

Appendix B – Quarter 2 Children, Families & Education Services

Children & Family Services

Lead Member for Children, Families & Education: Cllr Heather Shearer

Executive Director: Claire Winter

Service Directors:

- Children and Families: Jayne Shelbourn-Barrow
- Commissioning and Performance: Richard Selwyn
- Education: Amelia Walker

Table 2: 2024/25 Children & Family Services as at the end of September 2024 (Quarter 2)

- 2024/25 net budget £142.827m, forecasting an overspend of £8.755m, an increase in overspend of £1.243m from Month 5.
- 2023/24 net budget £127.1m, outturn overspend £12.3m

2024/25 Children, Families & Education Services as at the end of September 2024 (Month 6)

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 6 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 5 £m
Children & Families										
Prevention Services	7.404	(1.223)	6.181	6.124	(0.057)	Underspend	Green	-	-	-
Fostering and Permanence	13.528	(0.052)	13.476	13.001	(0.475)	Underspend	Green	-	-	0.039
External Placements	60.049	(14.133)	45.916	60.383	14.467	Overspend	Red	14.467	-	4.083
Fieldwork East	4.978	-	4.978	4.563	(0.415)	Underspend	Green	-	-	(0.256)
Fieldwork West	5.753	-	5.753	4.746	(1.007)	Underspend	Green	-	-	(0.896)
Disabilities	8.036	(0.333)	7.703	7.179	(0.524)	Underspend	Green	-	-	(0.118)
Partnership, Audit & Quality	3.206	(0.315)	2.891	2.884	(0.007)	Underspend	Green	-	-	-
CLA East	2.879	-	2.879	2.831	(0.048)	Underspend	Green	-	-	0.044
CLA West	2.135	-	2.135	2.329	0.194	Overspend	Red	-	0.194	(0.068)
Leaving Care	2.886	(0.417)	2.469	2.548	0.079	Overspend	Amber	-	0.079	(0.036)
CSC Management	4.222	(0.097)	4.125	1.828	(2.297)	Underspend	Green	-	-	-
sub total	115.076	(16.570)	98.506	108.416	9.910	Overspend	Red	14.467	0.273	2.792
Commissioning & Performance										
C&P Commissioning	10.385	(7.410)	2.975	2.900	(0.075)	Underspend	Green	-	-	(0.179)
Performance and Transformation	3.423	0.026	3.449	3.022	(0.427)	Underspend	Green	-	-	(0.023)
Business Support	5.298	(0.137)	5.161	5.136	(0.025)	Underspend	Green	-	-	0.064
sub total	19.106	(7.521)	11.585	11.058	(0.527)	Underspend	Green	-	-	(0.138)
Education										
Special Educational Needs and Disabilities	4.980	(2.006)	2.974	3.178	0.204	Overspend	Red	0.340	-	(0.335)
Vulnerable Learners	5.479	(5.353)	0.126	0.169	0.043	Overspend	Red	-	0.043	(0.054)
Educational Psychology	3.068	(1.150)	1.918	1.919	0.001	Overspend	Amber	-	0.001	0.001
Inclusion Transformation and Partnerships	13.735	(0.354)	13.381	12.883	(0.498)	Underspend	Green	-	-	(0.498)
Inclusion Strategic Management	1.653	(1.750)	(0.097)	0.616	0.713	Underachievement	Red	-	0.713	0.137
Education Leadership	1.488	(1.617)	(0.129)	(0.304)	(0.175)	Overachievement	Green	-	-	(0.017)
Education Operations	4.824	(5.371)	(0.547)	(0.653)	(0.106)	Overachievement	Green	-	-	(0.009)
Curriculum and Literacy	3.825	(3.935)	(0.110)	(0.017)	0.093	Underachievement	Red	-	0.093	0.090
Education Places	15.858	(2.227)	13.631	12.593	(1.038)	Underspend	Green	-	-	(0.536)
EPS Management	4.374	(3.114)	1.260	1.687	0.427	Overspend	Red	-	0.427	0.102
sub total	59.284	(26.877)	32.407	32.071	(0.336)	Underspend	Green	0.340	1.277	(1.119)
Children Services										
Children, Families & Education Team	0.330	(0.001)	0.329	0.037	(0.292)	Underspend	Green	-	-	(0.292)
sub total	0.330	(0.001)	0.329	0.037	(0.292)	Underspend	Green	-	-	(0.292)
Children, Families & Education Services Total	193.796	(50.969)	142.827	151.582	8.755	Overspend	Red	14.807	1.550	1.243

