

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date of Decision:</b>	20 July 2011
<b>Decision Title:</b>	Children's Services Department 2010/11 Revenue Budget Monitoring - Final Outturn
<b>Decision Reference:</b>	3078
<b>Report From:</b>	County Treasurer and Director of Children's Services

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#### 1. Executive Summary

- 1.1. The purpose of this paper is to set out for the Executive Lead Member for Children's Services the final position for the 2010/11 Revenue Budget.
- 1.2. The revised budget for Children's Services (excluding schools) was set at £3.7m above the cash limit. This forecast incorporated the impact of non-schools in-year grant cuts (£5.985m<sup>1</sup>), as well as the estimated cost of compulsory redundancy costs relating to stage 1 of the department's restructure (£3.7m), which the Cabinet agreed to underwrite.
- 1.3. The final outturn position is a balanced budget, after final cash-flow support of £3.802m. This incorporates the actual cost of redundancy payments and provisions for future costs (which were not reflected within the revised budget), associated with implementing the department's budget strategy (£6.530m excluding costs recharged to business units and partnerships). In addition, the budget for Children Looked After has continued to present a significant pressure during the year. Management action taken has enabled the department to address the wider in-year grant cuts as well as these significant in-year budget pressures.
- 1.4. The Schools Budget is fully funded by Dedicated Schools Grant (DSG) and other ring-fenced grants, which have to be carried forward for school purposes. Unless an overspending arises, spending is therefore automatically in line with the cash limit, as the cash limit is adjusted for the carry forward of grants. In total DSG of £22.051m will be carried forward to 2011/12, including £4.907m in respect of school capital repairs and the cost

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<sup>1</sup> In-year grant reduction against the non-schools budget (total reduction including Schools was £6.2m).

of installing smart meters, £9.058m from 2010/11 underspends and £7.908m from previous years (already agreed to be carried forward by the Schools Forum). Schools Forum has agreed the use of the majority of carry-forward, which includes setting aside funding to support the future cost of equal pay claims.

- 1.5. Details of the variations against both the Schools Budget and the non-schools budget were included in the report to Cabinet on 4 July 2011, setting out the County Council's overall 2010/11 outturn.

## 2. Contextual information

- 2.1. The 2010/11 final outturn was presented to Cabinet on 4 July 2011.
- 2.2. The 2011/12 budget was agreed by the County Council on 24 February 2011.
- 2.3. Appendices are listed at paragraph 7.1.

## 3. Final Accounts 2010/11

- 3.1. The County Council's final accounts were considered by Cabinet on 4 July 2011. This report included an overall summary and an appendix detailing the main variations within the Children's Services department. This appendix<sup>2</sup> is attached for information (Appendix 1).
- 3.2. The outturn position for 2010/11 shows an nil variance against the non-schools budget after additional cash-flow support of £3.802m. The underlying overspend (of this amount), is in line with the projected outturn at revised budget, as summarised in the table below:

	Revised Budget variance <sup>3</sup>	Period 10 variance (January 2011)	Final variance before corporate cash flow support <sup>4</sup>	Movement (Revised Budget variance to final variance)	Movement (Period 10 variance to final variance)
	£000	£000	£000	£000	£000
Schools Budget	-4,500	-5,300	-9,058	-4,558	-3,758
Non-Schools Budget	+3,700	+3,700	+3,802	+102	+102
<b>Total</b>	<b>-800</b>	<b>+1,357</b>	<b>-5,256</b>	<b>-4,456</b>	<b>-3,656</b>

<sup>2</sup> This appendix reflects the final outturn by service expenditure heading after the apportionment of management and support overheads. It will, therefore, differ slightly from previous presentations of forecast outturn which were based on the management and service structures.

<sup>3</sup> Revised budget variance is based on period 8 (end of November) budget monitoring.

<sup>4</sup> The Schools Budget figures shows as 'Nil' variance at the year end in Appendix 1. This is because the Dedicated Schools Grant (DSG) is automatically carried forward.

- 3.3. In addition to reflecting the carry-forward of DSG, cash limits are adjusted during the financial year to reflect any other changes in grants. For 2010/11 this included carry-forward of other specific government grants to the value of £9.367m, which is primarily made up of Standards Fund (£9.334m which is carried forward automatically as the department has until the end of the following school year to spend these, i.e. 31 August 2011). In-year underspends against these grants are not, therefore, shown in the 2010/11 accounts.
- 3.4. The non-schools budget overspend of £3.802m will be funded from corporate cash flow support as previously agreed by the Cabinet.

