

Appendix B CHILDREN'S SERVICES: 2012/13 OUTTURN

1. 2012/13 Outturn v 2012/13 Budget

- 1.1 **Overall** - the outturn variation for the Children's Services Directorate was an underspend of £2.3m against the net managed budget of £132m. The £2.3m underspend is gross of proposals to carry-forward £0.6m via earmarked reserves in respect of funding to support the in-house residential provision and other funding in relation to essential premises works.
- 1.2 **Looked after Children** - the 2012/13 budget strategy recognised the strategic obsession around reducing the need for children to be in care. At outturn, the Directorate has over-achieved against the turning the curve financial model with the externally provided placement budgets (including residential, fostering and secure placements) underspending by £2m, or 7% on the £28m budget. The £2m underspend on the externally provided placement numbers was mitigated in part by an overspend of £0.7m for the in-house fostering service which reflected the sustained in-house placement numbers as well as increases in the 0-4 allowances (from April 2012) and level 2 fees (from January 2013). In addition, there were cost pressures across the budgets that support Care Leavers [£57k], Adoptions and Special Guardianships [£920k] and Direct Payments [£167k].
- 1.3 **Staffing** - overall, there was an underspend of £4.06m across the employee budgets which was spread across the general fund, grant funded and central schools budgets. The underspend on the £97m basic staffing budget was £9.8m which reflected the number of vacant posts across the Directorate throughout the year. The final spend on agency staffing was £7.5m, which represented a £5.7m overspend with the majority of the agency staff deployed in the social care fieldwork teams, the complex need teams and across children's centre provision. The spend on overtime was £1.4m which was £0.3m above the budget and was due in the main to the need to maintain 24/7 cover for vacancies and sickness across the residential and secure settings.
- 1.4 **Home to School Transport** – in 2012/13 there was an overspend of £1.1m on the internal charges is due in the main to additional costs around SEN home to school transport [+£1.3m] and SEN home to college transport [+£0.1m] which were due to both increasing journey numbers and journey prices. These pressures were mitigated by savings on the transport for looked after children [-£0.1m] and savings on mainstream transport provision [-£0.2m].
- 1.5 **Income** – overall, there was a £0.7m adverse variation across the income and grant funding budgets which related in the main to the proposal to carry-forward Troubled Families funding. This is in line with the strategy and spending plan for the Families First (Leeds) programme and also the grant funding criteria. This is mitigated by reduced dedicated schools grant funding which reflects underspends across the central school functions. The income from nursery fees was £4.4m which was £0.24m less than the budget although this was offset by additional nursery education grant funding for targeted 2, 3 and 4 year old early learning/childcare places.
- 1.6 **Appropriations** - in line with the funding criteria, £2.8m of grant-funding was carried-forward from 2012/13 to 2013/14 relating to the Families First (Leeds) programme [£1.9m], Social Worker Improvement Funding [£0.7m] and the Youth Contract [£0.24m].

2. 2012/13 Outturn v 2011/12 Outturn

- 2.1 **Employees** – overall £2.3m reduction in staffing budgets mainly due to reduced agency costs [-£1.3m], reduced severance payments [-£0.7m] and funded pension adjustments [-£0.3m]. At £72m, spend on basic pay in 2012/13 was more or less in line with the spend in 2011/12. Spend on overtime in 2012/13 was £1.4m which was in line with the spend in the previous year.
- 2.2 **Supplies** – overall £2.1m reduction in spend from previous year due in the main to coding changes in respect of the provision of short-breaks for disabled children [-£0.51m] and charges from schools [-£1.8m].
- 2.3 **Recharges** – overall £2.1m increase in spend from previous year due in the main to changes in coding for charges from schools [+£1.8m] and equal pay & assets borrowing [+£0.9m]. In addition, there was a reduction in legal costs (both in-house and disbursements) totalling £0.4m.
- 2.4 **Agency Payments** – overall minor increase in spend from 2011/12 [+£70k]. Due to the work on the LAC strategic obsession, this includes reduced spend on externally provided residential placements [-£1.4m] and also reduced spend [£2.1m] on other externally provided placements (secure welfare, family assessment, etc). Offsetting these reductions are increased spend on Independent Fostering Agencies [+£1.5m], supported lodgings for Care Leavers [+£0.3m], Special Guardianship Orders [+£0.3m] and adoption allowances and inter-agency adoption fees [+£0.6m]. The spend on the in-house fostering agency remained more or less in line with the previous year.
- 2.5 **Income** – overall £3.3m additional income. Mainly due to funding increase in respect of Troubled Families (Families First Leeds) programme [+£2.7m] of which £1.9m is to be carried-forward to 2013/14. In addition, new funding stream for the Youth Contract for which Leeds is the lead authority (working with Bradford and Wakefield). No overall effect on income but changing income streams [£0.7m] from internal income from schools to income from academies. Nursery fee income to Children's Centres remained stable at £4.4m and there was additional health transformation income of £1m which was in-line with the budget strategy. Reduction in income from Education Leeds [£1.9m] which reflected the one-off repayment of surplus in 2011/12.