



Budget Scrutiny Children's Services Revenue Budget 2021-22

11th January 2021



Agenda

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Children's Services Directorate overview

Our vision

We believe that all children in Buckinghamshire, regardless of their background or circumstances, should have a happy and fulfilled childhood. They should enjoy school and family life, learn, belong, grow and achieve so that they enter adulthood ready, willing and able to achieve great things. We want our children and young people to know themselves well.

Children's social care - specialist social care services provide support to children in need of help and protection. Our services include statutory assessment and care planning for children at risk of significant harm, provision for looked after children and those leaving care, as well as youth offending, fostering and adoption services and delivery of in-house residential provision.

Education –We adopt an all age approach starting from supporting the access to high quality early years provision through to the delivery of a diverse curriculum offer for young people, post 16. This includes supporting strong attainment in all our schools and the delivery of lifelong learning opportunities through Adult Learning. Our Family Support Service works with families to make positive changes to their lives and resolve problems at the earliest possible opportunity to prevent the need for statutory intervention. The Integrated Special Education Needs and Disabilities (SEND) Team carries out the statutory functions in relation to Education, Health and Care (EHC) needs assessments to ensure all vulnerable children and young people aged 0 – 25 receive the education support and provision required in order for them to achieve their full potential and prepare them for adulthood. In addition, the service is also responsible for delivering the Council's duty to provide sufficient early years and pupil places as well as managing the fair allocation of school admissions.

Children's Services Directorate Context

- The work of the Directorate has always been diverse, demand led and challenging. The landscape in which we currently operate has changed beyond what anyone could expect.
- The child population continues to increase as do the levels of poverty children and families are experiencing. Layered on top of this is the immediate impact of Covid-19 and the lasting legacy this has on both the access to and delivery of services. As a result, the Directorate is experiencing a level of demand unseen before and if maintained over a sustained period, will create a significant challenge.
- In addition to demand pressures, the financial pressures facing Children's Services are well reported nationally. In 2019, the Local Government Association estimated that children's social care was facing a £3.1 billion funding gap by 2024/25 without the increased demand and activity as a result of Covid-19. More recently, the Association for Directors of Children's Services has stated that significant investment is required to stabilise, sustain and adapt services to meet the needs of the growing number of children, young people and families who need support and intervention in the wake of the pandemic and anticipated recession.
- The Directorate is on an improvement journey and we continue to strengthen services for children, young people and their families. Whilst there is more to do, we are confident in our understanding and knowledge of what needs to be done.

Who and what the budget is spent on

*Data as at
September 2020*

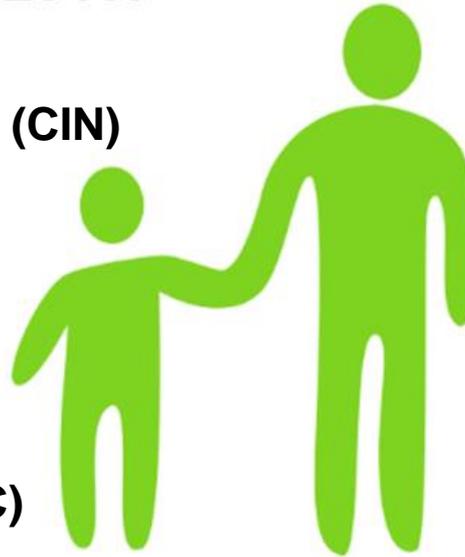
995 children on a Child in Need (CIN) plan

474 children subject to a Child Protection (CP) Plan

488 Looked After Children (LAC)

333 Care Leavers,
of whom **72** are UASC

305 Family Support Service cases (families) open



189 In house foster placements

21 Unaccompanied Asylum Seeking Children (UASC) aged under 18

4,864 children with an Education, Health and Care Plan (EHCP), of whom **140** are LAC

31% agency staffing rate for qualified social work staff

Revenue Forecast 2020-21 - Quarter 2

Service Area	Q2 Net Budget £'000	Year End Outturn £'000	Forecast Variance £'000	%	of which Covid £'000	of Which BAU £'000
Education DSG	0	0	0			
Education	30,426	34,627	4,201	14%	1,239	2,962
Children's Social Care	73,695	77,882	4,187	6%	1,842	2,346
Total	104,121	112,509	8,388	8%	3,081	5,307

The forecast at Q2 shows a projected overspend of £8.388 million, of which £3.081 million (37%) relates to Covid-19.

- The main non-Covid-19 variances relate to expenditure on Home to School Transport, External Placements for looked after children and accommodation costs for care leavers.
- The Home to School Transport budget is projected to be £3.9m overspent including Covid-19. The reasons for this include increased demand and complexity of need for SEN transport, reduced levels of income for discretionary travel following commercialisation.
- Placements budgets for looked after children are projected to overspend by £2.1m, including Covid-19 costs, as increased numbers of high cost placements have had to be made during the year.
- Dedicated Schools Grant (DSG) are projected to break even, pressures of up to £1.1m have been identified against the High Needs Block.



