

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date of Decision:</b>	23 March 2012
<b>Decision Title:</b>	Budget Monitoring - 2011/12 Quarter 3
<b>Decision Reference:</b>	3773
<b>Report From:</b>	County Treasurer and Director of Children's Services

**Contact name:** Gordon Shinn

**Tel:** 01962 847545

**Email:** gordon.shinn@hants.gov.uk

### 1. Executive Summary

- 1.1. This report outlines the budget monitoring position as at the end of quarter 3 (31 December 2011).
- 1.2. The projected outturn for 2011/12 is a net underspend of £4.416m (£2.543m underspend on the schools budget and £1.873m underspend on the non-schools budget). This is an increase in the forecast underspend of £483,000 compared to quarter two. The forecast variance by each branch, and by schools and non-schools budgets is as follows:

	<b>Current budget</b>	<b>Quarter 2 forecast variance</b>	<b>Quarter 3 forecast variance</b>		<b>Change</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	<b>£000</b>
Access, Performance & Resources (A,P&R)	719,281	(2,909)	(3,795)	(0.5)	(886)
Education & Inclusion (E&I)	94,533	(927)	(1,296)	(1.4)	(369)
Children & Families (C&F)	116,766	(97)	675	0.6	772
<b>Total</b>	<b>930,580</b>	<b>(3,933)</b>	<b>(4,416)</b>	<b>(0.5)</b>	<b>(483)</b>
<i>Broken down by:</i>					
Schools budget	<b>758,553</b>	<b>(1,572)</b>	<b>(2,543)</b>	<b>(0.3)</b>	<b>(971)</b>
Non-schools budget	<b>172,027</b>	<b>(2,361)</b>	<b>(1,873)</b>	<b>(1.1)</b>	<b>488</b>
<b>Total</b>	<b>930,580</b>	<b>(3,933)</b>	<b>(4,416)</b>	<b>(0.5)</b>	<b>(483)</b>

- 1.3. The schools budget underspend is net of some continuing significant variances from 2010/11. e.g. central provision underspend (individual school budget allocations), inter-authority recoupment overspend, out county special schools and statemented pupils underspends and further variances on these budgets based on current activity forecasts account for the net change in quarter three. There is a new pressure in 2011/12 relating to premature retirement costs, arising from a school closure and discontinuation of extended services activities and this has increased by £40,000 in quarter two, to £620,000.
- 1.4. On the non-schools budget the main pressure is on Children Looked After (CLA), which has a forecast overspend of £1.468m, an increase of £887,000 from quarter two, due mainly to increased numbers of children in externally purchased residential and foster care. There are substantial savings on both Services for Young Children and the Youth Support Service and increases in underspend in these areas account for the other main changes in the quarter, offsetting the movement on CLA . Excluding these two areas, the underlying position on the non-schools budget is a forecast overspend of £662,000 as follows:

	<b>Quarter 3 forecast variance £000</b>
Access, Performance & Resources (A,P&R)	(1,528)
Education & Inclusion (E&I)	23
Children & Families (C&F)	2,167
<b>Total</b>	<b>662</b>

- 1.5. Other significant movements since quarter two include an increased pressure on Family Support services and commissioning and social work within the Children's and Families branch.
- 1.6. Efficiency savings (8%) are on track to be fully delivered in 2011/12. In preparation for delivery of the full year effect of these savings, as part of the 2012/13 8% target, the termination of a number of community agreements is being negotiated. There are funds within the contingency to support this and, when figures are finalised, the appropriate virement (budget transfer) to the community education budget will be made.
- 1.7. Specific service area issues are highlighted in the following sections of this report. In addition the following information is shown as appendices to this report:
1. Forecast outturn across services
  2. Business Units.

## 2011/12 Revenue Budget

### 2. Access, Performance and Resources Branch

- 2.1. The current position for Access, Performance and Resources is a forecast underspend of £3.795m (0.5% of the budget). This consists of underspends of £2.267m on the schools budget and £1.528m on the non-schools budget. There is an overall increase in the forecast underspend of £886,000, as shown in the table below:

	Current budget	Quarter 2 forecast variance	Quarter 3 forecast variance		Change
	£000	£000	£000	%	£000
Schools budget	674,368	(1,868)	(2,267)	(0.3)	(399)
Non-schools budget	44,913	(1,041)	(1,528)	(3.4)	(487)
<b>Total</b>	<b>719,281</b>	<b>(2,909)</b>	<b>(3,795)</b>	<b>(0.5)</b>	<b>(886)</b>

- 2.2. The schools budget underspend is £2.267m, which predominantly relates to savings in Central Provisions due to lower costs of rates, temporary classroom hire, grant mainstreaming relating to academies and lower than estimated allocations for children in care. This is offset by increased premature retirement costs and an adjustment to reflect recoupment by the Department for Education (DfE) of Local Authority Central Spend Equivalent Grant (LACSEG) budgets for schools converting to academies.
- 2.3. The non-schools forecast underspend of £1.528m primarily relates to home to school/college transport contracts and escort costs. Also, lower management and support costs are anticipated resulting from vacancy management, additional health and safety income and a reduction in premises costs and CRB checks.
- 2.4. Earmarked funds within the contingency budget for the costs of terminating some community agreements will be transferred to the community education budget when the final amounts have been determined.
- 2.5. Significant variances for quarter 3 are summarised in the following table.

