

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services
Date of Decision:	6 December 2012
Decision Title:	Budget Monitoring - 2012/13 Quarter 2
Decision Reference:	4341
Report From:	Director of Corporate Resources – Corporate Services and Director of Children's Services

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1. Forecast Position

- 1.1. This report outlines the budget monitoring position as at the end of quarter 2 (30 September 2012).
- 1.2. The projected outturn for 2012/13 is a net underspend of £440,000 (£360,000 underspend on the schools budget and £80,000 underspend on the non-schools budget). The forecast variance by each branch, and by schools and non-schools budgets is as follows:

	Current budget £000	Forecast outturn £000	Forecast variance £000	%
Access, Performance & Resources (A,P&R)	660,369	658,779	(1,590)	(0.2)
Education & Inclusion (E&I)	89,896	88,841	(1,055)	(1.2)
Children & Families (C&F)	115,034	117,239	2,205	1.9
Total	865,299	864,859	(440)	(0.1)
<i>Broken down by:</i>				
Schools budget	699,285	698,925	(360)	(0.1)
Non-schools budget	166,014	165,934	(80)	-
Total	865,299	864,859	(440)	(0.1)

- 1.3. The schools budget underspend consists of some continuing

variances from 2011/12 e.g. independent and non-maintained special schools and statemented pupils along with some other smaller variances.

- 1.4. On the non-schools budget, the main pressures are on Children Looked After (CLA), Youth Support Service, Commissioning and Social Work and Youth Justice offset by significant underspends within Services for Young Children, Home to School Transport and Management and Support – Access, Performance and Resources.
- 1.5. A more detailed breakdown on the budget and forecast variations is shown in Appendix 1.
- 1.6. **Key corporate risk issues highlighted in this quarter are:**

Youth Support Services – Following a review of the Careers Advice and Guidance Service anticipated income is lower than previously expected because the size of the market is significantly smaller than the level of demand that was generated when the service was free to schools. Management are taking steps to align resources to income levels throughout the rest of the year with early actions already taking effect to start to reduce the pressure.

Commissioning and Social Work – It has been necessary to respond to significant workload pressures, particularly in the north east of the County, which has led to an increase in staffing costs. Management actions are starting to reduce the pressure but there is inevitably a time delay in achieving this.

Children Looked After – There are continuing significant pressures on purchased residential placements and fostering with activity above the budgeted placements. Whilst every effort is being made to manage down the number of children entering care through prevention work, there is still an upward local and national trend which is putting pressure on resources.

The number of children in care in Hampshire has risen from 1,023 in March 2008 to 1,106 at the end of August 2012: an 8.1% increase. Nationally the DfE has reported that there has been a 13% increase of children in care during the same period.

The rate of looked after children in Hampshire is 40 per 10,000 which is significantly lower than comparative authorities. This low rate reflects historical strong performance in ensuring that children are only brought into care when absolutely necessary.

The current pressure of about £3.5m is likely to rise to about £4m in 2013/14. To date this pressure has been managed within the overall cash limit without need to call on the corporate contingency, largely through earlier achievement of other planned savings. However, it is

likely that the corporate contingency will be required to add to the department's base budget from 2013/14.

2. Efficiency Savings

- 2.1. The 2012/13 efficiency savings target for Children's Services of £10.4m has been successfully delivered. The majority of these savings are the full year effect of actions taken in 2011/12.

3. Recommendation

- 3.1. Note the forecast position for the revenue budget as at the end of quarter 2.

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

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
	<u>Reference</u>	<u>Date</u>
Revenue Budget for Children's Services 2012/13	3560	18 January 2012
Budget Monitoring - 2012/13 Quarter 1	4246	26 September 2012
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	
None		

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.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1 Equalities Impact Assessment:

- 1.1 There are no equality and diversity objectives that are considered to be adversely affected by any proposals in this report.

2 Impact on Crime and Disorder:

- 2.1 The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime.
- 2.2 The proposals in this report have no proven impact on the prevention of crime.

