

# **North Somerset Council**

## **REPORT TO THE CHILDREN AND YOUNG PEOPLE'S SERVICES POLICY AND SCRUTINY PANEL**

**DATE OF MEETING: 18 JUNE MARCH 2020**

**SUBJECT OF REPORT: MONTH 12 CHILDREN'S SERVICES BUDGET MONITOR**

**TOWN OR PARISH: ALL**

**OFFICER/MEMBER PRESENTING: FINANCE BUSINESS PARTNER (PEOPLE AND COMMUNITIES)**

**KEY DECISION: NO**

### **RECOMMENDATIONS**

- i. That the Panel notes the 2019/20 final spend against budget for children's services and the risks and opportunities associated with the medium-term position.

### **1. SUMMARY OF REPORT**

- 1.1 This report summarises and discusses the 2019/20 spend against budget for children's services, highlighting key variances, movements and contextual information. It provides further details on the month 12 report that is due to be presented to the Executive on 24 June 2020.
- 1.2 The report also makes reference to the principles and outcomes associated with the setting of the 2020/21 budget.

### **2. POLICY**

- 2.1 The Council's budget monitoring is an integral feature of its overall financial processes, ensuring that resources are planned, aligned and managed effectively to achieve successful delivery of its aims and objectives. Revenue and capital budgets are set within the context of the council's medium term financial planning process, which supports the Corporate Plan.

### 3. DETAILS

#### Overall position

- 3.1 The overall year end position for Children's Services after use of earmarked reserves is net expenditure of £30.983m compared to a budgeted amount of £28.946m, giving a projected overspend of **£1.999m** (6.9%). This position represents a worsening when compared with the month 11 position reported to the Executive of £1.550m.
- 3.2 Some significant growth was applied to the Children's Services budgets in 2019/20. This had partly closed the gap between the budget and the demand for placements for looked after children, however, growth in numbers and costs began to materialise from month 8 onwards, such that the overspend in this area has now reached £1.2m, although it is worth noting that around £400k of this relates to invoices paid in 2019/20 that were in relation to 2018/19 placements and so are not ongoing costs. In addition, historic cost pressures are continuing in other areas such as adoption fees, children's centres and early years nursery provision, legal costs, support to families with disabled children and education related services.
- 3.3 The main areas of overspend are as follows and the key items are discussed in more detail in the following paragraphs. It is worth noting that much of the overspend relates to pressures that are either unavoidable or very difficult to control. Some mitigation has been achieved by controlling expenditure on staffing. It is also important to note that these pressures have been taken into account as part of the 2020/21 budget setting process and this is discussed more in paragraph 3.28.

	<b>P12 Variance £k</b>	<b>Change from P11 £k</b>
<b>Placements for looked after children</b>	<b>1,243</b>	<b>554</b>
Legal Costs (children looked after)	304	-8
Adoption Inter Agency Fees	287	-62
Children's Centres and Early Years Provision	148	-42
Prior Year Unidentified MTFP Savings	100	0
Somerset Education Services Contract	74	1
<b>Music Service (Traded Deficit)</b>	<b>71</b>	<b>71</b>
Disabled Children's Services	70	4
<b>Additional use of earmarked reserves and grants</b>	<b>-299</b>	<b>-133</b>
Other	1	64
<b>Total</b>	<b>1,999</b>	<b>449</b>

## **Placements - £1,243k Adverse**

3.4 Net budget growth of £1,105k was provided in 2019/20, and the overspend on placements of £1,243k represents an increase in spend from the previous year of around £1,352k (14%) as can be seen below, although, as mentioned above, almost £400k of this is not an ongoing call on resources as it relates to 2018/19 placements. The spend needs to be seen in the context of the overall increase in the number of looked after children shown in Appendix 3, which shows an increase from around 225-230 in the autumn of 2018 to an average of over 240 during 2019/20

	<b>2018/19</b>	<b>2019/20</b>	<b>Change</b>
Budget	8,561,090	9,666,089	1,104,999
Spend	9,557,254	10,909,074	1,351,820
Variance	996,164	1,242,985	246,821

