

Adult Services**Revenue Expenditure 2009/10****Major variations in cash limited expenditure – underspending of £207,000**

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
Older people (Aged 65 or Over) including older mentally ill	748	149,416	Continued pressures on in-house nursing and residential services due to high dependency levels. Also pressures on domiciliary care due to increases in client activity and average weekly cost. A slight reduction in non-residential client contributions over the year.
Adults under 65 years with physical or sensory disability	1,029	29,706	Pressures on domiciliary care and Direct Payments due to an increase in client activity and average weekly cost over the year.
Adults under 65 years with learning disabilities	-1,346	70,915	Pressure on domiciliary care and direct payments was more than offset by reduced pressure on residential and day services
Adults under 65 years with mental health needs	24	14,579	Reflects increase in clients who do not pay client contributions due to Section 117 status and an increase in non-chargeable community support services
Other adult services	-523	3,417	Slippage in the HIV and other centralised programmes
Supported	-167	665	Slippage in supported employment scheme whilst

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employment			the main contract is being re-tendered
Supporting people	49	32,316	Overspend reflects the allocation of management and support costs

Children's Services

Revenue Expenditure 2009/10

Major variations in cash limited expenditure – overspending of £478,000 but £772,000 lower than revised budget

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
Schools' Budget			
School-specific Contingencies	-1,568	7,075	The final rents and rates allocations were lower than expected. The total rents were £398,000 less and the reduction in rates revaluations of schools resulted in £432,000 being recovered from delegated budgets. There was also £111,000 less Children in Care money delegated to Schools mainly due to fewer school-age children claimed for 2009/10 than originally budgeted (average of 738 children compared to budgeted average activity of 809). A change in the way maintained nursery settings are funded as part of the move toward the Single Early Years Funding Formula (termly payments based on the number of children actually in attendance rather than funding based on the number of places as part of the budget share process), also resulted in lower payments than budgeted (£167,000). In addition £89,000 allocated for outreach work and £50,000 allocated for emergency payments were not required, and £63,000 was recovered from an insurance claim as a result of the outcome of a recent court case. There was also an increase in the

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			cash limit of £196,000 in respect of Schools Budget previously allocated to Early Years (for the New Opportunities Fund) but which is no longer required for this purpose. Other minor variations account for the balance (£62,000).
Schools – support services recharge	-114	4,138	This relates to the Combined Budget for the Locality Teams (£86,000), funding to support work around the Olympics Legacy (£10,000) and the Schools Budget funded element of Building Schools for the Future (£18,000).
Supply cover (not sickness)	-92	859	This underspend primarily relates to the budget for suspended staff as a result of lower than budgeted suspensions (£78,000). The nature of the budget makes it difficult to predict as suspensions are not planned, and the expenditure on suspended staff during 2009/10 was the lowest it has been for seven years. There was also an underspend of £14,000 on the union and public duties and supply cover for special schools training budgets.
Education Inclusion Service	169	8,608	A significant proportion of this overspend has arisen from the need to incur additional costs to provide cover for absent staff, as well as responding to the increased number of children who are supported through the service (a 7% increase on the number of pupils compared to the previous year). Increased

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			costs around individual packages for pupils to meet statutory responsibilities has further contributed to this budget pressure.
Provision for pupils with statements	-540	9,176	This budget relates to costs of additional support to SEN pupils with statements both within and outside Hampshire, net of income from other authorities' pupils in Hampshire schools. This underspend has mainly arisen due to lower inter-authority recoupment charges being received from other local authorities for support provided to Hampshire pupils with Special Educational Needs (SEN) than originally expected. One-off savings have also been achieved as a result of delays experienced in starting an SEN Early Years resource provision and from lower payments being made to schools for Learning Support Assistants than budgeted.
Independent and voluntary special schools	598	8,764	This consists of an overspend of £908,000 on special schools placements, offset by an underspend against pre-schools placements for 3 and 4 year olds of £310,000 due to the 2009/10 budget being overestimated. The average number of pupils attending Out of County special school placements has continued to increase from 220 during 2007/08 to 231 during 2008/09 and 234 during 2009/10, placing further pressure on this budget.