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

Appendix 1 - Forecast outturn – Quarter 2

Position as at 30 September 2012 across services

Description	Current Budget	Quarter 2 forecast variance ⁱ	
	£000	£000	%
Access, Performance & Resources Branch			
Schools Budget			
School Budget Shares	584,589	-	-
Central Provisions	10,650	(100)	(0.9)
Pupil Premium	16,579	-	-
Supply Cover (not sickness)	614	(125)	(20.4)
Admissions	887	29	3.3
Premature Retirement	650	80	12.3
Headteachers' Conferences	140	-	-
Copyright and Licensing	326	-	-
14 - 19 Commissioning	500	-	-
Early Years Grants to Vol Orgs	293	-	-
Miscellaneous Other	983	(8)	(0.8)
	616,211	(124)	-
Non-Schools Budget			
Home to School / College Transport	27,813	(937)	(3.4)
Learning & Development	1,924	(97)	(5.0)
Miscellaneous Other	(1,318)	(13)	1.0
Pupil Support	375	(42)	(11.2)
Performance & Partnerships	954	3	0.3
Unallocated	(21)	(31)	147.6
Local Children's Partnerships	198	-	-
Information Technology & Systems Maintenance	4,124	42	1.0
Management and Support A,P&R	4,283	(416)	(9.7)
Premature Retirement - Schools	2,488	32	1.3
Premature Retirement - Non-School	793	(26)	(3.3)
Children's Services Procurement Unit	1,880	(4)	(0.2)
Strategic Planning & School Organisation	665	23	3.5
	44,158	1,466	(3.3)
Total Access, Performance and Resources Branch	660,369	(1,590)	(0.2)

Description	Current Budget	Quarter 2 forecast variance ⁱ	
	£000	£000	%
Education and Inclusion Branch			
Schools Budget			
14-19 Budgets (Schools Budget)	94	3	3.2
Education Inclusion Service	9,654	(114)	(1.2)
Ethnic Minority Achievement Service	1,200	(2)	(0.2)
Olympic Legacy etc	87	(27)	(31)
Hospital Recoupment	145	117	80.7
Services for Young Children - 3&4 Year Olds	41,902	650	1.6
Services for Young Children- Other (incl.Portage)	3,187	(17)	(0.5)
Behaviour Support Team	1,854	(5)	(0.3)
	58,123	605	1.0
Non-Schools Budget			
Community Education	413	-	-
Community Language Service	31	-	-
Education of CLA	1,097	-	-
Music - Pupil Support	447	-	-
Outdoor Education	383	4	1.0
Services for Young Children	23,426	(1,793)	(7.7)
14-19 Budgets (Non-Schools)	681	15	2.2
Standards and Improvements	4,691	84	1.8
Management and Support E&I	375	30	8.0
Adult Learning	229	-	-
	31,773	(1,660)	(5.2)
Total Education and Inclusion Branch	89,896	(1,055)	(1.2)
Children and Families Branch			
Schools Budget			
Special Educational Needs & Statemented Pupils	9,307	(176)	(1.9)
Inter Authority Recoupment	1,980	(145)	(7.3)
Independent and Non-Maintained Special Schools	9,267	(287)	(3.1)
Combined Budget - Locality Teams	1,499	(14)	(0.9)
Specialist Teacher Advisory Service	2,073	(26)	(1.3)
Independent Investigations	10	-	-
Careers Advice and Guidance	338	-	-
Youth Support Service - NEET Tracking	333	(180)	(54.1)
PRISM - Educational Psychology	144	(13)	(9.0)
	24,951	(841)	(3.4)

Description	Current Budget	Quarter 2 forecast variance ⁱ	
	£000	£000	%
Non-Schools Budget			
Special Educational Needs Service	2,266	(182)	(8.0)
Educational Psychology	2,848	(27)	(0.9)
Youth Support Service	5,375	326	6.1
Locality Teams (Education Welfare & Pupil Support)	1,298	7	0.5
Commissioning and Social Work	15,151	306	2.0
Children Looked After	37,056	3,560	9.6
Family Support Services	12,650	(641)	(5.1)
Youth Justice	2,135	317	14.8
Other Children's Services	8,063	(477)	(5.9)
Management & Support	2,975	(155)	(5.2)
Parenting	266	12	4.5
	90,083	3,046	3.4
Total Children and Families Branch	115,034	2,205	1.9
Total Schools	699,285	(360)	(0.1)
Total Non-schools	166,014	(80)	-
Total Schools and Non-schools	865,299	(440)	(0.1)

ⁱ These figures are forecasts of the 2012/13 year end position, based on actual figures as at 30 September 2012, together with known commitments and the estimated impact of future demand and management actions