- 3.5 The main area of overspend is in relation to residential placements, where, despite a reduction in numbers since 2018/19, we still had one more placement than the budget allowed for and the average unit cost of each placement rose significantly, which is likely to reflect the complexity of the remaining cases. There has also been an increase in both the volume and unit costs of Supported Living placements, which are used as an alternative for residential placements for older children. It is also worthy of note that there are currently no secure accommodation placements.
- 3.6 The Children's Transformation Programme is designed to address some of these issues. In 2019/20, the priorities for savings were the Step-Down project, which is designed to move appropriate children who are currently in residential care back into family settings, and a reduction in staffing costs. Evaluation of the Step Down project so far indicates that this has achieved savings of around £613k for the 2019/20 financial year, which is in excess of the £500k target. The majority (£504k) of the savings relate to 3 residential step-downs, 2 early transitions to independence and 1 IFA reunification. The project has a target to identify savings of £200,000 for 2020/21.
- 3.7 The Edge of Care Social Impact Bond (SIB) also continues to address some of this financial pressure by mitigating future increases in costs. Analysis indicates that the number of children aged 10 and over coming into care under Section 20 of the Children Act 1989 in 2019/20 has reduced by 17% when compared with 2016/17.
- 3.8 In addition, the proposed commissioning, in 2020/21, of a new Housing with Support contract for young people aged 16-25 may provide more cost effective and appropriate alternative placement solutions for older children approaching their transition from care, as well as care leavers and other young people
- 3.9 A detailed analysis of the activity and unit costs in relation to children's placements is shown at Appendix 2.

## **Adoption Inter Agency Fees - £289k Adverse**

3.10 The interagency fee is a nationally agreed mechanism for covering the costs incurred in the preparation, approval and matching of prospective adopters, and the support provided during the first 12 months of a placement. This includes placements made by other local authorities, regional adoption agencies and voluntary adoption agencies.

As shown in the table below, the budget has overspent year on year.

Type	Provider Type	2016/17			2017/18			2018/19			2019/20		
		Budget £	Actual £	Variance £	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £
Expenditure	Adoption West Local Authority		86,173			124,480		128,000				64,667	
	Other Local Authority		110,500			15,750		43,000				97,000	
	Voluntary Adoption Agency		244,600			86,237		157,628				94,525	
<b>Expenditure Total</b>		<b>95,528</b>	<b>441,273</b>	<b>345,745</b>	<b>74,259</b>	<b>226,467</b>	<b>152,208</b>	<b>92,525</b>	<b>328,628</b>	<b>236,103</b>	<b>92,525</b>	<b>256,192</b>	<b>163,667</b>
Income	Adoption West Local Authority		(49,500)			(88,834)		(80,317)				(5,333)	
	Other Local Authority		(181,400)			(72,100)		(36,000)				(41,333)	
	Voluntary Adoption Agency		(45,000)										
	DfE Grant		(179,667)										
<b>Income Total</b>		<b>(166,733)</b>	<b>(455,567)</b>	<b>(288,834)</b>	<b>(167,525)</b>	<b>(160,934)</b>	<b>6,591</b>	<b>(167,525)</b>	<b>(116,317)</b>	<b>51,208</b>	<b>(169,615)</b>	<b>(46,666)</b>	<b>122,949</b>
<b>Grand Total</b>		<b>(71,205)</b>	<b>(14,294)</b>	<b>56,911</b>	<b>(93,266)</b>	<b>65,533</b>	<b>158,799</b>	<b>(75,000)</b>	<b>212,311</b>	<b>287,311</b>	<b>(77,090)</b>	<b>209,526</b>	<b>286,616</b>

Change from prior year  
% 179% 81% (695) 0%

3.11 The newly formed regional adoption agency Adoption West has been operational since March 2019 and as can be seen in the breakdown in the table below, almost a third of the costs are due to legacy activity pre-Adoption West.

Spend Type	Provider Type	Pre-Adoption West Activity	Adoption West Activity	Grand Total
Expenditure	Adoption West Local Authority	64,667	0	64,667
	Other Local Authority	79,000	18,000	97,000
	Voluntary Adoption Agency	6,805	87,720	94,525
<b>Expenditure Total</b>		<b>150,472</b>	<b>105,720</b>	<b>256,192</b>
Income	Adoption West Local Authority	-5,333		-5,333
	Other Local Authority	-41,333		-41,333
<b>Income Total</b>		<b>-46,666</b>	<b>0</b>	<b>-46,666</b>
<b>Net</b>		<b>103,806</b>	<b>105,720</b>	<b>209,526</b>

3.12 The increase in net spend over the years is explained by the following key three factors:-

- The ending of DfE funding for hard to place children
- An increase in VAA charges in 2018/19 (from £27k to £31k for one child and from £43k to £50k for two children). A further 2% increase has been applied from 1<sup>st</sup> April 2019.
- A net increase in the number of adoption placements made outside North Somerset or through a VAA and a reduction in the number of North Somerset adopters.

