

Report for: Children and Young People's Scrutiny Panel – 19 September 2019

Title: Finance Update – Children & Young People
Report

authorised by : 
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Ward(s) affected: All

**Report for Key/
Non Key Decision:** Not a key decision

1. Describe the issue under consideration

1.1 This report provides an overview of the financial performance of the services within the Children & Young People service at the end of quarter 1, 2019/20.

2. Forecast outturn 2019/20

2.1 The Children & Young People Service is projecting a forecast underspend of £246k against a budget of £66,437,826 at the end of the first quarter of 2019/20.
The table below shows a breakdown of the reported variances

Priority 1 - Budget Position at Period 3				
2019/20				
Description	Revised 2019/20 Budget	Actual to date	Current Month Forecast	Projected Variance
	£000	£000	£000	£000
Safeguarding and Social Care	39,865,375	14,385,750	39,793,344	(72,031)
Prevention and Early Intervention	13,300,557	6,551,112	13,431,705	131,148
Director of Children Services	1,171,440	474,142	991,554	(179,886)
Schools and Learning	2,951,354	1,196,776	2,835,631	(115,723)
Commissioning	3,238,030	(329,720)	3,228,300	(9,730)
Public Health	5,911,070	72,016	5,911,070	0
Total	66,437,826	22,350,076	66,191,605	(246,221)

2.2 Safeguarding and Social Care is forecasting a £72k underspend based on the current levels of staffing and placements.

2.3 Prevention and Early Intervention is reporting an overspend of £131k overspend. This is a result of challenges in generating income in the managed Children's Centres. Actions being taken to address this include additional income generation through opening rooms for under 2's and reviewing contracts for catering.

2.4 Schools & Learning projected underspend of £116k is as a result of improved income being forecast

2.5 There is an underspend of £180k in the Director's Budget as a result of Transformation Funding being released for programme management support to deliver the Invest to Save Programme

3. Savings Delivery

The service is on track to deliver a significant proportion of the savings planned for this financial year.

Saving proposal	Description	Responsible Officer (Dir/AD)	2019/20 £'000s	2019/20 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)
Reduce the number of agency staff	Reduce the number of agency staff through delivering an effective recruitment and retention strategy.	Beverley Hendricks	196		Green
Reduce operational costs	Reduce operational costs through streamlining management and staffing and improving efficiency in teams	Beverley Hendricks	69		Green
		Anne Coyle	248		Green

		Eveleen Riordan	30		Green
Reduce the costs of placements	Reduce the costs of placements through an effective inhouse foster carer recruitment and retention strategy and through effective brokerage and negotiation of placements	Beverley Hendricks	90	15	Amber
	Timely adaptation of properties for children with disabilities	Beverley Hendricks (with Eveleen Riordan)		175	Red
	Commission a range of supported housing services for young care leavers	Beverley Hendricks (Gill Taylor)	136		Green
	Commission respite care following the agreed closure of Haslemere	Eveleen Riordan	145		Green
	Enhance the brokerage teams to improve negotiation of packages and management of direct payments	Eveleen Riordan with Beverley Hendricks	75		Green
	Ensure that children with Special Education Needs and Disabilities placed in out-of-borough schools are receiving independent travel training to encourage independence where appropriate	Eveleen Riordan		25	Amber
Safeguarding and Social Care and Early intervention and preventing demand	Prevent demand and costs through an effective prevention and intervention approach that means children and families are supported to avoid the care system and that where children are in care (particularly young adolescents) they are supported to return home safely wherever possible.	Beverley Hendricks and Anne Coyle			Green
Increase income generation	Increase income through delivering services to schools and work with partners to ensure fair contributions to services for children.	Eveleen Riordan with Beverley Hendricks			Green
			1,602	215	

4. Key Risks

Key risks identified in the service and currently being monitored include:

- Social work activity and placements
- Families with no recourse to public funds or those intentionally homeless
- Staffing and agency costs
- Legal costs

5. Capital

Children's Service is forecasting a £1.03m underspend on the capital programme at Period 3

Column A	Column B	Column C	Column H (E + F + G)	Column K (I + J)	Column L (K - H)	Column Q
2019/20 Capital Budget Monitoring Report @ Period 3			19/20 Full year Revised Budget	2019/20 Full year Forecast Outturn	Budget Variance (Underspend) / Overspend	Scheme Progress Comments (for SLT, Capital board and Cabinet report) - Please update
SCHEME REF	SCHEME NAME	SCHEME OWNER	£'000	£'000	£'000	
101	Primary Sch - repairs & maintenance	Eveleen Riordan / Avril Rogers	1,797	1,797	(0)	The costs projected include (but are not strictly limited to) - <ul style="list-style-type: none"> - Urgent & Emergency works for the Schools wave works - waves 2,3 &4 - Reactive maintenance - Statutory compliance works arising from compliance surveys - Resilience works to plant rooms where systems constantly failing and or not fit for purpose with the ultimate outcome being school closure - Staff costs This is across the entire Schools portfolio where LBoH are the Corporate Landlord
102	Primary Sch - mod & enhance (Inc SEN)	Eveleen Riordan / Avril Rogers	10,378	14,267	3,889	
103	Primary Sch - new places	Eveleen Riordan	365	4	(361)	There is currently an oversupply of primary places in Haringey (a theme seen across most of London) as a result of falling birth rates and changes in migration. This pressure has now moved the secondary phase and year 7 places and we are currently providing a number of additional classes in schools to meet this rising demand.

104	Early years	Eveleen Riordan / Avril Rogers	112	0	(112)	
109	Youth Services	Anne Coyle	124	(10)	(134)	
110	Devolved Sch Capital	Corporate Finance	513	513	(0)	
114	Secondary Sch - mod & enhance (Inc SEN)	Eveleen Riordan	3,752	62	(3,690)	Evidence for modernisation and enhancement will come via the condition and suitability surveys currently being finalised. We also need to consider moving the funding currently attributed to primary, into the secondary phase to address rising numbers at year 7.
115	Fortismere Secondary School Development	Eveleen Riordan	400	0	(400)	There was some tentative feasibility work to see if and how development of a part of the school's grounds could be used to fund the rebuild of the sixth form block. Work to the school is currently expected to be prioritised according to the outcome of condition and feasibility studies of all of our community/foundation schools and also reference to the capital pot available for these works.
117	Children Safeguarding & Social Care	Beverley Hendricks	170	170	0	
118	Special Educational Needs Fund (New Provision Fund)	Corporate Finance	223	0	(223)	
199	P1 Other (inc Con't & Social care)	Eveleen Riordan	571	571	0	
Total			18,404	17,374	(1,030)	