### **Schools Budget – Dedicated Schools Grant (DSG)**

- 3.5. The total DSG carry-forward to 2011/12 is £22.051m. This includes an in-year underspend of £13.965m against Children's Services and Policy and Resources elements of the Schools Budget, £7.908m of carry-forward from previous years (as agreed by the Schools Forum) and £178,000 of unallocated DSG as set out below:

	£000
Capital expenditure met from Revenue	4,907
Other net underspends (see Appendix 1)	9,058
<b>Sub-total in-year underspend</b>	<b>13,965</b>
Carry-forward from previous years	7,908
Unallocated DSG	178
<b>Total DSG carry-forward</b>	<b>22,051</b>

- 3.6. The £4.907m underspend against capital expenditure has been committed in full during 2011/12 and works are progressing. Schools Forum has also agreed the use of the majority of carry-forward from previous years of £7.908m, which includes setting aside funding to support the future cost of equal pay claims. Further consideration will be given to the use of the remaining underspend by Schools Forum in July 2011.

### **School Balances**

- 3.7. In aggregate, schools incurred expenditure of £2,605,000 less than their delegated budgets increasing the reserve to £39,576,000 at the end of the financial year. The table below summarises the position over categories of school.

	Variation in the year	Balance at 31 March 2011	
	£000	£000	% of final budget allocation
Nursery	-59	442	56.3
Primary	+816	17,697	5.5
Secondary	+1,600	17,888	6.1
Special	+248	3,549	11.4
<b>Total</b>	<b>+2,605</b>	<b>39,576</b>	<b>6.2</b>

- 3.8. The average level of school reserves has risen as a proportion of budget from 5.9% to 6.2% during 2010/11. £3,002,000 of school reserves have been used temporarily to finance Education capital expenditure, through the School balances loan scheme.

### **Non-Schools Budget**

- 3.9. The final overspend position of £3.802m (excluding additional Corporate cash flow support), compared with the cash limit represents an increase of approximately £102,000 since the revised budget was reported to the Executive Lead Member in January 2011.
- 3.10. The department has successfully absorbed the underlying budget pressure arising from in-year cuts (£5.985m in respect of the non-schools budget), as well as containing the continued budget pressure in respect of Children Looked After (£2.562m<sup>5</sup>), through planned management actions and early achievement of some 2011/12 agreed budget savings.
- 3.11. The final position incorporates approximately £3.916m of redundancy and pension strain costs for 2010/11 (estimated at £3.7m at Revised Budget), as well as a further £3.286m of additional provisions for the cost of termination payments to be paid in 2011/12 in respect of those business cases approved by 31 March 2011 (an overall total of approximately £7.202m). Approximately £672,000 of these costs were subsequently charged to the Hampshire Inspection and Advisory Service (HIAS) Business Unit or the Wessex Youth Offending Team Partnership.
- 3.12. The final overspend of £3.802m reflects further additional savings of approximately £1m that have been achieved since the revised budget was agreed. This has enabled the department to absorb a proportion of the cost

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<sup>5</sup> Overspend of £2.562m after apportionment of management and support budgets and expenditure across service expenditure headings.

of change in 2010/11 incurred as a result of implementing the department's 2011/12 budget strategy.

#### **4. Key Activity, Performance and Workforce information**

- 4.1. The department is developing links between budgets, performance and human resource information and has implemented an integrated service planning approach that embraces these elements.
- 4.2. Appendices 2(a) and 2(b) provide details of activity data from which is extracted the key activity led/high risk budgets that are reported to Cabinet. Appendix 2(c) shows the figures for the year (April 2010 to March 2011) that were reported to Cabinet on 4 July 2011.
- 4.3. Children's Services was judged as *performing excellently* by Ofsted in December 2010, demonstrating progress from the previous year when the Department was graded as *performing well*. Inspectors found that nursery schools, special schools, colleges, children's home and fostering and adoption services are strengths, with the very large majority of settings and services found to be *good* or better. They concluded that the authority has "an unrelenting focus on improving outcomes for children and young people and the quality of services provided for them".
- 4.4. Other key achievements during 2010/11 include:
  - The outcome of the annual unannounced inspection of arrangements for contact, referral and assessment, with inspectors praising the "decisive action" taken as a result of the previous years inspection and noting that child protection services were strengthened following "a rigorous review of performance and service provision".
  - Performance in the department is good, with the majority of measures within the Department Plan showing improvement from 2009/10
  - Improvement against key indicators of child health and well-being, including obesity, Child and Adolescent Mental Health Services; emotional and behavioural health of children in care; and bullying. Significant improvement was demonstrated in the rate of teenage conceptions, although not enough to meet challenging targets originally set as part of the Local Area Agreement (LAA)
  - Consistent improvements in a variety of attainment measures, particularly the proportion of children and young people achieving the expected levels at Early Years Foundation Stage; Key Stage 2 and GCSE (including children in care)
  - A decrease in the percentage of 16-18 year olds not in education, employment or training (NEET), despite the challenging economic circumstances
  - Meeting phase 1 savings targets for the Department and establishing a programme of further savings for 2011/12.