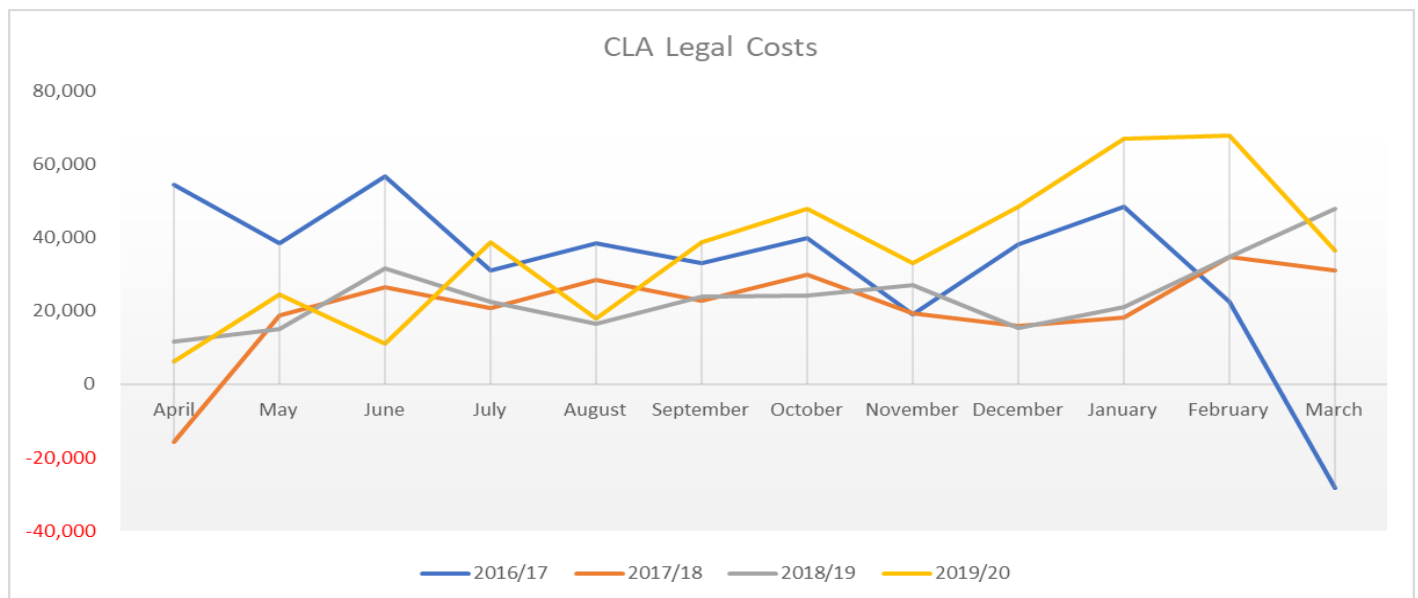
3.13 Part of this could be explained by the fact that NSC's legacy position at the commencement of the adoption agency was least favourable compared to the other authorities at the commencement of Adoption West. Specifically, in terms of the number of children needing placements (18) and the length of time they had been waiting vs the number of approved NSC adopters (6). Also, there are not enough adopters overall to meet the demand for placements within Adoption West with a ratio of 1:3 as at November (similar to the national position).

3.14 Although no income has been received this year (for NSC adopters placed with children under the responsibility of local authorities outside Adoption West), as at March 2020, 8 NSC adopters had placements with children from local authorities within Adoption west and 4 of which are sibling placements.

- 3.15 The inter-agency budgets were earmarked to transfer to Adoption West from April 2020. However, due to the significant financial risk associated with the budgets they will now remain with the individual local authorities during 2020/21. This will allow for a full year's trading information from Adoption West to be available and enable a more robust review of the activity and costs to inform the future decision around the budgets transferring.
- 3.16 Whilst these costs are increasing, it is worth noting that placing a child for adoption, is much more cost effective than keeping a child in foster or residential care, as well as providing an enduring family relationship and better outcomes for those children. As a result, the increasing costs in this area are offset by reduced costs elsewhere in the budget.

