

HAMPSHIRE COUNTY COUNCIL

Report

Committee:	Children and Young People Select Committee
Date:	3 October 2013
Title:	Budget Monitoring - 2013/14 Quarter 1
Reference:	5234
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 1 (30 June 2013).
- 1.2. The projected outturn for 2013/14 is a net underspend of £523,000 (£523,000 underspend on the schools budget and a nil variance 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)	641,776	641,641	(135)	(0.0)
Education & Inclusion (E&I)	93,794	92,975	(819)	(0.9)
Children & Families (C&F)	141,902	142,333	431	0.3
Total	877,472	876,949	(523)	(0.1)
<i>Broken down by:</i>				
Schools budget	715,034	714,511	(523)	(0.1)
Non-schools budget	162,438	162,438	-	-
Total	877,472	876,949	(523)	(0.1)

- 1.3. The main variances on the schools budget include underspends on Independent and Non-maintained Special Schools and High Needs Top-Up funding, along with some other smaller variances.
- 1.4. On the non-schools budget, the main pressure is on Children Looked After (CLA), Family Support Service, Youth Justice and Home to School Transport offset by forecast underspends within Services for Young Children (mainly Children's Centres), Education Welfare Service and Other Children & Families Services.
- 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:**

Children Looked After – There are continuing significant pressures on purchased fostering and residential placements 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.

There is a seasonal variation and peak during this period, which is reflected in the figures.

Purchased residential care unit costs are increasing because the market is saturated. However, a framework agreement is being developed with South Central Agreement (similar to purchased fostering), which should result in reduced unit costs. The framework is due to commence from 1 April 2014.

2. Efficiency Savings

- 2.1. The 2013/14 savings target for the department is £2.349m. The Department is monitoring achievement of savings as part of the normal budget monitoring process for the year and are all expected to be achieved.

3. Recommendation

- 3.1. Note the forecast position for the revenue budget as at the end of quarter 1.

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:		
Revenue Budget for Children's Services for 2013/14	<u>Reference</u> 4434	<u>Date</u> 23 January 2013
Direct links to specific legislation or Government Directives		
<u>Title</u> None		<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.)

<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 1

Position as at 30 June 2013 across services

Description	Current Budget	Quarter 1 forecast variance ⁱ	
	£'000	£'000	%
Access, Performance & Resources Branch			
Schools Budget			
3-4 Year Old Free Entitlement	50	-	-
Early Years ISB	575	-	-
Early Years Central Expenditure	793	-	-
Early Years Block	1,418	-	-
De-delegated:			
- Schools Contingency	132	-	-
- Licences / Subscriptions	156	(5)	-
- Staff Supply Cover (Not Sickness)	499	24	4.8
Combined Budgets:			
- Central Management	111	-	-
- Copyright	281	-	-
-Headteachers Conference	120	(9)	(7.5)
School Budget Shares	534,383	-	-
Pupil Growth / Infant Class Sizes	5,050	-	-
Termination of Employment Costs	658	-	-
Admissions Service	937	5	0.5
Servicing to Schools Forum	39	-	-
Support Services Recharge	914	-	-
Schools Block	543,280	15	-
High Needs Place Funding	30,421	-	-
Early Years SEN Funding	1,225	-	-
High Needs Contingency	20	-	-
Support for Schools in Financial Difficulty	28	-	-
High Needs Block	31,694	-	-
Pupil Premium and Other School Grants	24,979	-	-
	601,371	15	-
Non-Schools Budget			
Other Education & Community - Access	386	25	-
Other Education & Community - Learner Support (mainly Home to School Transport)	27,865	416	1.5
Adult and Community	194	10	5.2
Young People's Learning & Development	527	8	1.5
Services for Young People	567	(2)	(0.4)
Family Support Services	1,379	-	-
Premature Retirement Compensation	2,625	41	1.6
Unallocated	1,121	(538)	(48.0)

Description	Current Budget	Quarter 1 forecast variance ⁱ	
	£'000	£'000	%
Learning & Development	1,553	(104)	(6.7)
Strategic Management	5,102	(6)	(0.1)
Support Services Recharge	(914)	-	-
	40,405	(150)	(0.4)
Total Access, Performance and Resources Branch	641,776	(135)	(0.0)
Education and Inclusion Branch			
Schools Budget			
2 Year Old Free Entitlement Funding	7,693	(11)	(0.1)
3-4 Year Old Free Entitlement	46,697	-	-
Early Years Central Expenditure	2,357	(58)	(2.5)
Early Years Block	56,747	(69)	(0.1)
De-delegated:			
- Behaviour Support Teams	1,825	-	-
- Support to UPEG and Bilingual Learners (EMTAS)	1,165	(2)	(0.2)
Combined Budgets:			
- Central Management	199	-	-
- NEET Tracking	428	-	-
Schools Block	3,617	(2)	(0.1)
Hospital Education Provision	258	-	-
Education Centres – Top Up Funding	3,967	-	-
High Needs - Support for Inclusion	1,139	-	-
High Needs - Recoupment CLA	-	3	-
High Needs Block	5,364	3	0.1
Music Grant	1,314	-	-
	67,042	(68)	(0.1)
Non-Schools Budget			
Other Education & Community - Access	416	-	-
Other Education & Community - Learner Support	4,841	35	0.7
Adult and Community	254	-	-
Young People's Learning & Development	1,642	-	-
Services for Young Children (mainly Children's Centres)	18,062	(768)	(4.3)
Services for Young People	266	-	-
Local Authority Education Functions	303	-	-
Children Looked After	968	(18)	(1.9)
	26,752	(751)	(2.8)
Total Education and Inclusion Branch	93,794	(819)	(0.9)

Description	Current Budget	Quarter 1 forecast variance ⁱ	
	£'000	£'000	%
Children and Families Branch			
Schools Budget			
Combined Budgets			
- Central Management	10	(5)	(50.0)
- Locality Teams	1,499	(50)	(3.3)
Prudential Borrowing	286	-	-
Fees to Independent Schools without SEN	181	(37)	(20.4)
Schools Block	1,976	(92)	(4.7)
High Needs Top Up Funding	29,726	(137)	(0.5)
Early Years SEN funding	702	53	7.5
Independent & Non-Maintained Special Schools	10,340	(265)	(2.6)
Specialist Teacher Advisory Services (STAS)	2,073	-	-
SEN Other	1,660	(29)	(1.7)
High Needs - Support for Inclusion	144	-	-
High Needs Block	44,645	(378)	(0.8)
	46,621	(470)	(1.0)
Non-Schools Budget			
Educational Psychology Service	2,777	-	-
Special Education Other	1,982	(44)	(2.2)
Pupil Support	31	(6)	(19.4)
Education Welfare Service	1,292	(177)	(13.7)
Community Education	249	(39)	(15.7)
Services for Young People	5,414	15	0.3
Assessment and Care Management	14,342	49	0.3
Children Looked After	40,888	567	1.4
Family Support Services	12,965	255	2.0
Youth Justice	2,154	412	19.1
Other C&F Services	7,437	(192)	(2.6)
Asylum Seekers	700	-	-
Management & Support	5,050	61	1.2
	95,281	901	0.9
Total Children and Families Branch	141,902	431	0.3
Total Schools	715,034	(523)	(0.1)
Total Non-schools	162,438	-	-
Total Schools and Non-schools	877,472	(523)	(0.1)

ⁱ These figures are forecasts of the 2013/14 year end position, based on actual figures as at 30 June 2013, together with known commitments and the estimated impact of future demand and management actions