

## CHILDREN'S SERVICES AND EDUCATION OVERVIEW & SCRUTINY COMMITTEE

Agenda Item  
No. 6

DATE: 06<sup>th</sup> SEPTEMBER 2017

### CORPORATE FINANCIAL PERFORMANCE - QUARTER 1 FINANCIAL MONITORING POSITION FOR 2016/17

Ward(s) All

**Portfolio:** Councillor Burley –Children's Services and Education

#### Summary of report

This report summarises the forecast revenue and capital outturn position for 2016/17, based on the financial performance for the first 3 months of the financial year (April 2016 to June 2016) for services within the remit of the Children's Services Directorate.

Financial System closures and subsequent reporting processes do not always fall in line with Scrutiny Reporting dates. As such the information reported in this report is the most up to date available at the time and any material variations to this will be reported to the panel verbally.

#### Reason for Scrutiny

To inform the Panel of the forecast financial position for 2016/17 for services within their areas of responsibility.

#### Recommendation

1. To note that the forecast 2016/17 year end financial position in the Children's Services Directorate is a revenue overspend variance of **£1.229m** (net of the use of earmarked reserves and assuming the full implementation of currently undelivered action plan items). A £1.000m Corporate earmarked reserve for additional social worker posts was agreed at Cabinet on 27<sup>th</sup> April 2016 following a review of current levels of caseloads. £589k is forecast to be utilised in year against the original requirements, with a request to Cabinet to utilise £158k of the remainder to offset other Children's Services pressures indentified in 2016/17 and the balance being carried forward to support ongoing pressures within the Youth Service during 2017/18.

Without the use of Corporate and Service Reserves (excl. those reserves being utilised in relation to the Dedicated Schools Grant of £4.334m), and implementation of the in year action plan, the over spend would be **£4.062m**.

2. To note that the total capital programme for the Directorate is £10.673m with forecasted costs of £9.831m as at the end of June and the remaining balance of £891k to be requested to be carried forward into 2017/18. The Children's Services Forecast Capital outturn 2016/17 is summarised in the table on page 8.

3. To note the actions being taken to address the areas of over spend.

### **Background papers**

Various financial working papers.  
2016/17 Budget Book on Council's Internet and Intranet

### **Signed:**

A handwritten signature in black ink that reads "David Haley". The signature is written in a cursive style with a large 'D' and 'H'.

David Haley – Executive Director: Children's Services ☎ 652081  
✉ [David.Haley@walsall.gov.uk](mailto:David.Haley@walsall.gov.uk)

## 1. Resource and legal considerations

The Council is required to set a balanced budget and requires services to operate within their approved budget allocation. Any variances are required to be managed as far as is reasonably possible. The revenue and capital financial monitoring is reported quarterly to Overview and Scrutiny Committees along with corrective action plans when variances arise. All accounting entries are undertaken in line with the required corporate and statutory accounting guidance and standards.

## 2. Citizen impact

Resource allocation is aligned to service activity and is undertaken in accordance with the Council's corporate plan priorities.

## 3. Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, wherever possible. Corrective action plans are put in place to mitigate overspends where possible, with any remaining variances against budget identified in the report.

## 4. Equality Implications

Services consider and respond to equality issues in setting budgets and delivering services. Irrespective of budgetary pressures, the Council must fulfil equal opportunities obligations.

## 5. Consultation

Consultation was undertaken as part of the budget setting process and throughout the financial year on the financial position and reporting thereof.

### Contact Officers:

Ross Hutchinson, Lead Accountant

☎ 01922 658411, ✉ [hutchinsonr@walsall.gov.uk](mailto:hutchinsonr@walsall.gov.uk)

Lloyd Haynes, Senior Finance Manager

☎ 01922 652340, ✉ [Lloyd.Haynes@walsall.gov.uk](mailto:Lloyd.Haynes@walsall.gov.uk)

## 1 Forecast Revenue Outturn 2016/17

- 1.1 The total pressures identified as at the end of June 2016 for Children's services, incorporating those relating to Looked After Children (LAC) (trends for historic numbers of LAC are shown in **Appendix 4**), agency staff and other areas, before any mitigating action and use of reserves is forecast at £4.062m. In year actions of £2.833m have been agreed to partly offset this, including the utilisation of £714k corporate reserves and £517k of earmarked reserves. Following these actions this would result in a final variance to budget of £1.229m, associated with increases in overall Looked After Children placement costs, particularly an in year spike in Out of Borough placements.