Children & Family Services - key explanations, actions, and mitigating controls

Children and Families

Finance Oversight Board update

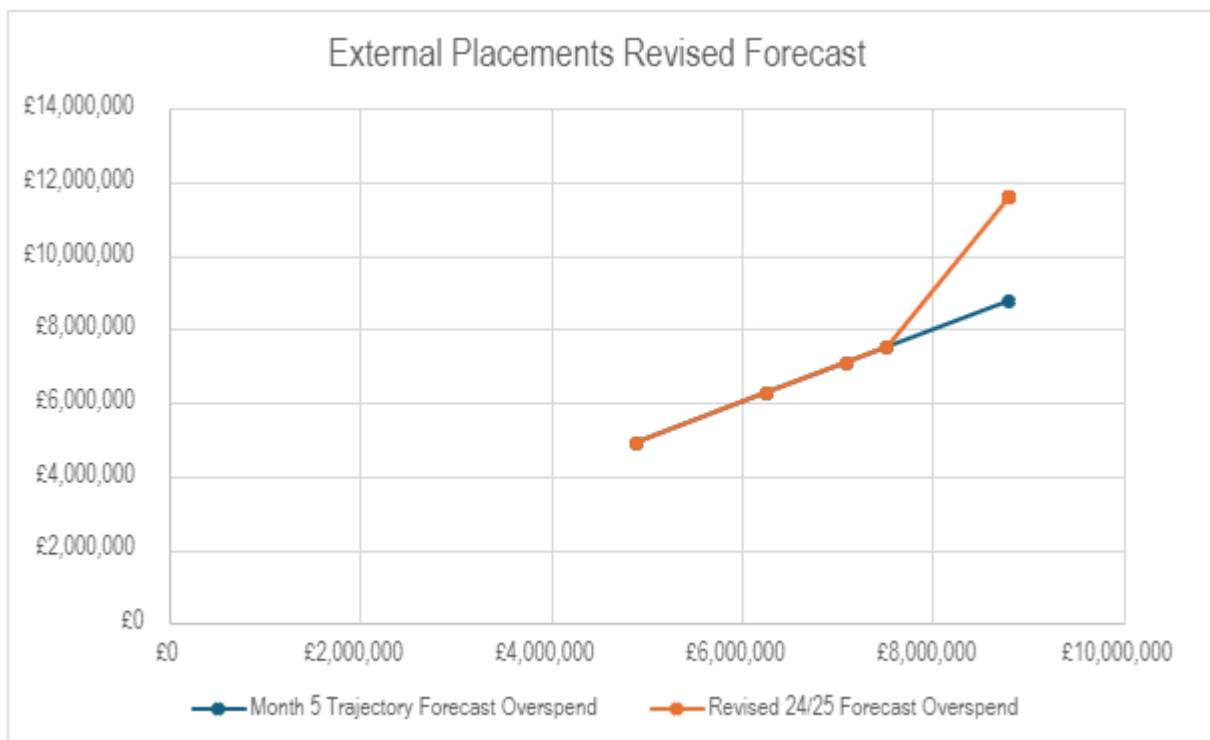
The Children's Services Finance Budget Recovery Oversight Board meets on a 6-weekly basis (to move to monthly). The board members include Senior Management from both Finance and Children's Services, and Cllr Shearer as Lead Member for Children's Services. The board is chaired by the Section 151 Officer.

The purpose of the board is to highlight and discuss current Childrens Service significant financial issues and high-risk areas, in particular where there are overspends or risk of overspends. Also, MTFP savings which are 'at risk' or 'unachievable'. Where there are overspends or unachievable savings, mitigations are required to balance the allocated budget.

There are significant budget forecast overspends forecast at present, particularly in external placements. At this stage there are insufficient service mitigations to enable the Children's Services budget to balance by the end of this financial year.

External Placements

The table below provides a revised forecast overspend on external placements based on the current trajectory compared to the month 5 forecast overspend.



The external placements budget has a forecast overspend of £14.467m which is partly offset by the £2.854m external placements inflation fund held in Children's Social Care (CSC) Management resulting in a net pressure of £11.613m. This is an increase of £4.084m from Month 5. The forecast includes an assumption of additional placements in the future months that are not currently being provided for. Action to prevent this forecast demand will need to be taken otherwise the forecast outturn will become the actual outturn.