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Inter-authority recoupment	195	756	<p>This includes recoupment of fees (not additional support) for placements at special schools and SEN resourced provisions (£159,000), as well as hospital recoupment for tuition at Leigh House (£37,000).</p> <p>The overspend has mainly arisen due to an increase in the number of Hampshire pupils attending other local authority schools (an average of 200 pupils during 2009/10 compared with 197 during 2008/09), as well as a reduction in the number of other local authority pupils attending Hampshire schools (an average of 135 during 2009/10 compared with 137 in 2008/09), resulting in both higher costs and lower levels of income generated than originally budgeted.</p>
Teachers' Pay Reform payments	-261	19,714	<p>There were less claims in 2009/10 than budgeted. However, teachers are entitled to make claims relating to the 2009/10 grant up to June 2010. Provision for these has been made within the 2010/11 budget.</p>
Other Minor Variations	-19	740,248	<p>The cash limit includes the individual schools' budgets and Standards Fund devolved to schools (£625.660m), Schools Standards grant (£34.656m), Early Years and Child Care Unit budget (£22.798m), Early years places for 3 & 4 year olds (£34.529m), School Meals Grant budgets (£1.737m), support services recharges for</p>

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
			Special Education and Early Years (£4.340m), Standards Funds not devolved to schools (£10.488m), 14-19 Initiatives (£2.804m), Assistance to Voluntary and Private Providers (£2.099m) and a number of small budgets (£1.137m).
Carry Forward of Dedicated Schools Grant (DSG)	1,632	-1,632	<p>Department for Education (DfE) require that DSG funds be applied in the year in which they are used. This sum is part of the total DSG to be carried forward of £12.638m. The other major components of the carry forward consist of:</p> <p>£2.269m carry forward from 2008/09 previously agreed by Schools Forum to support the 2010/11 budget strategy</p> <p>£4.802m of planned carry-forward from 2009/10 as agreed with Schools Forum (£1.4m equal pay fund, £2.641m for 3 & 4 year olds, £150,000 previously earmarked for Independent Safeguarding Authority checks during 2009/10, and £390,000 clawback of school revenue surplus balances, £131,000 to support 14-19 initiatives and £90,000 required for backdated Teachers Pay Reform payments)</p> <p>£3.935m of capital expenditure from revenue which had not been spent by 31 March 2010 (of which approximately £1m relates to expenditure on Smart Meters which will be incurred during 2010/11).</p> <p>Schools Forum will review</p>

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
			proposals for use of any unplanned carry-forward.
Sub Total Schools' Budget	0	797,706	
Non Schools Budget			
Miscellaneous including security, interest on schools balances	434	-330	£514,000 of this overspend was due to no interest being received on schools' balances as a result of the Bank of England base rate remaining at 0.5% during the year. This pressure was offset by one-off grant income of £89,000 received from the Department of Business, Innovation and Skills (as was previously known) in respect of backdated Mandatory Awards and Disabled Students Allowance grant claims relating to 2003/04 and 2004/05. Other minor variations account for the remaining balance of £9,000.
Home to school and college transport	938	24,364	This overspend, as reported throughout the year, is a combination of an underspend against school escort costs (-£18,000), offset by a pressure against contract costs (+£928,000), season ticket costs (+£16,000), and a shortfall in income (+£12,000).
Standards Fund – LEA non devolved	-489	5,065	This includes a number of centrally held strategic budgets including Primary and Secondary National Strategies (£393,000), Secondary Behaviour and Attendance (£30,000), and Healthy Schools (£55,000) which are all funded from elements of Standards

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			Fund which are now part of the Area Based Grant, as well as other minor variations. These underspends primarily relate to one-off savings achieved in respect of vacancies.
Services for Young People	-399	15,708	The planned underspend on the Integrated Youth Service mainly relates to higher income generated from external sources and staff vacancies managed across the service. This position also includes one-off savings relating to premises budgets as a result of deferring some previously planned maintenance work until 2010/11.
Strategic Management	-2,224	8,544	A number of planned underspends (e.g. vacancy management) to mitigate other emerging pressures across the department contribute toward the overall position for Strategic Management. These include: Building Schools for the Future (£184,000), Information Technology (£229,000), Workforce Development (£500,000), the Early Education and Childcare Unit (£554,000), Performance and Planning Team (£186,000) and the Commissioning and Co-ordination Unit (£116,000). Other one-off savings also achieved include £400,000 in respect of the HIAS business unit core contribution returned to the department. Other minor variations of £55,000.
Commissioning and	-291	20,438	The underspend primarily reflects the in-year savings

