Appendix 1 – Children and Young People Directorate Forecasts

1.1. The table below shows the outturn position across the Children's Directorates followed by more detailed explanations for any under or overspends in the year.

Management Area	Revised 2025/26 Budget	Final 2025/26 Outturn	Base Budget (over/under-spend)	Non Delivery of Savings	Final Outturn to Budget Variance	Q3 Forecast to Budget Variance	Forecast Variance Movement Between Q3 and Outturn
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
CHILDREN'S SERVICES	**78,762**	**80,666**	**1,227**	**676**	**1,903**	**2,937**	**(1,034)**
Director of Children Services	584	2,333	1,749	0	1,749	1,816	(67)
Commissioning	2,432	2,100	(331)	0	(331)	(175)	(156)
Prevention & Early Intervention	19,469	19,485	17	0	17	478	(462)
Children & Families	52,291	52,560	(408)	676	268	537	(269)
Assistant Director for Schools	3,987	4,187	201	0	201	281	(80)

1.2. The Children and Young People Service have achieved an outturn position of 80.7m against revised revenue budgets of 78.8m resulting in an overspend of £1.903m. This reflects **a positive movement of £1.034m since Quarter 3.**

1.3. The positive movement of £1.034m is across all budgets. Subjective analysis shows that the main positive movements relate to employee costs. Key movements were:

1.3.1. £67,000 positive movement in the Corporate Director's budget. This reflects a number of changes at year end including a provision of around £200,000 made for bad debt which was older than six years. This was offset by £263,000 that we had been forecasting as a reserve to carry forward for home to school transport, however at year end it was agreed that this should offset in year pressures;

1.3.2. £156,000 positive movement in the Commissioning and Programmes budget which was reported in Period 11. This was as a result of delays in recruitment through the North London Foundation Trust for the new mental health pathway for children looked after. This took significantly longer than anticipated and was being led across multiple teams both internal and external which has led to some complexities. The team is now in place.

1.3.3. £462,000 positive movement in Early Help, Prevention and SEND which was largely because of an underspend in relation to home to school transport (£237,000) and employee costs in the Educational Psychology service (£202,000). Home to school transport received more income than anticipated from ad hoc transport that was arranged and recharged for in Quarter 4. This income is always finalised as part of end of year reconciliation as it can be volatile and is not predictable or guaranteed.

1.3.4. £269,000 positive movement in Children and Families reflects multiple positive non-material movements across Safeguarding and Social Care budget lines.

1.3.5. £80,000 non-material positive movement in Schools and Learning reflects a higher level of income than anticipated for Pendarren House Outdoor Education Centre and the Education Welfare Service at year end.

1.4. The outturn position of £1.903m overspend is mainly related to the following pressures that have been reported all year:

1.4.1. The treatment of the social care prevention grant (£1.43m) which was originally passported to the Council as a Section 31 Grant in the 2025/26 settlement, but subsequent guidance issued by DfE confirmed grant conditions and new service requirements. This has been corrected in 2026/27.

1.4.2. Underachievement of the 5% staff saving (£2.180m) resulting in a shortfall of £285,000.

1.4.3. Underachievement of digital savings (£540,000 and £232,000 in 2024/25) – resulting in a shortfall of £295,000

1.5. The directorate has managed to deliver around 78% of the above savings and pressures through a number of one-off activities:

1.5.1. Use of the social care prevention grant where staff are supporting the delivery of the government Families First reforms and Family Hubs Programme.

1.5.2. Holding vacancies, reducing agency staff, delaying recruitment, converting agency staff to permanent or fixed term contracts and achieving the 2026/27-savings earlier than planned.

1.5.3. Ongoing work to track and monitor high placement costs and where appropriate following support move children into family settings such as foster care.

1.5.4. The release of an underspend relating to home to school transport that had originally been requested as a reserve carry forward.

