

Children and Young People's Overview and Scrutiny Committee

27 September 2021



Children and Young People's Services – Revenue and Capital Outturn 2020/21

Report of Paul Darby, Corporate Director of Resources (Interim)

Purpose of the Report

- 1 To provide details of the outturn budget position for Children and Young People's Services (CYPS), highlighting major variances in comparison with the budget for the year.

Executive summary

- 2 Children and Young People's Services is reporting a cash limit overspend of £1.576 million against a revised budget of £125.942 million which represents a 1.25% overspend.
- 3 In arriving at the cash limit position, Covid-19 related expenditure of £7.271 million, offset by Covid-19 related savings of £2.204 million within CYPS have been excluded from the outturn position. Covid-19 related costs are being treated corporately and offset by Government funding.
- 4 There was an overall net contribution to earmarked reserves including DSG and School reserves of £12.651 million, leading to a revised balance of £38.922 million at the year-end of which £31.174m is schools related.
- 5 The capital outturn is an underspend of £5.619 million against a revised budget of £22.977 million

Recommendation(s)

- 6 Members of Children and Young People's Overview and Scrutiny committee are requested to:
 - (a) Note the Children and Young People's Services overall revenue outturn position.

Background

7 The County Council approved the Revenue and Capital budgets for 2020/21 at its meeting on 26 February 2020. These budgets have subsequently been revised to take account of transfers to and from reserves, grant additions/reductions, budget transfers between service groupings and budget reprofiling between years. This report covers the financial position for:

- (a) Children and Young People's Services Revenue Budget - £125.942 million (original £123.876 million);
- (b) CYPS – Capital programme - £22.977 million (original £31.945 million).

8 The original Children and Young People's Services revenue budget has been revised to incorporate a number of budget adjustments as summarised in the table below:

Reason For Adjustment	£000s
Original Budget	123,876
Reason For Adjustment	
Transfer from Contingencies	1,125
Use of (+)/contribution to Children and Young People's Services reserves (-)	455
Use of (+)/contribution to Corporate reserves (-)	392
Use of (+)/contribution to Other Service reserves (-)	100
Transfer from Other Services	-
Transfer to Other Services	(6)
REVISED BUDGET	125,942

9 The use of / contribution to Children and Young People's Services reserves are detailed in the following table – of particular note is the use of the 'Schools Reserve' accessed to facilitate the transfer to academy status five schools with a deficit retained balance as detailed in Paragraph 27 of this report.:

Reserve	£000s
Tackling Troubled Families Reserve	67
Extended Personal Advisor Reserve	58
Emotional Well Being Reserve	(113)
Mental Health Counselling Reserve	(46)
Movement Difficulties Reserve	(8)
Secure Services Reserve	(856)
YOS Development Reserve	13
Early Years Sustainability Reserve	27
Durham Learning Resources Reserve	(51)
School Reserve	4,712
Adult Learning Reserve	(259)
Durham Enable Reserve	(837)
Engaging Young People Reserve	(61)
Winter Pressures EDT Reserve	50
MTFP Investment Full Circle Reserve	(67)
MTFP Investment Pause Reserve	(91)
MTFP Investment Children and Young People Reserve	(75)
MTFP Investment Supporting Solutions Reserve	(79)
MTFP Investment Supporting Vulnerable Learners Reserve	(61)
Holiday Activities and Food Reserve	(72)
Swimming Reserve	(268)
CPD Reserve	42
Music Service Reserve	(363)
Progression & Learning 18-21 Reserve	(434)
Easington Sports Partnership Reserve	(9)
Durham Sports Partnership Reserve	(48)
PFI Lifecycle Reserve	(515)
MTFP Investment - Liquid Logic Enhance Performance Reserve	(7)
MTFP Investment - Liquid Logic Additional Modules Reserve	(32)
MTFP Investment - Liquid Logic Increase Internal Capacity Reserve	(40)
MTFP Investment - Supporting Vulnerable Learners Reserve (Education) Reserve	(25)
Durham Directions Reserve	(105)
NET POSITION	455

- 10 The summary financial statements contained in the report cover the financial year 2020/21 and show:
- (a) the approved annual budget;
 - (b) the actual income and expenditure as recorded in the Council's financial management system;
 - (c) the variance between the annual budget and the outturn;

- (d) for the Children and Young People's Services revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met from the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.