This pressure is predominately due to there being a current lack of foster carers. Where children would be placed with foster carers, there is now an increased possibility of them being placed in external residential placements, purely from a

financial perspective there is a considerable increase in cost. This is reflected in the year end forecast within external placements.

If further mitigations are put in place, then the current forecast overspend could reduce.

Projected savings from a commissioned contract for supported accommodation for young people aged 16 plus (Thrive 16 plus) are in part currently at risk due to insufficiency of social housing for young people to move on to and high costs in the private rental sector.

Fieldwork

The fieldwork east and west budgets have an overall underspend of £1.422m. In emergencies and when ordered to do so by the court, the service has provided 24/7 supervision of families in their own home. This is an expensive and usually externalised service. However, much of this service has been provided in-house during 24/25 and the majority now only court ordered therefore resulting in a significant decrease in costs.

Fostering and Permanence

The fostering and permanence budget has an overall underspend of £0.475m. This underspend decreased significantly during month 5 particularly in relation to kinship care allowances where family members are supported financially to offer both short- and longer-term care for children who are looked after by the local authority. Whilst financial modelling accounted for some lag in fostering sufficiency, the increase in numbers of children coming into care also impacts negatively against the external placements budget.

Children's Commissioning

Underspends across this service of £0.527m relate to vacancy savings and contract costs being less than anticipated.

Mitigations

The following mitigations to the Children's overspend have been discussed at the most recent Children's Strategic Transformation Board. The service is currently working on putting financial projections around the mitigations.

In Year Mitigation Proposed	Quarter 2 £m	Comments
To be mitigated	9.910	
In house Foster Care – increase number of children in in house fostering	TBC	Commitment to promoting fostering Somerset children at every opportunity Engage with local business to offer carers support and recognition, to build retention. Develop emergency support for foster homes where children and carers are struggling, to enable children to stay in their home
Independent Foster Care Agencies (IFA) - Increase placements	TBC	Director of Childrens Services led meeting with Independent Foster Care Agencies Chief Exec Officers December 2024, to develop shared approach to innovatively meeting need, to increase availability of Somerset IFA homes for children. Develop consortia approach to emergency support for foster homes where children and carers are struggling, to enable children to stay in their home.
Increase number of children able to leave the care system to return to family care prior to 18	TBC	Service Training Programme on good reunification practice. Prioritise resources for children where a plan of reunification is viable.
Commissioning activity to reduce costs of care	TBC	Work with providers to develop high quality, low-cost residential care for children where fostering is the most appropriate option but not currently available with planned transition to foster care.
Mitigations Identified	-	Financial amounts to be quantified by Month 7
Mitigations still to be found	9.910	To be reduced by Month 7

Education and Home to Schools Transport for Mainstream and SEN

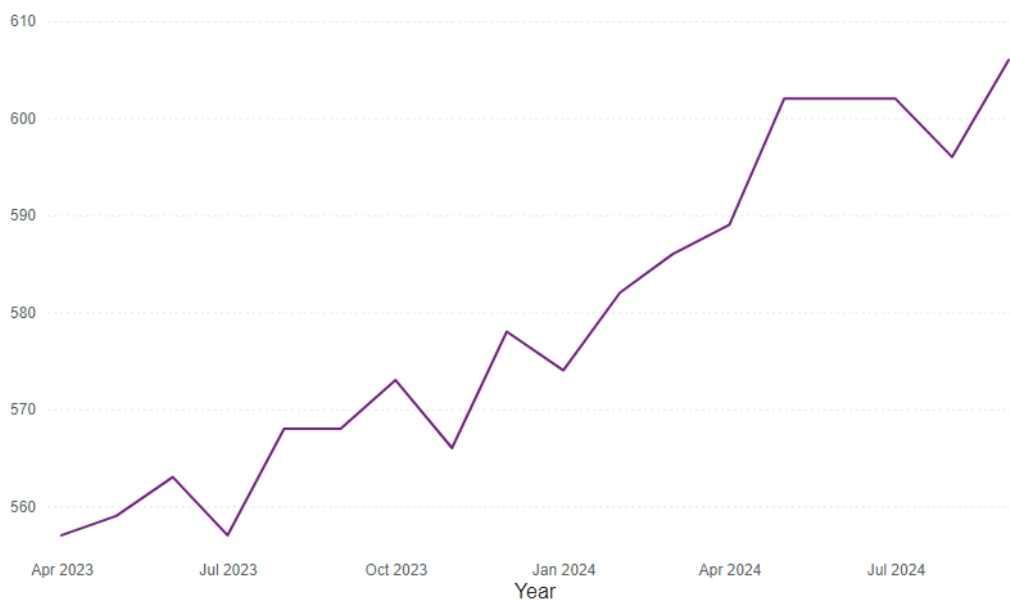
There is an overall forecast underspend of £0.336m, an increase of £1.119m from Month 5. The increase is largely relating to additional forecast underspends within both Home to School and SEND transport services of £1.023m from Month 5. This is

