

Budget Monitoring Position – November 2016

Children & Young People

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	21,538	21,538	21,538	21,538	21,538	21,401	21,448	21,436	21,436	21,436	21,436	21,436
Forecast (£'000)	21,935	21,935	21,935	21,903	21,742	21,545	21,549	21,867	21,867	21,867	21,867	21,867
Variance (£'000)	397	397	397	365	204	144	101	431	431	431	431	431

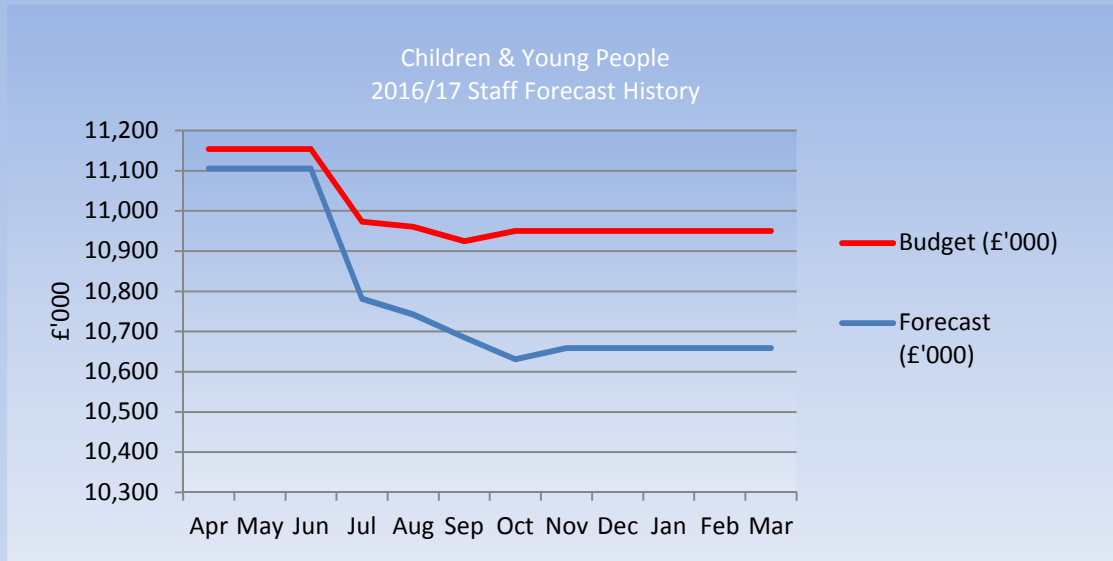
Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	11,154	11,154	11,154	10,973	10,960	10,924	10,950	10,950	10,950	10,950	10,950	10,950
Forecast (£'000)	11,105	11,105	11,105	10,781	10,742	10,685	10,631	10,659	10,659	10,659	10,659	10,659
Variance (£'000)	-49	-49	-49	-192	-218	-240	-319	-291	-291	-291	-291	-291

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	417	417	417	417	417	417	417	417	417			
Forecast Savings (£'000)	429	419	254	243	262	441	424	424	531			
Variance (£'000)	-12	-2	163	174	155	-24	-7	-7	-114			
FIP Reconciliation period		MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC			

Budget Monitoring Position – November 2016

Children & Young People



AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Out of Area Residential	1,593	2,526	933	R	Demand Led budget which has increased by £276k compared to last months forecast due to 3 new unexpected placements that have had to be made due to exceptional circumstances
Leaving Care	639	756	117	R	There is significant pressure on this budget as a result of new legislation to support care leavers up to the age of 25. There is a pressure identified in the 17-18 MTRP

Budget Monitoring Position – November 2016

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Out of Area Residential			426	606	595	619	658	934				
Independent Fostering Agencies			100	182	135	44	15	46				
In-House Fostering			-139	-212	-216	-174	-175	-212				
Kinship			-91	-115	-103	-106	-126	-124				
C & F Staffing			-49	-192	-218	-240	-319	-291				
Leaving Care			131	131	122	91	111	117				
Other (Homeless, Legal fees, DP's and Gwent Safeguarding, equipment and foster panel budgets)			19	-35	-111	-90	-63	-39				
Variance (£'000)	0	0	397	365	204	144	101	431	0	0	0	0

Movement since last month

Current & Emerging Risks / Opportunities

(Including non delivery of MTRP savings)



Independent Fostering Agencies – This is now only forecasting a £46k overspend due to a sustainable underspend on in-house fostering budgets being moved here to permanently mitigate the unachieved MTRP saving of £200k.



Out of Authority Residential - The forecast has increased significantly since last month due to 3 new placements being made. These have been made in very exceptional circumstances and could not have been predicted as a normal trend.



