

CHILDREN AND YOUNG PEOPLE'S SERVICE

2007/08 REVENUE BUDGET - OUTTURN POSITION

BUDGET HEAD	REVISED BUDGET 2007/08	ACTUAL OUTTURN 2007/08	VARIANCE (- =underspend)	COMMENTS
	£000	£000	£000	
LEA BLOCK				
Strategic Management				
Strategic Capacity	905	1,781	875	(See Notes 1 & 2 re gas ventilation and continuing education)
Strategic Services	1,171	1,154	-17	
Quality & Improvement	4,486	4,288	-198	Underspending of £198K relates to a number of vacancies relating to key senior advisory posts resulting in lower than expected staffing costs. In anticipation of further senior staff retirements at the end of the Summer term, it is proposed that £160K be carried forward as an earmarked underspend to ensure the continuity of high quality service provision in light of increasing challenges.
Severance/ Pensions/ Benefits	1,751	1,848	97	There is an overspend of £171K against the budgeted provision for severance and redundancy. This reflects reductions in staffing needed to address falling school rolls. This is partly offset by an underspend on CRB checks relating to Home to School Transport, which has sufficient budget to cover the estimated costs.
Finance & FMS	1,093	1,106	13	Staffing vacancies have partly offset the costs of temporary agency workers contracted to work on specific projects and to cover a long term vacancy. This has been necessary to cover key senior vacancies and the requirement to introduce 3-year budgets, undertake the LMS review and respond to other major changes in service provision.
e-Government Services	917	917	0	
Childrens Centres and Extended Schools	0	-136	-136	Technical adjustment to maximise the use of Early Years Grant; eligible expenditure within the Directorate has been funded by General Sure Start Grant. The consequent saving is to be used to fund capital projects especially essential gas ventilation work in North Yorkshire schools.
Psychological Service	1,011	971	-40	As reported at Q3, the underspend relates to a lower than anticipated response to staff advertising and delays in recruitment pending the outcome of the consultation on the restructuring of the service.
Revenue Contributions to Capital	744	880	136	Given the spending pressures on the Capital Plan to achieve the network of Children Centres, earmarked underspending from 2006/07 has been committed to a Children's Centre reserve to fund Capital Spending in 2008/09. To progress the initial stages of the Review of SEN & Behaviour, a funding package including resources from both the Schools Block Reserve and LMS Reserve has been committed to the SEN Reserve for capital developments for new PRU's (Pupil Referral Units) and PLSU's (Primary Learning Support Units). A further £136K has been contributed to the gas ventilation reserve
Other Childrens Services	415	224	-191	The MTFS included provision for the full effect of the completion of the Directorate restructure, including the introduction of Integrated Service Management and Locality Based working. An assessment of the 'final cost' identified a saving in the order of £150K. Slippage on the acceptance testing of the new Integrated System for Children (Children's Social Care) has also contributed to the underspending. This is partly offset by the Service bearing a cost greater than anticipated for the North Yorkshire Times.
Corporate Overheads	1,522	1,645	123	(See Note 3) Whilst the cost of corporate accommodation has increased, it has been possible to charge an increased proportion of grant to offset this giving rise to an overall overspending.
TOTAL	14,014	14,677	663	

