



CHILDREN AND FAMILY COURT ADVISORY AND SUPPORT SERVICE

Paper for the Board Meeting on Friday 11 June 2010

OUTTURN FINANCIAL RESULTS 2009/10

1. AIM AND PURPOSE

- 1.1 To provide the Board with confirmation of the outturn position for the financial year end 31 March 2010.

2. RECOMMENDATIONS/ACTION FOR THE BOARD

- 2.1 To note the outturn position for the financial year end 31 March 2010.

3. SHORT SUMMARY

- 3.1 The 2009/10 final outturn shows an underspend of £0.285m. This position takes into account the additional funding of £2.3m provided by the Department for Education in the latter part of the financial year to support in year budget pressures. The underspend reflects a lower take up of the voluntary early severance scheme running alongside the corporate restructure.

4. ANALYSIS OF YEAR END RESULTS

- 4.1 An analysis of the outturn is shown at Appendix 1 and 2. While the overall position is consistent with that forecast during the financial year, there remain areas of substantial change between the forecast and outturn position between Operational Areas and to a more limited extent, National Office Budget areas. Budget holders have reviewed the causes of difference between their forecast and outturn position as part of the accounts closure process in the context of their budget settlements for the new financial year to ensure any ongoing issues are identified and managed. On the whole however these results show the impact of containment action taken early on in the financial year where higher overspending was forecast.

5 KEY STRATEGIC ISSUES FOR THE BOARD TO CONSIDER

- 5.1 The early rate of growth in expenditure has been impacted by the implementation of containment action taken across the organisation in response to early forecast overspending. Forecast expenditure for the year has been updated on a monthly basis and reported to the Board during the financial year. These end of year accounts confirm the positive impact on commitment levels of this containment action notwithstanding the financial position of the organisation remained vulnerable to significant increases in demand for services.

6 BENEFITS FOR CHILDREN

- 6.1 The delivery of safe, high quality and timely services have been identified as two of the organisation's Operating Priorities in 2009/11. In order to achieve this, a budget plan is needed that is sufficient in size and appropriately allocated across functions and geographic areas to ensure resources are available to support service delivery. This paper reinforces the need for continuing management and scrutiny of the organisation's three year spending plan and performance against it. The reprofiled funding settlement assisted in realigning commitments with grant allocations but bringing these back in line continues to be very challenging and not without significant risks to service delivery in the current and potentially next financial year.

7 FINANCIAL ANALYSIS

- 7.1 Appendix 1 and 2 set out an analysis of the 2010 year end accounts.

8 RISK ANALYSIS

- 8.1 The underlying position across the National Office budget is less volatile than that in the Operational Areas with fewer variable costs and the absence of demand driven spending. There are greater risks in forecasting the position for Operational Areas. There have been improvements to the systems used to capture commitments locally, particularly those relating to the use of flexible workforce. The greater risk lies in the ability to hold steady commitment levels during the year in a context of continuing demand pressures.

9. DIVERSITY ANALYSIS

- 9.1 Ensuring Equality and Diversity are central to all our work is also an operational priority for 2009/11. In much the same way as ensuring the objectives of benefits for children are met through financial planning and management, so the active management of spending against a properly constructed budget will help ensure an equitable distribution of resources to enable equality of access to services.

Julie Brown
Director of Finance
4 June 2010