The outturn shown is based on actual information from the Oracle system and discussions with managers regarding year-end forecasts and achievement of approved savings. The Children's Services Directorate is monitoring the financial position closely and seeking to identify any further actions that can be taken to reduce the pressure identified alongside the use of one off Corporate funding that has been allocated for additional Social workers and other identified actions across the Directorate.

- 1.2 The forecast outturn includes delivered in year actions of £2.598m. This comprises utilisation of one off funding to offset in year pressures and Directorate wide cost reductions through improved efficiencies or natural cost reductions. The full action plan is detailed further in **Appendix 2**, which also sets out the actions which are still to be delivered that currently total £235k. A number of these actions (specifically those seeking to utilise one off funding and corporate reserves) are subject to approval by Cabinet prior to being included as delivered within the outturn.
- 1.3 **Table 1** shows the forecast outturn for each service, and **Appendix 1** provides an analysis of the reasons for material forecast variances.
- 1.4 The forecast outturn only includes areas where there is a high degree of certainty about predicted under / over spends. Where a significant overspend is forecast or a new pressure identified the Directorates Management Teams, through their budget meetings, are responsible for identifying in year actions to mitigate this position and ensure, as far as is possible, that the budget is balanced at the end of the year.
- 1.5 Included within the approved budget for 2016/17 are £8.162m of approved savings relating to services within the remit of this panel (details are available in the corporate budget book). An update on the achievement of 2016/17 approved savings is reported monthly to CMT as part of the corporate performance report. Any savings that are not forecast to be achieved in year are required to have alternative savings identified and are managed closely through the relevant service management teams and in liaison with the relevant portfolio holder.
- 1.6 Of the £8.162m savings, £5.996m have been delivered in full (RAG blue) with £478k expected to be delivered by 31 March 2017 (RAG Green). £391k is expected to be delivered with low risk of non delivery (RAG amber), and £1.296m are deemed undeliverable for 2016/17 (RAG red). In terms of the red savings,

alternative mitigating actions of £844k have been identified within Children services to offset in year pressures. Alternative action for the remaining £452k associated with Looked After Children is yet to be identified and is therefore contributing to the Directorates current reported overspend.

- 1.7 Within the services associated with the panel there are a number of risks totalling £1.899m (impact assessment adjusted) which have not been included within the above forecast. At this stage the risks are not certainties and as such are not included in the monitoring as an under or over spend. If the risks become certainties then alternative action will need to be identified or included in the position as over spends. A summary of the risk assessment is attached as **Appendix 3**.

**Table 1 – Childrens Services Forecast Revenue Outturn 2016/17**

	Annual Budget £m	Budget to Date £m	Spend to Date £m	Variance to Date £m	Year End Forecast £m	Year End Variance £m	Undelivered Action Plan £m	Use of Reserves £m	Transfers to Reserves £m	Year End Variance after use of Reserves £m
<b>Children's Wide</b>										
Children's Management	0.360	0.090	0.106	0.016	0.416	0.056	0.000	0.000	0.000	0.056
Administrative Services	1.788	0.447	0.470	0.023	1.788	0.000	0.000	0.000	0.000	0.000
Performance Services	0.195	0.049	0.050	0.001	0.211	0.016	0.000	0.000	0.000	0.016
Information Services	0.019	0.005	0.266	0.262	0.144	0.125	0.000	(0.021)	0.000	0.104
WCS Statutory Licences	0.254	0.064	0.151	0.087	0.234	(0.021)	0.000	0.000	0.000	(0.021)
<b>Total Children's Wide</b>	<b>2.616</b>	<b>0.654</b>	<b>1.043</b>	<b>0.389</b>	<b>2.792</b>	<b>0.176</b>	<b>0.000</b>	<b>(0.021)</b>	<b>0.000</b>	<b>0.155</b>
<b>Access &amp; Achievement</b>										
Access & Achievement Management	0.240	0.060	0.087	0.027	0.376	0.135	0.000	0.000	0.000	0.135
School Improvement	0.520	0.130	0.243	0.113	0.670	0.150	(0.065)	(0.150)	0.000	(0.065)
Access & Attendance	0.194	0.048	0.150	0.102	0.229	0.035	(0.012)	0.000	0.000	0.023
Virtual School	0.000	0.000	0.086	0.086	0.000	0.000	0.000	0.000	0.000	0.000
Youth Support Services	1.013	0.279	0.443	0.165	1.301	0.288	0.000	(0.261)	0.000	0.027
Youth Justice Services	0.349	0.103	0.154	0.051	0.482	0.133	0.000	(0.042)	0.000	0.091
Targeted Youth Support	0.000	0.000	0.077	0.077	0.009	0.009	0.000	(0.009)	0.000	(0.000)
SEN Transport	1.967	0.492	0.613	0.121	2.147	0.180	0.000	0.000	0.000	0.180
Special Education Needs	0.586	0.147	0.494	0.347	0.643	0.057	0.000	(0.054)	0.000	0.003
SEN Short breaks	1.314	0.329	(0.006)	(0.334)	1.314	0.000	0.000	0.000	0.000	0.000
Education Funding – Accountable body	(2.885)	(0.680)	(0.736)	(0.056)	1.449	4.334	0.000	(4.334)	0.000	0.000
Education - Mainstream	1.443	0.361	0.649	0.288	1.406	(0.037)	0.000	0.000	0.000	(0.037)
<b>Total Access &amp; Achievement</b>	<b>4.743</b>	<b>1.268</b>	<b>2.254</b>	<b>0.987</b>	<b>10.027</b>	<b>5.284</b>	<b>(0.077)</b>	<b>(4.849)</b>	<b>0.000</b>	<b>0.358</b>