Variance this period	Change since quarter 2
£000	£000

#### Schools Budget

##### **Central provisions**

**(2,709)**

**(503)**

This forecast reflects a similar rates forecast as last year, a reduced demand for temporary classrooms and lower allocations for children in care. The movement relates to updates to schools budget share allocations, a rise in demand for infant school places and additional SEN place funding for a special school. This has been off-set by a reduction in the cost of rates relating to four school conversions to academies, savings from grant mainstreaming in respect of academies further reductions in children in care (CiC) allocations and in temporary classrooms, an

<b>Variance this period £000</b>	<b>Change since quarter 2 £000</b>
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adjustment for LACSEG and Advanced Skills Teachers (AST) funding.

The increase in the underspend of £503,000 since quarter 2 primarily relates to unallocated Dedicated Schools Grant and headroom available following review of commitments against mainstreamed grants.

<b>Supply Cover (not sickness)</b>	<b>(135)</b>	<b>80</b>
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This underspend reflects a reduction in trade union representatives and a forecast position on suspended staff cover based on 2010/11. The movement since quarter 2 relates to the LACSEG adjustment in respect of academies.

<b>Premature retirement</b>	<b>620</b>	<b>40</b>
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This reflects the increased number of school re-organisations and includes a reduction in Parent Support Advisers, Sports and Extended School Co-ordinator roles. There is an increase in the forecast since quarter 2 of £40,000 which arises partly from the cessation of Extended Schools grant funding and the re-allocation of funding to ensure grant maximisation.

### **Non-schools Budget**

<b>Home to School Transport</b>	<b>(818)</b>	<b>(289)</b>
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This underspend consists of ongoing savings on contracts arising from 2010/11, a reduction in escort costs, offset by small overspends on season tickets and reduced income on Post 16 education. The movement relates to a further reduction of full year contract costs since quarter two.

<b>Learning and Development</b>	<b>(110)</b>	<b>(69)</b>
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This underspend is being achieved through vacancy management resulting from delayed recruitment and increased income expected from Safeguarding training provided to schools.

<b>Management and Support A,P&amp;R</b>	<b>(437)</b>	<b>(122)</b>
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This underspend arises from vacancy management, additional income generated by the Health and Safety team, a reduction in premises costs and a drop in demand for CRB checks for social care staff. The movement since quarter 2, a reduction in the forecast spend of £122,000, reflects savings in premises costs arising from the Youth Support Services restructuring programme, increased income from Children's Centres and revisions to expenditure forecasts for non-FM items.

## Home to School Transport (HTST) – further information

2.6. The forecast underspend of £819,000 is summarised in the table below:

	<b>Current budget</b>	<b>Quarter 2 forecast variance</b>	<b>Quarter 3 forecast variance</b>		<b>Change</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	<b>£000</b>
Escorts	4,076	(232)	(238)	(5.8)	(6)
Contracts	21,436	(448)	(790)	(3.7)	(342)
Season Tickets	1,426	23	53	3.7	30
Income	(437)	128	156	35.7	28
<b>Total</b>	<b>26,501</b>	<b>(529)</b>	<b>(819)</b>	<b>(3.1)</b>	<b>(290)</b>

- 2.7. The forecast underspend of £238,000 for Escorts' salaries and £766,000 on contracts are as a result of one-off savings on daily and annual contract costs due in part to prices being held. The change since quarter two reflects a reduction in costs of £342,000 for contracts and £6,000 for escorts due to a combination of the net cost of pupil movements since the start of the academic year together with more effective route and vehicle planning. The contract savings include a reduction in minibus project costs of £24,000, as the minibus contract at Linden Education Centre ceased from April 2011
- 2.8. These savings are offset by an overspend of £53,000 in season ticket costs, which reflects increased pupil numbers since October 2010 and price rises of approximately 3% from September 2011. However, these savings have been offset by increased costs of £30,000 for season tickets caused by a transfer of pupils from contracts.
- 2.9. There is a forecast under-achievement of £156,000 on income (of which £118,000 is a reduction in post 16 income from the local authority partnership fund that ended in March 2011 at short notice). In addition, there is a further £28,000 reduction in the forecast for recharged income to other authorities due to a reduction in the actual number of out of county children compared to the previous forecasts.

### 3. Education and Inclusion Branch

- 3.1. The position for the E&I Branch is a forecast underspend of £1.296m. This consists of an underspend of £37,000 on the schools budget and an underspend of £1.259m on the non-schools budget.