- 4.5. During the final quarter of the year the number of full-time equivalent employees (FTEs) has reduced by a further 75 FTEs (net) since the end of the quarter 3 (from 2,754 FTEs to 2,679 FTEs). This reduction is mainly due to a number of staff leaving the organisation following implementation of stage 1 of the department's restructure (220 staff (headcount) either left or moved in to other positions in the County Council during this quarter), as well as the impact of the continued recruitment freeze.
- 4.6. The overall sickness figures available for the department demonstrate a slight downward trend for the final quarter of the year (2.0 days per FTE compared with 2.3 days as at the end of quarter 3).

## **5. Business Units**

### **Children's Centres Business Unit**

- 5.1. An in-year surplus of £115,000 was achieved by the business unit resulting in an overall reserve balance of approximately £1.391m as at 31 March 2011.
- 5.2. This represents a reduction of £313,000 from the estimated deficit of £198,000 reported previously for the end of December. This reduction in expenditure includes £286,000 of planned capital expenditure (to be funded from reserves), for work which was not completed until 2011/12. Further savings were achieved in relation to staffing and premises costs, and additional income secured by centres.

### **Other Business Units**

- 5.3. Appendix 4 shows the education business unit balances as at 31 March 2011 compared with the original budget. This shows that an overall in-year surplus balance of £15,000 has been achieved against the original budget. Reserves as at 31 March 2011 stood at £4.184m.
- 5.4. This is an increase of approximately £614,000 in the estimated reserves reported to the Executive Lead Member for Children's Services on 9 March 2011.
- 5.5. The majority of this movement relates to the Hampshire Inspection and Advisory Service (HIAS) business unit, which achieved a £311,000 deficit for the year, a movement of £445,000 from the £756,000 deficit reported for quarter 3. This included additional income of £72,000 generated as a result of several factors including time available through service level agreements not being fully utilised by schools and several inspectors exceeding their earnings targets. HIAS also achieved savings through reduced spending on staff travel, training, printing and venue costs. The surplus for Hampshire Training and Learning Centre (HTLC) increased from £135,000 in quarter 3 to £330,000. This was mainly as a result of costs in relation to HTLC traded activity being lower than anticipated (£171,000) together with income levels being slightly higher than previously forecast (£24,000).
- 5.6. HIAS' deficit is part of a planned strategy to utilise some of the business unit's accumulated surplus over the next two years by retaining some of the

National Strategies consultants as Teacher and Learning Advisors to continue to support schools during this period of transition. This action has also mitigated the number of staff that have been directly affected by the budget reductions. This approach will utilise further accumulated balances in 2011/12 and 2012/13.

- 5.7. Education Personnel Services' (EPS) in-year surplus for 2010/11 was also greater than forecast at the end of quarter 3, increasing from £51,000 to £140,000 over the period. EPS reserves now stand at £426,000. EPS income was £31,000 higher than anticipated as a result of additional income from discretionary services, mostly relating to charges for consultancy time provided in excess of the SLA time limit. Expenditure was £11,000 lower than projected as a result of further delays in staff recruitment. An unplanned surplus of £47,000 was also generated in relation to NQT funding, primarily due to reduced expenditure on conferences and moderations.
- 5.8. The year end position for both Minstead and Stubbington Study Centres was also better than anticipated. Minstead's in-year surplus of £39,000 was significantly higher than the £7,000 surplus forecast at the end of quarter 3. This has been achieved through greater income generation than previously projected and has further reduced the Centre's cumulative deficit to £25,000. Stubbington's in-year surplus for 2010/11 was £21,000 which represents an improvement of £45,000 compared with the £24,000 deficit previously projected. In addition to the generation of additional income, further reductions in expenditure have been achieved by the Centre. Its reserves now stand at £438,000. These reserves are being held in order to part pay for a capital development, for which an amount of £570,000 has already been approved within the department's capital programme.
- 5.9. All Business Units are in the process of finalising their business plans for 2011/12. A further update on these issues will be presented to the Executive Lead Member in the next report.

