

# Impact of COVID-19 on Children's Services Budget

Children & Families Scrutiny Committee  
09 September 2020



# 2020/21 Children's Services Budget Position at end of June (M3)



Main Services	Revised Base Budget (M1) £m	Full Year Budget (M3) £m	Full Year Projection (M3) £m	Month 3 Variance £m
Early Help	4.3	4.5	4.5	0.0
Fostering & Permanence	11.7	11.8	11.6	-0.2
External Placements	21.2	21.9	23.2	1.3
Fieldwork	8.3	8.3	7.9	-0.4
Disabilities	3.0	3.0	2.7	-0.3
Partnership, Audit & Quality	1.1	2.1	2.0	-0.1
Business Support	3.1	3.4	3.3	-0.1
CLA	4.3	4.3	3.7	-0.6
Leaving Care	1.9	1.9	1.7	-0.2
Central	1.4	1.3	1.3	0.0
Commissioning	8.0	8.3	8.4	0.1
Safeguarding	0.5	0.2	0.1	-0.1
Improving Outcomes & Sufficiency	0.6	0.6	0.6	0.0
Inclusion	2.6	1.0	1.1	0.1
Home to School Transport	9.2	9.2	9.2	0.0
SEND Transport	4.8	4.8	4.8	0.0
West Somerset Opportunity Area	0.3	0.3	0.3	0.0
COVID-19	0.0	0.0	3.1	3.1
<b>Total</b>	<b>86.5</b>	<b>86.9</b>	<b>89.5</b>	<b>2.7</b>

Estimated cost of £7.3m (see next slide)

Funding approved from Covid-19 Emergency Grant of £4.2m (at M3)

Unfunded cost of £3.1m

Note a further £3.0m of funding was approved in M4

Residual pressure of £0.2m



# Breakdown of Estimated COVID-19 Cost of £7.3m

Description	Cost	Funding Approved
	£m	£m
Support for Early Years settings to remain open to support key workers and vulnerable children	2.2	2.2
Children's Services - notional increase in placement and targeted/wrap around support costs to prevent family or placement breakdown, for highly vulnerable group of children as they return to school and referrals rise, coupled with likely increased provider costs	1.8	1.8
Home to School Transport - notional increase in route costs	1.1	1.1
Children's Social Care External Placements commissioned in advance to ensure sufficiency	0.8	0.8
Impact on achievement of transformation savings	0.8	0.8
Schools suspended redundancies	0.3	0.3
Additional Children's In House Fostering & Leaving Care allowances	0.1	0.1
Visual Impairment agency worker and PPE	0.0	0.0
Description	Loss of Income	Funding Approved
	£m	T £m
SEND Traded Services loss of income	0.1	0.0
Home to School Transport refund of paid seats	0.1	0.0
KS1 & KS2 moderation contract (Summer term) - loss of income from academies	0.0	0.0
<b>TOTAL Cost of COVID-19 to Children's Services</b>	<b>7.3</b>	<b>7.1</b>

Note £156k unfunded, pending guidance on the Local government income compensation scheme for lost sales, fees and charges

Key Funding approved M3

Funding approved M4

Improving  
LIVES

# Impact of COVID-19 on Service Transformation & MTFP Savings

There were £0.8m of MTFP savings to be achieved during 2020/21. None of these savings have been achieved to date and due to the COVID-19 response it is anticipated that all these savings are at risk. It has been agreed by SLT that these can be delayed for up to one year and funded from the COVID-19 grant.

<b>MTFP 2020/21 Transformation Savings</b>	<b>£'000</b>
Family Safeguarding	30
Increase the number of inhouse foster carers	185
Reduce the cost of off contract residential placements in line with on contract	236
Bring 10 residential placements back into Somerset	67
Education Travel Plans	330
<b>Total</b>	<b>847</b>



# Impact of COVID-19 on Future Years

Work on the Medium Term Financial Plan (MTFP) 2021/22 to 2025/26 is currently underway

Work continues within the commissioning team to ensure weekly placements costs remain at the pre Covid-19 level; however, this has potential to change as providers seek additional remuneration.

The service is also working with Peopletoo to begin to measure the impact of the pandemic on lagged and future demand which will further inform financial projections.