	<b>Current budget</b>	<b>Quarter 2 forecast variance</b>	<b>Quarter 3 forecast variance</b>		<b>Change</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	<b>£000</b>
Schools budget	60,055	238	(37)	(0.1)	(275)
Non-schools budget	34,478	(1,165)	(1,259)	(3.7)	(94)
<b>Total</b>	<b>94,533</b>	<b>(927)</b>	<b>(1,296)</b>	<b>(1.4)</b>	<b>(369)</b>

- 3.2. The forecast underspend of £37,000 on the schools budget predominantly relates to forecast underspends against the Education and Inclusion Service (£75,000) and the Ethnic Minority Achievement Service budget (£61,000). These are offset by a forecast overspend on Hospital Recoupment (£179,000), which has been based on past trends and updated with actual known costs as the year progresses. The most significant changes since quarter 2 are increases in the underspends relating to the Education Inclusion Service (£160,000) and Services for Young Children (£104,000).
- 3.3. The non-schools forecast underspend position relates predominantly to Services for Young Children (SfYC). This underspend has arisen primarily from early implementation of 2012/13 savings targets. This budget also has the biggest change since quarter 2 (additional £166,000 underspend) which is due to a reduction in the estimated expenditure on the two year old pilot.
- 3.4. Significant variances are summarised in the following table.

	<b>Variance this period</b>	<b>Change since quarter 2</b>
	<b>£000</b>	<b>£000</b>
<b><u>Schools Budget</u></b>		

<b>Education Inclusion Service</b>	<b>(75)</b>	<b>(160)</b>
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The reduction in the forecast is predominantly relating to reduced forecasts at two Education centres arising from staff vacancies.

<b>Hospital Recoupment</b>	<b>179</b>	<b>14</b>
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This forecast is based on last year's outturn with a small movement to reflect actual costs in the period. Given the time lag in receiving information from other local authorities, it is difficult to forecast. This movement is the result of invoices received which were higher than had previously been expected.

**Variance  
this period**  
**£000**

**Change  
since  
quarter 2**  
**£000**

**Non-schools Budget**

**Services for Young Children** **(1,282)**      **(164)**

In preparation for the further savings the service has to find in 2012/13, some of the savings initiatives have been started in 2011/12 which has led to the current projected underspend. The increase in the underspend this quarter is due to a net reduction in the cost of change on Children's Centres and improved forecasting resulting in an lower expenditure projections on Early Years. Some costs of change will slip into 2012/13 as a result of the new children's centres contract starting on 23 April 2012 and, therefore, carry forward of underspend may be required for this purpose.

**4. Children and Families Branch**

4.1. The position for Children & Families is a forecast overspend of £675,000 (0.6% of the budget). This consists of an underspend on the schools budget of £239,000 and an overspend of £914,000 on non-schools budgets. There is an overall reduction in the underspend of £772,000 since quarter two as shown in the table below:

	<b>Current budget</b>	<b>Quarter 2 forecast variance</b>	<b>Quarter 3 forecast variance</b>		<b>Change</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	<b>£000</b>
Schools budget	24,130	58	(239)	(1.0)	(297)
Non-schools budget	92,636	(155)	914	1.0	1,069
<b>Total</b>	<b>116,766</b>	<b>(97)</b>	<b>675</b>	<b>0.6</b>	<b>772</b>

4.2. There are significant variances within the overall schools budget position. There is a pressure on inter-authority recoupment of £1.114m from the ongoing trend towards more children being placed out of the county and fewer children from other local authorities placed 'in county'. This is largely offset by underspends on stated pupils of £1.001m and out county special schools of £319,000 from lower activity than budgeted.

4.3. The reduction in the schools budget forecast since quarter two is largely due to a reduction of £219,000 on inter-authority recoupment due mainly to a reduction to the expenditure forecast now that 2010/11 placement information is agreed.

4.4. The non-schools forecast includes overspends across children looked after (CLA, £1.468m), family support services (£1.003m relating to pressures on special guardianship orders and home care), commissioning and social work (£275,000 relating to the need for agency staffing), and youth justice (£211,000 largely due to a challenging welfare sales market). The most significant off-setting forecast underspend is on Youth Support Services (£1.253m), arising from the earlier than

originally planned re-organisation of youth practitioners. Without this one-off saving in 2011/12 the overspend would be £2.167m.

