

REVENUE BUDGET MONITORING REPORT 2006/07

Report By: Sue Fiennes, Director of Children's Services

Wards Affected

County-wide

Purpose

1. To report on the monitoring of the revenue budget, for the period to the end of October, for the Children & Young People's Directorate.

Financial Implications

2. As set out in the report.

Considerations

3. The Revenue Budget monitoring report forming part of the Integrated Performance Report to the 16th November meeting of Cabinet, based on expenditure to 30th September, 2006, anticipated that the Children & Young People's Revenue Budget would be overspent by £167,000 (less than 1%). This trend towards an overspend has continued and the monitoring of expenditure to October 31st now projects an overspend of £214,000 at year-end, as indicated in the figures set out in Appendix 1.
4. The overspend is largely explained by increasing external agency placements in the Safeguarding and Assessment Budgets. Placements have risen from 24 at the beginning of the year to 29 now. Each new placement typically costs in excess of £150,000 pa. Unless numbers can be reduced, this cost will continue through into the 2007/08 Budget. The numbers of children in foster care have also risen from the beginning of the year from 111 to 121 currently. Additionally, extra spend on filling social work vacancies and agency staff has been incurred in order to improve services in line with the Joint Area Review. The profiling of spend takes account of likely costs to the year end.
5. The budget will continue to be monitored and managed carefully in the coming months, including an assessment of the impact of falling rolls on the redundancy budget which cannot be made until after Christmas when schools begin their budgeting processes for the new financial year based on known January pupil numbers. Redundancy commitments contractually agreed before the year-end will be charged to this financial year.
6. This budget forecast takes no account of any funding that can be claimed from the corporate social care contingency. A claim for funding will be made at year end when the overall outturn position is known. This claim will have to demonstrate proper and reasonable attempts to mitigate spend.

RECOMMENDATION

THAT the Committee note the report and make any comments.

BACKGROUND PAPERS

- Revenue Budget Monitoring Report December 2006 – attached.