

Blackpool Council – Children’s Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2015/16 (UNDER)/OVER SPEND B/FWD £000
	2016/17					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JULY £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
CHILDREN'S SERVICES						
NET EXPENDITURE						
LOCAL SCHOOLS BUDGET - ISB	20,792	6,893	13,899	20,792	-	-
LOCAL SCHOOLS BUDGET - NON DELEGATED	447	-	460	460	13	-
LIFELONG LEARNING & SCHOOLS	21,983	7,823	14,478	22,301	318	-
EARLY HELP FOR CHILDREN AND FAMILIES	297	23	225	248	(49)	-
CHILDREN'S SOCIAL CARE	116	39	77	116	-	-
BUSINESS SUPPORT AND RESOURCES	368	121	247	368	-	-
DEDICATED SCHOOL GRANT	(44,811)	(16,117)	(28,694)	(44,811)	-	-
CARRY FORWARD OF DSG	(192)	-	(474)	(474)	(282)	-
TOTAL DSG FUNDED SERVICES	(1,000)	(1,218)	218	(1,000)	-	-
CHILDRENS SERVICES DEPRECIATION	3,399	-	3,399	3,399	-	-
LIFELONG LEARNING & SCHOOLS	3,768	(437)	4,242	3,805	37	-
EARLY HELP FOR CHILDREN AND FAMILIES	3,780	(824)	4,474	3,650	(130)	-
CHILDREN'S SOCIAL CARE	25,413	7,360	21,173	28,533	3,120	-
CHILDRENS SAFEGUARDING	1,414	263	1,162	1,425	11	-
BUSINESS SUPPORT AND RESOURCES	1,861	310	1,551	1,861	-	-
LOCAL SERVICES SUPPORT GRANT	-	(6)	(13)	(19)	(19)	-
EDUCATION SERVICES GRANT	(874)	(198)	(590)	(788)	86	-
TOTAL COUNCIL FUNDED SERVICES	38,761	6,468	35,398	41,866	3,105	-
TOTAL CHILDREN'S SERVICES	37,761	5,250	35,616	40,866	3,105	-

Commentary on the key issues:

Directorate Summary – basis

- The Revenue summary (above) lists the latest outturn projection for each individual service within the Children’s Services Directorate against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 4 months of 2016/17 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Dedicated Schools Grant Funded Services

- The Dedicated Schools Grant (DSG) is the funding stream that supports the Schools Budget, which includes amounts that are devolved through the Individual School Budget (ISB), together with centrally-retained pupil-related services as listed in the revenue summary. Any under or overspends against services funded by the DSG will be carried forward to 2017/18 and, in the case of overspends, become the first call on the grant in that year.

Early Help for Children and Families

- The Early Help division is forecasting a £130k underspend due to staff vacancies and a saving on the Domestic Abuse contract.

Children's Social Care

- Several commissioning reviews are ongoing and progress has been made against the challenging £1.222m 2016/17 PLB savings target that was applied to the Children's Social Care division. There is a forecast shortfall of £675k due to the ongoing implementation of the review recommendations.
- Additional in-year service pressures, as described below, relating to placements, legal costs and other minor savings amount to £2.445m giving a total forecast overspend for the division of £3.120m.
- The number of Looked After Children (LAC) in Blackpool has increased by over 10% in the last year. This reflects national trends, with the Children and Family Court Advisory and Support Service (Cafcass) reporting a 16% increase in care applications between July 2015 and July 2016. At a local level, significant and unusual anti-social behaviour patterns have emerged in the town in recent months which has ultimately led to the commencement of 6 new residential placements between June and July, each of which represents a complex case where extensive therapeutic support is required. It is assumed that these placements, or placements that are equivalent in cost, will continue until the end of the financial year, and the total impact of these on the forecast overspend has been £824k.
- The Deputy Director of Children's Services has carried out an audit of all new admissions into care between April and June 2016 which confirmed that all the children were brought into the system appropriately. Only one of these new placements was due to a family moving into the Blackpool area.
- Average placement costs have continued to increase, and this is partly due to a shortage of quality providers which is being seen nationally as highlighted in Martin Narey's recent government-commissioned report, Residential Care in England. This creates significant commissioning challenges in terms of negotiating weekly placement rates that offer value for money.
- A breakdown of the budgeted, current and projected placements is shown in the table below:

IFA budgeted numbers (fte)		65.0
IFA current (headcount)		77.0
IFA projected numbers (fte)		74.3
Increased numbers pressure	£	480,365
Increased placement rate pressure	£	28,850
Independent Fostering Agency Over Spend	£	509,215
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Resi budgeted numbers (fte)		20.0
Resi current numbers (headcount)		34.0
Resi projected numbers (fte)		29.2
Increased numbers pressure	£	1,503,445
Increased placement rate pressure	£	266,700
Residential Over Spend	£	1,770,145
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Total Placement Over Spend	£	<u>2,279,360</u>

- In addition to placement pressures, there is a forecast overspend of £186k on the legal and court fees budget. Despite the fact that Blackpool invests more in advocacy services, and have consequently seen less of a spike in care proceedings, than our neighbouring authorities, such cases are continuing to rise, increasing from 107 in 2015/16 to a projected figure of 138 for 2016/17.
- A number of solutions to try and mitigate the above pressures are being explored and implemented. Expressions of interest for three innovation bids were submitted to the Department for Education (DfE) in July, which propose new ways of working in partnership with neighbouring authorities as well as local providers and partners to support children with complex and therapeutic needs. Work is also taking place in-house to redesign and strengthen services, including the creation of the Vulnerable Adolescent Hub which will offer a single point of contact for young people, and the conversion of one of our children's homes into an adolescent support unit, or 'crash-pad', which will both support young people on the edge of care and provide short-term crisis care. In addition, now that the division's internal reviews are nearing completion, there will be a refocus of the children's commissioning team on the local provider market, in an attempt to drive down placement costs.