- 4.5. The non-schools budget change since quarter two, an increase in the forecast of £1.069m largely relates to an increase of £887,000 on looked after children from rising activity in high cost purchased placements.
- 4.6. Significant variances are summarised in the following table:

	<b>Variance this period £000</b>	<b>Change since quarter 2 £000</b>
<b><u>Schools Budget</u></b>		
<b>Statemented Pupils</b>	<b>(1,001)</b>	<b>(143)</b>
The overall underspend mainly relates to an underspend on statemented pupils support in mainstream schools for those with low incidence needs of £530,000, an underspend on inter-authority statemented pupil support recoupment of £286,000 and an underspend on SEN projects, including the Early Years Resourced Provision of £183,000.		
There is a reduction in the forecast of £143,000 since quarter two, largely relating to the SEN Early Years Resourced Provision, as it is now understood that provision in the New Forest will not commence until September 2012 and the Havant provision is unlikely to take place at all, with demand being met from existing provision.		
<b>Inter Authority Recoupment</b>	<b>1,114</b>	<b>(219)</b>
This forecast is based on the continuing trend from 2010/11 of an increasing number of children receiving SEN support placed in Other Local Authority (OLA) special schools.		
The reduction of the forecast overspend follows confirmation of placements for 2010/11.		
<b>Out County Special Schools</b>	<b>(319)</b>	<b>141</b>
The underspend of £319,000 reflects all currently known placement activity and likely starters in coming months and includes a forecast underspend of £51,000 on claims from pre-school settings. This also includes an assumption of 50% of the costs of outstanding tribunals valued at a total of £61,000. The movement since quarter two, an increase in the forecast of £141,000 reflects the net position from a number of variations to existing and planned placements.		
<b><u>Non-schools Budget</u></b>		
<b>Special Educational Needs Service</b>	<b>(135)</b>	<b>(140)</b>
This underspend is being achieved through planned vacancy management.		

	<b>Variance this period £000</b>	<b>Change since quarter 2 £000</b>
<b>Youth Support Service</b>	<b>(1,253)</b>	<b>(183)</b>

This underspend arises from the early implementation of planned restructuring proposals and other savings in advance of full implementation in 2012/13. The movement since quarter two includes a reduction in the estimated cost of change of £219,000, now that actual redundancy costs are known.

<b>Locality Teams (Education Welfare)</b>	<b>(37)</b>	<b>108</b>
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The underspend on the Locality Teams of £37,000 reflects vacancy management throughout the year. The movement since quarter two, an increase in the forecast of £108,000, reflects the transfer of staffing budgets and posts to create additional front-line social work capacity (Commissioning and Social Work budget)

<b>Commissioning and Social Work</b>	<b>275</b>	<b>222</b>
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The overspend and associated movement from quarter two relates to increased use of agency staff. This is due to the need to maintain staffing levels in some teams where there are a number of vacancies. The position also reflects the budget transferred from Locality Teams (see above).

<b>Children Looked After</b>	<b>1,468</b>	<b>887</b>
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The overall variance largely relates to a £1.871m overspend on purchased residential care, with placement activity at 72, which is in excess of the budgeted number of 60. There is also an overspend of £230,000 on other residential costs from greater than budgeted activity on supported lodgings and a pressure on children's homes of £177,000 from additional staffing requirements to meet the needs of challenging children. These pressures are offset by underspends on the fostering service of £210,000 and on purchased fostering costs of £600,000, due to lower than budgeted activity.

The forecast is based on activity at the end of December of 1,093, an increase of 10 since the end of quarter two. The most significant area of change since quarter two has been purchased fostering with a net increase of 14 placements and a corresponding increase in the forecast of £436,000.

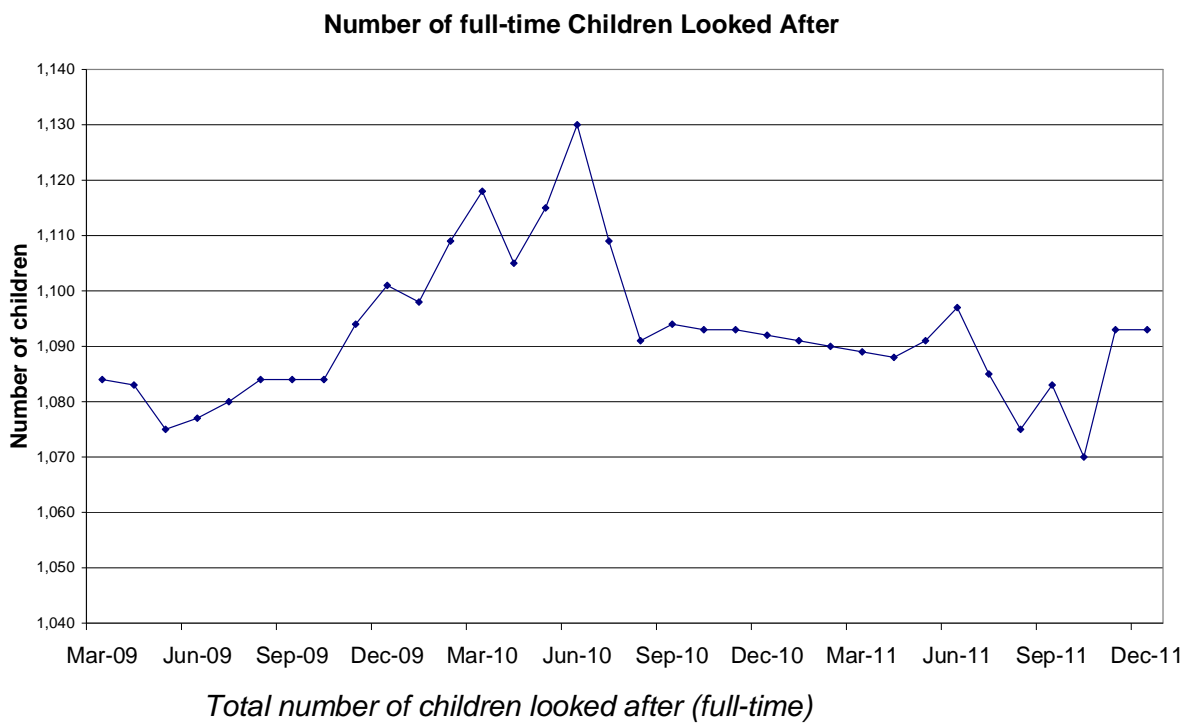
<b>Family Support Services</b>	<b>1,003</b>	<b>239</b>
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The main areas of pressure are services for children with disabilities, including home care, with a forecast overspend of £306,000, where the number of children receiving these services is higher than at the same time last year, day care with a forecast overspend of £111,000 and direct payments with a forecast overspend of £107,000. This reflects demographic pressures in these areas. In addition there is a pressure on other family support, with an overspend of £479,000, largely relating to rising activity on special guardianship orders.



