals have not always been able to be accommodated in-house. Special Guardianship Orders have also contributed to the forecast overspend as numbers have been steadily rising with 30 new cases in 2013/14, an increase of 55%, the rise is expected to continue into 2014/15.
- Not currently forecast is the possible risk of non achievement of the agency staff efficiency in Children's Services Operations and the on-going use of agency above that previously forecast. The recruitment drive has not progressed as expected with agency staff covering substantive posts in a number of the operational teams. There has been no permanent recruitment in the last 5 months other than 2 conversions from agency.

# Revenue

Key points to note (cont):

- The table below indicates the upward trajectory and pressure on the budget

|                             | Total as at June 2013 | Total as at June 2014 | % Increase |
|-----------------------------|-----------------------|-----------------------|------------|
| Number of LAC               | 254                   | 276                   | 9%         |
| In-House Placements         | 88                    | 92                    | 5%         |
| Independent Placements      | 110                   | 108                   | -2%        |
| Special Guardianship Orders | 60                    | 87                    | 45%        |
| Child Protection Plans      | 266                   | 182                   | -32%       |
| Children in Need            | 1,662                 | 1,307                 | -21%       |
| Number of Referrals (YTD)   | 588                   | 526                   | -11%       |

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# Revenue Forecast Outturn

|                                     | Approved Budget | Forecast Outturn | Variance after Use of Reserves |
|-------------------------------------|-----------------|------------------|--------------------------------|
|                                     | £'000           | £'000            | £'000                          |
| Director CS                         | 413             | 412              | (1)                            |
| AD – CSO                            | 32,213          | 33,843           | 993                            |
| AD – L & SC                         | 4,403           | 4,565            | 74                             |
| AD – School Improvement             | 1,260           | 1,257            | (3)                            |
| Transport                           | 7,780           | 7,780            | 0                              |
| Partnerships                        | 601             | 653              | 0                              |
| <b>Sub Total</b>                    | 46,670          | 48,510           | 1,063                          |
| DSG Contribution to Central Support | (719)           | (719)            | 0                              |
| ESG contribution to Central Support | (1,158)         | (1,208)          | (50)                           |
| <b>Total Children Services</b>      | 44,793          | 46,583           | 1,013                          |
| Schools Individual Budgets          | 84,878          | 84,825           | 0                              |
| Supported by DSG/EFA                | (84,878)        | (82,865)         | 0                              |
| <b>Total Schools</b>                | 0               | 1,960            | 0                              |
| <b>Total Children's Services</b>    | 44,793          | 48,543           | 1,013                          |

# Capital Position

Key points to note:

- The capital budget for 2014/15 is £25.684m (£0.6m net). The main issues to note are:
- Gross forecast is to spend £30.140M, above the original budget by £4.456M following the capital review process.
- Gross spend to date is £2.968M, slightly below the profiled budget of £3M.
- All but two projects, Schools Access and Temporary Accommodation are funded wholly by grant receipts that have no expenditure deadline.

# Capital Outturn

| Scheme Title                                  | Approved Budget | Forecast Outturn | Variance |
|---|-----------------|------------------|----------|
|   | £'000           | £'000            | £'000    |
| New School Places                             | 20,201          | 23,550           | 3,349    |
| 2 year old entitlement                        | 986             | 686              | (300)    |
| Temporary Accommodation                       | 400             | 400              | 0        |
| Schools Devolved Formula Capital              | 470             | 470              | 0        |
| Schools Access Initiative                     | 200             | 200              | 0        |
| Alternative Secondary Provision (Free School) | -80             | 80               | 160      |
| LPSA & LAA Grant payout                       | 139             | 30               | (109)    |
| Schools Capital Maintenance                   | 3,368           | 4,200            | 832      |
| Universal Infant Free School Meals (UIFSM)    | 0               | 524              | 524      |
| <b>Children's Services</b>                    | 25,684          | 30,140           | 4,456    |