<b>Children's Social Care</b>										
Children's Social Care Management	1.521	0.855	0.855	(0.000)	1.560	0.039	0.000	(0.039)	0.000	0.000
SW Agency within establishment	1.307	0.000	0.000	0.000	0.000	(1.306)	0.000	0.000	0.000	(1.306)
SW Agency above establishment	0.597	0.002	0.001	(0.000)	1.186	0.589	(0.158)	(0.589)	0.000	(0.158)
Safeguarding Board	0.087	0.022	(0.009)	(0.030)	0.141	0.054	0.000	(0.016)	0.000	0.039
Practice Development	0.092	0.023	(0.001)	(0.024)	0.078	(0.014)	0.000	0.000	0.000	(0.014)
Safeguarding – Review & Child Protection	1.179	0.295	0.290	(0.005)	1.385	0.207	0.000	(0.178)	0.000	0.028
Initial Response Service	1.908	0.502	0.498	(0.004)	2.122	0.214	0.000	0.000	0.000	0.214
Permanence – Safeguarding & Family Support	2.719	0.695	1.001	0.306	3.439	0.720	0.000	0.000	0.000	0.720
Corporate Parenting – Looked After Children	16.564	4.141	4.131	(0.010)	18.281	1.717	0.000	0.000	0.000	1.717
Corporate Parenting – Transition & leaving Care	0.812	0.210	0.196	(0.013)	0.812	0.000	0.000	0.000	0.000	0.000
Provider Services – Fostering & Adoption	3.319	0.837	0.773	(0.064)	3.096	(0.223)	0.000	0.000	0.000	(0.223)
Provider Services – Residential Services	3.215	0.816	0.737	(0.079)	3.257	0.042	0.000	0.000	0.000	0.042
Children with Disabilities – Social Care staffing	0.407	0.000	0.000	0.000	0.407	0.000	0.000	0.000	0.000	0.000
<b>Total Social Care</b>	<b>33.726</b>	<b>8.396</b>	<b>8.473</b>	<b>0.077</b>	<b>35.765</b>	<b>2.039</b>	<b>(0.158)</b>	<b>(0.822)</b>	<b>0.000</b>	<b>1.059</b>
<b>Early Help</b>										
Early Help Management	0.398	0.099	0.104	0.005	0.196	(0.202)	0.000	0.000	0.000	(0.202)
Early Years	(0.219)	(0.055)	0.082	0.137	(0.219)	0.000	0.000	0.000	0.000	0.000
Edge of Care	(0.003)	(0.001)	0.065	0.065	(0.003)	0.000	0.000	0.000	0.000	0.000
Early Help 0-19 Model	3.346	0.911	0.668	(0.244)	3.346	0.000	0.000	(0.141)	0.000	(0.141)
Commissioning & Transport	0.272	0.068	0.078	0.010	0.272	0.000	0.000	0.000	0.000	0.000
Workforce Development	0.000	0.000	0.036	0.036	0.025	0.025	0.000	(0.025)	0.000	0.000
<b>Total Early Help</b>	<b>3.794</b>	<b>1.023</b>	<b>1.033</b>	<b>0.009</b>	<b>3.617</b>	<b>(0.177)</b>	<b>0.000</b>	<b>(0.166)</b>	<b>0.000</b>	<b>(0.343)</b>
Walsall Adult CC	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Children's Services</b>	<b>44.879</b>	<b>11.341</b>	<b>12.803</b>	<b>1.462</b>	<b>52.201</b>	<b>7.322</b>	<b>(0.235)</b>	<b>(5.858)</b>	<b>0.000</b>	<b>1.229</b>

