

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P03	£620.3m	£656.3m	£36.0m overspend

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
42.9	6.9								
▼↓	▲↑								

Position by Division

Period 3 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Q1/P2 Revised budget to Forecast variance	P3 to Q1/P2 movement in revised budget to Forecast variance	P3 YTD Revised Budget to Forecast variance	% Revised Budget vs Forecast Variance
	£'000	£'000	£'000	£'000	£'000	£'000	%

Children and Young People							
15 - Children and Families Services	98,735	101,635	124,985	18,700	4,650	23,350	23.0%
16 - Educational Improvement	26,400	26,916	28,778	0	1,863	1,863	6.9%
1B - Transformation – Our Families Programme	0	0	0	0	0	0	0.0%
Total Dedicated Schools Grant	491,736	491,736	502,536	24,182	(13,382)	10,800	2.2%
Total Children and Young People	616,872	620,287	656,299	42,882	(6,869)	36,013	5.8%

Key Messages:

Excluding the ring-fenced Dedicated Schools Grant (DSG), Children and Young People directorate is forecasting an adverse variance of £25.2 million at Period 3, on a revised budget of £128.6 million. This represents a forecast overspend of 19.6%.

Children and Families Services

The Children and Families Services Division are reporting the total forecast overspend of £23.4 million at Period 3. This is against a budget of £101.6 million, representing a forecast overspend of 23.0%.

The forecast overspend is primarily due to escalating pressures of increasing volumes and associated high costs for children and young people requiring external social care placements. This is a national trend across the country, for example the Institute for Government¹ identified the following:

£11.1 billion - the amount spent by local authorities on children's social care in 2021/22, up 41.6% since 2009/10.

66.2% - the real-terms spending increase on children's residential care between 2015/16 and 2021/22.

650,270 - the number of referrals to children's social care in 2021/22, up 8.8% since 2020/21 and up 1.1% since 2019/20.

82,170 - the number of children in care in 2021/22, up 27% since 2009/10.

17.1% - of children starting an episode of care were unaccompanied asylum-seeking children.^[1]

Similarly the Association of Directors of Children's Services showed that nationally:

184% increase in child protection enquiries between 2008 and 2022

74% increase in children on child protection plans in the same period

35% increase in children in care²

A continued reduction in the number of internal placements over recent years has been mirrored by a significant increase in higher cost residential placement numbers, as represented in Table 1 further below. In addition the number of children coming into care has risen again in line with similar authorities.

Table 1a: Overall growth in children in care

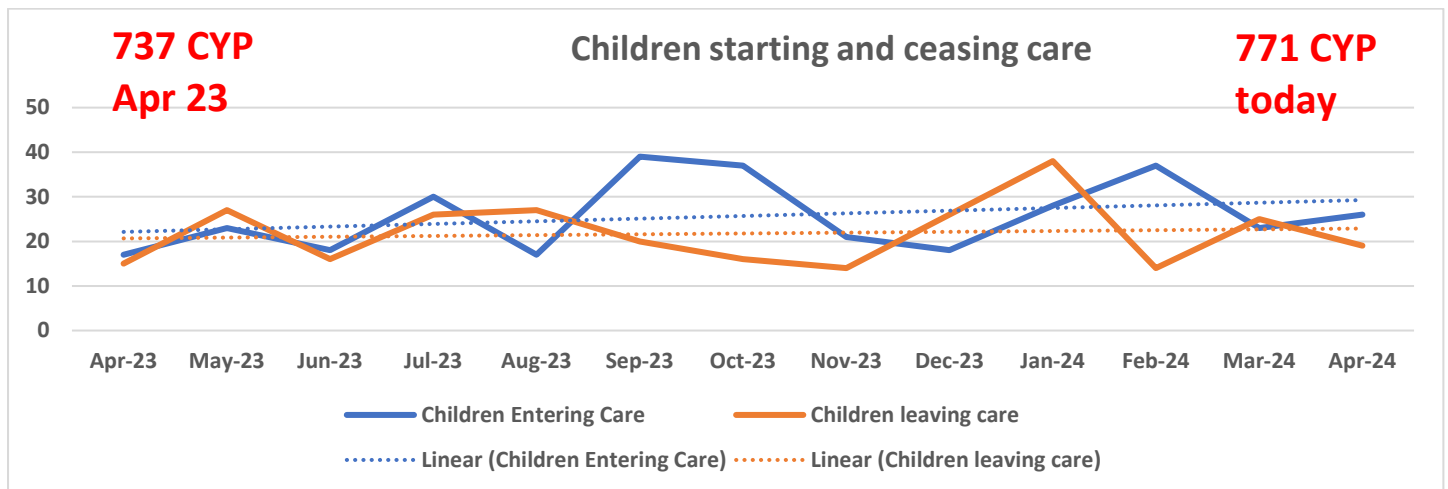
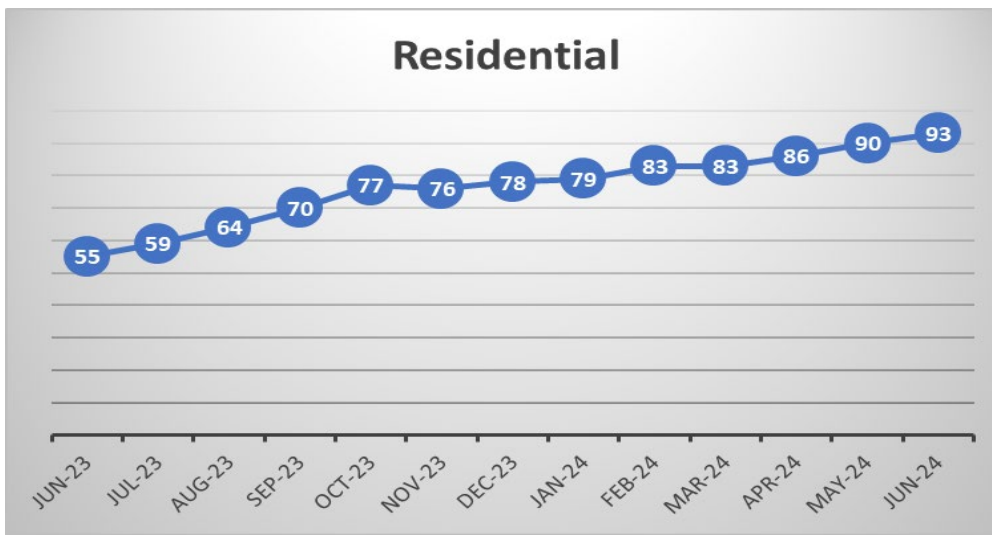