## **6. Partnerships**

- 6.1. Within Children's Services there are three significant partnerships – Wessex Youth Offending Team (YOT), the Hampshire CAMHS Commissioning Partnership and the Hampshire Safeguarding Children Board.
- 6.2. Recent finance reports to all partnership Management Boards have highlighted the impact of recent Government funding announcements and all Boards will be considering how this will impact on the partnership arrangements.

### **Wessex Youth Offending Team**

- 6.3. The Wessex Youth Offending Team (YOT) is funded primarily by the Youth Justice Board (YJB) and partner organisations (whose contributions may be in cash and/or in kind).
- 6.4. The Wessex YOT budget for 2010/11 was £10.6m of which £8.8m relates to 'core' partnership activities. The majority of funding coming from partner

contributions (£6m, of which Hampshire County Council's contribution is £2.6m) and Youth Justice Board (YJB) grant (£2.7m).

- 6.5. At its meeting on 10 May 2011 the Board received an update on the final position for 2010/11 which outlined an underspend £24,000. It was agreed that this would be carried forward to 2011/12 to support the costs of restructuring the partnership. The Management Board also agreed the gross budget for 2011/12 of £7.1m.

### **Hampshire CAMHS Commissioning Partnership**

- 6.6. The Partnership provides services focused on promoting and restoring the emotional well-being of children and young people. It is a partnership between Hampshire County Council and the Hampshire Primary Care Trust, who provide some of the services. Most services are commissioned through contract arrangements. These include NHS providers and other organisations who provide support for children and young people with emotional, social, and mental health needs. The majority of these services have been tendered under a single contract from April 2011. The partnership reports to the Joint Child Health Commissioning Board.
- 6.7. The partnership had an underspend of £91,000 in 2010/11 against a budget of £9.8m. £19,000 has been carried forward to 2011/12 to support out of hours services, with the remaining balance of £72,000 being returned to partners.
- 6.8. The Board has agreed a budget of £9.9m for 2011/12.

### **Hampshire Safeguarding Children Board**

- 6.9. The Board has been established as a requirement of the Children Act 2004, which also sets out the partners that should be included. The Board is responsible for co-ordinating and ensuring the effectiveness of local work to safeguard and promote the welfare of children.
- 6.10. The 'partnership fund' for 2010/11, as agreed by the Board was £380,000, which includes Hampshire County Council's contribution of £152,000 and Hampshire County Council grant income of £116,000. Other partners are NHS Hampshire, Hampshire Police, Probation, Children and Families Court Advisory and Support Service (CAFCASS) and the 11 District/Borough/City Councils. The final position for 2010/11 was an underspend of £89,000. Of this, £13,000 was carried forward to 2011/12 and the balance of £76,000 repaid to partners.
- 6.11. The Board has agreed a 'partnership fund' budget for 2011/12 of £242,000 (including carry forward from 2010/11).

## **7. Appendices**

- 7.1. The following appendices are attached:

- 1** Final Accounts report to Cabinet – appendix summarising 2010/11 main variations within the service



**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	No
Corporate Business plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Children's Services Revenue Budget 2010/11, 2011/12 , 2012/13	Item 1	15 January 2010
Children's Services Revenue Budget 2011/12	Item 1	28 January 2011
Budget Monitoring 2010/11 – Children's Services Department - Period 10 (January 2011)	Item 1	9 March 2011
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1. Equality and diversity objectives are not considered to be adversely affected by the proposals of this report.

### **2. Impact on Crime and Disorder:**

- 2.1. Crime and disorder objectives are not considered to be adversely affected by the proposals of this report.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- No impact
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?
- No impact