### **Legal Costs - £304k Adverse**

- 3.17 This relates to unavoidable prevention and support legal costs for looked after children (such as court fees, police disclosure fees, medical reports and parenting assessments). As shown in the chart below, costs fluctuate month to month and overall costs have been much higher in 19/20 compared to prior years, particularly during the last quarter.



- 3.18 The increase is mainly due to the following:

- Court fees have increased due to the increased number of court cases which have been issued so far this year.
- The most significant spend has been on Barristers' court attendance mainly due to a vacancy in the legal team, which means more cases are being outsourced to external barristers. Plans are in place to fill the vacancy gap.
- Due to lack of internal resources, Children's Social Care are outsourcing the majority of parenting and kinship assessments to agency social workers.
- A change in case law means that the local authority is now responsible for paying the legal costs of kinship carers in special guardianship applications.

## Children's Centres and Early Years Provision - £148k Adverse

3.19 A breakdown of the financial position highlighting the key budgets is detailed below:

Function	Budget £	Actual £	Variance £
LEA Early Years Nursery Provision	79,139	267,265	188,126
Children's Centres	1,479,785	1,525,051	45,266
Other Early Years and Management	485,914	400,576	-85,338
<b>Total</b>	<b>2,044,838</b>	<b>2,192,893</b>	<b>148,055</b>

3.20 The adverse position is primarily driven by a shortfall in projected Nursery income. The table below provides an overview of the income position over the last few years and is discussed in the paragraphs below.

	CBZ101 - Early Birds			CBZ031 - Ashcombe			CID216 - Little Waves			Grand Total		
	Budget £	Income £	Variance £	Budget £	Income £	Variance £	Budget £	Income £	Variance £	Budget £	Income £	Variance £
2019/20	(715,919)	(540,393)	175,526	(274,380)	(234,277)	40,103	(127,671)	(87,822)	39,849	(1,117,970)	(862,492)	255,478
2018/19	(536,809)	(466,142)	70,667	(273,720)	(222,783)	50,937	(123,831)	(111,991)	11,840	(934,360)	(800,916)	133,444
2017/18	(498,781)	(502,115)	(3,334)	(272,370)	(239,292)	33,078	(124,370)	(97,457)	26,913	(895,521)	(838,864)	56,657
2016/17	(498,780)	(518,297)	(19,517)	(287,370)	(242,299)	45,071	(129,370)	(117,123)	12,247	(915,520)	(877,719)	37,801
2015/16	(467,263)	(502,038)	(34,775)	(305,929)	(250,337)	55,592	(205,200)	(129,607)	75,593	(978,392)	(881,982)	96,410

### 3.21 Ashcombe and Little Waves Nurseries

The majority of children in both of these nurseries are children in need and their nursery places subsidised. The shortfall in income is mainly due to Government funding for subsidised places (2 and 3 year olds, 15 hours FEE, 30 hours) being lower than private paying fees (£3.85 vs average £6.70) and historically the budgets have not been adjusted to align to this difference. In addition, the amount of top up funding received for SEND children needed for 1:1 support to enable them to access the curriculum does not always fully cover the cost for the 1:1 worker.

### 3.22 Early Birds Nursery

The income target includes £70k additional income as part of MTFP savings and based on the year end position the saving has not been achieved during 2019/20. This is mainly due to the nursery operating below expected occupancy levels for most of the year. The nursery was originally projecting to be operating at near full capacity by April-20, and at this level would have generated enough income to meet the income target. However, the current Covid-19 situation will impact the position adversely due to reduced income from private fees, and the estimated impact during March-20 is £12k.

3.23 Overall every effort has been made by the leadership team on an ongoing basis to be creative about how to keep expenditure as low as possible and income as high as possible. The following changes were implemented since September:

- 5% private fee increase from November.
- Additional charge for meals provided by the nursery of £6 per day from November.
- Fixed term bank staff have been recruited to reduce agency usage across all nurseries.