4.8. The number of CLA at the 31 December 2011 was 1,093, up from 1,083 at 30 September, the end of quarter two. Since the end of quarter two in-house fostering activity has increased by seven to 604, there are fourteen additional purchased fostering placements to 195 and purchased residential activity remains at 72. The number of young people in supported lodgings arrangements under the other residential heading has also increased from 36 to 51.

4.9. The graph below shows overall CLA numbers on a monthly basis from March 2009:



4.10. Children Looked After can be placed in a variety of arrangements, the most common of which are Foster Care and Residential placements (children’s homes and in some cases school placements). Other arrangements can include supported lodgings (Other Residential), secure welfare accommodation (secure remand accommodation arrangements are not reflected within Children Looked After activity or expenditure), children who are placed for adoption (subject to final approval), as well as in some circumstances children living at home with their parent(s) on a care order.

4.11. The proportion of children placed within these different types of arrangements will impact on the financial cost to the department. The overall activity levels (excluding children in short programmed breaks, e.g. CWD respite provision) throughout the year is broken down further in the following table:

Number of children in full-time care by children with a disability (CwD) and non-disabled children		Mar-09	%	Mar-10	%	Mar-11	%	Sep-11	%	Dec-11	%
Purchased Residential	Non-disabled	14	1.3	16	1.4	25	2.3	23	2.1	24	2.2
	CWD	37	3.4	40	3.6	47	4.3	49	4.5	48	4.4
	Total	51	4.7	56	5.0	72	6.6	72	6.6	72	6.6
HCC residential children's homes	Non-disabled	35	3.2	40	3.6	28	2.6	30	2.8	30	2.7
Purchased Fostering	Non-disabled	163	15.0	180	16.1	180	16.5	170	15.7	182	16.7
	CWD	12	1.1	11	1.0	10	0.9	11	1.0	13	1.2
	Total	175	16.1	191	17.1	190	17.4	181	16.7	195	17.8
HCC Fostering	All children	630	58.1	644	57.6	589	54.1	597	55.1	604	55.3
Other Residential (supported lodgings)	All children	24	2.2	7	0.6	21	1.9	36	3.3	51	4.7
Other	All children	169	15.6	180	16.1	189	17.4	167	15.4	141	12.9
		<b>1,084</b>		<b>1,118</b>		<b>1,089</b>		<b>1,083</b>		<b>1,093</b>	

4.12. This table confirms that, while the overall number of children looked after by the County Council has remained similar, the number placed within higher cost purchased residential arrangements has increased since March 2010 from 56 to 72 children. However, the number of children placed with purchased fostering providers has reduced since a peak in July 2010 of 209 to 195 as at the end of December 2011, reflecting the decrease in CLA numbers since that month (1,109 in July 2010).

4.13. The table below shows the age profile of the Children Looked After population between March 2009 and September 2011. This shows that, whilst the overall number of Children Looked After is similar to the total for March 2009, there has been a significant increase of children aged 16+ years old, offset largely by reductions in 11-15 year-olds. The growth in the number of children over the age of 16 partly reflects changes in legislation brought about by 'Regina (G) v. Southwark' and the legal ruling which followed.