## Children's Services

### Revenue Expenditure 2010/11

**Major variations in cash limited expenditure** – Nil variance against the current cash limit (non-schools budget)

Budget heading	Variation £000	Adjusted cash limit £000	Reason
<b>Schools' Budget</b>			
School-specific Contingencies	-4,649	9,845	The final rents and rates allocations were lower than budgeted (rents were £705,000 less and the reduction in rates revaluations of schools resulted in £1.741m due to be recovered from delegated budgets). Other significant underspends include £656,000 against nursery payments due to lower numbers of pupils than budgeted, £119,000 earmarked for additional outreach and £70,000 for protected salaries which were not required, £111,000 against Children in Care payments to Schools, £43,000 for Newly Qualified Teacher payments, £50,000 for Emergency Payments and £505,000 on Individual School Budget (ISB) provision. The final position also includes £531,000 earmarked for Equal Pay and £66,000 of claw back from school balances previously agreed to be carried forward to 2011/12. Other minor variations account for the remaining underspend (£52,000).
14-19 Initiatives	-664	4,159	Diploma costs (including transport) were lower than budgeted due to the number of diploma students being less than originally anticipated.
Schools – support services recharge	-808	5,024	This primarily relates to the anticipated underspend against the Miscellaneous Other Budget (£658,000). Other underspends include the Combined Budget for the Locality Teams (£105,000), and the Schools Budget funded element of Building Schools for the Future (£100,000).
Supply cover (not sickness)	-113	927	This underspend primarily relates to the budget for suspended staff (£57,000). There was also an underspend of £41,000 on the union, public duties and supply cover, and £15,000 underspend in respect of Headteacher Conferences.

Budget heading	Variation	Adjusted cash limit	Reason
Education Inclusion Service (EIS)	-117	8,223	This mainly relates to a higher level of funding being transferred from schools delegated budgets to EIS than budgeted in respect of emotionally vulnerable and unwell children who were educated by EIS.
Provision for pupils with statements	-1,587	10,087	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 an increased level of support being provided to other local authority pupils with Special Educational Needs (SEN), resulting in higher levels of income being received than originally expected. One-off savings also arise from delays 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 (Out County Special Schools)	-373	9,534	This consists of an underspend of £179,000 on special schools placements and an underspend against pre-school placements for 3 and 4 year olds of £194,000. The actual average number of pupils educated in special school placements was slightly higher than budgeted (234 actual average pupils during 2010/11 compared with 231 budgeted). The underspend was achieved as a result of slightly lower placement costs, primarily resulting from successful fee negotiations during the year.
Inter-authority recoupment	783	775	This includes recoupment of fees (not additional support) for placements at special schools and SEN resourced provisions (£700,000), as well as hospital recoupment for tuition at Leigh House (£83,000). The overspend has mainly arisen due to a slight increase in the number of Hampshire pupils attending other local authority schools (an average of 203 pupils during 2010/11 compared with 200 during 2009/10), as well as a reduction in the number of other local authority pupils attending Hampshire schools (an average of 122 during 2010/11 compared with 135 in 2009/10), resulting in both higher costs and lower levels of income generated than originally budgeted.

Budget heading	Variation	Adjusted cash limit	Reason
Early Years places (3 and 4 year olds)	-486	38,670	The underspend reflects a lower than budgeted number of claims being received for nursery provision.
Services for Young Children	-997	26,786	This underspend reflects savings achieved against the Early Education Childcare Unit and Children's Centres budgets as a result of the recruitment freeze and through the review and reprioritisation of expenditure plans.
Ethnic Minority and Traveller Achievement Service (EMTAS)	-113	1,150	The underspend primarily relates to one-off savings from vacant positions, including those held pending confirmation on future funding and delays in recruiting casual staff.
Teachers' Pay Reform payments	199	19,900	The overspend reflects an increased number of claims in the spring term.
Other Minor Variations	-133	692,269	The cash limit includes the individual schools' budgets and Standards Fund devolved to schools (£641.750m), Schools Standards grant (£35.076m), School Meals Grant budgets (£1.701m), support services recharges for Special Education and Early Years (£4.423m), Standards Funds not devolved to schools (£6.099m), Assistance to Voluntary and Private Providers (£2.506m) and a number of other small budgets (£0.714m).
Carry Forward of Dedicated Schools Grant (DSG)	9,058	-9,058	<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 £22.051m. The other major components of the carry forward consist of:</p> <ul style="list-style-type: none"> <li>• £7.908m of planned carry-forward from previous years as agreed with Schools Forum</li> <li>• £4.907m of capital expenditure from revenue which had not been spent by 31 March 2011</li> <li>• £178,000 of unallocated DSG</li> </ul> <p>Schools Forum will review proposals for use of any unplanned carry-forward.</p>
<b>Sub-total Schools' Budget</b>	<b>0</b>	<b>818,291</b>	

