

Appendix A2

CHILDREN AND YOUNG PEOPLES SERVICES

Revenue Monitoring

Approved budget as reported at Q1		£4,541,000
Adjustments to budget		
Post 16 Transition budget approved by Council on 12 th July 2010	£30,000	
	<hr/>	£4,571,000
Proposed in year budget reductions		(£113,800)
Revised Approved Budget		<hr/> £4,457,200 <hr/>
Forecast Outturn at 31 March 2011		£4,818,200
Forecast over(under)spend		£361,000*

*£32,200 to be met from transfer from earmarked reserve so net overspend is £328,800

The significant issues arising during the period June to September that Members should consider are:

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Potential Budget Saving	Q2 Forecast Year End Variance	Explanation including assumptions made and risk assessment of the forecast
Heads of Service	£288,000	£278,500	£268,500	(£8,800)	(£10,700)	An underspend has arisen due to a member of staff being successfully appointed to the new SMT support team. It is also anticipated that underspends will occur on non-staffing budgets.
Directorate	£248,400	£248,400	£197,400	(£51,000)	£0	An underspend has arisen due to appointments to the new SMT and SMT support team.
Communications	£13,800	£13,800	£0	(£13,800)	£0	Grant funding will be used to offset expenditure on this post for this year only.
Extended Schools	£150,100	£150,100	£150,100	£0	£0	Budget savings of £54,000 were identified at Q1, the budget has been reduced accordingly.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Potential Budget Saving	Q2 Forecast Year End Variance	Explanation including assumptions made and risk assessment of the forecast
Fostering	£522,000	£750,100	£762,200	£0	£240,200	<p>Fostering placements for Looked After Children. One expensive placement which was costing £3,500 per week is now only costing £1,500 per week and the educational element (£500 p/w) is being charged to the Special Educational Needs budget within DSG.</p> <p>At Q1 a number of children were expected to be adopted before the end of the financial year, however for a number of them this is no longer the case and they are expected to continue in foster care until next year and will therefore continue to incur expenditure against this budget.</p> <p>Costs of nursery care for a number of Looked After Children (LAC) have been moved into this budget from the LAC budget</p>
Fostering Development	£0	£32,200	£32,200	£0	£32,200	This expenditure will be met from the Invest to Save Reserve.
Adoption	£41,100	£115,200	£160,900	£0	£119,800	This overspend provides for a number of children to begin the Adoption process within the current financial year incurring large non-recurring costs related to placement fees. The cost of the adoption process per child was understated at Q1.
Think Family	£169,800	£120,300	£121,200	(£40,000)	(£8,500)	Budget savings of £40,000 have been identified in the Think Family budget which was previously funded by a ring fenced grant but the ring fence has been removed.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Potential Budget Saving	Q2 Forecast Year End Variance	Explanation including assumptions made and risk assessment of the forecast
SEN Transport	£315,700	£370,500	£359,100	£0	£43,400	<p>We have a number of expensive out of county placements, a number of whom require either specialist transport or due to their needs and behaviour cannot share transport with other children.</p> <p>The projected overspend has reduced since Q1 as the transport routes for this year have now been confirmed and the projections updated accordingly.</p>
SEN Operations	£287,500	£287,500	£287,500	£0	£0	Budget savings of £16,200 were identified at Q1, the budget has been reduced accordingly.
Legal & Professional	£112,400	£82,800	£82,800	£0	(£29,600)	This budget relates to court proceedings for Looked After Children and it is not expected that the full amount will be required this financial year.
Joint Arrangements	£135,800	£123,200	£128,200	£0	(£7,600)	<p>This budget encompasses the funding for the Joint arrangements with other agencies who provide services to CYPS. E.g Local Safeguarding Board.</p> <p>This projection has been based on last years charges and does not currently reflect any increase in the payments for 10/11 as these have not yet been identified by the providers</p>
Looked After Children	£63,700	£63,000	£50,500	£0	(£13,200)	Expenditure on nursery costs for a number of Looked After Children (LAC) have been moved to the Fostering budget. This underspend is based on the current position, however the LAC population can change in an unplanned way which would alter the projection.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Potential Budget Saving	Q2 Forecast Year End Variance	Explanation including assumptions made and risk assessment of the forecast
Children's Social Care Ops	£367,400	£390,400	£430,400	£0	£63,000	Interviews held over the summer for permanent staff were unsuccessful so a number of agency staff are still engaged. This situation is projected to last until January when it is expected that permanent appointments will have been made.
Care Leavers	£16,600	£72,700	£50,200	£0	£33,600	The Southwark Judgement (requirement for LA's to provide accommodation for homeless 16 and 17 year olds) has had a significant impact on RCC in terms of an increase in the number of Care Leavers. Since Q1 2 care leavers have been placed in independent accommodation which has resulted in a reduced projected overspend.
Contact Point	£0	£0	£0	£0	£0	Budget savings of £20,000 were identified at Q1, the budget has been reduced accordingly.
Post 16 Transition	£30,000	£30,000	£30,000	£0	£0	Budget for Transition costs and legal fees related to the Post 16 project was approved by Council on 12 th July.
Family Intervention Plan	£108,000	£120,000	£96,400		(£11,600)	A potential underspend has arisen in a non-staffing element of this budget.
Employer Engagement Co-ordinator	£200	0		(£200)	£0	Budget savings of £16,000 were identified at Q1, the budget has been reduced accordingly.
Connexions	£206,100	£204,700	£206,100	£0	£0	Budget savings of £20,000 were identified at Q1, the budget has been reduced accordingly.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Potential Budget Saving	Q2 Forecast Year End Variance	Explanation including assumptions made and risk assessment of the forecast
Total reduction in 2010/11 budget as a result of in year savings				(£113,800)		

