

Appendix B – Month 7 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

Children’s Financial Recovery Board update

The Children’s Financial Recovery 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 identify and track the mitigating actions to resolve any forecast overspends. Also, to identify substitute savings for any MTFP savings which are ‘at risk’ or ‘unachievable’. This is to help the Service balance their budget at outturn.

There are significant budget forecast overspends 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 (see mitigating actions that need financial amounts to be allocated).

Chart 1: Budget versus forecast outturn graph

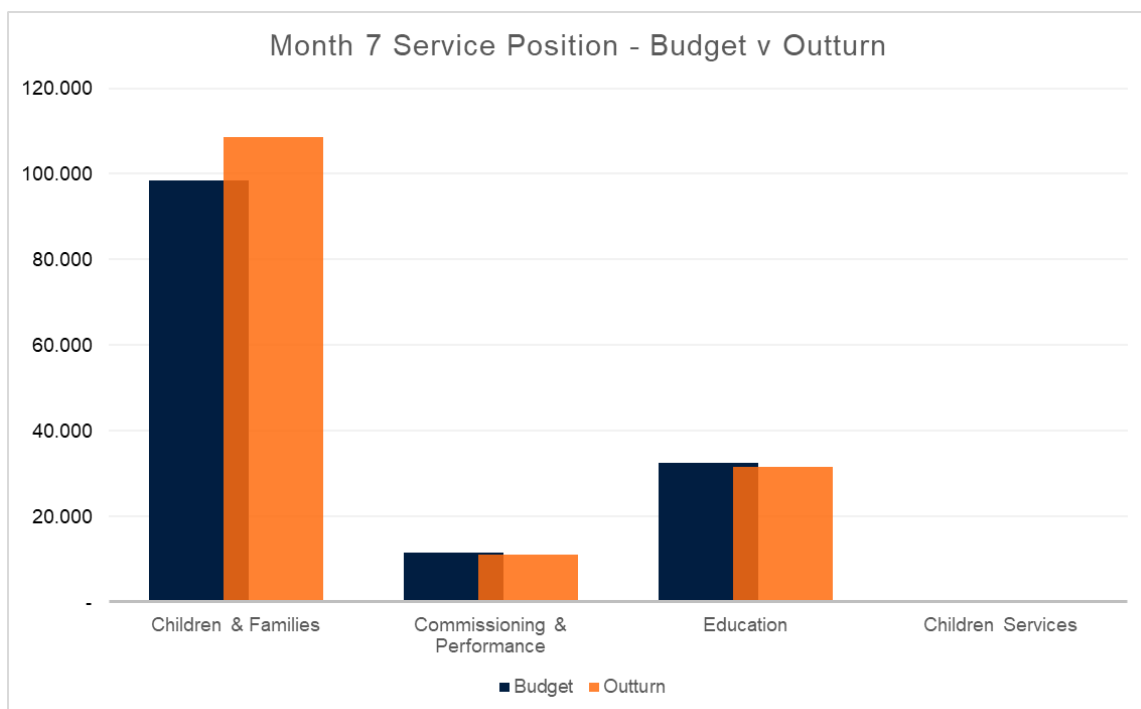


Table 1: 2024/25 Children & Family Services as at the end of October 2024 (Month 7)

- 2024/25 net budget £142.827m, forecasting an overspend of £8.380m, a decrease of £0.375m from Quarter 2.
- 2023/24 net budget £127.1m, outturn overspend £12.3m

2024/25 Children, Families & Education Services as at the end of October 2024 (Month 7)