## MITIGATION

### Staffing - £505k Favourable

3.24 The main areas under spending are locality teams, nurseries, education services and management due to vacant posts.

It is worth noting that spend on agency staff in the last few years has reduced as follows, with the current estimated spend in 19/20 representing a 78% reduction when compared with 2016/17:

<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
£1,700,734	£1,158,238	£846,913	£377,532

## SAVINGS

3.25 Targeted savings in 2019/20 are largely centred around targeted reductions in children's placements, changes at Children's Centres and Nurseries and staffing reductions

### Placements

3.26 As described above, savings in placements costs are materialising to some degree together with significant cost avoidance, although the 2019/20 budget is not sufficient to meet growing demand. Initial analysis in relation to the SIB shows a significant reduction in the number of over 10s entering care under section 20. However, there has been an increase in the overall number of looked after children. The trend of numbers of looked after children is shown in Appendix 3.

### Other

3.27 Other savings are on track to be delivered, with the exception of further savings in relation to the cut to the Education Services Grant (ESG), which have yet to be identified given the need to continue to provide statutory education services beyond those that were historically funded by the ESG, and nursery income, which is referenced earlier in the report.

## MEDIUM TERM FINANCIAL PLANNING

3.28 The Council has now completed its financial planning and budget setting for 2020/21. One of the principles that continued was to close the gap between the budget and the projected spend, particularly in those areas where demand is most difficult to manage. The 2020/21 budget includes growth in the following areas. At this stage, it is anticipated that this budget growth will go some way to close the budget gap and provide a more robust position for 2020/21. However, risks remain, and the principal risks are listed below:

- Delivery of savings plans, particular in relation to the residential step down programme and generating additional contributions from the CCG in relation to children with complex needs
- The volatility associated with the numbers and costs of placements for children looked after, with numbers showing a sustained increase during 2019/20

- The increase in demand for Education, Health and Care Plan (EHCP) assessments and our ability to secure education psychology input into these assessments
- Our ability to recruit experienced social workers other than via agency
- The immediate and ongoing impact of the Covid-19 pandemic

<b>NORTH SOMERSET COUNCIL - BUDGET SETTING 2020/21</b>		
	P&C - Child £	Notes
<b>MTFP Growth Allocations;</b>		
- Pay award inflation and pension changes	237,000	
- Re-base children's services - Placements (Infl and Demand)	650,000	<i>CLA placements - £500k to cover current overspend and £150k for inflation</i>
- Re-base children's services - Various	925,000	<i>To cover current forecast overspend in areas other than CLA</i>
- Re-base children's services - EHCP's	320,000	<i>SEND - increase in demand for EHCPs</i>
- Improved benefits package to foster carers	70,000	<i>Reintroduction of birthday, holiday and festival allowances</i>
- Investment in early intervention and prevention	105,000	<i>Early Help and Parenting Courses</i>
- Ofsted transformation support	20,000	
<b>Sub total re Growth</b>	<b>2,327,000</b>	

## POTENTIAL IMPACTS OF COVID-19

3.29 The report to the June Executive will give some details of the estimated impact of Covid-19 on the Council's overall income and expenditure. However, it is worth saying at this stage, that the impact is likely to be significant, in terms of both additional pressures and expenditure, losses of income and inability to meet savings targets. Without additional government funding, serious mitigating action is likely to be required. In relation to Children's Services, the main areas of financial impact are currently thought to be as follows:

- Possibility that, once lockdown measures are eased, the number of children looked after may increase
- The need for additional social care activities when vulnerable children are unable to attend school
- Keeping children in care beyond the age of 18
- Reconfiguring of Children's Centres and Nurseries for social distancing
- Loss of income in the Music Service, Nurseries, Children's Centres and School Non-Attendance Penalty Notices

## EDUCATION – DEDICATED SCHOOLS GRANT (£3.847m projected cumulative deficit)

3.30 The Dedicated Schools Grant (DSG) is a ring-fenced grant, which must be used in support of the schools' budget. The majority of the funding is for academies and is paid direct to them by the DfE, using the formula agreed by the Strategic Schools Forum (SSF) for funding all schools in North Somerset, whether they be maintained or not.

3.31 The DSG is split into four blocks as follows and local authorities may only transfer limited amounts of funding from the schools block to other blocks (usually the High Needs Block) with approval from the SSF and the Secretary of State.