## 2 Forecast Capital Outturn 2016/17

2.1 The total capital programme for the directorate is £10.721m with forecasted costs of £9.831m as at the end of June, with the remaining balance of £890k to be requested to be carried forward into 2017/18. The summarised breakdown is in the table below.

Service	Annual Budget	Forecast Variance	Variance	Carry Forward to 2017/18
	£m	£m	£m	£m
<b>Council Funded</b>				
Mosaic – Phase 1 & 2 (Children’s proportion)	0.149	0.149	0.000	0.000
Rushall JMI Improvements	1.121	1.121	0.000	0.000
<b>Total Council Funded</b>	<b>1.270</b>	<b>1.270</b>	<b>0.000</b>	<b>0.000</b>
<b>Externally Funded</b>				
Devolved Formula Capital	1.006	0.400	(0.606)	0.606
Capital Maintenance for Schools	2.932	2.932	0.000	0.000
Basic Need: Unallocated	0.284	0.000	(0.284)	0.284
Basic Need: Christ Church Enlargement	0.111	0.111	0.000	0.000
Basic Need: King Charles Enlargement	2.682	2.682	0.000	0.000
Basic Need: Fibbersley Enlargement	0.700	0.700	0.000	0.000
Basic Need: St Giles Enlargement	0.198	0.198	0.000	0.000
Basic Need: Beacon Enlargement	0.184	0.184	0.000	0.000
Basic Need: Meadowview Enlargement	0.050	0.050	0.000	0.000
Basic Need: Greenfields Enlargement	0.306	0.306	0.000	0.000
Basic Need: Kingshill Enlargement	0.234	0.234	0.000	0.000
Universal Infant Free School Meals Phase 3	0.104	0.104	0.000	0.000
Targeted Capital bids - Barcroft Primary new build construction costs	0.044	0.044	0.000	0.000
14-19 diplomas, SEN and disabilities - Alumwell Bec Health Tech	0.092	0.092	0.000	0.000
Academies - Darlaston	0.369	0.369	0.000	0.000
Academies - Sheffield	0.070	0.070	0.000	0.000
Youth capital funding	0.016	0.016	0.000	0.000
2 yr old capital funding (RCCO)	0.048	0.048	0.000	0.000
Windows Server 2012 (RCCO)	0.021	0.021	0.000	0.000
<b>Total Externally Funded</b>	<b>9.451</b>	<b>8.561</b>	<b>(0.890)</b>	<b>0.890</b>
<b>Total Capital</b>	<b>10.721</b>	<b>9.831</b>	<b>(0.890)</b>	<b>0.890</b>