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 7 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 6 £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	13.103	(0.373)	Underspend	Green	-	-	0.102
External Placements	60.049	(14.133)	45.916	60.617	14.701	Overspend	Red	14.701	-	0.234
Fieldwork East	4.978	-	4.978	4.551	(0.427)	Underspend	Green	-	-	(0.012)
Fieldwork West	5.753	-	5.753	4.798	(0.955)	Underspend	Green	-	-	0.052
Disabilities	8.036	(0.333)	7.703	7.203	(0.500)	Underspend	Green	-	-	0.024
Partnership, Audit & Quality	3.206	(0.315)	2.891	2.885	(0.006)	Underspend	Green	-	-	0.001
CLA East	2.879	-	2.879	2.816	(0.063)	Underspend	Green	-	-	(0.015)
CLA West	2.135	-	2.135	2.303	0.168	Overspend	Red	-	0.168	(0.026)
Leaving Care	2.886	(0.417)	2.469	2.498	0.029	Overspend	Amber	-	0.029	(0.050)
CSC Management	4.222	(0.097)	4.125	1.723	(2.402)	Underspend	Green	-	-	(0.105)
sub total	115.076	(16.570)	98.506	108.621	10.115	Overspend	Red	14.701	0.197	0.205
Commissioning & Performance										
C&P Commissioning	10.385	(7.410)	2.975	2.870	(0.105)	Underspend	Green	-	-	(0.030)
Performance and Transformation	3.423	0.026	3.449	3.022	(0.427)	Underspend	Green	-	-	-
Business Support	5.298	(0.137)	5.161	5.062	(0.099)	Underspend	Green	-	-	(0.074)
sub total	19.106	(7.521)	11.585	10.954	(0.631)	Underspend	Green	-	-	(0.104)
Education										
Special Educational Needs and Disabilities	4.980	(2.006)	2.974	3.155	0.181	Overspend	Red	0.181	-	(0.023)
Vulnerable Learners	5.479	(5.353)	0.126	0.028	(0.098)	Underspend	Green	-	-	(0.141)
Educational Psychology	3.068	(1.150)	1.918	1.916	(0.002)	Underspend	Green	-	-	(0.003)
Inclusion Transformation and Partnerships	13.735	(0.354)	13.381	12.529	(0.852)	Underspend	Green	-	-	(0.354)
Inclusion Strategic Management	1.653	(1.750)	(0.097)	0.648	0.745	Underachievement	Red	-	0.745	0.032
Education Leadership	1.488	(1.617)	(0.129)	(0.306)	(0.177)	Overachievement	Green	-	-	(0.002)
Education Operations	4.824	(5.371)	(0.547)	(0.685)	(0.138)	Overachievement	Green	-	-	(0.032)
Curriculum and Literacy	3.555	(3.665)	(0.110)	(0.013)	0.097	Underachievement	Red	-	0.097	0.004
Education Places	15.858	(2.227)	13.631	12.623	(1.008)	Underspend	Green	-	-	0.030
EPS Management	4.374	(3.114)	1.260	1.653	0.393	Overspend	Red	-	0.393	(0.034)
sub total	59.014	(26.607)	32.407	31.548	(0.859)	Underspend	Green	0.181	1.235	(0.523)
Children Services										
Children, Families & Education Team	0.330	(0.001)	0.329	0.084	(0.245)	Underspend	Green	-	-	0.047
sub total	0.330	(0.001)	0.329	0.084	(0.245)	Underspend	Green	-	-	0.047
Children, Families & Education Services Total	193.526	(50.699)	142.827	151.207	8.380	Overspend	Red	14.882	1.432	(0.375)

Children & Family Services - key explanations of variances

External Placements

The external placements budget is forecasting an overspend of £14.701m which is partly offset by the £2.854m external placements inflation fund held in Children's Social Care (CSC) Management resulting in a net overspend of £11.846m. This is an increase of £0.234m from Quarter 2. The forecast includes an assumption of additional placements in the future months that are not currently being provided for and includes an additional placement for both secure and unregistered built into the Month 7 forecast. Action to prevent this forecast demand will need to be taken otherwise the forecast outturn will become the actual outturn.

This overspend 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, which means

children would not have the family care that they need and purely from a financial perspective there is a considerable increase in cost. This is reflected in the year end forecast within external placements.

Further mitigations need to be identified and implemented so the current forecast overspend is reduced to a balance outturn position.

The 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. A savings substitution will need to be identified to mitigate this.

Fieldwork

The fieldwork east and west budgets have a forecast underspend of £1.382m. 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. Difficulty in recruiting social workers has also reduced staffing costs temporarily in this area.

Fostering and Permanence

The fostering and permanence budget has a forecast underspend of £0.373m. This is a decrease of £0.102m from Quarter 2. This is due to special guardianship 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. Some adoption allowances have also been extended due to individual circumstances.

Children's Commissioning

This service is forecasting an underspend of £0.631m, an increase of £0.104m from Quarter 2. This relates to holding staffing vacancies and contract costs being less than anticipated.