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Retained LEA Services				
Outdoor Education	1,062	1,112	50	The approved overspend (£50K) - is to avoid placing the service in greater financial difficulty. Slippage on planned maintenance budgets and higher than expected curricular bookings have resulted in an in-year deficit of £44K - £235K less than reported at Q3. However, forward plans still show the potential elimination of the existing cumulative surplus of £343K.
Music Service	462	462	0	
Learning, Youth & Skills	4,013	3,931	-82	Significant staffing vacancies following the absorption of the former Community Education Districts within the 4Youth Service have resulted in a £115K underspend. This reflected some caution pending final identification of the extent of overspending in some of the former delegated Community Education services during their final year of operation in 2006/07. There has been slow take-up of the out-of-hours support for care leavers attributable to delays in staff training and referrals. The underspend within the 4Youth Service will be carried forward in support of the 2008/09 budget.
Student Support	273	225	-48	Underspend on Student Support (£58K) offset by a £10K contribution to North Yorkshire Area Learning Forum.
TOTAL (b)	5,811	5,730	-80	
Access				
Home to School Transport	21,027	19,758	-1,268	The overall underspending of £1,762K is offset by an overspend on PRU transport (£77K). The remaining underspend (£1,268K) compares with a Q3 forecast underspending of £1,244K and mainly reflects a re-assessment of the cost of contracts throughout the financial year. As part of the annual Area Review, the actual savings - after re-tendering certain routes - realised a significant saving (£320K). A further saving (£295K) has been made on the cost of Bus & Rail passes, primarily due to a reduction in requirement in the Post-16 sector. Part of the underspend (£417K) is a previously agreed carry forward allowance for extra days in 2008/09 and will form part of the earmarked underspend (see Note 4)
Support Services	2,565	2,393	-172	The underspend is partly due to staffing vacancies in Local Education Offices following publication of the the transformation agenda and subsequent restructuring. There has been an underspending on clothing grants due to low take-up of vouchers and regulations regarding eligibility restricting those people who meet the criteria to be able to access the grant. Further savings have been achieved on selection test papers, a reduction in CRB checks and venue hire charges. The inclusion of the Selection guide within the Guide for Parents has also realised printing cost savings.
TOTAL (c)	23,592	22,151	-1,441	
SEN & Behaviour (LEA)				
Welfare Service	1,529	1,429	-100	Underspend relates to staffing vacancies.
Unearmarked Carry Forwards	802	802	0	
LEA-Schools Block Adjustment	-2,621	-2,634	-13	
TOTAL (d)	-290	-403	-113	
LEA BLOCK TOTAL e = (a + b + c + d)	43,127	42,156	-971	

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SOCIAL CARE BLOCK				
Services for Children and Families				
Child Placement	14,877	15,204	327	There are currently 419 placements as compared with 400 at Q3 and 435 at the start of the year. Although there is an overspending of £327K, this compares with a savings target of £850K built into the MTFS for 2007-08 and the building into the base budget of the saving of £1,310K achieved in 2006/07. There has been a significant increase in the number of in-house foster care placements resulting in an increase in overspending since Q3. The period since Christmas has been volatile with a number of admissions in crisis and several remands from the courts. This is in contrast to placement activity earlier in the year which recorded low numbers of admissions.
Childrens Services (incl Disableds Children's Services)	11,328	11,077	-251	As reported at Q3, the underspend relates in part to delays in the recruitment of 6 new Locality Family Support Workers and NEET (not in education, employment or training) Personal Advisors. The continued use of relief staff to cover vacancies and a marked increase in the use of Sessional Workers to support children in the home partly offset the underspending.
Planning and Quality General	1,588 3,286	1,591 3,139	3 -147	Continuing planned vacancy levels in administration to enable the review of administration to be implemented with the minimum impact on remaining staff.
SOCIAL CARE TOTAL (f)	31,079	31,011	-68	
TOTAL g = e + f	74,206	73,166	-1,040	(See Note 3)
Allowance for Extra Days - Transport (h)	417	0	-417	
TOTAL i = g + h	74,623	73,166	-1,457	
Predicted Variance at Q3 Report			-1,340	

NOTES

1. Gas Ventilation

Provision has been made for the significant investment required to meet Health & Safety requirements in relation to kitchen and boiler houses, which use gas. A financial strategy for meeting the costs associated with the programme is being developed in consultation with the Corporate Director - Finance & Central Services. In 2007/08, a contribution from non-recurring resources (£636K in total) has been made from the LA Block. A contribution (£500K) has been made from the Schools Block.

2. Continuing Education

Resources of £668K have been set aside given the proposed complex adjustments arising from the phased funding reductions to reflect the transfer of student finance responsibilities to the Department for Innovation, Universities & Skills (DIUS).

3. Technical Note

The figures above include a reallocation adjustment between DCSF defined blocks. This is a technical reallocation intended to reflect the most appropriate analysis of expenditure where the budget heading falls in more than one block.

4. Earmarked Carry Forwards

The 'spending' on Home to School Transport includes £417K set aside to fund additional days when transport is required in 2008/09. The overall underspend of £1,040K includes planned earmarked carry forwards of:

	£K
- Quality & Improvement	160
- 4Youth Service	115
- Integrated Processes	28
- Aspire Project	30
- Transfer of 14-19 from LSC	120
- Safeguarding Training	10
	<u>463</u>

This leaves an unearmarked underspend of £577K against which there is the need to take account of an outstanding financial dispute of £489K.