Table 1b: Growth in External Placements 2018 to Present

¹ <https://www.instituteforgovernment.org.uk/publication/performance-tracker-2023/childrens-social-care>

² [https://www.adcs.org.uk/wp-](https://www.adcs.org.uk/wp-content/uploads/2024/04/ADCS_Safeguarding_Pressures_Phase_8_Executive_Summary_FINAL_Dec_2022.pdf)

[content/uploads/2024/04/ADCS_Safeguarding_Pressures_Phase_8_Executive_Summary_FINAL_Dec_2022.pdf](https://www.adcs.org.uk/wp-content/uploads/2024/04/ADCS_Safeguarding_Pressures_Phase_8_Executive_Summary_FINAL_Dec_2022.pdf)



The service is focusing on ongoing efforts to increase the number of foster carers in Bristol but also the need to bring on more provision of children’s homes. This will mean increasing the supply of placements local to Bristol and the service is reviewing children in care in external residential placements to bring children closer to home or return them to fostering or permanency. In the longer term the service is restructuring to support families to remain together for as long as possible increasing the ‘family help’ service in line with the Stable Homes social care policy published in 2023.

The placement forecast includes the proposed reduction in external placements through Stepping Down, re-unification, and increased placements in internal children’s homes, where £4.2 million net savings have been included within the placements forecast. Any delay in delivering the proposed mitigations to the anticipated timescales will have an adverse effect on the placements forecast in future periods.

The Children’s and Families Services overspend also reflects a forecast pressure of £2.6 million being faced in the Asylum Seeker Immigration budget due to volumes of No Recourse to Public Funds (NRPF) families receiving financial support.

Education, Inclusion & Skills

The Educational Improvement Division is currently forecasting an adverse variance of £1.9 million at Period 3, against a budget of £26.9 million, representing a forecast overspend of 6.9%.

The forecast overspend is mainly due to Home to School Transport pressures for children and young people with Special Educational Needs and/or Disabilities (SEND) receiving transport to their education provisions. Options are being developed to manage spend including commissioning transport more efficiently and being sure we are delivering in line with our legal duties. Providing more specialist places within Bristol will also bring costs down.

The forecast overspend is also impacted due to anticipated difficulties in achieving income targets, together with pressures of agency staff costs impacting on several service areas.

Dedicated Schools Grant (DSG)

2024-25 gross allocation for DSG is £491.7 million as approved at Full Council in February 2024 (or net amount £220.1 million after deduction for academies recoupment, National Non-Domestic Rates (NNDR), and direct funding of high needs places by Education and Skills Funding Agency (ESFA)).

The DSG is forecasting an adverse in-year variance to planned budget of £10.8 million at Period 3, representing a forecast overspend of 2.2%.

The variance in forecast between Period 2 and Period 3 is due to the High Needs budgets of the DSG being updated in accordance with Department for Education (DfE) advice to reflect all planned expenditure above the DSG allocation due to the increasing deficit profile. It should be noted that, following a presentational revision, the forecast now includes the expected income from the Safety Valve Programme and budgeted Local Authority contributions agreed as part of the DSG deficit recovery requirements and reconciles to the statutory Section 251 budget tables submitted and validated by the DfE.

The main drivers for this forecast in-year overspend position continue to be the increasing numbers of children and young people with Education Health and Care Plans (EHCPs) and complexity of their Special Educational Needs and Disabilities (SEND), along with a lack of sufficiency of local provision.

