

Appendix A**CHILDREN and LEARNING****1. Financial Outturn**

The budget for Children and Learning Services is split between the Local Authority budget and ring-fenced funding from Government through the Dedicated Schools Grant,

Funding decisions relating to the Dedicated Schools Grant are taken in consultation with the Schools Forum.

Service	Total Budget approval	2017/18 Outturn	Variance Saving (-) / Overspend	Earmarked Reserves	Under (-) / Overspend)	Schools Variance Under (-) / Overspend	Local Authority Variance Saving (-) / Overspend
	£m	£m	£m	£m	£m	£m	£m
Children and Families – Operations	53.332	60.580	7.247	0.000	7.247	0.000	7.247
Children and Learning Commissioning Central	21.380	26.120	4.740	(2.267)	2.473	0.000	2.473
Key Service Total	74.712	86.700	11.987	(2.267)	9.720	0.000	9.720
Individual Schools (ISB) & Early Years Providers	19.591	1.013	(18.578)	1.162	(17.416)	17.416	0
Total	94.304	87.713	(6.591)	(1.105)	(7.696)	17.416	9.720

Local Authority Budget: £9.720m Overspend

Significant variances on local authority budgets are explained in detail below.

A write off against general reserves of £10.278m is requested and a number of grant and partnership balances amounting to £0.558m are requested to be carried forward, as detailed in the narrative below. The outturn position was supported in year by the use of one off funding of £5.942m from contingency; the true underlying pressure across the service is therefore £15.662m.

- **Children and Families - Operations: £7.247m Overspend**

Insufficient capacity within the fostering market has resulted in an increase in the length of time children are placed in external residential placements; 19,418 days during 2017/18 in comparison to 17,484 days in 2016/17, an increase of 11%. The average weekly cost has also increased by 18%. This together with an increase during the year of court ordered family assessments and external fostering placements has led to an overspend of £5.310m against a budget of £12.303m.

The number of children and young people being helped by the service has increased by 30% since April (2200 to 2855). Throughout the year this continued to place

pressure on staffing budgets within Fieldwork and other areas and an overspend of £0.253m is reported.

The innovative use of the Assistance to Families budget to prevent children coming into care overspent by £0.194m. This work will continue into 2018/19 to prevent the potential longer term (and higher) cost pressures in other areas of the budget.

An overspend of £0.900m is attributed to positive outcomes for the permanence of children and young people, following modelling work being done with Essex Country Council, our improvement partners including increases in the number of Special Guardianship Orders, Adoption and Leaving Care allowances and accommodation.

The number of families taking advantage of the Direct Payments scheme within the Disabilities service has resulted in an overspend of £0.257m, a 24% decrease compared to 2016/17

An underspend of £0.204m is reported within the Targeted Youth Service and Youth Offending Team due to vacancy savings and the Family Group Conferencing initiative still being in its infancy. £0.030m of this is being requested to be carried forward as part of a joint funding arrangement and has been agreed by the Somerset Youth Justice Partnership Board.

The outturn position detailed above includes the use of £5.942m off funding, allocated from contingency, the underlying overspend across the service is therefore £13.189m.

- **Children & Learning Central Commissioning: £2.473 Overspend**

There is an overspend of £2.637m across transport budgets. Home to School transport overspent by £1.623m. Additional pressures related to emergency costs following contractor closure issues, driver turnover/shortages and increased pay rates following retendered contracts at the start of the Academic Year. Contractual/wage variations between South Somerset and Dorset also led to increased driver turnover, plus employment opportunities and pay rates offered elsewhere across the county had a negative impact on staff retention.

The ongoing overspend within Special Educational Needs (SEN) transport continues and totalled £1.014m, (an increase of £0.120m from 2016/17) and is still predominantly due to an increasing number of SEN placements. The full year implication of additional route costs following the opening of the new Mendip Free School, plus additional 19 to 25 year old placements also impacted on spend.

The managed saving within Early Help totalled £0.969m. The original target for getset was £0.205m, however there was an increase in carry forward (0.082m) and Troubled Families grant (£0.252m) supporting the service. Further increases were mainly due to vacancy savings and staff turnover (£0.388m), plus service cost reductions.

The overspend of the Somerset Education Partnership Board (SEPB) programme, plus Team Around the School posts and bids for match funded Raising Achievement Plans (RAPs) for the Secondary phase was £0.384m.

A sum of £0.436m is requested to be carried forward in relation to the West Somerset Opportunity Area Programme funding received from the Department for Education. Further carry forwards of £0.092m in relation to the Early Years 30 hours portal and the Delivery Support fund (received late in March 2018) have been requested. Please refer to the carry forward business cases for further details.

Individual Schools and Early Years Providers: £17.416m Revenue balance

A full report on school balances will be considered by the Schools Forum in May. Copies of this report can be made available on request.

Requests to Write off Overspends

Children and Families Operations £7.277m

The service would be unable to achieve the priorities within the Children and Young Peoples Plan if the overspend had to be carried forward. Please refer to text above for details.

Children and Learning Commissioning £3.001m

The service has managed some of the overspend through underspends elsewhere, but the majority of the overspend relates to unachieved transport cost savings. This cannot be carried forward without a tangible negative impact on the delivery of services to children and families in Somerset.

Requests for Carry Forwards

West Somerset Opportunities Fund £0.436m

This is a non-ringfenced grant from the Department for Education (DfE) but is allocated with the expectation that Somerset County Council use the funds to support the aims of the Opportunity Areas Programme. This includes £0.065m of the essential life skills programme funding to support young people in West Somerset access extra-curricular activities. If carry forward is not approved delivery of the plan will not be possible.

Early Years £0.092m

A carry forward of £0.022m of the Digital Accelerate grant received from the DfE for 30 hours free childcare. The Delivery Support Fund is also requested to be carried forward due to its late allocation in March 2018 by the DfE. Although an un-ringfenced grant it is allocated with a memorandum of understanding that sets out the expectations for its use in relation to early years. It is required to provide training, business support, communication, workshops, marketing grants and childminder recruitment.

Youth Justice Board £0.030m

External partner multi-agency income to support the reduction of partner agency contributions anticipated in 2017/18. Request for carry forward was agreed at the Somerset Youth Justice Partnership Board meeting held in December 2017.

Debts

Debts owed to Children and Learning Services at 31 March 2018 are summarised below:

Aged debt analysis:

31 March 2017 £m	Age of Debt	31 March 2018 £m
0.133	Not Overdue	0.122
0.466	0-30 days	0.686
0.113	1-3 months	0.017
0.481	3-12 months	0.088
0.025	Over 12 months	0.201
1.218	Total	1.114
(0.025)	Unassigned Cash	(0.000)
1.193		1.114

The majority of invoices are raised on a termly basis and settled within acceptable timescales. The exception to this has been invoices raised to partner health authorities for agreed contributions to supporting children in specialist provision providing therapeutic and health related support. These form 82% of debts older than 1 month. An agreement has been reached and these debts were settled in April 2018.

All debts over 12 months old have agreed repayment plans in place or have been referred to the debt recovery officer.

Debt impairments of £11,248.57 have been made and 53 debts to the value of £10,958 have been written-off during the year, of which 2 were greater than £1,000.

For further information please contact:

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