In House Fostering – This budget is still underspending significantly however over the next few years there is an anticipated increase in costs due to the age categories of current cases. Management made the decision to transfer the underspend from this area over to Independent Fostering Agencies to offset the unachieved MTRP saving of £200k. Based on spend over the last three years, this is sustainable.



Kinship – This budget has received investment in 16/17 for an anticipated pressure however current SGO's will not cost as much as anticipated in this financial year resulting in an underspend.



Leaving Care/When I'm Ready – Despite a pressure being received to support placements up to the age of 25, it is still projecting an overspend in this financial year. The overspend however, has decreased since last month.

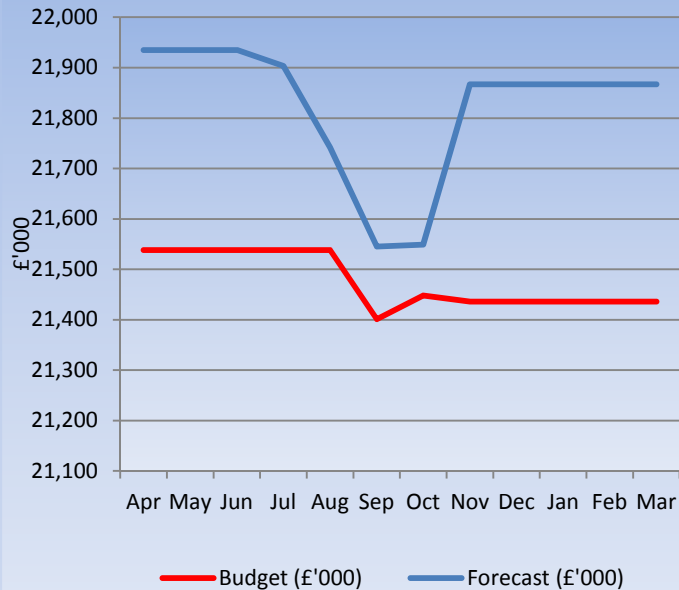


Staffing - There are significant underspends on staffing which are not anticipated to be ongoing next financial year as many posts will be permanently deleted.

Budget Monitoring Position – November 2016

Children & Young People

Children & Young People
2016/17 Forecast History



Head of Service Commentary

Key Budget Variances

- **Leaving Care** The current cohort of children requiring leaving care packages requires complex arrangements including particular issues linked to the risk of CSE, violence and offending. Work with homelessness and the RSL's along with supporting people is ongoing to address the need of young people leaving care, leaving custody and presenting as homeless.
- **Kinship** In 2014/15 and 2015/16 across England and Wales there was an increase in the number of Kinship Care placements. This trend was mirrored within NCC. This currently appears as if it has flattened out slightly. In part this is potentially a result of a slight shift in behaviours in the court arena. It is too early to assume this is the case.
- **Out of Area Residential** This budget is used for a very small group of children with complex needs. Whilst some of this group are in long term care and we are able to forecast costs for the year, this month saw some very particular challenges. Work is ongoing with all Out of Authority placements to mitigate and source more local and less costly options, including improving in house provision.

Non Delivery of MTRP Savings

- **IFA & In House Fostering** It is agreed the original £200k saving against the IFA budget is unachievable. A sustainable saving of £90k on in house fostering budgets was therefore transferred to mitigate the undelivered saving.
- In September, the Fostering team will be focussing on a recruitment drive for carers of older young people and UASC. The reduction in in house fostering is jointly because of a breakdown in teenage placements and a reduction in numbers of baby placements as a result on lower numbers entering care.

BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

74.67

Budget Monitoring Position – November 2016

Children & Young People

Head of Service Commentary

Head of Service comments/ summary:

The increase in OOA residential placements arose because of very particular difficulties which could not have been anticipated. The issues in respect of placements for teenagers is being played out across Wales with a dearth of suitable carers for teenagers who demonstrate risky behaviours. The work in Forest Lodge is showing early promise but it will take some months to work through in terms of providing placements for further young people.

Strategic Director Commentary

Strategic Director comments:

There has been a disappointing £330k increase in the Children's Services overspend this month and this a direct result of the need to place two children in out of authority residential placements and another child in an independent fostering placement.

The Out of Authority residential budget is nearly £1m overspent and with only £400k set aside as an increase in the OOA residential base budget for 2017/18 there is now a likelihood of further overspending in this budget area next year. This will need to be managed within the overall Children's Services budget

The trend is however quite stable given that the average number of children in OOA residential placements used to be around 12 in the years up to October 2014 but thereafter the average has been steady at around 16 children. This is likely to be somewhat related to changes in practice as a result of the national concerns about child sexual exploitation and the pressure from a challenging judicial context.

The changes in budget predictions over this year mostly relate to delays in children leaving OOA placements at the hoped for point. We continue to do all we can to keep the number of children in OOA placements to a minimum but the placement decisions have been required in order to safeguard very vulnerable children