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	£000	£000	
Social Work			achieved in relation to the new safeguarding posts which were not recruited to from the beginning of the financial year (£180,000 approximately) as well as continuing difficulties experienced in some areas of the county during the year to recruit to qualified social worker posts, offset by budget pressures experienced across the administration team.
Children Looked After	2,986	35,941	<p>This represents a continuing pressure on fostering (£2.1m) and residential services (£513,000) across County Council provision (both in-house and externally purchased). There is also an overspend (approximately £360,000) against other Children Looked After budgets which includes supported lodgings placements for young people who remained looked after by the authority, but who were supported toward achieving independence.</p> <p>The overall number of full-time 'Children Looked After' has further increased over the 2009/10 financial year (from 1,084 as at March 2009 to 1,118 as at March 2010, a net increase of 34). The increase experienced in Hampshire is consistent with national trends. There have been a number of drivers for these developing pressures, but the two most prominent factors have been the public and professional reaction to the Baby Peter tragedy and the impact of the</p>

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			<p>recession.</p> <p>Over the year the actual number of children placed in residential care has increased, with the number of children placed in high-cost non-county placements increasing from 51 as at March 2009 to 56 as at March 2010. In addition, additional capacity within the in-house foster care service has enabled the department to increase further the number of children placed with Hampshire foster carers (from 630 as at March 2009 to 641 as at March 2010). The number of children placed with independent foster providers has also increased from 175 as at March 2009 to 191 as at March 2010 as a consequence of the increasing demand for foster care placements. For 2009/10 the average number of in-house and independent foster placements was higher than budgeted (average number of in-house foster care placements during 2009/10 was 629, compared with a budgeted number of 620, and for independent foster care placements the average number was 180, compared with a budgeted 101). Despite growth in overall numbers of Children Looked After, the Department has been able to contain some additional growth through further provision of preventative services to support children on the edge of care and within more permanent placement arrangements such</p>

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
			<p>as special guardianship orders, avoiding more costly placement solutions. Further growth within the in-house fostering service has also avoided the need for greater purchased fostering provision. Despite these significant pressures, eligible value for money gains (in line with the requirements of National Indicator 179), of £590,000 were achieved during 2009/10 in respect of fostering services.</p>
			<p>The overspend against other Children Looked After budgets has mainly arisen as a consequence of the number of young people aged 16+ who continue to be looked after by the County Council in other arrangements such as supported lodgings. The County Council's statutory duty to carry out an initial assessment (and most likely a core assessment) for all homeless 16 and 17 year olds has also had some further impact on the final expenditure incurred.</p>
Family Support Services	-190	10,611	<p>This budget relates to providing preventative services and support to children and their families in need and on the edge of care, as well as children with disabilities and their families. An underspend has occurred as a result of some staff vacancies, and lower than planned expenditure on packages of support (e.g. Home Care). There were also one-off savings relating to the contribution to the Child Death</p>

Budget heading	Variation	Adjusted cash limit	Reason
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			<p>Overview Panel, where an underspend was returned to partners.</p> <p>Expenditure relating to children placed within alternative arrangements such as kinship care, residence orders and special guardianship placements (which have prevented children from becoming looked after) is also met from this budget. The average number of children supported in these types of arrangements increased from 248 in 2008/09 to 290 in 2009/10.</p>
Youth Justice	-244	2,938	<p>This underspend was largely due to greater income at the Swanwick Lodge Secure Unit than initially forecast from higher levels of spot purchasing of beds by the Youth Justice Board and other Local Authorities.</p> <p>This was partly offset by secure remand and escort costs which were greater than budgeted as a result of increased numbers of young people on remand (as determined by the criminal courts) over longer time periods than in previous years (the number of young people is low but placements can be high cost).</p>
Other Children and Families	818	8,115	<p>This overspend is mainly due to an increased financial pressure within the Adoption Service, partly as a result of higher expenditure on interagency placements (due to an increase in the number of externally</p>

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			<p>arranged adoption placements), as well as an increase in expenditure on adoption allowances since last year. The average number of children who were being financially supported through adoption allowance payments in 2009/10 was 242, compared with 225 during 2008/09, an increase of 7.0%.</p> <p>There were also pressures on budgets for the transport of looked after children for schooling and family contact. This is largely a consequence of increased numbers of looked after children, but also an increase in the volume of court-ordered contact arrangements.</p>
Children's Fund	-100	100	A planned underspend against the Children's Fund element of the Area Based Grant to offset other emerging pressures experienced across the department.
Contingency	-689	689	This includes grant income of £165,000 received in respect of backdated claims for Unaccompanied Asylum Seeking Children from 2008/09. The remaining budget was not allocated.
Other Minor Variations	-72	37,136	The cash limit includes: Access (£7.319m), Special Education (£8.923m), School Improvement (£6.187m), Community Education (£8.225m), Premature Retirement compensation (£2.892m), LEA Initiatives (£1.247m) and other smaller