Revenue Outturn (£000)

- 11 The Children and Young People's Services service is reporting a cash limit overspend of £1.576 million against a revised budget of £125.942 million which represents a 1.25% overspend.
- 12 The tables below show the revised annual budget, actual expenditure and the variance at year end. The first table is analysed by Subjective Analysis (i.e. type of expense) and shows the combined position for Children and Young People's Services, and the second table is by Head of Service.

Subjective Analysis (Type of Expenditure)

	Revised Annual Budget	Actual	Variance	Items Outside Cash Limit	Covid 19 related Costs	Cash Limit Variance
	£000	£000	£000	£000	£000	£000
Employees	72,917	73,617	700	3,143	602	(3,045)
Premises	3,968	4,037	69	145	4	(80)
Transport	20,683	19,266	(1,417)	8	(2,092)	667
Supplies and Services	10,211	15,279	5,068	(155)	(75)	5,298
Third Party Payments	32,730	41,747	9,017	-	1,984	7,033
Transfer Payments	1,569	1,874	305	-	8	297
Capital Charges	24,460	27,459	2,999	(6,420)	-	9,419
Central Support and Other Recharges	27,803	25,247	(2,556)	340	-	(2,896)
DRF	-	148	148	-	-	148
Income	(68,399)	(78,905)	(10,506)	123	4,636	(15,265)
TOTAL	125,942	129,769	3,827	(2,816)	5,067	1,576

Analysis by Head of Service Area

	Revised Annual Budget	Actual	Variance	Items Outside Cash Limit	Covid 19 related Costs	Cash Limit Variance
	£000	£000	£000	£000	£000	£000
Youth Justice Service	1,299	898	(401)	5	-21	(385)
One Point & Think Family Service	2,604	1,933	(671)	(242)	-31	(398)
Head of Early Help Inclusion and Vulnerable Children	408	324	(84)	1	-	(85)
Aycliffe Site and Price Training	686	(26)	(712)	(712)	-	-
Secure Services	(2,621)	523	3,144	539	2,605	-
Children's and Central Support Recharges	-	149	149	106	-	43
SEND Strategy & Assessment & Provision EHVC	1,485	1,406	(79)	(7)	-	(72)
SEND Inclusion Support EHVC	1,318	1,077	(241)	5	69	(315)
Head of Early Help Inclusion & Vulnerable Children.	5,179	6,284	1,105	(305)	2,622	(1,212)
CYPS Operational Support Service	1,447	1,674	227	185	-	42
Children's Services Operational Support	1,447	1,674	227	185	-	42
Looked After Children and Permanence	8,130	7,069	(1,061)	12	(17)	(1,056)
Looked After Children Resources	34,897	41,713	6,816	196	2084	4,536
Families First North	5,534	5,129	(405)	1	112	(518)
Families First East	3,771	4,048	277	8	113	156
First Contact and Specialist Services	3,937	3,665	(272)	10	-24	(258)
Strategic Manager Families First South	4,275	4,222	(53)	6	201	(260)
Head of Children's Services	7,618	13,719	6,101	6,293	-	(192)
Safeguarding and Professional Practice	1,768	1,777	9	15	-2	(4)
Head of Children's Social Care	69,930	81,342	11,412	6,541	2,467	2,404
Other Services	8,103	5,068	(3,035)	(3,013)	-	(22)
Central Charges (CYPS)	8,103	5,068	(3,035)	(3,013)	-	(22)
Build Schools For The Future	(1,574)	(1,342)	232	232	-	0
Support and Development	(347)	295	642	123	779	(260)
Progression and Learning	(859)	(620)	239	-	239	-
School Places and Admissions	43,546	37,496	(6,050)	(6,587)	(1,212)	1,749
Head of Education	(185)	(1,101)	(916)	(2)	-	(914)
Performance and Standards	701	672	(29)	10	172	(211)
Head of Education & Skills	41,282	35,400	(5,883)	(6,224)	(22)	364
TOTAL	125,942	129,769	3,827	(2,816)	5,067	1,576

