

Supplementary Estimates

for the year ending 31 March 2023

Date of Request: **26/09/2022**

Date of Mayor / Cabinet endorsement: **01/11/2022**

Executive Director: Hugh Evans; People Directorate

Cabinet Member: Cllr Holland, Cllr Craig, Cllr King

DECISION REQUIRED:

Cabinet are asked to approve an additional supplementary estimate of £10.2m for the People Directorate Children and Family Services to maintain existing services and financial commitments.

1. Directorate Original Budget Build Up

The People Directorate has a current revised budget of £263.2m as detailed below and is seeking a supplementary estimate of £13.8m giving a revised baseline allocation of £276.9m. Children and Family Services has a current revised budget of £71.7m as detailed below and is seeking a supplementary estimate of £9.9m giving a revised baseline allocation of £81.6m.

<i>People Directorate</i>			
Division (Service Director Level)	Prior Year Outturn Variance	Revised Budget	Applied Rebaseline Allocation
	£000's	£000's	£000's
Children and Family Services	3,810	71,738	81,616

2. Justification

The People Directorate budgets have experienced significant cost pressures in Adult Social Care, Children and Family Services and Educational Improvement as follows:

Comment on components of supplementary estimate requested			
Service	Activity	To Be Funded By:	£'000
Children and Families Services	CF6 Review Special Guardianship	Optimism Bias Contingency	(25)
Subtotal			(25)
Children and Families Services	Additional demand on Children's Services - Externally Supported Accommodation placement costs for 'Looked-after' children and young people who are given accommodation away from their families as the result of a Care Order.	Corporate Allowances	(858)
Children and Families Services	Additional demand on Children's Services - Independent foster carers supporting children and young people in a safe, loving and nurturing home when they can't live with their birth families.	Capital Financing one off Saving	(603)
Children and Families Services	Additional demand on Children's Services - Support for people under 18 who claim asylum and do not have adult family members with them or who they could join.	Redirection of General Reserves	(14)
Children and Families Services	Additional demand on Children Services - Parent and Child placements either in residential or fostering settings to help provide support and guidance in developing childcare skills.	Redirection of General Reserves	(302)
Children and Families Services	Staffing pay pressure due to higher demand for social workers and carers post-Covid requiring the use of agency staff to maintain statutory services	Redirection of General Reserves	(913)
Children and Families Services	Externally Supported Accommodation placement pressure costs for increased numbers of looked after children and young people due to the impact of Covid	Redirection of General Reserves	(446)
Children and Families Services	Independent Foster Carers cost pressures - supporting increased numbers and costs of children requiring accommodation and care	Redirection of General Reserves	(446)
Children and Families Services	Increased number and costs of placing children and young people in Out Of Authority Placements (residential care provided by the private or third sector) post-Covid	Redirection of General Reserves	(893)
Children and Families Services	Additional demand on Children's Services in respect of Guardianship Orders for those children who cannot live with their birth parents and who would benefit from a legally secure placement with relatives.	Redirection of General Reserves	(904)
Children and Families Services	Additional demand on Children's Services supporting those families who have no recourse to public funds. Families are supported under section 17 of the Children Act 1989 having been assessed as destitute and without the support through funding the likelihood is the children would need to be in the care of the Local Authority as parents or carers do not have the means to support their dependants.	Redirection of General Reserves	(800)
Children and Families Services	Independent Foster Carers - Specialist support needs due to placement breakdown due to substance mis-use	Redirection of General Reserves	(828)
Children and Families Services	Externally supported accommodation - Placement breakdown linked to substance mis-use	Redirection of General Reserves	(414)
Children and Families Services	Out of Authority Placement costs for young people requiring support for substance misuse	Redirection of General Reserves	(414)
Children and Families Services	Additional demand on Children's Services - Externally Supported Accommodation placement costs to support children and young people who are looked after	Redirection of General Reserves	(1,000)
Children and Families Services	Additional demand on Children's Services - Independent fostering carers supporting children and young people a safe, loving and nurturing home when they can't live with their birth families.	Redirection of General Reserves	(526)
Children and Families Services	Additional demand on Children's Services - Out Of Authority placements to support children and young people who are looked after	Redirection of General Reserves	(317)
Children and Families Services	Increase in cost and demand of Temporary Accommodation to support vulnerable children	Redirection of General Reserves	(108)
Children and Families Services	Additional demand on Children - Parent and Child placements either in residential or fostering settings to help provide support and guidance in developing childcare skills.	Redirection of General Reserves	(77)
Subtotal			(9,863)
Children and Families Services			(9,888)

3. In-Year Controls

Savings and recovery actions are being implemented across the People Directorate in terms of scrutinising all areas of spend and increased levels of management oversight and sign off. For example, in Children detailed work is ongoing to ensure that, where it is safe and appropriate to do so, placements are stepped down to the most cost effective level.

4. Impact Description

Costs	Funding Source
Total request £9.888m Revenue	Release of corporate contingencies £0.025m and release of reserves £9.863m as per Appendix A2
Impact if not Approved	
If the supplementary estimate is not approved then the service will overspend and will not be able to maintain statutory service provision.	

5. Learning Points

What can be learnt from how and why this change came about?

When setting the budget before the start of each year, the council considers the robustness of the estimates and assumptions, as well as plans and strategies that could be used to deliver a balanced budget should unexpected pressures or events materialise. This has been a particularly challenging financial year in terms of inflationary and other cost pressures, some of which could not have been predicted. Improved service planning to forecast future levels of capacity and demand and how that can be commissioned within a finite budget envelope will continue to be an area of focus.

Previously Approved Supplementary Estimates

N/A

6. Supplementary Estimate - Sign Off

The following people have signed off this Supplementary Estimate	Evidence of Sign-off (email/121)	Date
Executive Director - Hugh Evans	Yes	26/09/2022
Cabinet Member – Cllr. Holland, Cllr King, Cllr Craig	Yes	26/09/2022
Section 151 Officer – Denise Murray	Yes	24/10/2022