

Revenue - Service outturn 2006/07 - explanation of variances

	Variation £000's + / (-)
Children and Young People's Service	
<p>Department wide</p> <p>During 2006/07, a number of concerning overspends emerged (highlighted below) which required urgent management action. Appointments were held while the overall impact of the forecast overspends was quantified. This action, and judicious use of grant funding, has delivered considerable savings across the service (including DSG funded budgets).</p>	(1,316)
<p>Early Years</p> <p>This mainly DSG funded budget has underspent on salaries by judicious use of grant funding for posts where base provision exists. This also resulted from the management action during 2006/07 to constrain expenditure.</p>	(400)
<p>Every Child Matters: Multi Agency Budget</p> <p>This DSG funded budget was established with the agreement of the Schools Forum to help with early intervention work channelled through Children's Networks. The budget was mainly unspent at the year end but is required for 2007/08 and the carry forward agreed with the Schools Forum.</p>	(700)
<p>6th Form Centre</p> <p>DSG funding for set-up costs is required to be spent in 2007/08 in readiness for the planned opening of the Centre in September 2007. Significant staffing costs will be incurred before opening, at which time the Centre's delegated budget will fund all on-going revenue costs.</p>	(500)
<p>Schools in Financial Difficulties</p> <p>The majority of this DSG funded allocation was awarded to qualifying schools during 2006/07; the remaining balance should be carried forward to supplement this budget heading in 2007/08.</p>	(100)
<p>Curriculum development for 14-19 year olds</p> <p>The balance of this DSG funded budget is planned for the further development of vocational courses in 2007/08.</p>	(55)
<p>Tuition Service</p> <p>The high number of Year 11 young people not placed in schools resulted in unprecedented demand pressure on this budget.</p>	290
<p>School Standards and Inspection</p> <p>Net income shortfall on buy-back from schools.</p>	71

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<p>Legal fees</p> <p>Fees in respect of care proceedings, contracts and procurement were above the available budget due to increased demand for legal services.</p>	322
<p>Transport services</p> <p>Savings secured in delivery of service to C&YPS and ASS, and in the charges received in respect of transporting children with special educational needs.</p>	(253)
<p>SEN Recoupment (DSG)</p> <p>The charges received in respect of the special educational needs of pupils living in Haringey but educated in schools in Barnet, Camden, Enfield and Islington were higher than anticipated.</p>	296
<p>Commissioning Budget for Looked After Children (LAC)</p> <p>This budget has a net overspend, but the numbers of LAC have reduced over the year, as has the average cost per child. There has been a shift away from external placements to in-Borough residential homes and foster carers in line with the agreed commissioning strategy.</p>	228
<p>Early Years Education Grant</p> <p>The number of 3 and 4 year olds in the private, voluntary and independent sector was higher than the budget could accommodate and rates are set in advance. This was a demand pressure that could not have been reduced in year.</p>	125
<p>S17 (Children in Need) and LAC Budget</p> <p>Expenditure to prevent reception into care, and services to LAC other than placement costs e.g. transport to school and the costs of supervised contact with parents.</p>	261
<p>Other</p> <p>Sundry underspends, some of which arose as result of direct actions by managers to manage the effect of forecast overspends.</p>	(312)
<p>Revenue Contribution to Capital Outlay (RCCO)</p>	608
<p>Less: DSG Carry Forwards (required under legislation)</p>	1,355
<p>Total for the Children and Young People's Service</p>	(80)
<p>Asylum Service</p> <p>Expenditure incurred on asylum seekers above grant received and the contribution from Council contingencies of £1m.</p>	778

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Housing General Fund	(15)
Minor variances	
Social Services	(176)
The Social Services budgets achieved a slight underspend in 2006/07 mainly through holding expenditure on supplies and services and maintaining some vacancies across the Directorate.	
Total Social Services (General Fund)	(176)
Environment	
Management and Support	(74)
A variance of £74k arising from the part year effect of two vacancies, the annual Better Haringey event not taking place this year and an underspend against the dedicated personnel and legal support budget have resulted in this underspend.	
Streetscene	(420)
The outturn is an overall underspend of £420k comprising £320k against the recycling budget due to additional recycling credits from the NLWA; income from the sale of materials being higher than budget and employee costs of the in-house operation being less than anticipated. An underspend of £100k has accrued for the Highways budget due to project management fee income exceeding the budget as a result of additional capital allocations in year mainly from TfL.	
Recreation	60
The overspend of £60k is due to an unbudgeted redundancy payment and energy and fuel costs being higher than budgeted.	
Other smaller variances under +/-£50k	12
Total for Environment	(422)
Finance	
Property Services	71
The over spend was largely caused by under achievement of commercial rent income and an in-year amendment to electricity charge rates for River Park House	
Benefits & Local Taxation - Management Costs	109
An over spend on the use of agency staff	
Benefits and Local Taxation - Ring-fenced Costs	(403)
The net underspend is mainly in relation to housing benefit overpayments and the net proportionate improvement in the requirement for a bad debt provision.	