Other risk areas that may affect the budgets over the next quarter/year:

- 25% of Sure Start grant expenditure will remain uncommitted until December.as requested by Cabinet on 20th July 2010.

Capital Monitoring

The approved capital programme 2010/11 for the CYPS Portfolio is £5,875,700

Approved budget as reported at Q1	£5,875,700
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Adjustments to capital programme

Government grant reductions:

Sure Start Maintenance	(£6,700)	
Early Years	(£68,000)	
Play Strategy	(£37,500)	
Youth Capital Fund	(£25,000)	
Targeted Capital Fund	(£364,000)	
Integrated Childrens Service	(£3,800)	
		(£505,000)

Revised Budget	£5,370,700
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Approved Budget:

Approved Schemes	£5,199,100	
Funding not yet allocated to schemes	£169,600	£5,370,700

Forecast Outturn at 31 March 2011	£1,534,800
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Forecast over(under)spend	(£3,835,900)
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Approved Schemes

Scheme	Approved Budget	Q1 Forecast	Q2 Forecast	Q2 Variance against budget	Funding source	Explanation including assumptions made and risk assessment of the forecast
Devolved Formula Capital	£382,300	£374,000	£374,000	(£8,300)	Grant	This funding is delegated to schools in equal monthly amounts. The underspend is due to rounding of in year allocations.
Sure Start Maintenance	£10,000	£11,000	£10,000	£0	Grant	This funding has been reduced by Department for Education.
Youth Capital Fund	£25,000	£25,000	£25,000	£0	Grant	This funding has been reduced by Department for Education.
Early Years Capital Grant	£89,500	£148,900	£89,500	£0	Grant	This funding has been reduced by Department for Education.
Play Strategy	£62,500	£50,000	£62,500	£0	Grant	This funding has been reduced by Department for Education.
CBEC IT Diploma Room	£192,400	£192,400	£192,400	£0	SCE (R) Supported Borrowing	It is expected that this project will be fully completed on budget in this financial year
Aiming High Capital	£5,000	£5,000	£5,000	£0	Grant	09/10 grant carried forward to 10/11. There may be clawback of this grant in year but if not then it will be fully spent.
14-19 Rural Funding	£970,000	£500,000	£750,000	(£220,000)	Grant	09/10 grant carried forward of £500k was spent by August in line with grant conditions. Timescales for expenditure of the remainder of the grant are unknown at this time. 50% of the 10/11 allocation has been received so far.

Scheme	Approved Budget	Q1 Forecast	Q2 Forecast	Q2 Variance against budget	Funding source	Explanation including assumptions made and risk assessment of the forecast
Lottery Funded Play	£26,400	£26,400	£26,400	£0	Grant	This funding will be fully spent in 10/11 on play equipment.
Targeted Capital Fund	£3,436,000	£0	£0	(£3,436,000)	Grant	This funding has been allocated to the Post 16 project and it is unclear at this stage how much will be spent in 10/11. This funding will be reduced by up to £364,000 due to Government cuts in relation to Year End Flexibility
Sub-Total	£5,199,100	£1,332,700	£1,534,800	(£3,664,300)		

Funding not yet allocated to approved schemes

Scheme	Approved Budget	Q1 Forecast	Q2 Forecast	Q2 Variance against budget	Funding source	Explanation including assumptions made and risk assessment of the forecast
Aiming High Capital	£19,000	£0	£0	(£19,000)	Grant	There may be a reduction to this grant, if not then schemes for expenditure will be considered.
School Improvements	£150,600	£0	£0	(£150,600)	SCE (R) Supported Borrowing	Cabinet paper 120/2010 referred to use of this funding however the recommendations were not approved at that time.
Sub-Total	£169,600	£0	£0	(£169,600)		
TOTAL	£5,370,700	£1,332,700	£1,534,800	£3,835,900		