Explanation of Reported Variance

- 13 The table below provides a more detailed commentary of the cash limit variances against the revised budget, analysed by Head of Service. The table identifies variances in the core budget only and excludes items outside of the cash limit (e.g. central repairs and maintenance) and technical accounting adjustments (e.g. capital charges):

Service Area	Description	Cash Limit Variance £000
Head of Early Help Inclusion & Vulnerable Children.		
Youth Justice Service	The underspend in CDYJS relates to a saving on remand bed nights (£0.262 million) occupied in 20-21 and the balance of the saving (£0.123 million) primarily relates to savings on staff travelling and supplies and services.	(385)
One Point & Think Family Service	The One Point Service reported an underspend of (£0.153 million) on employees principally from savings on vacant posts. There were also underspends on building costs (c£75,000) including minor improvements and utilities, savings on transportation (c£93,000) mainly related to car allowances and a saving of (c£77,000) as a result of less activities in 20-21.	(398)
Head of Early Help Inclusion and Vulnerable Children	The underspend mainly relates to savings on employees (c£22,000). There were also underspends of (c£6,000) on staff travel, (c£15,000) on minor building improvements and (c£42,000) from early savings identified to meet budget pressures in 21-22.	(85)
Aycliffe Site and Price Training	No variance	-
Secure Services	Secure Services showed a breakeven position at the yearend following a transfer of c£0.856 million (primarily because of savings from vacant posts) to the earmarked reserve. The shortfall in income (£2.506 million) from the sale of beds to other local authorities and delays in opening the new Transition Unit (£87,500) were classed as outside the cash limit and Covid 19 related in 20-21.	-
Children's and Central Support Recharges	The overspend relates to the movement in the provision for bad debt in Children's Services.	43
SEND Strategy & Assessment & Provision EHIVC	The underspend relates to savings on supplies and services.	(72)
SEND Inclusion Support EHIVC	The forecast underspend mainly relates to savings on employee costs (£0.113 million) because of vacancies in the Psychology Team, savings on premises costs, staff travelling and supplies and services (c £0.136 million) and additional income (c£66,000)	(315)
		(1,212)
Children's Services Operational Support	Description	Cash Limit Variance £000
CYPS Operational Support Service	The forecast net underspend principally relates to a £50,000 Direct Revenue Funding contribution, a £15,000 overspend relating to	42

	Visiting Lecturers /Tuition fees partially offset by -£20,000 additional training income.	
		42
Service Area	Description	Cash Limit Variance £000
Head of Children's Social Care		
Looked After Children and Permanence	The primary reasons for the net underspend relate to an underspend of (c£76,000) from vacant posts, a saving of (c£0.340 million) on children and staff transportation costs and (c£1.040 million) on inter agency adoption fees offset by an overspend of £0.400 million on supported lodging costs for young people not looked after.	(1,056)
Looked After Children Resources	<p>The overspend in LAC Resources principally relates to an overspend of £5.480 million on LAC placements net of Covid 19 expenditure.</p> <p>In addition, there was an overspend of £0.603 million on care and support for children and young people who are already in placements and need some additional support or for children and young people on the edge of care whose families require outreach support during the day.</p> <p>The overspends above are being offset by savings from vacant posts (£0.174 million) and (£0.535 million) from a reduced contract with an external provider for the provision of solo placement children's homes as well as savings (£0.434 million) on children placed under Special Guardianship and Child Arrangement Orders.</p> <p>The balance (c£0.404 million) is attributable to additional grant for unaccompanied asylum-seeking children and savings on premises and transportation costs.</p>	4,536
Families First North	The underspend mainly relates to savings on Direct Payments (£0.280 million) and transportation costs (£0.172 million) for staff, children, and young people. The balance of the saving (c£66,000) mostly relates to savings on supplies and services.	(518)
Families First East	The overspend primarily relates to a net overspend on employees including agency staff in the east of the County.	156
First Contact and Specialist Services	The underspend attributable to savings on vacant posts (c£70,000) and savings on premises (c£5,000), transportation costs (c£0.106 million) for staff, children and young people and supplies and services (c£42,000). The balance of the underspend (c£35,000) is from surplus income in the Full Circle team	(258)
Strategic Manager Families First South	The underspend principally relates to savings on car allowances and transportation costs for children and young people.	(260)
Head of Children's Services	The saving is mainly as a result of an underspend on recruitment and retention payments for social workers.	(192)
Safeguarding and Professional Practice	The forecast underspend relates to savings on staff travelling.	(4)
		2,404
Service Area	Description	Cash Limit Variance £000
Central Charges (CYPS)		