	<b>2019/20</b>
	<b>£</b>
Schools Block	122,518,633
High Needs Block	23,866,532
Early Years Block	11,295,856
Central Services Block	2,115,071
<b>TOTAL DSG</b>	<b>159,796,092</b>

3.32 At the end of the 2018/19 financial year there was a deficit of £2.376m, which was transferred into an earmarked reserve rather than impact on the council's general fund balance. The deficit relates entirely to spending on the "high needs block", which funds education for children and young people with Special Educational Needs and Disabilities (SEND) and reflects the 80% increase in the number of children with the Education, Health and Care Plans (EHCPs) from 2015 to 2019.

3.33 The table below shows the projected deficit balance to carry forward at year end.

#### **Dedicated Schools Grant Balance**

<b>Area</b>	<b>£000s</b>	<b>£000s</b>
<b>Brought Forward deficit</b>		<b>2,376</b>
<b>Deficit recovery from DSG</b>		<b>(500)</b>
<b>In-year variances:</b>		
- Top Up Funding	833	
- Out of Authority Placements	521	
- SEN Equipment, Therapies and Assessments	314	
- Special School Place Funding	277	
- Other Intensive Support for Vulnerable Learners	78	
- Speech and Language Support Assistants - Support Services Education contract (net costs of decommissioning service)	69	
- Schools Block underspend (transfer to high needs block)	(120)	
<b>Sum of in-year variances</b>		<b>1,972</b>
<b>Deficit to carry forward</b>		<b>3,847</b>

3.34 The two main areas of forecast overspend are out of area placements and top-up funding. Both arise from an increase in demand for special schools' placements and a lack of local supply. The spend on out of area placements increased by 23% this year, compared to last, with the average number of placements rising from 102 to 118 and the average unit cost increasing from £43,755 to £48,417.

3.35 The overspend on Top-up Funding relates partly to an unbudgeted increase in the number of children in maintained special schools and partly to top-up funding paid to out of area maintained special schools, where the rates are determined by the receiving local authority as opposed to North Somerset Council. It is worth noting that placements in maintained

special schools are largely more cost effective than placements in independent non-maintained special schools, so increasing place numbers here mitigates higher increases if placements were made out of area.

3.36 Although high needs spending and deficit recovery has been partially addressed as part of the 2019/20 budget setting process, where significant reductions were made to the Top-up funding values, mitigating actions will need to continue beyond 2019/20 as continued significant movement of funding from the schools' block to the high needs block is unlikely to be forthcoming. Short term measures include the implementation of the review of top-up funding; medium term measures include the implementation the Specialist and Alternative Provision Review, which includes the following key projects:-

- The submission and progression of a bid to the DfE as part of the Wave 13 SEND and AP Provision Free School Bid, for a 65-place Emotional and Mental Health (SEMH) Special School within North Somerset
- The commencement of the programme and statutory process to deliver an expansion to Baytree Special School to a new site with facilities for 65 new places for pupils with severe and profound learning disabilities, from September 2021.
- The commencement of the programme and statutory process to deliver an expansion to Westhaven Special School
- The commencement of the programme and statutory process to deliver two new Specialist Units (for up to 20 pupils) to meet the needs of high functioning pupils with autism on mainstream school sites

3.37 The Spending Round published by the Government in September 2019 announced additional funding for education and, of particular note for the Council, an increase in funding for the High Needs Block. Whilst this extra resource is welcome, it needs to be seen in the context of three main pressures:

- The current projected DSG deficit
- The reduction in the transfer of funding from the schools block to the high needs block
- The increase in demand for spending in the high needs block, in particular in relation to out of area school placements and additional funding for maintained special schools and resource units

3.38 Recent modelling, which takes into account forecasts for the increasing number of young people requiring specialist provision, indicates that, in the absence of a further exceptional funding injection from the government, significant additional transformational activity will need to be undertaken to curb the increase in the deficit. Officers will be discussing this with officials from the DfE in due course.

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## Appendix 1 - Children's Services Forecast Year End position