Children's Social Care



Financial risks & issues

- Increased pressures on the external placement budget driven by the increase in number of children who have had to be placed in External Residential Care placements.
- Unit costs of external residential care placements are increasing during this financial year as providers react to increases in demand and complexity. Small changes in the number of External Residential Care placements being made have a pronounced impact on budget projections and spend. These placements are used to care for the most complex, needy and high risk children and young people the service has to manage and keep safe.
- Accommodation costs for care leavers - the areas of high cost where activity is being targeted to reduce spend includes young people awaiting transition to Adults and bidding for Social Housing.
- Increased activity and costs of support for young people with disabilities.
- Continued pressures against the staffing budget due to agency staffing costs.

Mitigating Actions

- All alternatives to External Residential Care are explored, including using our own Children's Homes. It is important to state that high level of complexity, need and risk of the young people who need care often mean there are not immediate good enough alternatives.
- Work with Housing colleagues to enable young people to move into private rented accommodation without their status for public housing being prejudiced. This will enable young people to take up tenancies more quickly and reduce costs for the Council.
- Development of the Social Work Academy to increase numbers of permanent social work staff.

Covid-19 Financial Impact and Risks

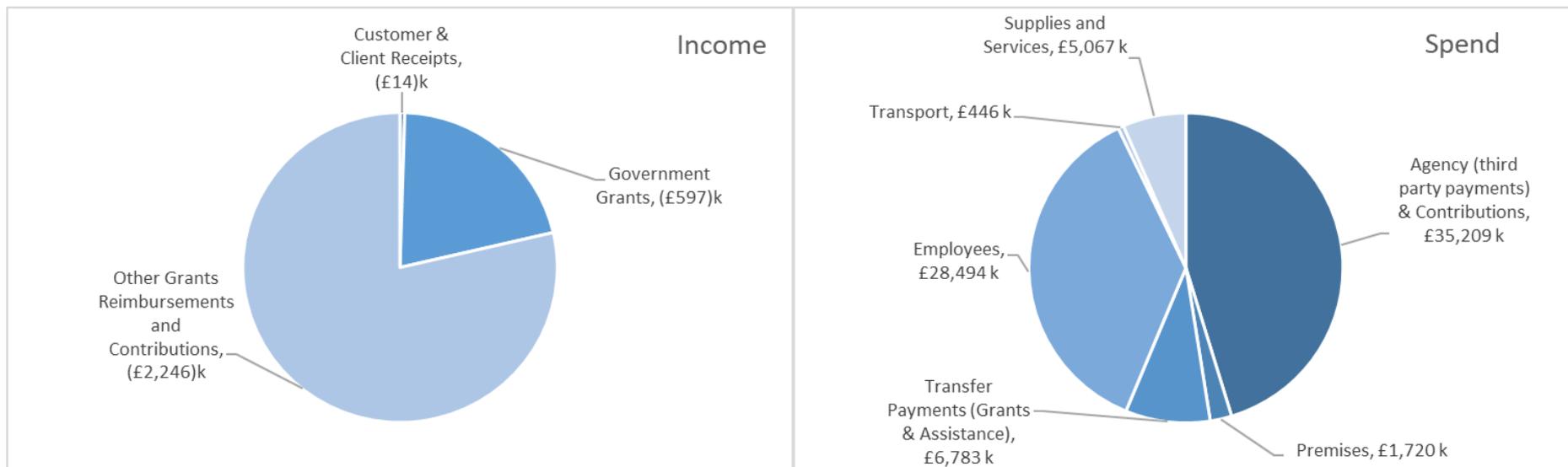
- The impact of the covid-19 pandemic has been to trigger a higher number of children and adults into emotional instability, this has resulted in a higher number of high cost external placements.
- It is not expected that a change between the response tiers will reduce the complexity of need for those children and families and therefore the financial impact is expected to last for more than one financial year.
- Unit costs of children's placements made since April 2020 are higher than those made prior to the start of the year due to increased complexity of need and limited availability of specialist placements.
- Costs of accommodation for young people leaving care have been further impacted by the Covid-19 pandemic as DfE guidance earlier in the year was for Council's not to move young people to individual accommodation where they could become isolated during the period of restrictions.
- There is a risk that there will be a continued increase in referrals to the Social Care service throughout this year as restrictions continue. This has, and will continue to, impact on caseloads, numbers of court proceedings and on placement availability and cost. There is some indication that the ability to release agency staff following recruitment to permanent posts may be reduced in front line teams to manage increases in workload.
- These risks are reflected in the budget proposals for 2021-22 and it is also proposed that the corporate contingency for high cost placements be increased to £2.5m.