due to work undertaken by the Local Authority transport teams to retender contracts using an innovative procurement pilot, reconfigure routes, utilise centralised pick-up points, negotiate additional PTPs, increase the number of providers of home to school transport all of which has resulted in reductions in the average cost per child.

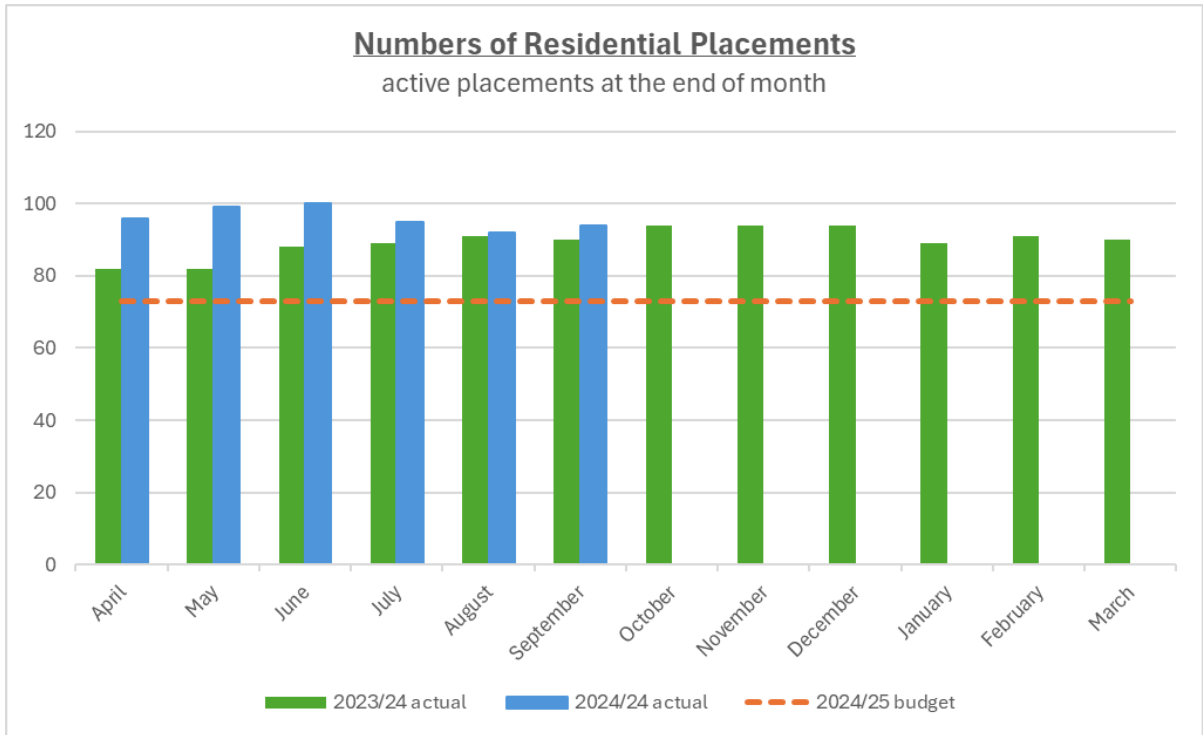
There is an ongoing pressure in SEND due to increasing costs from mediation and Local Government Ombudsman fines within SEND services. Where fault has resulted in a loss of educational provision, the Ombudsman usually recommend a remedy payment of between £900 to £2,400 per term to acknowledge the impact of that loss. There is an ongoing pressure of £0.340m in relation to these costs.

Children’s Services - key performance cost drivers

CLA Total by Month



In the last 12 months up to September 2024, there has been an increase of 38 children looked after (CLA) with the more recent numbers coming into care moving into high-cost residential placements, excluding Homes and Horizons, at the end of each month during 2024/25. The budgeted number of residential placements for 2024/25 is 73.



The increase in unregistered placements from January 2024 has now started to level off and decline with active number of placements at the end of September 2024 being 4. The budgeted number of unregistered placements for 2024/25 is 1.