Education and Home to Schools Transport for Mainstream and SEN

There is a forecast underspend of £0.859m, an increase of £0.523m from Quarter 2. This relates to additional forecast underspends within SEND transport services of £0.354m from Quarter 2. This is due to continuing 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 a forecast overspend of £0.334m in SEND due to increasing costs from mediation of £0.129m and Local Government Ombudsman fines within SEND services of £0.205m. 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.

Children and Family Service - actions and mitigations

The following mitigations have been identified for the Children's Directorate forecast overspend of £8.380m. The Directorate needs to identify the financial amounts associated with each mitigating action by Month 8. Progress on implementation of the mitigating actions to also be included in the Month 8 report.

Table 2: Service management actions included in the forecast outturn

Service Management Actions	Quarter 2 £m	Month 7 £m	Movement £m	Comments
None	-	-	-	
Total Management Actions	-	-	-	

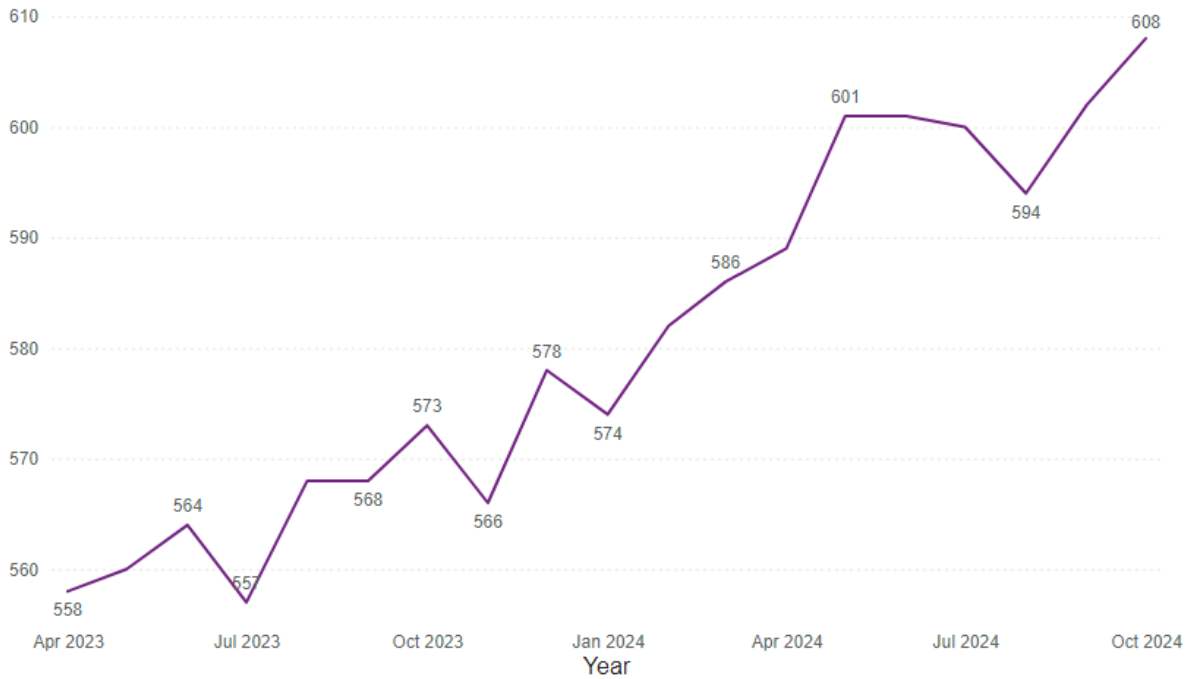
Table 3: Mitigating Actions Identified not yet included in the forecast outturn

In-Year Mitigation Proposed	Quarter 2 £m	Month 7 £m	Movement £m	One-Off Mitigation £m	Ongoing Mitigation £m	Comments
To be Mitigated	9.910	10.115	0.205			Overspend in Children & Families
In-house Foster Care - increase number of children in in-house fostering	TBC	(0.100)	(0.100)	-	(0.100)	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 Mitigation is based on moving 1 child into an in-house foster placement from residential

