



Haringey Council

Report for:	Corporate Parenting Advisory Committee 6th March 2014	Item Number:	
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Title:	Children's Services Budget 2013/14 and 2014/15
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Report Authorised by:	Lisa Redfern Director of Children's Services (Acting)
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Lead Officer:	Wendy Sagar Interim Head of Finance Children's Services
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Ward(s) affected: ALL	Report for Non Key Decision
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1. Describe the issue under consideration:

- 1.1 The Corporate Parenting Advisory Committee has requested an update on the Children's Services budget, including the focus for spending plans in 2014-15.
- 1.2 The following report provides an update on the Children's Services budget position for 2013/14 (including progress on making savings) and gives an update on Financial Planning for 2014/15.

2. Background information

- 2.1 Financial performance including any forecast variation against agreed budgets is monitored regularly by Council officers and reported quarterly to Cabinet. The most recent such report was made based on the position at the end of period seven (October) and reported to Cabinet at their meeting on 17th December.
- 2.2 Similarly Financial Planning is regularly discussed by Cabinet, most recently at the meeting on the 11th February when the Revenue Budget for 2014/15, and the Medium Term Financial Plan 2014 to 2017 were approved.



3. Revenue Budget Monitoring Position

- 3.1 The relevant paragraphs of the report to Cabinet on 17th December 2013 relating to Children's Services are:
- 3.2 In overall terms the CYPS directorate is reporting a balanced position with the application of grant funding being used against allowable costs. There are however, individual pressures within the service which are identified below.
- 3.3 The Children and Families Service is projecting a minor underspend with the numbers of Looked After Children now holding steady at around 470 (excluding 30 Unaccompanied Asylum Seeking Children); a reduction of 33 since the start of the year. In addition to the successful delivery of £3.25m savings in 2013/14, an underspend of c£100k is currently projected.
- 3.4 The number of clients with no recourse to public funds continues to increase, showing a projected overspend of c£600k. Since May 2013 a dedicated Home Office worker has been assigned to the service in order to contain the overspend.
- 3.5 Additionally, the costs of accommodating homeless families is creating a pressure of c£400k; these families are being evicted due to the non payment of rent although the council owes a duty of care to them because of the risk of harm to children in the family.
- 3.6 The Children and Families Legal services budget is now projecting a £254k underspend. Some caution needs to be exercised because of the potential for late billing by Chambers and the chance of receiving an unusually high bill for a particularly complex individual case, although clearly this risk reduces as the year progresses.
- 3.7 The Prevention and Early intervention service is now projecting an overspend of £190k due to under recovery of income at the Professional Development Centre and pressures within the Early Years service.
- 3.8 Director. An overspend of c£400k on the school related redundancy and premature retirement budget is currently projected. Other underspends within the service have reduced the pressure to c£250k.

4. Update on Progress in Making Savings in 2013/14

There are no issues to report concerning progress in making savings. All savings continue to be monitored as part of the ongoing budget monitoring process.



5. Financial Planning 2014/15

- 5.1 Financial planning for 2014/15 to 2016/17 was agreed at Cabinet on 11th February 2014. The details of the Council's Medium Term Financial Plan for Children's Services are shown as Appendix 1.
- 5.2 The service has a total savings target of £4,712k for 2014/15 and £480k for 2015/16 making a total of £5,192k. Plans to achieve these savings are progressing well and will be monitored throughout the 2014/15 financial year.
- 5.3 The service has been awarded permanent growth of £120k to enhance pupil's finance and music skills and Children's Services will work in collaboration with schools on these initiatives.
- 5.4 Temporary funding of £1,122k (£400k in 2014/15 and £722k in 2015/16) has been made available from the Transformation Reserve to fund the Haringey 54k programme.
- 5.5 The Children's Service transformation project, Haringey 54,000, moved into phase 3 transformation via commissioning on 1 February 2014. One of the key outcomes of the transformation, to be delivered in association with our strategic partner (iMPOWER), will be to shift budgets from high end intervention to prevention and early intervention in a sustainable manner. This will require savings over and above those required to meet Medium Term Financial Plan requirements to be generated to enable investment in early help.

6. Use of Appendices

Appendix 1: Haringey Council Medium Term Financial Plan to March 2017



Appendix 1 Medium Term Financial Strategy for Children's Services

Savings - Children's Services

Item	Detailed Efficiency & Saving	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
1	Children & Families - staffing reductions	270	480	0	750
2	Education Psychology Service - staffing reductions	60	0	0	60
3	Reduction in LAC Placements.	2,250	0	0	2,250
4	Review of Early years services	150	0	0	150
5	Net reduction in staffing requirements following early intervention processes and reductions in numbers of LAC.	150	0	0	150
6	Reduction in Legal Services budget as a result of fewer care proceedings.	50	0	0	50
7	Reduction in the need for Contact Services following reductions in numbers of LAC.	50	0	0	50
8	Review of the Fostering and Adoption services to achieve better value for money outcomes	75	0	0	75
9	Reduction in SEN transport costs	150	0	0	150
10	Consolidation of arrangements for Youth Offending, Alternative Provision and Behaviour Support services to achieve efficiencies.	100	0	0	100
11	Children and Families Finance Team - cut staffing budget by 50%	210	0	0	210
12	Delete 1 FTE screening post in C&F Admin	26	0	0	26
13	Income generation - Attendance and Welfare; Education Psychology following academy conversions	50	0	0	50
14	Delete 3 Education & Safeguarding posts	100	0	0	100
15	Reorganise 3rd tier - delete a further 2 Heads posts	170	0	0	170
16	Delete 7 admin scale 5 posts	210	0	0	210



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17	Delete vacant 4YP Nurse post	64	0	0	64
18	Delete balance of an additional Contact post (reduction of 3 posts in 2013/14 & 2014/15)	10	0	0	10
19	Delete 2 placement officer posts as LAC numbers reduce	78	0	0	78
20	Fostering Review (balance of £155k saving after £125k pre-agreed)	30	0	0	30
21	Delete remaining Trainee social worker capacity	42	0	0	42
22	Delete 2 Independent Reviewing Officer posts as numbers of Looked after Children reduce.	130	0	0	130
22	General reduction in supplies and services across the department	112	0	0	112
22	Raise income by utilising adoption assessments where there are no Haringey children to match	100	0	0	100
22	Offering support services to schools and Academies from alternative providers.	75	0	0	75
		4,712	480	0	5,192

Growth - Children's Services

Item	Proposed Use of Investment & Justification (KPIs etc)	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
1	Haringey 54,000 - to be funded from transformation reserve	400	722	(1,122)	0
2	Enhancement of secondary school pupil's personal finance skills	60	0	0	60
3	Extend free music tuition to year 6 pupils	35	0	0	35
4	Saturday Morning Music Centre at Gladesmore	25	0	0	25
		520	722	(1,122)	120