## Appendix 1 – Explanation of Significant Revenue Variations after action plan and use of reserves

Service	Forecast Variance £m	Explanation of Forecast Variance
Children's Management	0.056	Variance before and after reserves and action plan items of £56k due to Undelivered Vacancy Management saving of £202k offset by additional actions in Early Help, a £35k pressure relating to the CSE coordinator post that used to be funded by Partnerships through the Safeguarding board offset by a (£75k) action plan relating to assimilation across Children's services staffing re-structures, a (£97k) action plan relating to Non Essential Spend across the Directorate and a (£10k) under spend on the Regional CSE contribution.
Performance Services	0.016	Variance before reserves £16k due to 2 x Mosaic Data Officers for 3 month extension (July to Sept 16). Use of reserves £0m. Variance after reserves £16k.
Information Services	0.104	Variance before reserves £125k due to £21k for RCCO for the cost of a server and £104k shortfall net traded income forecast. Use of reserve (£21k) which is a corporate held reserve for Education Transition. Variance after reserves £104k
WCS Statutory Licences	(0.021)	Variance before reserves (£21k) due to surplus budget for Children's statutory licences. Use of reserves £0m. Variance after reserves (£21k).
Access & Achievement Management	0.135	Variance before reserves £135k which is £100k for capital consultant costs working on education projects and £35k Interim SEND HoS post extension to 31/12/16. Use of reserves £0m. Variance after reserves £135k.
School Improvement	(0.065)	Variance before reserves and action plan £150k due to school cluster funding to be funded via reserves. Use of reserves (£150k) which is old education grants reserve. Action Plan (£65k) re-phasing of savings - School Improvement. Variance after reserves and action plan (£65k).
Access & Attendance	0.023	Variance before reserves and action plan £35k due to pressure of the cost of 1 x Education Welfare Officer deployed in the Multi Agency Screening Hub to be funded by surplus in Internal Residential. Use of reserves £0m. Action Plan (£12k) additional truancy fines above budget. Variance after reserves and action plan £23k
Virtual School	0.000	No variance forecast.

Youth Support Services	0.027	Variance before reserves £288k due to £26k pressure Parent Partnership due to one employee funded via reserve in 16/17, £8k pressure Youth Opinions Unite due to staff leaving after 31/03/16, (£2k) surplus Admissions, £48k pressure TYW due to staff leaving after 31/03/16 and MyPlace running costs, £106k EBP forecast for the year which is reserve funded and £102k redundancy costs. Use of reserves (£27k) Parent Partnership & (£25k) MyPlace running costs (£106k) EBP and (£102k) redundancy costs. Variance after reserves £28k
Youth Justice Services	0.091	Variance before reserves £133k due to reduction in main Youth Justice Board grant and partner contributions (Probation Service) and forecast cost of 3 x fixed term maternity cover posts. Use of reserve (£42k). Variance after reserve £91k
Targeted Youth Support	(0.000)	Variance before reserves £8k due to redundancy costs. Use of reserves (£8k) for redundancy costs. Variance after reserves £0m.
Education Funding – Accountable body	0.000	Variance before reserves £4.334m due to agreed DSG expenditure of £982k School Readiness, £1.098m creating 2 year old places, £746k 2 year old trajectory, £1.5m creating special school and PRU places & £7k Walsall Governors Association. Use of reserves (£4.334m) surplus DSG from previous years. Variance after reserves £0m.
Education - Mainstream	(0.037)	Variance before reserves (£37k) due to surplus budget DBS checks for schools - costs to be recharged to schools from Jan 17. Use of reserves £0m. Variance after reserves (£37k).
Children's Social Care Management	0.000	No variance forecast.
SW Agency within establishment	(1.306)	Variance before use of reserves and action plan (£1.306m) Funding for 47 Agency staff actual costs held within the service areas, 1 Long Term Sick, 6 Maternity cover, 1 over-occupancy, 2 secondment, 37 vacancies. Actual costs shown within service Areas. Variance after use of reserves and action plan (£1.306m)
SW Agency above establishment	(0.158)	Variance before use of reserves and action plan £588k Current forecast, 13 actual as at June, with the remainder forecast to be recruited July onwards . Variance after use of reserves and action plan (£152k) Further use of the reserve to be agreed
Safeguarding Board	0.039	Variance before use of reserves and action plan £39k due to a £39k shortfall in funding for 2016/17 from Partner Organisations, this has been a historic problem for the board and has been further decreased in 2016/17. Variance after use of reserves and action plan £39k
Practice Development	(0.014)	Variance before reserves and action plan (£14k) relating to 1 part-year vacancy. Variance after use of reserves and action plan (£14k)

