

Supplementary Estimates

for the year ending 31 March 2024

Date of Request: **13/09/2023**

Date of Mayor / Cabinet endorsement: **03/10/2023**

Director: Reena Bhogal – Welsh, Education and Skills

Director: Fiona Tudge, Children and Families

Cabinet Member: Asher Craig, Councillor St George West

DECISION REQUIRED:

Cabinet are asked to recommend to Full Council the approval of an additional supplementary estimate of up to £11.5 million for the Children & Education Directorate to maintain existing services and financial commitments.

1. Directorate Original Budget Build Up

- 1.1. The Children & Education Directorate has a current revised budget of £110m as detailed below and is seeking a supplementary estimate up to £11.5m.
- 1.2. Children and Family Services has a current revised budget of £88.2m. This includes growth this year of £18.4m made up of £14.8m of recurring pressures identified and included in the 2022/23 budget (supplementary estimates) and £3.6m of emerging risks identified and included in the 2023-28 MTFP. Further pressures have been identified in-year and the service is seeking a supplementary estimate up to £7.5m
- 1.3. Education Improvement has a current revised budget of £21.8m This includes growth of £6.2m made up of £2.1m of recurring pressures identified and included in the 2022/23 budget (supplementary estimates) and £4.1m of emerging risks identified and included in the 2023-28 MTFP. Further pressures have been identified in-year and the service is seeking a supplementary estimate up to £4.0m.

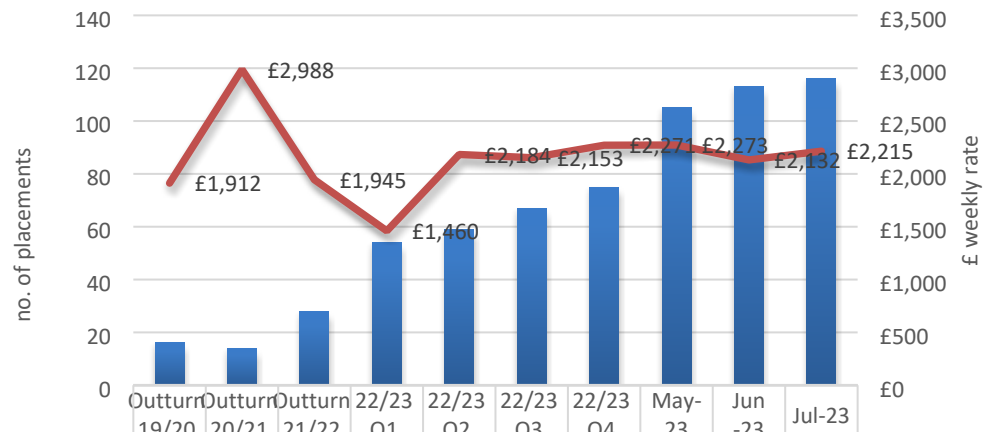
Table 1

Children & Education Directorate			
Division (Service Director Level)	Prior Year Outturn Variance £000's	Revised Budget £000's	Supplementary Estimate up to £000's
Children and Families Services	6,486	88,241	7,531
Education Improvement	636	21,762	3,990

2. Justification

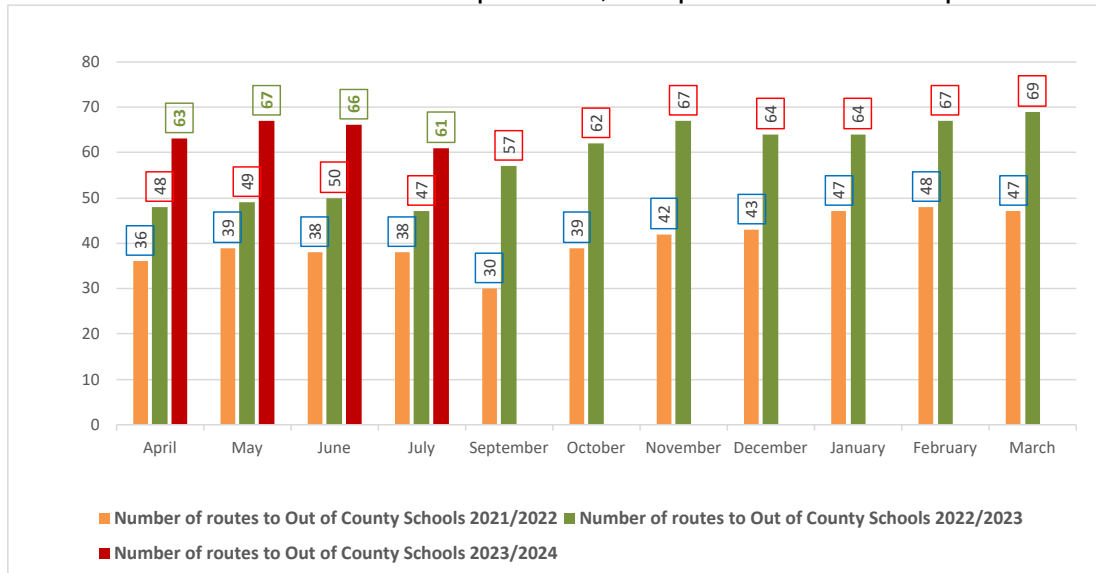
- 2.1. The Children & Education budgets have experienced significant cost pressures in Children and Family Services and Educational Improvement as follows:
- 2.2. There has been a significant increase in the number of ESA placements this year as represented in the chart below. This cost of ESA provision is estimated to be £12m this year, a 38% increase on last year.

External Supported Accommodation



External supported accommodation - average no. of placements	16	14	28	54	59	67	75	105	113	116
External supported accommodation - average net weekly cost	£1,912	£2,988	£1,945	£1,460	£2,184	£2,153	£2,271	£2,273	£2,132	£2,215

2.3. The Home to School Travel service saw a 50% increase in the number of routes to schools outside the local area in April 2023, compared to the same period last year.



3. In-Year Controls

3.1. Savings and recovery actions are being implemented across the Children & Education 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
£111.5m Revenue	Earmarked Reserve: Recovery mitigations held in abeyance
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

- 5.1. Lack of local sufficiency in provision is pushing an increasing number of children with EHCPs and other social care placements to provision further away from the city resulting in increasing need for transport out of the city and reliance on independent provision at a higher cost.
- 5.2. Further planning around local provision and better linking with the ECHP process, together with the ongoing work on the transformation programme, including changes to the travel policy and offering should help manage these pressures in the future.
- 5.3. 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.

6. Previously Approved Supplementary Estimates

- 6.1. None in 2023/24

7. Supplementary Estimate - Sign Off

The following people have signed off this Supplementary Estimate	Evidence of Sign-off (email/121)	Date
Director - Reena Bhogal-Welsh	Email	20/09/2023
Director – Fiona Tudge	Email	21/09/2023
Cabinet Member – Asher Craig	Email	26/09/2023
Section 151 Officer – Denise Murray		