Other Services	This underspend is largely attributable to an underspend on staff recharges and a small amount of additional LEA Initiatives income	(22)
		(22)
Service Area	Description	Cash Limit Variance £000
Head of Education and Skills		
Build Schools For The Future-Summ	There is no forecast under or overspend attributable to Building Schools for the Future.	-
Support and Development	The underspend mainly relates to savings of c £469,000 for Early Years Sustainability budget particularly on the sustainability fund and conferences / expert fees / school support partially reduced by the shortfall on SLA/Contributions from Schools income.	(260)
Progression and Learning	There is no forecast connected to Progression and Learning.	-
School Places and Admissions	This overspend is principally relates to an overspend on Home to School Transport and minor overspends on utilities, professional/legal fees, and consultancy fees.	1,749
Head of Education	This forecast underspend is primarily related to the early achievement of 2021/22 MTFP savings (c£880,000), £46,000 additional DSG income partially offset by £12,000 overspend on disposable medical supplies.	(914)
Performance and Standards DG2850	This underspend relates mainly to a shortfall in SLA & school income of £0.244m, offset with savings from travel, subsistence, and supplies of (£0.130m), savings from vacant posts of (£0.140m), (£0.102m) underspend relating to staff recharges, £85,000 underspend on activity expenses / materials and a £33,000 underspend on car allowances.	(211)
		364
Total		1,576

- 14 The council has faced significant additional costs in relation to the Covid-19 outbreak and significant loss of income. All additional costs and loss of income, net of Covid-19 related underspending, is being treated corporately and is therefore excluded from the cash limit.
- 15 The areas of additional cost and loss of income in respect of CYPS are as follows:
- (a) Secure Services – there was a shortfall in income of £2.593 million from the sale of bed nights to other local authorities and from delays in developing and opening the new Step-Down facility. In addition, the Secure Centre has incurred additional staffing and cleaning costs of c£12,000 directly related to COVID;
 - (b) additional staffing costs £0.599 million in Children’s Social Care to recruit newly qualified social workers earlier than planned (due to the early closure of universities where they studied) plus the cost of additional social work staff to assist with caseloads and the extra

costs of cover arrangements for absences in residential children's homes;

- (c) additional care costs £1.992 million in Children's Social Care because of a slowing down in legal proceedings and delays in children leaving placements, additional care costs relating to specific children and an increase in the number of children in care;
- (d) shortfall in income of £69,000 from delays in programmes and the sale of courses provided to schools by the Educational Psychology Service;
- (e) additional costs associated with the printing of COVID-19 related leaflets amounting to £3,000;
- (f) Home to School Transport – there is a shortfall in income of £0.613 million relating to DCC Concessionary Fare income and School Scheme Concessionary Fare income and additional swimming transport costs to be borne by the authority of £30,000;
- (g) DCC Daycare Nurseries – there was a shortfall in income of £0.414 million as a result of less parental income due to parents working from home etc during the pandemic;
- (h) Durham Leadership Centre – there is a shortfall of £0.306 million in lettings, course and catering income at DLC due to employees / other organisations working from home during the pandemic;
- (i) Stanley Teachers Centre – there is a shortfall of £25,000 in lettings income at Stanley Teachers Centre due to employees / other organisations working from home during the pandemic;
- (j) Curriculum and Professional Development –there is a shortfall of £0.199 million in courses and lettings income due to face-to-face courses not taking place during the pandemic;
- (k) Adult Learning Income – there is a shortfall of income relating to adult learning of £0.200 million due to the programme not going ahead during the pandemic;
- (l) Work Related Learning Income – there is a shortfall of income relating to work related learning of £39,000 due to the programme not going ahead during the pandemic;
- (m) Fixed Penalty Notices – there is a shortfall in parental fine income of £80,000 as the Government has prohibited fining parents for pupil's non-attendance at school;