1.6. Monitoring of demand data for social care and early help services shows that at the end of the year the number of children in care remained below 300. Child protection numbers ended the year higher at 231, which was the highest number for 3 years and continues to be monitored closely. The numbers in receipt of Early help was 580, compared to 693 at the end of March 2025, reflecting a downward trend as a result of strengthening the Family Hubs offer to provide support at a universal and targeted level.

1.7. Key risks we continue to monitor include:

1.7.1. Placement costs, including the weekly cost of the most expensive placements.

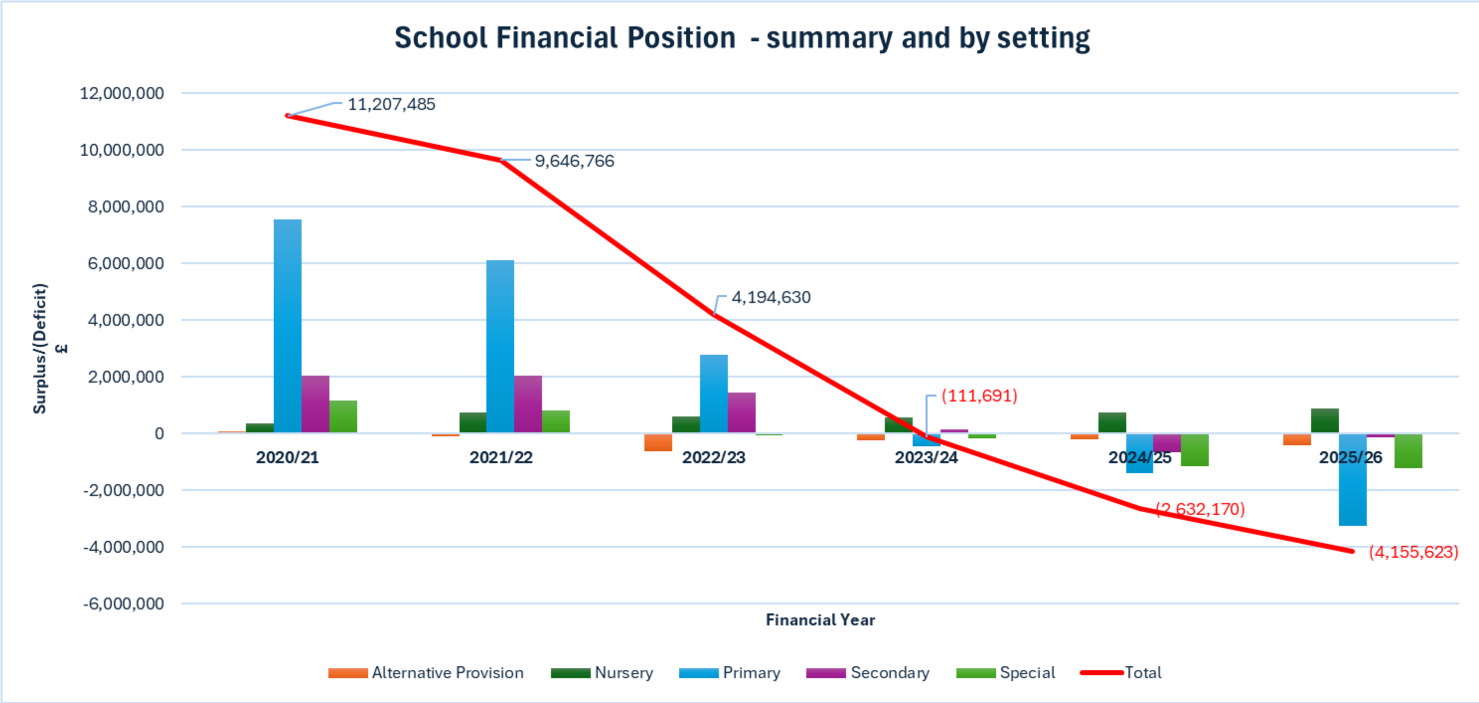
1.7.2. The demand for placements at Haringey Learning Partnership (Alternative Provision) driving additional costs of around £400,000 for the High Needs Block of the Dedicated Schools Grant.