Safeguarding – Review & Child Protection	0.028	Variance before reserves and action plan £206k - £31k relates to 1 Agency covering a vacancy, (£3k) employee mix, Use of Reserves for 2 IRO's and 1 Principle (£178k), Variance after use of reserves and action plan £28k
Initial Response Service	0.214	Variance before reserves and action plan £214k, £300k relating to agency staff covering vacancies. (£43k) car allowances, (£43k) S17 payments, premises. Variance after use of reserve and action plan £214k
Permanence – Safeguarding & Family Support	0.720	Variance before reserves and action plan £720k, £660k relates to agency staff, £60k increase in forecast on S17 payments. Variance after reserves £720k
Corporate Parenting – Looked After Children	1.171	Variance before reserves and action plan £1.717m, £1.534m pressure on LAC relating to External Residential placements increase in numbers and mix with an additional 9 children. £313k overspend on Agency staff. (£35k) saving on section payments, contact saving of (£91k), (£4k) Taxi saving. Variance after reserves and action plan £1.171m
Corporate Parenting – Transition & leaving Care	0.000	No variance forecast.
Provider Services – Fostering & Adoption	(0.223)	Variance before reserves and action plan (£223k), £50k relating to 4 agency staff, £53k pressure on the foster care plus model, net (£244k) forecast relating to increased numbers of inter-agency claimed and forecast, (£82k) inflation hold. Variance after use of reserves and action plan (£223k)
Provider Services – Residential Services	0.042	Variance before reserves and action plan £42k relating to Agency staff £95k, (£19k) premises savings, (£24k) service fees, (£48k) saving on transfer payments & (£3k) saving on transport. £36k pressure on supplies and services & £5k pressure on central costs. Variance after use of reserves and action plan £42k
SEN Transport	0.180	Variance before reserves £180k due to on going pressure of SEN Transport costs so will not meet 16/17 saving. Use of reserve £0m. Variance after reserves £180k
Children with Disabilities	0.000	No variance forecast.
Special Education Needs	0.003	Variance before reserves and action plan £57k due to pressure in Education Psychology of £53k traded income shortfall and £4k redundancy costs. Use of reserves (£50k) SEN Reform Grant from previous years to support the action plan and (£4k) redundancy costs. Variance after reserves and action plan £3k. Also, £308k pressure - made up of £150k Education Psychology and £158k SEN Advisory 16/17 savings not delivered but to be funded using DSG High Needs (HN) as part of the Multi Disciplinary HN team.

Early Help Management	(0.202)	Variance before and after reserves and action plan items of (£202k) due a forecasted action plan item of (£202k) relating to additional funding made available to Children's Wide from non-essential spend to offset the £202k pressure shown on the Children's Management Team cost centre due to the unachievable Vacancy Management saving. This action plan item has been reported here to ensure transparency in reported pressures and offsetting action plan items but is not reflective of actions purely associated with Early Help but actions associated with Children's Wide as a whole.
Edge of Care	0.000	No variance forecast.
Early Help 0-19 Model	(0.141)	Variance before reserves £0.000m. New action plan item to include (£141k) Troubled Families reserves to offset Children's Wide Pressures resulting in a variance after use of reserves and action plan items of (£141k).
Commissioning & Transport	0.000	No variance forecast.
Workforce Development	0.000	No variance forecast.
<b>Total Children's Services</b>	<b>1.229</b>	