PEOPLE & COMMUNITIES - CHILDREN & YOUNG PEOPLE	REVISED BUDGET				ACTUAL				VARIANCE			
	Expenditure £	Income £	Reserves £	Net £	Expenditure £	Income £	Reserves £	Net £	Expenditure £	Income £	Reserves £	Net £
Family Support Services	1,310,020	(468,650)	0	841,370	1,495,667	(550,596)	0	945,071	185,647	(81,946)	0	103,701
Locality Teams	4,011,754	(84,069)	0	3,927,685	4,000,356	(119,516)	0	3,880,840	(11,398)	(35,447)	0	(46,845)
Looked After Children	9,733,270	(289,913)	0	9,443,357	11,722,134	(817,730)	109,626	11,014,030	1,988,864	(527,817)	109,626	1,570,673
Children and Families (Adoption)	1,681,628	(349,615)	0	1,332,013	2,417,348	(963,928)	0	1,453,419	735,720	(614,313)	0	121,406
Social work	3,396,080	(82,050)	0	3,314,030	3,485,354	(276,459)	125,197	3,334,093	89,274	(194,409)	125,197	20,063
Youth Justice	1,504,154	(1,144,013)	(86,374)	273,767	1,483,894	(1,443,956)	233,678	273,616	(20,260)	(299,943)	320,052	(151)
<b>Support and Safeguarding Sub total</b>	<b>21,636,906</b>	<b>(2,418,310)</b>	<b>(86,374)</b>	<b>19,132,222</b>	<b>24,604,753</b>	<b>(4,172,184)</b>	<b>468,501</b>	<b>20,901,069</b>	<b>2,967,847</b>	<b>(1,753,874)</b>	<b>554,875</b>	<b>1,768,847</b>
Pupil and communities	356,866	(415,519)	0	(58,653)	332,891	(300,797)	(35,330)	(3,235)	(23,975)	114,722	(35,330)	55,418
Learning	31,000	0	0	31,000	17,001	(15,990)	0	1,011	(13,999)	(15,990)	0	(29,989)
Grants	679,030	(1,028,189)	(94,116)	(443,275)	444,107	(1,053,344)	165,963	(443,273)	(234,923)	(25,155)	260,079	2
Children's Centres	2,224,916	(535,392)	0	1,689,524	2,218,260	(556,032)	10,873	1,673,100	(6,656)	(20,640)	10,873	(16,424)
Early Years	1,702,811	(1,305,473)	0	397,338	1,606,482	(1,035,066)	(8,784)	562,631	(96,329)	270,407	(8,784)	165,293
Special Education	1,302,312	(645,494)	0	656,818	1,401,271	(667,136)	(3,150)	730,985	98,959	(21,642)	(3,150)	74,167
<b>Learning and Achievement Sub total</b>	<b>6,296,935</b>	<b>(3,930,067)</b>	<b>(94,116)</b>	<b>2,272,752</b>	<b>6,020,012</b>	<b>(3,628,365)</b>	<b>129,572</b>	<b>2,521,219</b>	<b>(276,923)</b>	<b>301,702</b>	<b>223,688</b>	<b>248,467</b>
Strategy Mark Hughes	2,849,311	(517,010)	0	2,332,301	3,081,518	(638,150)	(109,823)	2,333,545	232,207	(121,140)	(109,823)	1,244
Strategy and Directorate	4,947,844	(30,717)	0	4,917,127	5,019,933	(35,458)	(60,847)	4,923,627	72,089	(4,741)	(60,847)	6,500
Other - Music	1,085,368	(1,085,368)	0	0	1,089,988	(1,069,189)	49,935	70,734	4,620	16,179	49,935	70,734
Other - Non music	376,227	(46,222)	0	330,005	334,594	(101,227)	0	233,367	(41,633)	(55,005)	0	(96,638)
<b>Strategy and Directorate Sub total</b>	<b>9,258,750</b>	<b>(1,679,317)</b>	<b>0</b>	<b>7,579,433</b>	<b>9,526,032</b>	<b>(1,844,024)</b>	<b>(120,735)</b>	<b>7,561,273</b>	<b>267,282</b>	<b>(164,707)</b>	<b>(120,735)</b>	<b>(18,160)</b>
Technical Accounting Adjustments - Children's CYPTECH	0	0	0	0	1,143	5,781	(6,925)	0	1,143	5,781	(6,925)	0
<b>P&amp;C - CHILDREN &amp; YOUNG PEOPLE TOTAL</b>	<b>37,192,591</b>	<b>(8,027,694)</b>	<b>(180,490)</b>	<b>28,984,407</b>	<b>40,151,941</b>	<b>(9,638,792)</b>	<b>470,413</b>	<b>30,983,562</b>	<b>2,959,350</b>	<b>(1,611,098)</b>	<b>650,903</b>	<b>1,999,155</b>