Age Group	Number of CLA as at:						Change Mar 2009 to Dec 2011	
	Mar-09	Mar-10	Mar-11	Sep-11	Dec-11	Number	%	
0 to 4	227	234	235	221	233	6	2.6	
5 to 10	231	195	226	238	239	8	3.5	
11 to 15	423	481	408	376	375	(48)	(11.3)	
16+	203	208	220	248	246	43	21.2	
<b>Total</b>	<b>1,084</b>	<b>1,118</b>	<b>1,089</b>	<b>1,083</b>	<b>1,093</b>	<b>9</b>	<b>0.8</b>	

## Comparison against budgeted activity

- 4.14. The table below compares the budgeted average number of children looked after (as planned at December 2010) for 2011/12 with the actual average activity to date. This assumes that current activity levels will continue for the remaining year. This shows that Purchased Residential is driving much of the forecast overspend, despite overall numbers being lower than budgeted.

	Budgeted average activity	Forecast average activity	Activity variance	Forecast financial variance	
			%	£000	%
Purchased Residential Care / Secure Welfare	60	72	20.0	1,871	19.2
Purchased Fostering	206	192	(6.8)	(600)	(6.7)
HCC Children's Homes	34	29	(14.7)	177	3.3
HCC Fostering	608	600	(1.3)	(210)	(1.8)
Other Residential	10	38	280.0	230	55.4
Other (including placed at home)	182	157	(13.7)	n/a	n/a
<b>Total</b>	<b>1,100</b>	<b>1,088</b>	<b>(1.1)</b>	<b>1,468</b>	<b>4.0</b>

## 5. Business Units

- 5.1. Appendix 2 shows the business units' anticipated financial position for 2011/12 as at 31 December 2011 compared with their original business plans. This appendix also outlines the core contributions made by the department to each of the business units and their current estimated reserves at 31 March 2012.
- 5.2. The overall in-year deficit for all the business units is estimated at £828,000 (Services to Schools £838,000 deficit, Children's Centres £10,000 surplus), £646,000 less than original business plans.
- 5.3. The main variance compared with original business plans is the forecast of £387,000 surplus projected for Hampshire Music Service (the original plan was for a balanced budget). This surplus has been agreed by senior management to support service delivery in the summer term 2012.
- 5.4. The overall change in forecast since quarter two is a reduction in total in-year deficit of £96,000, which is made up of a number of small changes across the business units, most notably £77,000 on the Hampshire Inspection and Advisory Service (HIAS) due to reduced spending in a number of areas.

## 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.

## **Wessex YOT**

- 6.2. The Wessex YOT budget for 2011/12 is £7.2m, following the disaggregation of the Isle of Wight Authority and PCT from the partnership.
- 6.3. Following significant reductions in funding, there has been a restructuring of the service and funding has been set aside to help meet the costs of these changes.
- 6.4. Based on the most recent report to the Board (December 2011), there is a forecast overspend of £68,000 (0.9% of the budget) which can be off-set against funding unallocated within the Wessex YOT contingency of £280,000, resulting in a potential underspend of £240,000. However there are other potential calls on the contingency. Any remaining underspend will be returned to partners in line with their 2011/12 percentage contribution.

## **CAMHS Commissioning Partnership**

- 6.5. The budget for 2011/12 is £9.944m, of which £8m relates directly to the new contract with the Sussex Partnership NHS Foundation Trust. Services outside of this contract include the CAMHS Social workers and other support costs. Hampshire County Council's contribution in respect of the psychological assessment and therapy service for the Swanwick Lodge Secure Unit is included for 2011/12.
- 6.6. There is a small underspend of £10,000 forecast. However, there may be scope arising from savings within the funds held aside for costs of change by NHS Hampshire to develop an intensive support service.

## **Hampshire Safeguarding Children Board (HSCB)**

- 6.7. The budget for 2011/12 is £300,000, which was agreed by the Board on 3 July 2011. This includes £52,000 in respect of Hampshire County Council's contribution to the Child Death Overview Panel, which is being administered by the County Council in 2011/12 on behalf of the four authorities (including Portsmouth and Southampton City Councils and the Isle of Wight Council).
- 6.8. The last report to HSCB on 9 January showed a forecast underspend of £11,000, which will be held as a contingency.

## **7. 2011/12 Efficiency Savings**

- 7.1. Efficiency savings (8%) are on track to be fully delivered in 2011/12. In preparation for delivery of the full year effect of these savings, as part of the 2012/13 8% target, the termination of a number of community agreements is being negotiated. There are funds within the contingency to support this and, when figures are finalised, the appropriate virement (budget transfer) to the community education budget will be made.

## **8. Recommendations**

- 8.1. Note the forecast position for the revenue budget as at the end of quarter 3, including the partnership budgets and the business unit balances.

