

**Appendix D - Summary of Revenue Position - Outturn 2016/17**

Directorate and Service	Explanation of variation	Amount of variation £'000
<b>Peoples - Children's (LA funded)</b>		
<u>Safeguarding</u>		
Legal Expenses	This expenditure relates to care proceedings and the costs of assessments directed by the court. The number of care proceeding rose from 50 in 2015/16 to 70 in 2016/17 as a result of a court ruling on section 20 accommodation, a lack of effective early help alongside high levels of domestic violence, substance misuse and adult mental health issues contributing to the need to initiate proceedings in order to protect children	647
Staffing costs, including recruitment and retention.	This relates to essential posts established during the year for a CSE practice lead and a Court Protection Officer that were not within the baseline establishment, recruitment and retention costs incurred in securing permanent staff, particularly for front line child protection teams, higher than budgeted agency costs and a planned reduction in budget that was not achieved.	611
LAC Placements	The expenditure on LAC placements was £11.2m, which is in line with the projections from early in the financial year. The budget has been increased in recent years, but LAC numbers and weekly costs have continued to run ahead of budget assumptions. Children only come into care when there is no way of keeping them safe. This budget area is subject to regular weekly and monthly scrutiny.	1,087
Special Guardianship Orders, Adoption Allowances & Residence Orders	This overspend is due to an increasing number of children leaving the care of the local authority and being cared for by those other than their birth parents. It is positive that children have permanent placements and the costs awarded to carers by the court are less than placement costs.	462
Leaving Care Placement Support costs	This expenditure relates to those young people who are still looked after but are allocated within the leaving care team. The local authority has a duty to keep these young people safe and support them. Expenditure has increased as a result of two factors; an increase in the number of young people with high needs including self harm needing to be placed in semi-independent accommodation and the additional cost of caring for about 10 unaccompanied asylum seeking children who became 18 years old. These young people reduce the availability of supported places which leads to more expensive options being used	270
Referral and Assessment - No Recourse to Public Funds	The local authority has a duty to support families that have NRPF where they have children under the age of 18. There has been an increase (from 8 in 2015/16 to 12 in 2016/17) in families who have no recourse but a more important factor in driving the cost increase is the time taken to get the cases resolved by the Home Office. This is increasing so the cost accrues over a longer period.	107
Other variations		315
	<b>Total Safeguarding</b>	<b>3,499</b>
<u>Education &amp; Early Intervention</u>		
SEN Transport	The number of passengers on SEN transport has increased by 94 over 2016/17 to 651, which are broadly in line with increases in the numbers of EHCPs maintained by the authority. The number of routes has increased by 52 to 264 over the same period. The average cost per passenger has increased from £8.5k to £9.4k due mainly to reductions in the passengers per route.	1,079

STARS Transport	The number of passengers on transport to STARS has increased by 13 over 2016/17 to 63 and the number of routes has increased by 14 to 25 over the same period. Falling passenger numbers per route, because of incompatible timetable scheduling, has led to increased costs per passenger.	154
Travellers Vulnerable Children transport	The Travellers transport budget was originally set to cover a single coach route provided between the Travellers' site and St.Elphege's School. There are currently 7 routes for 30 passengers to 6 different school, in addition to 2 routes to special schools for students with EHCPs paid by SEN transport.	173
Quad Family Support Service	The overspend is predominantly due to the number of locum social workers employed which were above the budgeted staffing establishment due to the increase in caseloads that featured domestic violence, adult mental health and substance misuse	388
Sutton Family Centre - No Recourse to Public Funds	These monies are spent on families where a child is considered destitute following their family having a human rights assessment; as highlighted above , there has been an increase (from 8 in 2015/16 to 12 in 2016/17) in families who have no recourse and it is taking longer to get them resolved by the Home Office. Also see Children's safeguarding section above.	226
Sutton Family Centre - staffing	Higher staffing costs due to an increased volume of Children in Need cases that have required additional support and higher levels of agency staff to fill vacant posts	174
Families Matter Services	This underspend was achieved as a result of the troubled families grant income and from keeping staffing posts vacant to try and offset some of the cost pressure detailed above	(436)
Annual Charge for Early retirees	This overspend is due to one-off early retirement costs associated with service redundancies.	195
	<b>Total Education and Early Intervention</b>	<b>1,953</b>
<b>Childrens net overspend (LA)</b>		<b>5,452</b>
<b>Peoples - Adult Social Services and Health</b>		
<u>Adult Social Care</u>	Overall number of Residential and Nursing placements down but being offset by higher placements costs	201
	Increase number of people supported by homecare, who have complex needs (£1,178k) offset by increased client income (£413k)	765
	Lower spend on high cost support packages and direct Payments, this is in part due to some high cost packages being reassessed as continuing health care	(289)
	Community based services e.g. directly commission Day Care Services including Transport underspend	(264)
	Employees-staff vacancies in social work teams net of locum cost	(207)
	Other small variances under £100k	(22)
	<b>Total - Adult Social Care</b>	<b>184</b>
<u>Wellbeing</u>	Employees- Community Wellbeing (£106k); and in Library (£62k) this was due to restructure within the services to acheive savings	(168)
	Early savings on prevention services (£529k) and income from buildings (£145k)	(674)
	Other small variances under £100k	(58)
	<b>Wellbeing - total</b>	<b>(900)</b>
<u>Public Health (non-grant)</u>		<b>(1)</b>