- (n) School Meeting Income – there is a shortfall of income relating to additional school meeting income for the School Governor Support Service of £12,000;
 - (o) Training Course Income – there is a shortfall of income of £85,000 relating to training courses and reduced support provided to schools.
- 16 The major areas of forecast Covid-19 related savings in respect of CYPS are as follows:
- (a) £0.266 million in respect of staff travelling;
 - (b) Home to School Transport – there is a saving of £1.855 million on the provision of Home to School Transport due to little or no provision of transport during the first term of the financial year where supplier relief was granted to transport providers at a reduced rate;
 - (c) savings relating to catering costs of £42,000 for Durham Leadership Centre due to reduced lettings and associated hospitality taking place during the pandemic;
 - (d) additional savings of c. £41,000 relating to savings on advertising of staff, stationery, postage and printing.
- 17 In summary the Children and Young People’s Services service is reporting a cash limit overspend of £1.576 million against a revised budget of £125.942 million which represents a 1.25% overspend.
- 18 The outturn position incorporates the MTFP savings built into the 2020-21 budgets, which for Children and Young People’s Services in total amounted to £50,000.

Dedicated Schools Grant and Schools

- 19 The council currently maintains 197 schools, including nursery, primary, secondary, special schools, and a single Alternative Provision (AP) school. The AP school is for pupils who have been permanently excluded from other schools, or who are at risk of permanent exclusion.
- 20 The original budget for 2020/21 for these 197 maintained schools was £278 million, funded by income of £71 million, formula funding budget shares of £200 million (from central government funding), and a budgeted £8 million use of accumulated schools’ reserves. The table below summarises the schools’ initial budgets.

	Nursery (£ million)	Alternative Provision (£ million)	Primary (£ million)	Secondary (£ million)	Special (£ million)	Original Annual Budget (£ million)
Employees	4.463	3.387	153.744	34.230	25.824	221.648
Premises	0.275	0.169	9.583	2.515	1.077	13.619
Transport	0.002	0.843	0.413	0.430	0.297	1.984
Supplies and Services	0.525	2.051	29.459	5.938	2.830	40.803
Income	(3.862)	(0.673)	(47.240)	(14.054)	(4.911)	(70.739)
Net expenditure	1.404	5.776	145.958	29.059	25.118	207.315
Budget share	(1.064)	(5.776)	(140.885)	(29.084)	(22.848)	(199.658)
Contribution to/(from) reserves	(0.339)	-	(5.138)	(0.062)	(2.267)	(7.806)
Balance at 31 Mar 20	0.937	-	17.498	(2.426)	2.772	18.780
Balance at 31 Mar 21	0.598	-	12.360	(2.488)	0.505	10.974

- 21 The table below summarises the forecast outturn for these schools at Quarter 3.

	Nursery (£ million)	Alternative Provision (£ million)	Primary (£ million)	Secondary (£ million)	Special (£ million)	Forecast Outturn (£ million)
Employees	4.491	3.102	155.288	34.207	24.978	222.065
Premises	0.337	0.199	10.112	2.600	1.032	14.280
Transport	0.001	0.706	0.322	0.373	0.253	1.655
Supplies and Services	0.416	2.497	27.862	5.856	2.613	39.244
Income	(3.954)	(0.675)	(51.211)	(14.891)	(4.504)	(75.236)
Net expenditure	1.291	5.828	142.373	28.145	24.372	202.009
Budget share	(1.064)	(5.776)	(141.009)	(29.108)	(22.848)	(199.806)
Contribution to/(from) reserves	0.227	0.052	1.364	(0.964)	1.524	2.203
Balance at 31 Mar 20	(0.937)	-	(17.498)	2.426	(2.772)	(18.780)
Balance at 31 Mar 21	(0.710)	0.052	(16.134)	1.462	(1.248)	(16.577)