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SCHOOLS BLOCK				
SEN & Behaviour (Schools)				
Independent Fees & Recoupment	2,240	2,272	32	
Out of School Provision (in PRU etc)	4,214	4,231	17	
Learning Support	1,381	1,360	-21	
Behaviour Support	1,612	1,564	-48	Fewer requests from the Looked After Children (LAC) funding panel for additional teaching hours to support children looked after. Staffing vacancies have also contributed to the underspend.
Specialist Teaching	1,461	1,454	-8	
Review of SEN & Behaviour	566	566	0	The SEN and Behaviour Review is being implemented on a phased basis. Delays have reduced spending to £39K in 2007/08 with a further £527K being paid into a specific reserve which is required to support the implementation of the review in future years.
Specialist Provision	767	699	-68	(See also Note A)
TOTAL (a)	12,241	12,145	-96	
Schools & Early Years				
ISB & LMS Contingency	272,677	272,665	-11	See Note A (See also Note 1 LA Block)
Early Years	7,478	7,478	0	£108K has been carried forward to the Schools Block Reserve to assist 3 & 4 year-old funding in 2008/09
Structural R&M	1,350	1,946	596	The main overspending (£397K) relates to essential work necessary to comply with the Control of Asbestos Regulations 2006 requiring the Authority to minimise the risk of asbestos fibre release from consortia-style buildings. £199K relates to 'emergency' spending in schools such as the replacement of heating systems.
Learning Platforms - Broadband	1,263	1,263	0	NYCC have previously been required to match fund Standards Fund grant income. This requirement no longer applies, as from 2007/08, the grant income falls within Local Area Agreement grant. Following a review of the charges and funding implications for ICT Support and Connectivity, proposals are being developed to utilise the base budget provision from 2008/09, on Broadband connections, ISP and email services. However, the £3,466K incurred in 2007/08 is to be funded from the grant and charges to schools resulting in the £1,263K carry forward to 2008/09. (See also Note A)
TOTAL (b)	282,768	283,353	585	
Strategic Services				
Strategic Capacity	227	201	-26	
Catering Service	755	756	1	
TU Duties and Legal Fees	116	106	-10	Underspend of £10K on Trade Union Duties following confirmation of the number of days supply funding for union members and permanent cessation of one union member.
Children's Services	778	778	0	As part of the implementation of CYPP priorities, Schools Forum have approved spending plans for a number of preventative initiatives. Further spending proposals will be assessed in detail during 2008/09. It is proposed to allocate the unearmarked funds to the Schools Block Reserve to support this spending in future years. Outline proposals include resources for high needs targeted youth support and assistance for healthy school meals following the discontinuation of the Targeted School Meals Grant. (See also Note A)
DSG Overheads	1,214	1,033	-181	Although the overheads attributable to CYPS are higher than anticipated, the incidence of those overheads and corporate recharges falling within the Schools Block have realised a 'saving' of £181k.
LEA-Schools Block Adjustment	1,728	1,589	-139	See Note 3 LA Block
TOTAL (c)	4,817	4,462	-355	
Total d = a + b + c	299,826	299,960	135	

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Dedicated Schools Grant (e)	-299,913	-299,913	0	
Unallocated DSG (f)	87	-47	-135	(See Notes A & B)
SCHOOLS BLOCK TOTAL g = d - e + f	0	0	0	

NOTES

A.Schools Block Reserve

Budgets within the Schools Block utilised all of the available DSG. This excludes £3,449K of DSG which, of necessity, will be carried forward to fund planned spending in future years. The resources to be allocated to the Reserve include:

	£K
- Broadband Provision - NYET, Learning Platform and email developments	1,263
- Area Learning Partnerships - Academic Year Funded	1,302
- Additional Preventative Provision approved by Schools Forum and earmarked for the SEN & Behaviour Review	778
- Early Years 3 & 4 year old places - provision for future increase in numbers	108
- Specialist Provision Initiatives - development linked to SEN & Behaviour Review	45
- Overalllocation of DSG allocation 2007/08	-47
	<u>3,449</u>

B. Unallocated Dedicated Schools Grant

The council's expenditure on schools is funded by grant monies provided by the Department for Children, Schools and Families through the Dedicated Schools Grant (DSG). This is a ring-fenced grant and can only be applied to meet expenditure properly included in the Schools Budget. The Schools Budget includes elements for a restricted range of services provided on an authority-wide basis and for the Individual Schools budget (ISB), which is divided into a budget share for each school.