	<b>Total - People Services Directorate (LA funded)</b>	<b>4,735</b>
<b>Peoples - Children DSG</b>		
<u>Education &amp; Early Intervention</u>		
Alternative Provision - additional places	This overspend is due to additional placements over commissioned numbers at both Limes College and STARS.	314
SEN Pupil led funding	This overspend was mainly due to increased numbers over budget at Sutton (£234k) and OLAs ((£286k) mainstream schools and also at Limes College (£191k). There was also unbudgeted therapies and equipment expenditure in mainstream schools (£172k).	920
SEN Place Led funding	This overspend is due to the 'Girls Group' at Limes College and additional support for 4 students.	312
Specialist Colleges (19-25)	This overspend is due to an increased number of high cost and other placements and 106 placements with EHCPs not funded.	504
SEN out of borough places	This overspend is due to an increase (12) in placement numbers. The average cost of placements in 2016/17 has reduced by £1.5k per placement.	233
Speech & Language & Occupational Therapy	The overspend includes unaccrued costs of £215k from 2015/16. Extensive negotiations are ongoing with the contracted provider to control costs and ensure the levels of delivery are maintained at those required by individual students' EHCPs.	464
Secondary Delegated - NNDR adjustment on transfer to academy status	The EFA academy recoupment on transfer to academy status adjustments for academy NNDR reducing from 100% to 20%. This has provided an in-year saving.	(110)
Early Years - 3 & 4 year olds	The Early Years census data January 2017 is showing a reduction in numbers from January 2016 for our 3 & 4 year old children. This is reflected in an in-year reduction at our early years provisions, particularly nursery classes.	(150)
Primary Learning Support	The Primary Learning Support service, now part of SES Ltd, had a planned cessation at 31 December 2016 which has provided an in-year saving.	(120)
Other variations		(108)
Payments from DSG balances agreed by Schools Forum		(1,524)
<b>Childrens net overspend (DSG)</b>		
<b>735</b>		
<b>Environment, Housing &amp; Regeneration</b>		
Regulatory Services	The majority of the under spend of £261k on Regulatory Services was as a result of staff vacancies held throughout the year. At the start of the financial year the service was holding 14 vacancies and most of these were vacant for at least 6 months. Most vacancies have now been filled.	(261)
Waste Disposal	The £392k underspend is only 5.6% of the total £6.9m budget. Most of this budget is for the disposal of waste. We predict what the waste disposal costs will be based on trends from previous years, but we have no control of the actual volume of waste arisings that is produced. In addition to this, the waste disposal budget includes the cost or income of disposing of recyclates which is variable depending on fluctuating market conditions that are more difficult to predict.	(392)