- 22 The forecasts at Quarter 3 indicated a use of £2.203 million of accumulated schools' reserves in 2020-21. This is significantly less than the budgeted use of balances, which is consistent with the cautious approach adopted by schools over recent years.
- 23 Quarter 3 forecasts were mainly prepared in the autumn term, prior to the unexpected winter lockdown, at a time when there was still uncertainty over a number of areas of income and expenditure, following the summer term lockdown, including school meal contractor costs, home to school transport and future demand for catering and childcare provision. Additionally, schools were not fully aware of the support that would be provided from the DfE and the council in respect of the costs incurred as a result of the

pandemic. Subsequently schools went into a further lockdown for the spring term. Schools central funding remained unaffected through the COVID disruption although the school have cautious in their approach to spending and unanticipated savings in 2020/21. This combined with recently announced additional Covid-related income, has reduced net expenditure to the point where schools have increased their reserves by around £12 million. The table below provides details of the final outturn:

	Nursery (£ million)	Alternative Provision (£ million)	Primary (£ million)	Secondary (£ million)	Special (£ million)	Outturn (£ million)
Employees	4.428	3.506	153.657	33.745	25.336	220.672
Premises	0.274	0.113	9.303	2.321	0.786	12.798
Transport	0.002	0.809	0.143	0.291	0.162	1.406
Supplies and Services	0.389	2.151	24.758	5.605	2.504	35.406
Income	(4.118)	(0.803)	(54.605)	(16.485)	(6.385)	(82.395)
Net expenditure	0.974	5.776	133.256	25.476	22.403	187.886
Budget share	(1.072)	(5.776)	(140.969)	(29.130)	(22.848)	(199.795)
Contribution (to)/from reserves	(0.098)	-	(7.713)	(3.654)	(0.444)	(11.909)
Balance at 31 Mar 20	(0.937)	-	(17.498)	2.426	(2.772)	(18.780)
Balance at 31 Mar 21	(1.034)	-	(25.211)	(1.228)	(3.216)	(30.689)

- 24 The council's S.151 officer gave approval to eight schools to set deficit budgets where planned expenditure during 2020/21 would result in a deficit balance at 31 March 2021 (known as a licensed deficit). Three of these schools have converted to academies during the course of 2020/21 and are excluded from the figures provided. The remaining five schools budgeted positions are summarised in the table below.

School Name	Phase	Balance at 31 March 2020 (£ million)	Planned in-year use of reserves (£ million)	Licensed deficit at 31 March 2021 (£ million)	Actual (Use) Contribution of Reserves (£ million)	Actual 31 March 2021 (£ million)
Ferryhill Station	Primary	(0.023)	(0.009)	(0.032)	(0.022)	(0.045)
St. Thomas More RC	Primary	(0.025)	(0.078)	(0.103)	(0.021)	(0.047)
Wellfield	Secondary	(3.406)	0.222	(3.184)	0.268	(3.139)
The Durham Federation	Secondary	(0.414)	(0.381)	(0.795)	(0.090)	(0.504)
Windlestone	Special	0.326	(0.628)	(0.302)	0.059	0.385

- 25 All but one of these schools have complied with their licensed deficit. The council will continue to support and work with schools causing concern to resolve their financial concerns, and the S.151 officer will consider requests for a licensed deficit for 2021/22.

- 26 During 2020/21 the council wrote-off £4.712 million of accumulated deficits for sponsored academies and other schools where it had agreed to write-off accumulated deficits to assist where deficit balances were a barrier to conversion:

	(£ million)
Bluebell Meadow Primary	0.263
Tanfield School	1.019
Wolsingham School	1.747
Peterlee St Bede's	1.635
The Sacriston Primary	0.048
TOTAL	4.712

Dedicated Schools Grant Centrally Retained Block

- 27 The 2020/21 outturn for centrally retained DSG budgets is an overspend of £2.221 million against a total budget of £61.766 million to year end, which represents a 3.6% overspend.