1.7.3. The change in government regulation which requires Haringey to now pay the home to school transport costs for children in care with an EHCP who are placed out of borough.

Maintained Schools

1.8. The chart below shows the outturn for schools is a deficit of £4.2m which is an improvement of £2.2m since Quarter 3. The overall deficit is an increase of £1.6m from 2024/25, with 30 schools in deficit amounting to £11.1m. Work continues to support schools to develop recovery plans in response to the financial impact of falling school rolls and other financial pressures. Recovery plans are developed based on DfE guidance to bring a school back in surplus over three years.

1.9. Some school rolls have fallen to levels that were not sustainable and during the course of the financial year three schools closed where the combined net closing deficit position of these schools amounting to £1.1m and these costs are met by the Council's General Fund.



Setting	25/26 Budget £	2025/26 Outturn £	Number in Surplus	Total Surplus £	Number in deficit	Totsl Deficits £	Movement Q3 to Outturn £
Nursery	93,778	879,881	3	879,881	0	0	906,131
Primary	(3,993,047)	(3,261,312)	27	4,058,696	24	(7,320,008)	36,648
Secondary	(1,064,943)	(143,630)	2	1,668,137	3	(1,811,767)	955,824
Special	(1,716,452)	(1,228,159)	2	354,271	2	(1,582,430)	219,591
PRU	(128,028)	(402,403)	0	0	1	(402,403)	100,156
Total	**(6,808,692)**	**(4,155,623)**	**34**	**6,960,985**	**30**	**(11,116,608)**	**2,218,350**

Dedicated Schools Grant (DSG)

1.10. The overall in year position on the DSG a deficit of £3.146m, comprising a balance position on the Schools Block and Central Services Block, a deficit on the High Needs Block (HNB) of £4.365m and a surplus on the Early Year Block (EYB) of £1.218m. The balances are transferred to the schools individual unusable reserves.

1.11. Support for the HNB up until 31st March 2026 was met by the Safety Valve Agreement, where payment by results has supported a reduction in the accumulated deficit. As a result of the SEND reforms announced in January 2026 the Safety Valve programme has now ended to be replaced by the SEND improvement programme. Over the life of the Safety Valve programme, 2022/23 to 2025/26, the council has received £20.93m in funding which has brought down the deficit on the HNB on 31st March 2026 to £12.702m.

1.12. Work is underway to develop a SEND improvement plan which if successful approved will result in a HNB stability grant payment of £9.339m to Haringey reducing the accumulated deficit on the HNB to £3.363m. There after the council will be responsible for the deficit on the HNB. It should be noted that the statutory override remains in place until March 2028 which mean that the HNB deficit continues not to be a financial pressure on the council. Should the deficit increase and the statutory override is removed the council will have to account for this additional pressure.

1.13. Any balance on the EYB is carried forward and subject to recoupment in summer 2026 in accordance with the grant conditions.

Reserve Movement by Blocks	Schools block	Central school services block	High needs block	Early years block	Total (SAP code 72886)
Opening Balance - 2024/25	**£0**	**£0**	**£11,327,139**	**-£1,819,739**	**£9,507,400**
DSG Allocation - 2025-26	-£145,357,752	-£2,703,149	-£59,896,230	-£42,793,412	-£250,750,543
Block Transfer - HNB	£1,167,130		-£1,167,130		£0
Block Transfer - CSSB	£122,000	-£122,000			£0
Funding available	**-£144,068,622**	**-£2,825,149**	**-£61,063,360**	**-£42,793,412**	**-£250,750,543**
Expenditure - FY 2025-26	**£144,068,622**	**£2,825,149**	**£65,428,974**	**£41,574,974**	**£253,896,989**
In Year movement	**£0**	**£0**	**£4,364,884**	**-£1,218,438**	**£3,146,446**
Reserve Adjustments					
Safety Valve Income			-£2,990,000		-£2,990,000
EYE Year Reserve drawdown				£108,100	£108,100
Reserve Adjustment - Total	£0	£0	-£2,990,000	£108,100	-£2,881,900
Final Closing Position - DSF FY 2025-26	**£0**	**£0**	**£12,702,023**	**-£2,930,077**	**£9,771,946**

2025/26 Savings

1.14. Against a full year savings target of £3.1m, the directorate have achieved 78% delivery of their savings, however some have been met from one off mitigations. The table below sets out the full details of the savings and delivery.