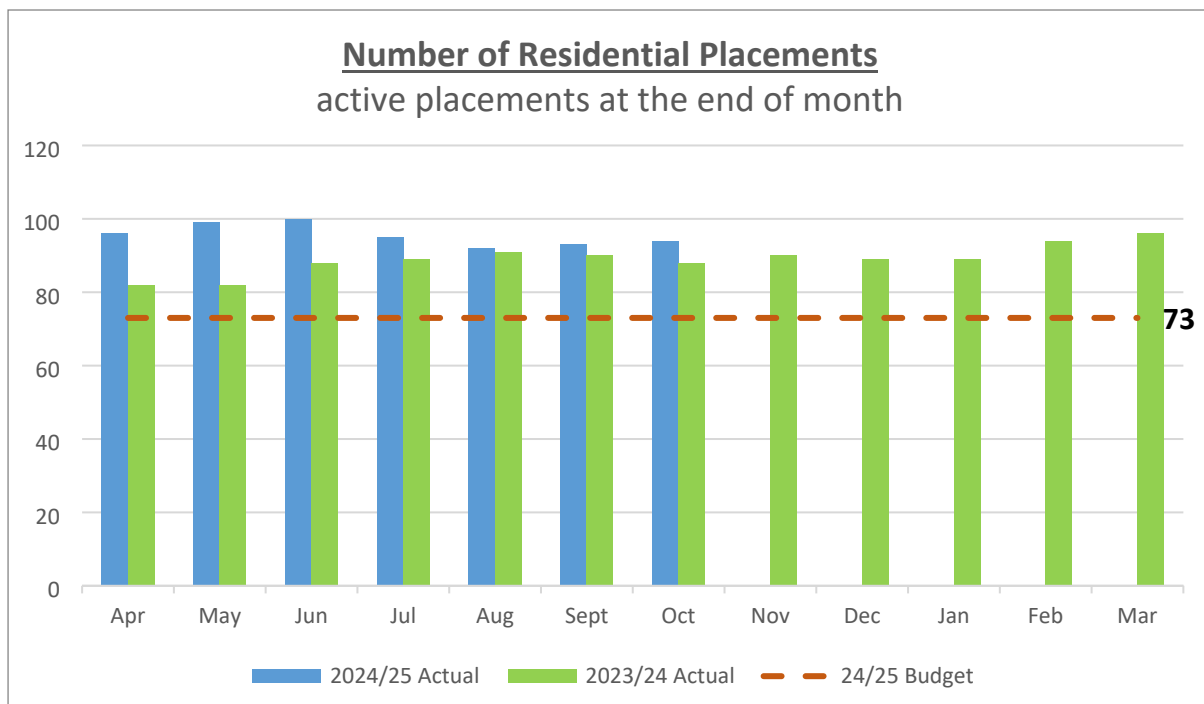
In-Year Mitigation Proposed	Quarter 2 £m	Month 7 £m	Movement £m	One-Off Mitigation £m	Ongoing Mitigation £m	Comments
Independent Foster Care Agencies (IFA) - Increase placements	TBC	TBC	TBC	TBC	TBC	Director of Childrens Services led meeting with Independent Foster Care Agencies Chief Exec Officers December 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	TBC	TBC	TBC	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	-	-	-	-	-	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.
Homes & Horizons - Increase occupancy rates - NEW	-	(0.235)	(0.235)	-	(0.235)	Increase Homes and Horizons occupancy rate. Currently 11 but next home due to open and matching process for other homes in progress
Housing benefit claims for UASC - NEW	-	(0.043)	(0.043)	-	(0.043)	Re-working of Housing Benefit for UASC
Total Mitigations Identified to be Actioned	-	(0.378)	(0.378)	-	(0.378)	Financial amounts to be quantified for all mitigations by Month 8
Still to be Mitigated	9.910	9.737	(0.173)			To be reduced to a balanced position by Month 8

Children's Services - key performance cost drivers

CLA Total by Month



In the last 12 months to October 2024, there has been an increase of 35 children looked after (CLA) with the more recent numbers coming into care moving into high-cost residential placements. The graph below shows the trend in the number of active 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.



Although the increase in unregistered placements from January 2024 has now started to level off, there has been an increase in active number of placements from Quarter 2 with 6 placements at the end of October 2024. The budgeted number of unregistered placements for 2024/25 is 1.