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Corporate Finance	
The under spend is substantially as a result of income collection above target and some salary related savings.	(39)
Other minor variances	(19)
Total for Finance	(281)

Chief Executive's Department	
Organisational Development	
Outturn under spend of £724k. Key factors are:	
An improved position on the resource centre savings. Issues around embedding the processes for the new resource centre and delays in invoicing have made it challenging to accurately forecast the final outturn position. This has been discussed at budget meetings throughout the year but it was felt prudent not to over estimate savings until the full level of commitment was agreed by all parties.	(168)
The OD&L redesign of the Leadership Programme including insourcing 70% of the coaching element of the programme and maximisation of available DCLG grant. Delays in progressing projects on flexible working, competency framework and people management support largely due to capacity issues. Carry forward requests have been submitted to enable these projects to progress in 2007/08.	(140)
Performance & Improvement & Equalities – recruitment processes taking longer than forecast compounded by additional staff losses in year. Expected expenditure around the production and printing of the 2007 Council Plan was delayed and will now occur in 2007/08.	(203)
Personnel – the budget set aside for consultancy work on progressing the Equal Pay/Status work was not required this year for the development and negotiation stage, however it will be required for the implementation during 2007/08. A carry forward request has been submitted.	(50)
Member Services – salary under spend due to vacancies and delay in implementing the 2006 review of structure; project slippage in review of the constitution	(69)
Electoral Services – delay in being able to implement the new duties and changes arising from the Electoral Administration Act 2006 because of a slower phasing of the secondary legislation. The cost implications will now fall in 2007/08 and a carry forward request has been submitted.	(75)
Other minor variances	(19)

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<p>Access</p> <p>Outturn shows an under spend across Access services of (£485k). Key factors are:</p> <p>IT core budgets under spend – the service has benefited this year from reduced expenditure due to one-off savings on maintenance contracts negotiated as part of the refresh project and the usage of hardware stocks.</p> <p>Neighbourhood Management under spend due to:-</p> <ul style="list-style-type: none"> • delays in progressing the 2006/07 'Making the Difference' projects however, spend is committed and has been requested as a carry forward • salary savings arising from the lead-in time to fully recruit to the new Neighbourhood Management structure. <p>Customer Services over spend due to:-</p> <ul style="list-style-type: none"> • increased use of agency staff to improve performance and service levels • early retirement costs. <p>The Libraries and Archives over spend was caused by delays to the proposed staffing re-structure which has not enabled the proposed savings to be realised this financial year.</p> <p>Other minor variations</p>	<p>(627)</p> <p>(181)</p> <p>206</p> <p>173</p> <p>(56)</p>
<p>Strategy</p> <p>Strategy has an overall underspend of £281k largely relating to projects within Policy and Regeneration which, although now committed, were unable to complete in 2006/07. These include the Wood Green Spatial Plan (£50k); Archway Road Project (£69k); Jackson's Lane Community Centre (£70k) and the printing of corporate documents such as Corporate Strategy, Community Strategy, Borough Profile and the Local Area Agreement (£69k).</p> <p>Carry forward requests for £273k have been put forward and spend is expected in the early part of 2007/08.</p>	<p>(281)</p>
<p>Legal Services</p> <p>The key factor causing the over spend has been an increase in un-chargeable time this year as a result of the introduction and bedding in of the new case management system and the absorption of costs associated with corporate and democratic core work.</p>	<p>177</p>
<p>Total for Chief Executive Services</p>	<p>(1,313)</p>

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Non Service Revenue	
The underspend is largely due to an underspend of the Service Development Contingency of £373k, an underspend in the IT in-source contingency which has not been required and a £350k underspend on the reduced need for the budgeted revenue contribution to capital outlay. The in-source project has recently closed and the final delivery of the project together with successful management of the risks during the process has meant that the contingency of £0.5 million has not been needed.	(1,437)
Grand Total	(2,946)

Other budgets outside of the General Fund:	Variation £000's + / (-)
Social Services	
S31 Learning Disabilities Pooled budget	42
Repairs and maintenance expenditure incurred in the year. Some slight overspends in staffing that will be contained in the new year.	
Total for Social Services	42
Individual Schools Budgets	
The school balances are currently provisional. Work is underway on consolidating school accounts into SAP.	199
The balances position for schools, which was £5.757 million at the beginning of this financial year, is estimated to reduce by £0.199 million to £5.558 million by 31 March 2007. This estimate is based on returns from 75 out of the 80 schools.	
In addition, school capital balances stand at an estimated £1.547 million, compared with £2.1 million at the end of 2005/06.	
Total Schools (provisional)	199