Description	2025/26 FY Savings Target £'000s	2025/26 Projected Full Year Savings Delivery UP TO TARGET £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
John La Rose Bursary	-15	-15	0	Green	Delivered.
Maya Angelou Package of Services	-75	-75	0	Green	Delivered.
Youth Services reduction Option 1	-50	-50	0	Green	Delivered.
Expand the provision at Stonecroft through the development of the site to enable taking of more children	-100	-50	-50	Amber	This is in part being delivered by efficiencies and income across the other nurseries as it has not been possible to expand the provision at Stonecroft. This has also been impacted by the temporary closure of Triangle and staff absence.
Remove the balance of the John La Rose funding and run the scheme on sponsorship only whilst allowing for some administration support to administer the scheme	-80	-34	-46	Red	Some new sponsors have been identified but envisage that full savings will take longer to implement
Pendarren House - This proposal is for Pendarren Activity Centre to become fully self funded and therefore reduce the Council's contribution.	-25	-25	0	Green	Delivered
Digital Transformation Savings - Digital Savings - Directorate Allocation	-540	-245	-295	Red	Some savings have been identified but the full £772,000 to meet the budget reduction has not been. Outturn reflects some one-off mitigations in year. These are not sustainable and options to deliver the full saving during 2026/27 need to be identified.

Description	2025/26 FY Savings Target £'000s	2025/26 Projected Full Year Savings Delivery UP TO TARGET £'000s	2025/26 Shortfall	RAG Service Saving Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
5% Staff saving	-2,180	-1,895	-285	Amber	Mitigations taken in year, include grant funding some key roles leading transformation; staff purchasing additional annual leave; holding vacancies. Other mitigations and underspends at year end across multiple lines has resulted in mitigating the savings by £1.895m.
TOTAL	**-3,065**	**-2,389**	**-676**	**Amber**	

2025/26 Capital Provisional Outturn Position

1.15. Children's Directorate have achieved an outturn position of £11.1m against revised capital budgets of £15.1m resulting in £4.0m of capital budgets being unspent in the year. A summary of the reasons for the variation is set out in the table below:

Scheme Ref. No.	Scheme Name	2025/26 Full year Revised Budget (£'000)	2025/26 Provisional Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	Qtr. 3 Forecast (£'000)	Move-ment between provis-ional outturn and Q3 Forecast (£'000)	Narrative to explain movements from Q3 to outturn and make clear where carry forwards have been requested
101	Primary School - repairs & maintenance	**3,723**	**3,293**	**(430)**	**3,607**	**(314)**	Projects committed in 2025-26 are currently being tendered and therefore spend will be in 2026/27.

Scheme Ref. No.	Scheme Name	2025/26 Full year Revised Budget (£'000)	2025/26 Provisional Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	Qtr. 3 Forecast (£'000)	Move-ment between provis-ional outturn and Q3 Forecast (£'000)	Narrative to explain movements from Q3 to outturn and make clear where carry forwards have been requested
102	Primary Schools - modernisation & enhancements (Inc SEN)	**3,496**	**1,670**	**(1,826)**	**3,199**	**(1,529)**	Six new projects were commenced in late 2024/25, with an expectation that these would enter contract in 2025/26. The feasibility studies for the schemes identified condition need that exceeded the original allocations, such that the programme needed to be realigned to be affordable. This was achieved through a combination of scope reduction, value engineering, phasing works (rather than delivering as a single project – Earlsmead and Mulberry), and pushing two schemes (Tetherdown and Bounds Green) back to commence in late 2026/27. This ensured that essential works could be afforded but required the programme to be extensively revised to achieve a balanced budget over the MTFS period up to the end of FY 28/29 at present. The scheme can be delivered without seeking additional funding above the original allocation in both 25/26 and 26/27 financial years.
104	Early years	**25**	**25**	**0**	**25**	**0**	
105	Reinforced Autoclaved Aerated Concrete (RAAC) in Schools	**251**	**448**	**197**	**251**	**197**	