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

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

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
Children's Services Department Revenue Budget 2011/12	<u>Reference</u> 2503	<u>Date</u> 28 January 2011
Budget Monitoring, Performance and Workforce - 2011/12 Quarter 1	3196	28 September 2011
Budget Monitoring - 2011/12 Quarter 2	3464	7 December 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

## Appendix 1 - Forecast outturn

Position as at 31 December 2011 across services

Description	Current Budget	Quarter 2 forecast Variance	Quarter 3 forecast variance		Change
	£000	£000	£000	%	£000
<b>Access, Performance &amp; Resources Branch</b>					
<b>Schools Budget</b>					
School Budget Shares	628,094				
Central provisions	26,766	(2,206)	(2,709)	(9.2)	(503)
Per pupil premium	9,004				
Additional Grants for Schools	598				
School Standards	0				
School Development	102				
Music Formula	2,025				
Supply Cover (not sickness)	647	(215)	(135)	(20.9)	80
Admissions	919	(27)	(43)	(4.7)	(16)
Premature retirement	400	580	620	155.0	40
Headteachers' Conferences	144				
Copyright and Licensing	317	12	12	3.8	
14 - 19 Commissioning	735				
Early Years Grants to Vol Orgs	293				
Insurance	40	(10)	(10)	(25.0)	
School Milk	212	(2)	(2)	(0.9)	
Information Technology	2,945				
Support Services recharge	1,071				
Misc Other	56				
	<b>674,368</b>	<b>(1,868)</b>	<b>(2,267)</b>	<b>(0.3)</b>	<b>(399)</b>
<b>Non-Schools Budget</b>					
14-19	54				
Aim High Scheme	18				
Extended Schools - Standards Fund	14	2	2	14.3	
Home to School / College Transport	27,518	(529)	(818)	(3.0)	(289)
Insurance	247	(14)	(14)	(5.7)	
Interest on Schools Balances	(1)				
Learning & Development	1,927	(41)	(110)	(5.7)	(69)
Miscellaneous Other	59	(29)	(29)	(49.2)	
Music - pupil support	215				
Performance & Partnerships	856	(6)	(5)	(0.6)	1
Secondary Exceptions - Pupil Support	152		(9)	(5.9)	(9)

Description	Current Budget	Quarter 2 forecast Variance	Quarter 3 forecast variance		Change
	£000	£000	£000	%	£000
Unallocated	956				
Local Children's Partnerships	462				
Information Technology Facilities	3,041	(18)	(18)	(0.6)	
Management and Support A,P&R	4,361	(315)	(437)	(10.0)	(122)
Services to Schools Recharge - Business Units	(886)	3	13	(1.5)	10
Premature Retirement - Schools	2,510	(44)	(44)	(1.8)	
Premature Retirement - Non Schools	793	(39)	(39)	(4.9)	
IT Development & Systems Maintenance	1,182				
Children's Services Procurement Unit	1,868	(2)	(2)	(0.1)	
Strategic Planning & School Organisation team	665	(9)	(8)	(1.2)	1
Caretakers' Housing	(27)		(10)	37.0	(10)
Recharge to Schools Budget	(1,071)				
	<b>44,913</b>	<b>(1,041)</b>	<b>(1,528)</b>	<b>(3.4)</b>	<b>(487)</b>

<b>Total Access, Performance and Resources Branch</b>	<b>719,281</b>	<b>(2,909)</b>	<b>(3,795)</b>	<b>(0.5)</b>	<b>(886)</b>
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### Education and Inclusion Branch

#### Schools Budget

14-19 Budgets (Schools Budget)	1,294	(1)	3	0.2	4
Education Inclusion Service	8,533	85	(75)	(0.9)	(160)
Ethnic Minority Achievement Service	1,169	(33)	(61)	(5.2)	(28)
Gifted and talented	82				
National Challenge	26				
One to One Tuition	1,520		21	1.4	21
Targeted Improvement Grant	45				
Targeted Support Primary	1,031				
Targeted Support Secondary	360				
Olympic Legacy & Minibus Driver Training	88	(29)	(29)	(33.0)	
Hospital Recoupment	145	165	179	123.4	14
Services for Young Children - Payments for 3&4 Year Olds	33,548				
Services for Young Children - Flexibility of Fee Entitlement for 3&4 year olds	7,146				
Services for Young Children- Other (incl.Portage)	3,168	51	(53)	(1.7)	(104)
Behaviour Support Team	1,853		(22)	(1.2)	(22)
Advanced Skills Teachers Management	47				
	<b>60,055</b>	<b>238</b>	<b>(37)</b>	<b>(0.1)</b>	<b>(275)</b>

Description	Current Budget	Quarter 2 forecast Variance	Quarter 3 forecast variance		Change
	£000	£000	£000	%	£000
<b>Non-Schools Budget</b>					
Community Education	1,152	(131)	(92)	(8.0)	39
Community Language Service	31				
Education of CLA	908				
Music - pupil support	702				
Outdoor Education	443	(17)	17	3.8	34
School Intervention	310				
SDG retained - Rights, Respects, Responsibilities	50				
SDG retained - School Improvement Initiative	64				
Services for Young Children	25,156	(1,116)	(1,282)	(5.1)	(166)
14-19 Budgets (non Schools)	549	16	12	2.2	(4)
Standards and Improvements	4,423	(33)	(33)	(0.7)	
Management and Support E&I	375	17	19	5.1	2
Adult Learning	198				
Health & Wellbeing	86	(8)	(7)	(8.1)	1
Ethnic Minority Achievement Service	31				
Behaviour Support Team - Termination costs (non schools)	0	107	107		
	<b>34,478</b>	<b>(1,165)</b>	<b>(1,259)</b>	<b>(3.7)</b>	<b>(94)</b>