Early Years is forecasting a net in-year overspend of just under £0.4 million, however this position includes a forecast pressure of £0.6 million resulting from demand for top up funding for children with SEND. Smaller underspends are forecast on central costs of £0.2 million.

Schools Block and the High Needs Transformation programme are forecasting an in-year balanced position.

Department for Education (DfE) Safety Valve Programme

Bristol City Council formally joined the DfE Safety Valve Programme (SVP) at the end of 2023/24 and entered into a Safety Valve Agreement (SVA) with the DfE. Following this, an initial payment of additional DSG of £21.5 million was received in March 2024 which was used to offset the deficit on the DSG at the end of 2023/24. The final DSG deficit carried forward into 2024/25 was £37.1 million.

The DfE Safety Valve Agreement includes a commitment to achieve certain levels of DSG deficit in each of the seven years 2023/24 to 2029/30. At 31 March 2024 the agreed level of deficit within the SVA was expected to be £56.1 million before any contributions from the DfE. However, the DSG ended 2023/24 in deficit by £58.6 million which is £2.5 million adrift of the intended position.

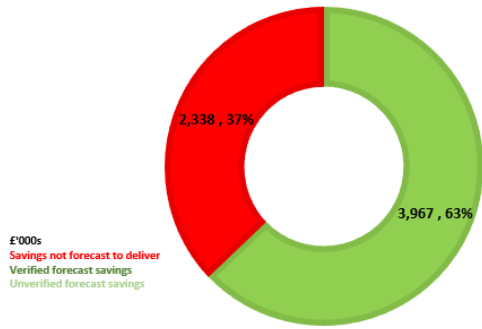
The P3 forecast for 2024/25 indicates an in-year overspend of £10.8 million which, when added to the deficit brought forward from the previous year of £37.1 million, forecasts the deficit at £47.9 million by the end of 2024/25. This is in excess of that projected at the time of the SVP application which anticipated the DSG being overspent by £38.1 million in 2024/25. Plans are in place to mitigate this position and the directorate are in discussion with the Department for Education ahead of their next Safety Valve return.

Savings Delivery

The directorate are on track to deliver 63% of their planned savings. The only saving which is non deliverable relates to the post 16 SEND funding policy changes which have not yet been approved or implemented.

Children's & Education P3 Forecast

FORECAST POSITION – VERIFIED, UNVERIFIED AND FORECAST UNDER-DELIVERY



Children's & Education					
BRAG	No. of Items	Plan £'000	Forecast £'000	Of Which Verified £'000	Variance £'000
Blue	1	200	200	-	-
Green	10	1,887	1,887	-	-
Amber	1	116	116	-	-
Red	4	4,102	1,764	-	(2,338)
Total	16	6,305	3,967	-	(2,338)

Commentary:

- Please note: the above reflects a requested change to the figures presented at P3. The changes reflected here are:
 - The HTST for 24/25 remains as RED but has been updated to reflect how this saving could be delivered if re-profiled in line when you would actually see the benefits come through from each intervention.
 - The restructure/early help Children centres savings have now been updated and show green.

Section B: Risks and Opportunities

Children & Families

All risks and opportunities are included within the forecast for Period 3 and referred to where applicable in the narrative above.

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£36.3m	£23.0m	£1.7m 7% of Budget	£23.0m 100% of Budget	£0.0m

Gross expenditure by Programme		Current Year (FY2024) - Period 3				Performance to budget	
Children & Education		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Ref	Scheme						

		£000's	£000's	£000's	£000's	%	%
CRF2	South Bristol Youth Zone	4,908	378	4,908	0	8%	100%
PE01	School Organisation/ Children's Services Capital Programme	5,370	569	5,370	0	11%	100%
PE02	Schools Organisation/SEN Investment Programme	6,028	727	6,028	0	12%	100%
PE03	Schools Devolved Capital Programme	787	0	787	0	0%	100%
PE05	Children & Families - Aids and Adaptations	111	0	111	0	0%	100%
PE06	Children Social Care Services	3,910	42	3,910	0	1%	100%
PE06A	Children Homes and Fostering Sufficiency - Invest to Save (ITS) investment	1,903	0	1,903	0	0%	100%
Total Children & Education		23,017	1,716	23,017	0	7%	100%

Key Messages:

A reprofiling of budgets within the Schools Organisation schemes has been carried out to reflect latest expected activity in year. Within the SEN Investment Programme, the carry forward of spend into future years represents the re-baselining of projects associated with delivering safety valve targets. Reasons for this include assessment of risks and issues due to working in historic buildings and some delays due to planning and statutory approvals. The overarching plan and timeframes for delivery are still on track. There is a small risk of slippages on the South Bristol Youth Zones and Children Social Care Services schemes. On the former, the access road construction requires completion before the development agreement can be signed and, on the latter, the additional fifth home for purchase has yet to be identified. All the schemes are expected to be delivered within budget.