Education Services Grant

- From April 2013, the education functions provided by local authorities have been funded from the Education Services Grant (ESG). The Council receives £77 per pupil in relation to the pupils in schools maintained by the authority plus £15 for each pupil in all schools and academies in respect of responsibilities retained for every pupil within our boundary. A shortfall in grant of £86k is included in the forecast overspend, relating to the anticipated loss of funding due to in-year academy conversions.

Summary of the Children's Services financial position

As at the end of July 2016 the Children's Services Directorate is forecasting an overspend of £3.105m for the financial year to March 2017.

Budget Holder – Mrs D Curtis, Director of People (Statutory Director of Children's Services)

Children's Social Care Trends

Date	External Placements						Total			Internal Fostering			Total LAC Numbers
	Fostering			Residential			FTE	£000's	£ per placement	FTE	£000's	£ per placement	No.
	FTE	£000's	£ per placement	FTE	£000's	£ per placement							
Dec-08	8.67	411	47,453	27.50	2,624	95,423	36.17	3,035	83,926	no data	no data	no data	285
Mar-09	8.77	403	45,979	28.07	2,772	98,747	36.84	3,175	86,186	208.91	2,510	12,015	323
Jul-09	12.10	466	38,549	40.85	4,290	105,007	52.96	4,757	89,820	no data	no data	no data	334
Mar-10	13.35	513	38,445	39.02	4,295	110,083	52.37	4,809	91,824	263.88	2,889	10,946	374
Jun-10	20.43	765	37,428	34.20	3,473	101,534	54.63	4,237	77,563	304.83	3,357	11,012	382
Mar-11	22.69	860	37,912	36.73	3,536	96,272	59.42	4,396	73,983	303.23	3,329	10,977	395
Jun-11	29.54	1,108	37,508	33.62	3,430	102,023	63.16	4,538	71,849	303.23	3,329	10,977	395
Sep-11	30.35	1,129	37,191	33.90	3,457	101,982	64.25	4,586	71,376	316.95	3,527	11,128	412
Dec-11	31.91	1,184	37,118	35.16	3,580	101,808	67.07	4,764	71,031	312.85	3,496	11,175	416
Mar-12	32.68	1,223	37,424	34.27	3,488	101,780	66.95	4,711	70,366	315.07	3,507	11,131	434
Jun-12	49.27	1,816	36,858	36.47	3,710	101,727	85.07	5,526	64,958	296.18	3,480	11,750	439
Sep-12	53.37	1,903	35,657	36.70	4,264	116,185	90.07	6,167	68,469	290.42	3,345	11,518	452
Dec-12	55.80	1,987	35,611	38.08	4,498	118,121	93.88	6,485	69,080	290.55	3,372	11,606	487
Mar-13	57.36	2,028	35,355	38.89	4,645	119,447	96.25	6,673	69,330	291.27	3,377	11,594	488
Jun-13	71.93	2,604	36,202	30.01	3,349	111,596	101.94	5,953	58,400	298.00	3,542	11,887	492
Sep-13	70.51	2,515	35,667	29.05	3,240	111,523	99.56	5,754	57,801	293.58	3,496	11,908	472
Dec-13	68.22	2,494	36,560	29.02	3,398	117,073	97.24	5,892	60,592	292.11	3,455	11,828	459
Mar-14	72.82	2,480	34,058	29.76	3,525	118,473	102.57	6,005	58,547	295.49	3,474	11,757	443
Jun-14	70.35	2,527	35,928	24.74	2,537	102,561	95.09	5,065	53,265	266.65	3,422	12,833	457
Sep-14	69.41	2,614	37,655	23.09	2,799	121,210	92.50	5,412	58,513	258.39	3,248	12,570	462
Dec-14	68.73	2,664	38,760	23.09	2,870	124,281	91.83	5,534	60,268	265.56	3,313	12,474	459
Mar-15	71.13	2,856	40,155	23.23	2,993	128,868	94.36	5,850	61,992	262.93	3,253	12,374	463
Jun-15	71.30	2,896	40,625	22.02	3,254	147,777	93.32	6,150	65,909	250.74	3,144	12,541	440
Sep-15	71.48	2,862	40,040	26.39	3,772	142,934	97.87	6,634	67,785	251.13	3,151	12,549	450
Dec-15	71.41	2,945	41,243	26.60	3,862	145,196	98.00	6,807	69,455	250.66	3,115	12,428	442
Mar-16	72.39	3,056	42,215	27.09	3,958	146,120	99.48	7,014	70,512	250.97	3,125	12,453	462
Apr-16	66.32	2,755	41,538	23.65	3,385	143,162	89.96	6,140	68,250	250.28	3,173	12,678	482
May-16	68.95	2,824	40,952	24.73	3,779	152,852	93.67	6,603	70,489	258.99	3,251	12,553	493
Jun-16	73.79	3,110	42,145	25.62	4,025	157,136	99.41	7,135	71,778	256.45	3,239	12,630	493
Jul-16	74.25	3,161	42,566	30.56	4,993	163,368	104.82	8,154	77,788	257.41	3,240	12,587	494

Note:
The variance between the current total number of Looked After Children (494) and the total internal fostering and external placement numbers (374) is children with care orders, adoption placements etc. They are still classed as LAC but do not incur any commissioned costs.