Budget heading	Variation	Adjusted cash limit	Reason
<b>Non Schools Budget</b>			
Home to school and college transport	-430	25,947	This underspend is a combination of an underspend against school escort costs (£144,000), contract costs (£298,000), and more income received for privilege places and denominational transport received than budgeted (£5,000), offset by an overspend against season ticket costs (+£17,000).
School Development and Improvement – non devolved	-477	4,021	This includes a number of centrally held strategic budgets including Primary and Secondary National Strategies (£409,000), as well as other minor variations. These underspends primarily relate to one-off savings achieved in respect of vacancies.
Services for Young People	-1,001	15,343	The planned underspend on the Integrated Youth Service mainly relates to higher income generated from external sources than budgeted as well as management of staff vacancies across the service, as part of the overall budget strategy.
Support Services Recharges (includes Access, Special Education, School Improvement and Strategic Management)	-1,746	27,740	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: Information Technology (£390,000), Workforce Development (£178,000), the Early Education and Childcare Unit (£453,000), Support Services (£258,000, including admin and finance), Performance and Partnership Team (£165,000) and the Commissioning and Co-ordination Unit (£121,000). Other minor variations account for the remaining £181,000 underspend.
Rent, Rates	117	208	This budget includes income received from property rentals, and the overspend reflects a decline in the number of houses being rented to teachers and caretakers. In addition, a loan has been repaid to Hart District Council relating to teachers' housing in Fleet.
Commissioning and Social Work	184	20,634	The overspend reflects budget pressures experienced as a result of agency staff being used to support teams in areas which continue to experience difficulties in recruiting qualified social workers. In addition, delays in implementing savings included in the 2010/11 budget strategy in respect of Family Group Conferences resulted in the department not achieving the full-year saving

Budget heading	Variation	Adjusted cash limit	Reason
			previously anticipated.
Children Looked After	2,562	37,772	<p>This represents a continuing pressure on fostering (£1.127m) and residential services (£1.506m) across County Council provision (both in-house and externally purchased). This is offset by an underspend (£71,000) 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 reduced during the 2010/11 financial year (from 1,118 as at March 2010 to 1,089 as at March 2011, a net reduction of 29). The average number of children looked after during the year was 1,098, which was 55 above the average budgeted activity of 1,043.</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 56 as at March 2010 to 72 as at March 2011.</p> <p>The number of children placed with independent fostering providers has remained relatively stable reducing by one placement (net) from 191 as at March 2010 to 190 as at March 2011.</p> <p>The number of children placed with Hampshire foster carers has reduced during the year from 644 as at March 2010 to 589 as at March 2011. This reduction mainly relates to fewer children being (or remaining) placed with 'Friends and Family' foster carers, with many being supported instead within Special Guardianship Order placements (see Family Support Services).</p> <p>For 2010/11 the average number of in-house and independent foster placements was higher than budgeted (average number of in-house foster care placements during 2010/11 was 600, compared with a budgeted number of 620, and for independent foster care placements the average number was 196, compared with a budgeted 180). Provision has been made within the 2011/12 budget to reflect sustained levels of activity.</p>
Family Support	373	13,023	This budget relates to providing preventative

Budget heading	Variation	Adjusted cash limit	Reason
Services (social care)			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. The overspend primarily relates to the cost of 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 290 in 2009/10 to 328 in 2010/11 (11.5%).
Other Children's Services (social care)	-115	8,636	This budget includes services to Care Leavers, Adoption Support, and other Children's Services (e.g. social care transport costs). The net underspend primarily relates to higher than budgeted expenditure on social care transport, which has been partially offset by an underspend against Care Leavers Services due to the original budget requirement being over estimated.
Unallocated contingency	-242	242	This underspend represents the unallocated contingency budget.
Other Minor Variations	-182	15,824	The cash limit includes: Premature retirement compensation (£2.980m), Community Education (£7.296m), LEA Initiatives (£525,000), Pupil Support (£553,000), Teachers Pay Reform Payments (£442,000), Continuing Education (£572,000), Securities & Insurance (£409,000) and Youth Justice (£2.587m). Various minor variations account for the net underspend of £182,000.
Cost of Compulsory Redundancies	4,759	0	
<b>Sub-total</b>	<b>3,802</b>	<b>169,390</b>	
Less additional corporate funding	-3,802	3,802	
<b>Sub-total Non Schools Budget</b>	<b>0</b>	<b>173,192</b>	
<b>Total Children's Services Department</b>	<b>0</b>	<b>991,483</b>	