## Appendix 2 – Action Plan

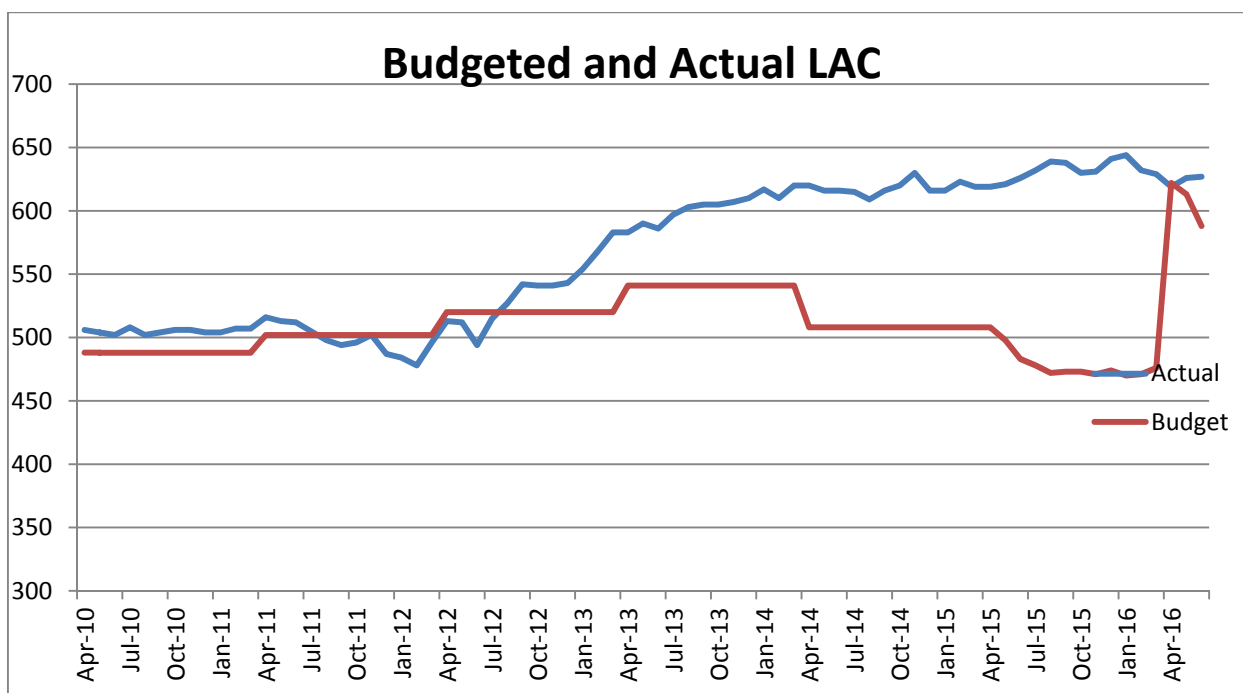
Action	Value of Delivered Action Plan included in outturn	Value of action plan to be Delivered	BRAG
	£m	£m	
Additional Truancy fines - above budget	0.000	0.012	<b>Green</b>
SEND new burdens reserve 2015/16 cfwd	0.050	0.000	<b>Blue</b>
DBS checking for schools currently being funded from mainstream council budget - going forward this will be paid for via schools	0.033	0.000	<b>Blue</b>
One off benefit due to reduction in actual LAC placemen costs in 15/16 against what was provided for in accounts.	0.088	0.000	<b>Blue</b>
Earmarked reserves - IRO's in Safeguarding within MTFO	0.178	0.000	<b>Blue</b>
SEND - Interim mgmt reserve - to offset potential interim leadership costs	0.039	0.000	<b>Blue</b>
MTFO funding for 2016/17 of £6.8m for demand led services. Cost reductions through improved efficiencies (Contact services/SEN transport) or natural cost reductions (SW Agency/LAC) has reduced the total cost pressure and allowed the directorate to fund circa £793k of the additional SW workforce required to reduce caseloads.	0.793	0.000	<b>Blue</b>
Use of Children services reserves relating to previous Standards Fund education grants	0.150	0.000	<b>Blue</b>
Benefit from Assimilation exercise across service restructures	0.075	0.000	<b>Blue</b>
Restraint on Non Essential Spend	0.097	0.000	<b>Blue</b>
One off overachievement of savings within Internal Residential	0.088	0.000	<b>Blue</b>
Ongoing review of contact services.	0.110	0.000	<b>Blue</b>
Total Early Help resource panel budget of £127k efficiencies	0.127	0.000	<b>Blue</b>
Utilisation of Troubled Families reserve to fund additional pressures	0.099	0.000	<b>Blue</b>
Lower than budgeted increase in Foster Care Allowances	0.082	0.000	<b>Blue</b>
Re-Phasing of savings - School improvement	0.000	0.065	<b>Green</b>
Utilisation of one off corporate reserve to fund additional social workers required above establishment	0.589	0.158	<b>Blue</b>
<b>Total Children's Services</b>	<b>2.598</b>	<b>0.235</b>	

**Appendix 3 – Risks associated with 2016/17 Quarter 1 position**

<b>Service</b>	<b>Reason / explanation of risk</b>	<b>Impact adjusted Risk £m</b>
Corporate Parenting – Looked After Children	Potential further increases in the number and mix of looked after children throughout the year.	0.450
Corporate Parenting – Looked After Children	If the government proceeds with allocating unaccompanied asylum seeking children to local authorities with responsibility for social care.	0.750
Children’s Wide	£1.296m of high risk savings are deemed undeliverable and are included in Children’s services forecast position. Further savings of £391k are currently identified as amber (risk of delivery) with work ongoing to identify the proportion of those saving likely to be achievable.	0.391
Special Education Needs	Delays in identifying alternate options to offset the reduction in savings delivered as part of the review of the SEN Team.	0.308
<b>TOTAL RISK</b>		<b>1.899</b>

## Appendix 4 - Looked After Children Trends

The graph below shows the number of Looked After Children (LAC) being supported by Walsall Council over an extended period of time.



