

DATE: 23 JULY 2009

2008/09 FINAL BUDGETARY POSITION PRIOR TO EXTERNAL AUDIT

Ward(s) All

Portfolio:

Councillor Walker – Children's Services

Summary of report

This report summarises the outturn position for the year ended 2008/09 for Children's Services, Print & Design, ICT and Procurement which is subject to external audit during July.

Recommendation

To note the 2008/09 year end financial position within Children's Services, an overspend position **£2.033m.**

Background papers

Various financial working papers.

Quarterly reporting to Scrutiny Panel throughout year
2008/09 Budget Books on Council's Internet and Intranet

Reason for scrutiny

To inform the panel of the position for 2008/09.



Signed:

Chief Finance Officer: James T Walsh

Date: 14.07.09

Resource and legal considerations

The budgets were set as part of the council's budget setting process in line with the Medium Term Financial Strategy.

The accounts were monitored and reported on as part of the budget guidelines and all entries into the final accounts have been undertaken in line with Accounting Guidance and Standards applicable to local government

Citizen impact

The budget is aligned with service activity within service plans across the council. Investment has been targeted at service improvement, stability and user demand.

Environmental impact

None directly associated with this report.

Performance management

Financial performance is considered alongside service targets.

Equality Implications


Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil equal opportunities obligations.

Consultation

Consultation was undertaken as part of the budget setting process and throughout the financial year.

Contact Officer:

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Service Finance Manager

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1 Revenue Outturn 2008/09 – Children’s Services

1.1 The revenue outturn for 2008/09 for the Children’s Services directorate is an overspend of **£2.033m**. This position is subject to external audit evaluation which will take place during July.

2 Summary of Financial Position

2.1 There is an overspend across all CIPS service areas for 2008/09 of **£2.033m** which is shown in summary in **Table 1** and a detailed explanation of overspend in **Table 2**.

Table 1 - Revenue Outturn for CYP compared to the base budget 2008/09 is detailed below

Service Area	Budget £'000	Spend £'000	Variance before Reserves /carry forward £'000	Reserves / Carry Forwards £'000	Variance £'000
Education	8.895	9.273	0.378	-0.324	0.054
Specialist Services	24.872	25.341	0.470	-0.220	0.250
Universal Services	5.479	5.553	0.074		0.074
Print & Design	-0.336	-0.024	0.312	-0.102	0.210
ICT	4.309	4.234	-0.075	0.083	0.008
Procurement	-0.679	0.758	1.437		1.437
TOTAL	42.54	45.135	2.596	-0.563	2.033

Table 2 – Detailed explanation for overspend

Service	Reason / Explanation for variance	Variance £m
Education	Long Service Awards & CRB Checks- Unbudgeted spend.	0.054
Universal	Budgeted costs have increased within Family Support, Directly Commissioned Services in year due to an increase in the support required for children with complex needs.	0.074
Specialist	Negotiations are taking place with South Staffordshire PCT in relation to responsibility for funding a placement of young person in transition from children's to adults services. The sum identified is in relation to possible overspend should South Staffordshire PCT fail to accept responsibility.	0.048
	Increased contact has led to cost pressures this year, As in previous years, there have been pressures on placement numbers and mix. Actions have been taken to mitigate this and there is a combined variance of £0.138m.	0.138
	Back payment for residence payment allowances to carers for previous years	0.025
	Walsall Council has an obligation to fund family law cases. Increased demand on family law cases resulted in an overspend of £0.255m. £0.220m has been funded by an earmarked reserve leaving an overspend of £0.035m.	0.040
Print & Design	Shortfall in income partly offset by cutbacks in supplies and services	0.210
ICT	Other	0.008
Procurement	Shortfall in planned savings targets due to non achievement of several planned savings	1.437
CIPS	Total	2.033

2.2 The figures in the table above are after the use of earmarked reserves of £0.324m for Education and £0.220m for Specialist Services

Table 3 – Detail of overspend funded by earmarked reserves & 2007/08 carry forward

SERVICE	Detail of overspend funded by earmarked reserves	£m
Education	Education Reconfiguration - To cover expenditure incurred on new Education Contract	-0.130
Education	BSF - To cover expenditure incurred on BSF Project	-0.357
Education	St Thomas More PFI - Grant income in year exceeded payments made to school to cover Council's contributions.	0.163
Specialist Services	Increased legal costs relating to care proceedings	-0.220
Print & Design	Increased costs relating to restructure of Print & Design service	-0.102
ICT	2007/08 carry forward	0.083
Total		-0.563

2.3 Capital Programme

The capital programme outturn for the CIPS as at 31st March 2009, was £20.684m
Table below summarises the year end capital position by service.

Table 4 – Capital spend by service

Capital Outturn 2008/09			
Programme	Annual Budget £	Year To Date £	Slippage/ Under-spend £
Mainstream			
Universal Services	151,115	106,150	-44,965
Specialist Services	756,851	511,617	-245,234
ICT	1,572,000	345,487	- 1,226,513
Education	9,967,898	3,824,642	-6,143,256
Sub-total	12,447,864	4,787,896	-7,659,968
Other			
Universal Services	708,970	189,890	-519,080
Specialist Services	194,334	-	-194,334
Education	21,811,298	15,707,318	-6,103,980
Sub-total	22,714,602	15,897,208	-6,298,314
Total	35,162,466	20,685,104	-13,958,282