Parks, Refuse Collection and Street Cleansing	The overspend relates to two elements in particular, increased costs associated with seasonal collections including Christmas and Green Garden waste and a reduction in Trade Waste income received.	205
Neighbourhood and Local Committees Planning Policy	The majority of the variance is due to projects within public realm not completing in year as initially forecast. A carry forward request has been made so that these projects can be completed within 2017/18, subject to agreement by Strategy & Resources. As only 23 of the 24 committee meetings were held in 2016/17 due to the Carshalton by election there was also underspend in the cost of venue hire, room set up, audio equipment and refreshments. The evidence base for the Local Plan was not completed in 16/17, largely due to requirements for further work and amendments. This means that final payments will not be made until this financial year 2017-18. Further delay in the implementation of the Planning ICT system resulted in delays in costs to 17/18 resulting in underspending on salaries in 16/17.	(208) (199)
Housing and Support	Early achievement of planned savings in Housing Support costs	(252)
Bed and Breakfast	Significant increase in demand and costs of Bed and Breakfast	632
Other minor variations	Other small variances under £100k	12
<b>EH&amp;R net underspend</b>		<b>(463)</b>
<b>Chief Executive</b>		
<u>Policy &amp; Customer Services</u>		
Smarter Council	The Smarter Council Budget is funded from reserves and there was an agreed amount set in 2010/11 which covered a period of years to deliver the associated programme and project costs. The underspend in 2016/17 is as a result of the use of internal staffing resources to support some major projects rather than buying in external capacity, a reduction in support needed on some projects and some staffing vacancies during the year.	(144)
Other variations		(68)
<b>Chief Executive's net underspend</b>		<b>(212)</b>
<b>Resources</b>		
<u>Business Services</u>		
Housing Benefit Administration	This underspend is due to Government grants applied for and received, and successful incentive payment due to work around FERIS data matches	(300)
Rent Allowances	This underspend is due to the introduction of RTI (Real Time Information) and FERIS (Fraud & Error Reduction Incentive Scheme) which have contributed to the vast increase in customers overpayments. The Borough wide roll out of Universal Credit, has meant overpayments which would normally have been recovered via ongoing benefits, have moved over to sundry debtors as residents no longer on Housing Benefit.	(717)
Childrens & Adults Social Care Support	This overspend is predominantly due to the significant gap between the staff establishment and agreed budget which is ongoing and late completion of restructure (£220k) and other costs (£45k).	265
<u>Electoral Services</u>		
Parliamentary Elections	Includes £94k 15/16 costs not accrued for, incurred in 16/17	105
<u>ICT</u>		
Telephony	Savings associated with telephony expenditure were not achieved as a result of delays in projects. Projects will now deliver in 17/18.	147

Shared Service contract	This overspend includes £70k of unachieved service redesign which has been postponed until 2017/18	103
Telephone Charges and mobile phones	Telephone charges (£128k) for 2015/16 were not accrued and Mobile telephone calls and charges (£163k) were unable to be recharged to services	291
<b>Property Services</b>		
	The overall underspend of £160k has been achieved through a combination of underspend achieved on the FM budget (£272k), the additional rental income (£148 net) from the acquisition of Oxfam House in October 2016 and additional rental income (29k) from Cantium House which the Council acquired in April 2015. This has been counterbalanced by unachieved income targets for commercial property (£86k net) and programme and projects management (£39k). As the other unders and overs broadly balances out, the overall underspend of £160k consequently represents the additional income the acquisition of Oxfam House and the additional income from the Cantium House acquisition.	(160)
<b>Legal Services</b>		
SLLP Contract	Includes overspend on Legal Fees £58k and underachievement of Income £42k	100
Other variations		173
<b>Resources net overspend</b>		<b>7</b>
<b>Non Service Revenue Accounts</b>		
	Savings on interest payable/receivable due to deferred borrowing decisions	(880)
	Unspent contingency against additional Care Act related costs	(400)
	Other minor variationa	(57)
<b>Non-service net underspend</b>		<b>(1,337)</b>
<b>Support cost recharges</b>		<b>(360)</b>
<b>Core grants</b>	Reduction in Education Services Grant due to academy conversions	<b>235</b>
<b>Funding</b>		
	Additional Top-up grant	(147)
<b>Total net underspend (excluding DSG)</b>		<b>2,458</b>

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