DSG Block	Budget £ million	Outturn £ million	Over / (Under) Spend £ million
Schools de-delegated	0.562	0.465	(0.097)
High Needs	27.006	29.327	2.321
Early Years	31.489	31.488	(0.001)
Central Schools Services	2.709	2.708	(0.001)
TOTAL	61.766	63.987	2.221

- 28 The overspend position principally relates to spending against the High Needs Block (HNB), which is forecast to overspend by £2.221 million.
- 29 There has been a significant increase in requests for top up funding across all education phases and the data relating to support plans beginning in September 2020 has been reflected in the SEND management system.
- 30 The impact of the outturn on the DSG reserves position is shown in the following table:

DSG Reserves	High Needs Block £ million	Early Years Block £ million	Schools Block £ million	Total DSG £ million
Balance as at 1 April 2019	(2.728)	1.370	1.009	(0.348)
Use [-] / Contribution [+] in 2019/20	(8.598)	(0.095)	(0.365)	(9.058)
Contribution from general reserves	5.600	-	-	5.600
Balance as at 1 April 2020	(5.726)	1.275	0.644	(3.806)
Early Years adjustment 2019/20	-	0.097	-	0.097
Use [-] / Contribution [+] in 2020/21	(2.321)	0.001	0.001	(2.318)
Balance as at 31 March 2021	(8.047)	1.373	0.645	(6.028)

- 31 The overall DSG reserve was in deficit of £3.806 million at the start of the financial year as a result of the accumulated deficit position in relation to the high needs block and the deficit has increased further this year to £6 million.
- 32 A five-year plan for high needs block funding and expenditure, including recovery of the accumulated deficit by the end of the five-year period, was approved by Cabinet in January 2020. An updated version of the plan was reported to Cabinet in July 2020 and April 2021.

Capital Programme

- 33 The capital programme has been revised to consider budget reprofiled from 2019-20 following the final accounts for that year and to take account of any revisions in 2020-21.
- 34 The revised budget is presented below together with actual expenditure in 2020-21.
- 35 Summary financial performance at the end of the financial year is shown below:

CYPS	Original Budget 2020/21 £000	Revised Annual Budget 2020/21 £000	Outturn 2020/21 £000	Variance 2020/21 £000
Education-SCP - LEP	692	229	158	(72)
Children's Services- Children's Care	1,141	761	778	17
Planning & Service Strategy	1,908	2,213	1,031	(1,182)
Early Help Inclusion and Vulnerable Children-One Point	-	90	69	(21)
Early Intervention & Involvement	-	-	-	-
Education-Early Years	110	668	626	(42)
Education-School Devolved Capital	4,277	3,304	2,312	(991)
Education-School Related	23,713	13,221	11,855	(1,366)
Special Provision Capital Fund	-	2,387	338	(2,049)
Children's Services-Secure Services	104	104	190	86
TOTAL	31,945	22,977	17,358	(5,619)

Background Papers

- a) County Council Report (26 February 2020) – Medium Term Financial Plan 2020/21 to 2023/24 and Revenue and Capital Budget 2020/21.
- b) Cabinet Report (16 September 2020) – Forecast of Revenue and Capital Outturn 2020/21 – Period to 30 June 2020.
- c) Cabinet Report (18 November 2020) – Forecast of Revenue and Capital Outturn 2020/21 – Period to 30 September 2020.
- d) Cabinet Report (17 March 2021) – Forecast of Revenue and Capital Outturn 202/21 – Period to 30 December 2020.
- e) Cabinet Report (7 July 2021) – 2020/21 Final Outturn for the General Fund and Collection Fund.

Author(s)

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Appendix 1: Implications

Legal Implications

There are no implications associated with this report.

Finance

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital outturn position.

Consultation

There are no implications associated with this report.

Equality and Diversity / Public Sector Equality Duty

There are no implications associated with this report.

Climate Change

There are no implications associated with this report.

Human Rights

There are no implications associated with this report.

Crime and Disorder

There are no implications associated with this report.

Staffing

There are no implications associated with this report. Any over or under spending against the employee budgets are disclosed within the report.

Accommodation

There are no implications associated with this report.

Risk

The management of risk is intrinsic to good budgetary control. This report forms an important part of the governance arrangements within Children and Young People's Services. Through routine / regular monitoring of budgets and continual re-forecasting to year end the service grouping can ensure that it manages its finances within the cash envelope allocated to it.

Procurement

There are no implications associated with this report.