## Appendix 2 – Children’s Placements Activity and Unit Cost Data

	2018/19 Actual	Budget	Actual	Actual to Budget Variance	2019/20 to 2018/19 actual Variance	Forecast	Forecast to Budget Variance	£ change between periods
			P12	P12		P11	P11	
<b>In-house Fostering</b>								
- Av Numbers	96.60	107.72	80.80	- 26.92	- 15.80	80.24	- 27.48	
- Average unit cost	£21,955	£21,450	£24,710	£3,260	£2,755	24,340	2,890	
- Total Cost	£2,120,837		£1,996,558		-£124,279	1,953,051		
- Budget	£2,080,840	£2,310,664						
- Variance	£39,997			-£314,106			- 357,613	£43,507
<b>Independent Fostering</b>								
- Av Numbers	59.25	66.00	64.35	- 1.65	5.10	64.50	- 1.50	
- Average unit cost	£39,410	£41,004	£43,239	£2,236	£3,829	42,469	1,465	
- Total Cost	£2,335,046		£2,782,445		£447,399	2,739,234		
- Budget	£2,069,540	£2,706,231						
- Variance	£265,506		£76,214			33,003		£43,211
<b>Residential</b>								
- Av Numbers	18.99	14.99	15.97	0.98	3.02	15.98	0.99	
- Average unit cost	£169,452	£170,944	£229,935	£58,991	£60,483	209,900	38,956	
- Total Cost	£3,217,892		£3,672,054		£454,162	3,354,199		
- Budget	£2,450,990	£2,561,851						
- Variance	£766,902			£1,110,203			792,348	£317,855
<b>Kinship</b>								
- Av Numbers	36.00	37.55	40.18	2.63	4.18	40.00	2.45	
- Average unit cost	£10,939	£11,158	£12,042	£884	£1,103	11,876	718	
- Total Cost	£393,808		£483,858		£90,050	475,040		
- Budget	£416,390	£418,959						
- Variance	-£22,582			£64,899			56,081	£8,818
<b>Parent &amp; Baby</b>								
- Av Numbers	1.41	3.40	1.46	- 1.94	0.05	1.46	- 1.94	
- Average unit cost	£70,090	£71,492	£176,179	£104,687	£106,089	177,717	106,225	
- Total Cost	£98,827		£257,221		£158,394	259,467		
- Budget	£401,100	£243,402						
- Variance	-£302,273			£13,819			16,065	-£2,246
<b>Special Guardianship</b>								
- Av Numbers	67.00	67.04	67.52	0.48	0.52	68.00	0.96	
- Average unit cost	£7,616	£7,768	£6,761	-£1,007	-£855	6,448	- 1,320	
- Total Cost	£510,255		£456,532		-£53,723	438,494		
- Budget	£535,120	£520,743						
- Variance	-£24,865			-£64,211			- 82,249	£18,038
<b>Support Living</b>								
- Av Numbers	4.61	5.42	7.45	2.03	2.84	7.35	1.93	
- Average unit cost	£103,720	£105,794	£169,182	£63,388	£65,462	154,458	48,664	
- Total Cost	£478,148		£1,260,406		£782,258	1,135,268		
- Budget	£381,610	£573,826						
- Variance	£96,538			£686,580			561,442	£125,138
<b>Secure Accommodation</b>								
- Av Numbers	1.04	0.84	-	0.84	1.04	-	0.84	
- Average unit cost	£386,962	£394,701	£0	-£394,701	-£386,962	-	394,701	
- Total Cost	£402,441		£0		-£402,441	-		
- Budget	£225,500	£330,413						
- Variance	£176,941			-£330,413			- 330,413	£0
<b>TOTAL</b>								
- Av Numbers	284.90	302.96	277.73	- 25.23	- 7.17	277.53	- 25.43	
- Average Unit Cost	£33,546	£31,905.58	£39,279	£7,373.84	£5,733	37,310	5,405	
- Total Cost	£9,557,254		£10,909,074	£1,242,985	£1,351,820	10,354,753		£554,321
- Total Budget	£8,561,090	£9,666,089						
- Variance	£996,164			£1,242,985			688,664	£554,321

NB - The cohort of children that are included in the Cost and Volume data are not exactly the same cohort as those children who are “looked after” (the number of these amounting to 240 at the end of 2018/19). The main difference is that we include in the cost and volume analysis those children who are subject to a Special Guardianship Order; these children are not “looked after”, but the guardians are in receipt of an allowance. On average, these children number around 70.