<b>Total Education and Inclusion Branch</b>	<b>94,533</b>	<b>(927)</b>	<b>(1,296)</b>	<b>(1.4)</b>	<b>(369)</b>
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### Children and Families Branch

#### Schools Budget

Statemented Pupils	10,124	(858)	(1,001)	(9.9)	(143)
Special School Training	51				
Inter Authority Recoupment	630	1,333	1,114	176.8	(219)
Out County Special Schools	9,449	(460)	(319)	(3.4)	141
Behaviour Support Implementation	107	5	5	4.7	
Combined Budget - Locality Teams	1,499	(27)	(69)	(4.6)	(42)
Specialist Teacher Advisory Service	1,633	74	40	2.4	(34)
Special Educational Needs Hub	44				
Independent Investigations	10				
YSS - sch fund Careers advice guidance	473				
PRISM - Educational Psychology	110	(9)	(9)	(8.2)	
	<b>24,130</b>	<b>58</b>	<b>(239)</b>	<b>(1.0)</b>	<b>(297)</b>

Description	Current Budget	Quarter 2 forecast Variance	Quarter 3 forecast variance		Change
	£000	£000	£000	%	£000
<b>Non-Schools Budget</b>					
Special Educational Needs Service	2,429	5	(135)	(5.6)	(140)
Educational Psychology	3,024	(127)	(126)	(4.2)	1
Youth Support Service	8,854	(1,070)	(1,253)	(14.2)	(183)
Locality Teams (Education Welfare)	1,434	(145)	(37)	(2.6)	108
Commissioning and Social Work	15,942	53	275	1.7	222
Children Looked After	36,293	581	1,468	4.0	887
Family Support Services	10,439	764	1,003	9.6	239
Youth Justice including Swanwick Lodge Secure Unit & Contribution to Wessex YOT	2,024	305	211	10.4	(94)
Other Children's Services	7,561	(270)	(311)	(4.1)	(41)
Management & Support	3,530	(247)	(191)	(5.4)	56
Pupil Support (Primary & Special)	42	(13)	(13)	(31.0)	
Parenting	364	9	23	6.3	14
Asylum Seekers	700				
	<b>92,636</b>	<b>(155)</b>	<b>914</b>	<b>1.0</b>	<b>1,069</b>
<b>Sub Total C&amp;F Branch</b>	<b>116,766</b>	<b>(97)</b>	<b>675</b>	<b>0.6</b>	<b>772</b>
<b>Total Schools</b>	<b>758,553</b>	<b>(1,572)</b>	<b>(2,543)</b>	<b>(0.3)</b>	<b>(971)</b>
<b>Total Non-schools</b>	<b>172,027</b>	<b>(2,361)</b>	<b>(1,873)</b>	<b>(1.1)</b>	<b>488</b>
<b>Total Schools and Non Schools</b>	<b>930,580</b>	<b>(3,933)</b>	<b>(4,416)</b>	<b>(0.5)</b>	<b>(483)</b>

## Appendix 2 Business Units

### 2011/12 Forecast Outturn at December 2011 - Quarter 3 Services to Schools Business Units - Summarised Trading Accounts

	Education Financial Services	Education Personnel Services	Hampshire Governor Services	Stubbington Study Centre	Hampshire Inspection & Advisory Service	Minstead Study Centre	Hampshire Music Service	Services to Schools	Children's Centres
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Core Funding	215	382	648	0	3,760	0	231	5,236	0
Other Income	935	1,233	957	604	4,998	243	6,646	15,616	8,735
Total Income	1,150	1,615	1,605	604	8,758	243	6,877	20,852	8,735
Less Expenditure	1,090	1,749	1,576	605	9,934	246	6,490	21,690	8,725
Forecast Surplus / (Deficit)	60	(134)	29	(1)	(1,176)	(3)	387	(838)	10
Add reserves brought fwd 1/4/11	271	426	353	438	2,500	(25)	221	4,184	1,391
<b>Estimated reserves as at 31 March 2012</b>	<b>331</b>	<b>292</b>	<b>382</b>	<b>437</b>	<b>1,324</b>	<b>(28)</b>	<b>608</b>	<b>3,346</b>	<b>1,401</b>
Business Plan figures - In-year Forecast Surplus / (Deficit)	(85)	(65)	(7)	(63)	(1,250)	(4)	0	(1,474)	0
Variance	145	(69)	36	62	74	1	387	636	10
% of gross expenditure	13.3%	(3.9%)	2.3%	10.3%	0.7%	0.4%	6.0%	2.9%	0.1%