Proposed Revenue Budget 2021-22 – Children’s Social Care

Appendix 1 – Proposed Revenue Budget

	2020-21			2021-22		
	Income £000	Expense £000	Net Budget	Income £000	Expense £000	Net Budget
Children's Social Care	(2,307)	76,097	73,791	(2,857)	77,719	74,862
Education	(7,469)	37,817	30,348	(6,619)	40,972	34,353
Education - DSG	(476,466)	476,466	-	(494,946)	494,946	-
Grand Total	(486,242)	590,380	104,139	(504,422)	613,637	109,215

Children’s Social Care budget highlighted in yellow; shown in context of whole of Children’s Services Directorate



Proposed Revenue Budget 2021-22 – Children’s Social Care

Appendix 3 – Changes to the Revenue Budget 2021/2

<u>Children's Services</u>	Change £000's
Children's Social Care	
Care Leavers Accommodation costs	1,000
Demand on client costs for Disabled Children	437
Develop in house semi-independent accommodation (under 18s)	(93)
Home working / Mileage / printing	(47)
Increased demand in statutory social care services due to demography and complexity	2,984
Reducing demand for legal services	(100)
Savings achieved in Accommodation Costs through joint work with Housing	(300)
Special Guardianship Orders	850
Staffing review / vacancy factor	(107)
Strategic review of all budgets across the service to identify the extent to which statutory services can be provided in a more effective and efficient way.	(250)

- Increased pressures on placement budgets due to increased complexity of need and demand for external residential placements.
- Increased demand for Special Guardianship Orders – projected to increase year on year.
- Care Leavers accommodation costs – increases in numbers of care leavers requiring support, savings to be achieved through joint working with Housing and development of in house semi-independent accommodation options.
- Savings from reductions in legal costs and review of service are expected to be achieved.



Questions



Education



Financial risks & issues

Home to School Transport

- Home to School Transport budgets are projected to overspend by £3.9m in the current year.
- Demand and complexity for transport for pupils with SEND is increasing. Increased complexity leads to higher unit costs for transport with increased use of single occupancy and specialist vehicles.
- Income budgets in 2020-21 do not accurately reflect the levels of income from discretionary pupils following commercialisation of routes in 2019. Budget proposals for 2021-22 address this.

Dedicated Schools Grant (DSG)

- Increased numbers of pupils with Education Health and Care Plans (EHCPs) result in pressures against the High Needs Block which funds support for pupils with SEND across all types of setting including mainstream schools, special schools and external specialist placements.
- At Quarter 2 risks of £1.1m have been identified against the high needs block with pressures against the budget for external placements and placements in other local authority special schools.

Covid-19 Financial Issues and Risks

In the current financial year the impact of Covid-19 across Education budgets has been across the Adult Education and Home to School Transport services.

Adult Learning

- The service has been impacted by a loss of fee income in 2020-21 for courses that could not be delivered during the summer term.
- For the 2020-21 academic year the service has implemented changes to reduce costs and ensure that courses can be delivered within the expected levels of fee income. It is currently estimated that 85% of activity can be delivered but numbers of learners will be lower than in previous years.

Home to School Transport

- The service has been impacted by a loss of fee income in the 2020-21 financial year as schools were closed during the summer term. School closures also meant that additional payments were required to be made to commercial school bus route operators for income lost in the summer term.
- For 2021-22 budget setting it is assumed that schools will remain open and therefore there will be no loss of fee income. It is also assumed that government funding for any additional capacity on public networks to meet social distancing requirements will continue as required.

Proposed Revenue Budget 2021-22 – Education

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Education	(7,469)	37,817	30,348	(6,619)	40,972	34,353
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Grand Total	(486,242)	590,380	104,139	(504,422)	613,637	109,215

Education budget highlighted in yellow; shown in context of whole of Children's Services Directorate



Changes to the Revenue Budget 2021-22

Children's Services	Change £000's
Education	
Actions to reduce Taxi supply costs	(169)
Bus Retendering Supply costs - Loss of income	317
Bus Retendering Supply costs - Reduced expenditure	(538)
Demographic Growth and Complexity - SEND Transport	3,589
Home to School Transport reduced income	850
Home working / Mileage / printing	(13)
Staffing review / vacancy factor	(31)
Education - DSG	
Additional Demand and Costs across DSG budgets	18,480
Additional funding to support the Schools Block and High Needs Block	(18,480)

- Demand and complexity for SEND transport is estimated to increase costs by 10% per annum.
- Savings proposals arising from the re-tendering of bus routes are built into the budget proposals.
- Income budgets are to be rebased to reflect the expected levels of income following commercialisation and re-tendering.
- Additional funding has been allocated to schools and high needs budgets within the dedicated schools grant.



Questions