

<i>item:</i>	3
<i>report</i>	CYP01/07

REVENUE BUDGET MONITORING 2006/2007

By Bill Alexander

Summary

This Report provides monitoring information to December 2006 on those areas of expenditure that have been delegated to the Joint Committee.

1 Introduction

1.1 The Joint Committee has been given delegated responsibility from the Highland Council and NHS Highland for those areas of integrated service provision which fall within the scope of its terms of reference.

2 Revenue Monitoring

2.1 The December revenue monitoring statement is attached as an appendix. This is the fifth monitoring report for 2006/07. It indicates that overall the budget is fully committed, but also that an overspend is now expected at the financial year end.

2.2 Previous monitoring statements identified significant budget pressures resulting from the costs of out of authority placements and Early Education. The action being taken to address these budget pressures was described in detail in the Revenue Monitoring report presented to the Committee on Friday 6th October.

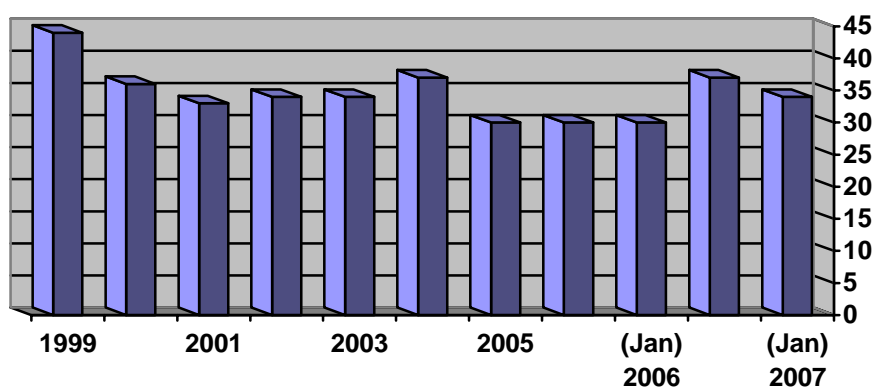
2.3 It is still expected that the actions taken in relation to the Early Years budget pressures will suffice.

2.4 There continue though to be significant pressures resulting from the need for out of authority placements. It is worth noting that this budgetary challenge is being experienced by most authorities.

2.5 The budget for out of authority placements in residential schools and specialist colleges is £3.6m. A small amount of this funding is used to enhance existing Highland services and prevent the need for children who are in crisis to be placed in more expensive out of authority alternatives.

2.6 While all out of authority placements are subject to critical and rigorous scrutiny, there are presently 34 looked after young people in residential schools.

- 2.7 This is a slight reduction from the situation of four months ago, when numbers peaked at 37. At that time, 33 of these young people were in long term placements, and 4 were short term (because of immediate risk of harm).
- 2.8 Of the 33 long term placements, 19 were in response to social, emotional and behavioural needs; 11 in response to disability; and 3 in response to other high levels of need. As previously reported, this represents a significant reduction over time for young people with offending behaviours, but a significant increase in the number of young people with complex disabilities.
- 2.8 Overall trends in placements over recent years are shown below.



- 2.10 Again as previously reported, the cost of the placements has increased enormously over the last five years, and they now average around £2800/week. Six current placements cost more than £4000, and two of these cost more than £5000. Accordingly, and because the spend on this budget is often determined by decisions of the Children's Hearings System, projected annual spend has to be revised on a month-by-month basis, and only becomes clear towards the end of the financial year.
- 2.11 It has been apparent for some time that there is a strong likelihood of significant overspend on this heading this year, and the Joint Committee has given consideration to the virement of £0.85m from other headings to meet this pressure.
- 2.12 In this final quarter of the year, it is now projected that this additional resource will prove inadequate to meet the extent of the pressure. It is now anticipated that the total overspend will be £1.45m.
- 2.13 This is the consequence of unplanned placements that have been necessary in recent months, planned moves of young people out of schools that will not take place before March 2007, and some movement between placements.
- 2.14 It is possible to identify a further £0.35m from within the Joint Committee budget to help manage this larger overspend. It is therefore proposed that the total virement of £1.2m is achieved as shown below.

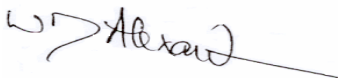
Amount (£000s) Service implications

448	Childcare & Family Resources developments moratorium
300	Surestart developments moratorium
59	Keyworkers – vacancy management
55	Child Protection vacancies - now filled
25	Psychologist seconded to SE
50	Parenting Services mainstreaming
161	Floor rate increase for Partner Centres diverted to help cover gap
102	NCSA – vacancy management
1200	Total proposed virement

2.15 This would still mean a shortfall of £0.25m. This matter is being considered by the Council's Budget Working Group on Thursday 25 January.

Recommendation

Members are asked to consider the projected year end position in the Joint Committee Budget, and to agree virement as proposed to help address the anticipated deficit.



Bill Alexander

Head of Service (Children, Young People & Families)

JOINT COMMITTEE ON CHILDREN & YOUNG PEOPLE

APRIL 2006 TO DECEMBER 2006

ANNEX 1

By Activity	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Annual Budget ECS	Annual Budget SW&HS	Annual Budget NHS	Annual Budget	Actual Year To Date	Year End Estimate	Year End Variance
Early Education	7,825			7,825	4,305	7,825	0
Childcare & Family Resources		1,433	35	1,468	1,324	1,468	0
Surestart		1,764		1,764	1,547	1,764	0
Workforce Expansion	220			220	183	220	0
New Community Schools Approach	1,729	110	104	1,943	1,468	1,943	0
Autism Review	295	42	153	490	284	490	0
Keyworkers		110		110	74	110	0
Children affected by disability		58		58	22	58	0
Aftercare	214	66		280	203	280	0
Foster Care		160		160	67	160	0
Play	12			12	28	12	0
Highland Children's Forum	48			48	48	48	0
Child Protection	27	182	54	263	138	263	0
Sexual Health	23			23	23	23	0
Assessment & Information Sharing	345	45		390	212	390	0
Senior Manager (ASN)	36			36	12	36	0
Additional support for Learning	469			469	235	469	0
Co-ordinator (SEBD)	46			46	39	46	0
Crocus	20			20	20	20	0
Learning disabilities nurses			71	71	54	71	0
Youth Action Teams		1,030		1,030	846	1,030	0
SACRO		119		119	119	119	0
NCH Gael Og		96		96	24	96	0
Drug & Alcohol Services		183		183	76	183	0
ISS/IMS		475		475	224	475	0
Educational Support for LAC	314	29		343	181	343	0
Intensive Support Units	654			654	352	654	0
Young Carers Project		71		71	35	71	0
Health Improvement			335	335	-	335	0
Parenting Services		116		116	47	116	0
Voluntary Organisation Grants	20	213	68	301	301	301	0
Evaluation		30		30	30	30	0
Out of Authority placements	3,859	933		4,792	4,111	5,045	253
Overall Total	16,156	7,265	820	24,241	16,632	24,494	253