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	£000	£000	
			budgets (£2.343m). Various minor variations account for the net underspend of £72,000.
Sub Total Non Schools Budget	478	169,319	
Total Children's Services	478	967,025	

Culture, Communities and Rural Affairs

Revenue Expenditure 2009/10

Major Variations in cash limited expenditure – overspending of £14,000

Budget heading	Variation	Adjusted cash-limit	Reason
	£000	£000	
Libraries and Information	-60	18,267	Savings achieved to enable spending to be contained within the cash limit by a combination of vacancy management and deferring spending on materials.
Arts	45	2,481	Higher spending reflecting the difficult trading position of Audience south, the department's audience development unit.
Milestones Museum	43	346	Mainly the result of reduced visitors numbers.

Environment**Revenue Expenditure 2009/10****Major variations in cash limited expenditure – underspending of £28,000**

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
Highways maintenance – county roads and bridges	108	25,976	Additional expenditure was incurred on routine maintenance activities, including weather related emergency repairs to pot holes, together with higher project costs relating to the development of the street lighting private finance initiative.
Road safety education	-14	613	Variations include higher income from sales of road safety education materials.
Traffic surveys	-25	247	A fall in the number of surveys undertaken, reflecting the economic slowdown and reduced integrated transport capital programme, together with higher income from sales of data.
Public transport support	-16	6,440	Lower than anticipated costs for the temporary car share scheme set up to cover the closure of St. Cross Road, Winchester from January to March, 2010.
Waste management non-contract services	-28	693	Lower expenditure on the disposal of abandoned vehicles.
Staffing and operational support	-60	26,224	Additional savings from staff vacancies and other departmental efficiencies, compared to assumptions

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
			built into the 2009/10 revised budget.

Policy and Resources**Revenue Expenditure 2009/10****Major variations in cash limited expenditure – underspending of £568,000**

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
Chief Executive:			
HAT's	-48	258	Delay in staff appointments due to adverse weather conditions in the early part of the year
Consultancy and Communications	-33	412	Reduced expenditure on Success Through People
County Council Elections	-137	1,017	Contingency provision of £100k not required and there is an outstanding issue relating to VAT which is being dealt with
Members Support Costs	-31	1,963	Reduced expenditure on support costs
Hampshire Direct – Operation	-27.0	3,107	Work with Lagan and Genesys on system improvements slipped to 10/11
HR:			
HR Departmental Central	-40	4,729	Less spend on recruitment advertising
Hampshire Learning Centre	30	832	HLC did not receive expected £90k funding towards the cost of the management and leadership development strategy, Progress Pathways. Although the program costs were scaled back, additional expenditure was still

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
			incurred. It has been confirmed that HLC will receive £75k in 2010/11 to deliver the program.
Property, Business and Regulatory Services:			
County Farms	-35	-340	Close cost management and slight improvement in rents collected
Office Accommodation	-49	8,224	Minor variations on new budget grouping
Great Hall	+21	81	Additional staffing costs for events due to Fire Safety Regulations not covered by income
Property Services	-206	8,390	Planned savings to offset higher spending on other property budgets
Development Account	+53	-279	Rent voids due to difficulties in letting commercial property
Sites for Gypsies and Travellers	+39	124	Ongoing income pressures. Service under review
Corporate Estate	+84	-121	Rental pressures and security costs for vacant property
Castle Restaurant	-33	116	One-off savings first year of new operation
Trading Standards	-18	3,468	Vacancy saving to cover other departmental pressures
Accredited Community Support Officers	-21	1,839	Vacancy savings, more efficient use of vehicles

Budget heading	Variation	Adjusted cash limit	Reason
	£000	£000	
Registration Service	+22	119	Lower income than budgeted

1. High risk/demand led budgets

- 1.1. Spending on demand led budgets was projected at £11.4m (2.9%) above the budget at the end of the third quarter, primarily as a result of higher spending on social care and home to school transport. Apart from Children's Services, where an overspending of £1.25m was projected, these higher costs could be accommodated within cash limits either from additional income or savings on the budgets. At the year end, spending was lower than projected at £4m higher than budgeted, mainly as a result of lower spending on statemented pupils and early years places within the Schools Budget, and on Adult social care. Activity and spending trends are summarised graphically in Annex 1.

2. Employee budgets

- 2.1. Overall spending on employees was £0.3m (0.1%) lower than budgeted. Annex 2 summarises the variation at departmental level between actual and budgeted staff numbers and between employee budgets and actual spending on employees in 2009/10.