Scheme Ref. No.	Scheme Name	2025/26 Full year Revised Budget (£'000)	2025/26 Provisional Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	Qtr. 3 Forecast (£'000)	Movement between provisional outturn and Q3 Forecast (£'000)	Narrative to explain movements from Q3 to outturn and make clear where carry forwards have been requested
110	Devolved Schools Capital Budgets	**504**	**504**	**0**	**504**	**0**	
114	Secondary School - modernisation & enhancements (Inc SEN)	**2,210**	**1,320**	**(890)**	**209**	**1,111**	The major works planned for 2025/26 were on the Fortismere site (now completed) and Hornsey School for Girls. DfE included the latter in its School Rebuilding Programme, announced in February 2024. DfE has now confirmed that it is not progressing the rebuild in the immediate future, so the funding will be needed in the FY 2026/27 to address the condition needs. The next scheme in the secondary school pipeline is expected to be the replacement of the temporary block at Gladesmore School. It is beyond economic repair and no longer suitable, but the accommodation is required. A feasibility study will be undertaken in this financial year to identify the cost and logistics of its replacement, once the total value of the Hornsey condition works has been confirmed.

Scheme Ref. No.	Scheme Name	2025/26 Full year Revised Budget (£'000)	2025/26 Provisional Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	Qtr. 3 Forecast (£'000)	Move-ment between provis-ional outturn and Q3 Forecast (£'000)	Narrative to explain movements from Q3 to outturn and make clear where carry forwards have been requested
121	Pendarren House	**229**	**88**	**(141)**	**86**	**2**	The feasibility study for condition improvements at Pendarren identified a greater scope and cost than the budget originally allocated. It has been necessary, therefore, to review the original and proposed scope to ensure that the correct elements are prioritised, given not all can be funded from the existing budget. This has been a complex process that is now largely completed but required that the project did not progress to contract in 2025/26. It should now do so in Q3 of 2026/27.
124	In-Borough Residential Care Facility	**381**	**25**	**(356)**	**90**	**(64)**	Capacity issues within the organisation have led to a delay in sourcing contractors to undertake works for Short Breaks, Foster Carer and Care Leavers provision. Negotiations taking place to get back on track.
125	Safety Valve	**3,446**	**3,411**	**(35)**	**3,567**	**(156)**	This is grant funded from the DfE for the sole purpose of CYP capital programme. The underspend will be allocated against the two new secondary school resource bases at Fortismere and Park View, both due to open in September 2026.

Scheme Ref. No.	Scheme Name	2025/26 Full year Revised Budget (£'000)	2025/26 Provisional Outturn (£'000)	Budget Variance (Underspend) / Overspend (£'000)	Qtr. 3 Forecast (£'000)	Move-ment between provis-ional outturn and Q3 Forecast (£'000)	Narrative to explain movements from Q3 to outturn and make clear where carry forwards have been requested
126	Childrens Services LiquidLogic Implementation	**220**	**22**	**(198)**	**20**	**2**	Delay in implementation due to capacity issues within the service. The remaining £198,000 will be used to implement 'Group Work' and replace the current system as it is no longer meeting service requirements, particularly around reporting, case recording and record management. The new system will support staff within the family hubs settings.
127	Art Council Music Hub	**579**	**307**	**(272)**	**347**	**(40)**	The Capital Budget is provided by a grant from DfE. The grant period is from 01/09/2024 – 31/05/2027.
Children's Services		**15,064**	**11,114**	**(3,950)**	**11,904**	**(790)**	

2025/26 - 29/30 (GF) CAPITAL FUNDING

	2025/26 Final Outturn (£'000)
Funded By:	
Core Capital Programme Borrowing	136
Capital Grants from Central Government Departments	10,978

Total	**11,114**