The LAC placements budget for 2016/17 is £14.698m; however projected costs based on the current profile of 629 placements are estimated at £16.271m, £1.573m above budget predominantly relating an increase in mix on external residential and an overall increase in numbers. Reviewing the profile and mix of LAC placements highlights an increase in expensive external residential placements and IFAs as a key contributor to the increase in costs between financial years. It must be noted that as this service is demand led and changes daily, forecasting the LAC population and its associated costs is complex and volatile. Current forecasting is based on the actual costs incurred within the year to date and a forecast position assuming the current placement mix and numbers are maintained.

Efforts continue to be made to control the number and cost of Looked After Children, this includes:

- Children services working with a significant number of families to ensure that children remain with their families if possible. Implementation of multi-agency protection plans, the establishment of the Edge of Care Team and the introduction of a Gateway Panel are all in place to support this goal.
- Checks on whether decisions taken are correct and necessary continue to be carried out via the courts, Independent Reviewing Officers and case file audits taken together, these processes indicate that children are only in care when necessary and the thresholds in Walsall are correct.
- Finding suitable adopters and progressing children's cases through the approval and court processes, aimed at reducing number of children in care. Work is in place to review process and timescales for adoption to ensure effectiveness.

- Working to replace current Care Orders with ones that do not require continued Social Work involvement such as Special Guardianship Orders. The number of LAC could reduce markedly, allowing resources to be better targeted at preventative strategies.
- A monthly Children's Services Strategic Group is in place, chaired by the Assistant Director and attended by Children's Social Care and Safeguarding teams, to implement strategies aimed at reducing LAC and monitoring their impact. A Key element to this work is preventing children coming into care and once in, enabling them to be removed from care safely and quickly. This strategic Group is to broaden and become a Council wide Group with membership and support from across the Council.



		LAC Numbers as at 01.07.16																				
Placement Group	Placement Type	Mar-14	Feb	Mar	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Movement from May 16 to June 16	Forecast Outturn 2016-17	Average Cost £ p/w June 16	
Internal Fostering	Internal Fostering	233	210	211	211	211	207	205	201	200	205	205	204	200	195	210	209	205	-4	3.896	361.38	
	Family & Friends	123	126	124	130	131	127	132	131	131	130	132	133	131	130	121	133	130	-3	1.355	203.57	
Pre Adoption	Pre Adoption	19	23	19	24	23	24	22	24	24	22	21	18	20	16	14	13	13	0	0.213	307.65	
External Fostering	IFA's	118	160	162	158	153	166	164	165	160	159	165	174	176	182	166	168	173	5	6.176	702.80	
	Temporary placement	0	0	0	1	4	0	2	2	2	2	2	2	2	2	1	1	0	-1	0.000	-	
	Other LA placements	9	11	10	1	2	2	2	2	1	1	2	2	2	1	2	0	0	0	0	0.000	
External Residential	Ext Residential	19	16	16	19	21	22	24	24	25	26	28	26	27	27	24	26	36	10	4.760	3,530.43	
	M&B Units	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.000	N/A	
	Secure Units / Remands	4	4	4	2	1	2	2	4	4	1	2	2	2	2	2	2	0	-2	0.000	N/A	
Other	Independent Living	14	11	11	9	9	12	12	12	12	11	11	12	4	7	5	5	6	1	0	N/A	
	Internal Residential	18	18	18	18	18	18	17	17	17	17	16	16	16	20	22	19	18	-1	0	N/A	
	Placed with Parents	60	41	43	45	44	47	55	55	53	54	55	54	52	45	53	49	48	-1	0	N/A	
	NHS / Health Trust	1	2	1	3	2	1	1	1	1	2	2	1	1	1	1	1	0	-1	0	N/A	
	UASC																			(0.130)		
<b>Total</b>		<b>620</b>	<b>622</b>	<b>619</b>	<b>621</b>	<b>619</b>	<b>628</b>	<b>638</b>	<b>637</b>	<b>630</b>	<b>631</b>	<b>641</b>	<b>644</b>	<b>632</b>	<b>629</b>	<b>619</b>	<b>626</b>	<b>629</b>	<b>3</b>	<b>16.271</b>		

<b>Total Budget 2016-17</b>	<b>14.698</b>
-----------------------------	---------------

<b>Forecast Variance 2016-17</b>	<b>1.573</b>
----------------------------------	--------------