

Children's Services Overview & Scrutiny Budget Working Group Conclusions – Part 1, Care Growth Forecast

Key Lines of Enquiry

The Working Group undertook a deep dive into the budget associated with Care Growth Forecast, raising detailed data and information requests. These are detailed in the Key Lines of Enquiry (KLOE) background document (available upon request).

Working Group Findings and Recommendations	
Question for consideration	Working group conclusions
How much is in the budget?	<p>The group focussed on care growth as a topic in relation to Children's Social Care.</p> <p>The group received an overview of the budget position for cost of care forecast at Q2 taking account of the total budget for care and the various placement types within this. The total budget for care in 2024/25 is £46.8 million and the forecast spend at Q2 showed a £240k overspend from current known placements. In addition to this £240k an assumption of £600k has been included for growth in placement costs for the remainder of the financial year which equates to a total forecast variance on care at Q2 of £840k.</p> <p>The group noted that budget was not assigned for care growth; however, as referenced above, care growth was built into the forecast outturn position. This was based on experience and previous years' trends.</p> <p>The Medium Term Financial Plan (MTFP) contained care growth for future placements/mix of placements. Currently the 2025/26 MTFP includes £3.859m.</p> <p>In addition to this £3.859m for care growth a further adjustment of £1.3m has been included to allow for the recent government budget announcements regarding national living wage (NLW) and national insurances (NI) increases. There is an assumption in the current MTFP that the increased costs relating to NLW and NI changes will be supported by additional funding from central government.</p>

	<p>The group was reassured that officers fully understood the likely growth in this area and BCP was moving from a 'hot system' to a more stable system. The group gained an understanding of the steps being taken by the Directorate to avoid children coming into care and to try to keep children in a family arrangement wherever possible.</p>
<p>What does the data tell us about demand or unmet needs?</p>	<p>The group was made aware of the challenges around market provision and explored actions being taken by BCP in its commissioning processes to address these. It was noted that the Directorate was also exploring capacity building within its own internal fostering systems and considering other options to reduce reliance on market provision.</p> <p>The group was reassured by the ongoing work regarding sufficiency and the confidence of the team to challenge market providers when appropriate to ensure the children were receiving the most appropriate care at an appropriate cost. The group felt that the Sufficiency Strategy should be considered by the full O&S Committee at an appropriate time.</p> <p>The group was made aware of the mental health provision demand and the work that was underway and the need to strengthen the resource available through CAMHS. It was highlighted that this was on the Committee's work plan priority list for consideration and the group felt this deep dive provided additional rationale for this being scrutinised.</p> <p>The group explored what was being done to 'spend to save'. It was highlighted that spend to save was a challenging area and required continually looking to move forwards in terms of investment.</p> <p>The group noted that there was more that could be done around the internal understanding and management oversight of placements and costs and strengthening of this was underway.</p>
<p>Is the council meeting its aims and objectives?</p>	<p>The working group found that the Council was meeting its aims and objectives regarding providing care and that officers fully understood growth forecasts and associated costs. The group was reassured by the measures being taken to reduce the number of children going in to care and the reliance on market providers.</p>

	<p>The group discussed investment in statutory services versus non statutory services. Officers highlighted the example that for every £1 spent in Early Help Services (non-statutory), the council would spend £3 in statutory services. In line with this example, the working group explored the benefits of protecting non-statutory services and the positive impact those services were having on reducing the level of reliance on statutory services and felt that this needed to continue, whilst acknowledging the Council's financial position. The group heard that the Directorate utilised all possibilities, including voluntary sector organisations, to deliver the non-statutory services efficiently.</p> <p>The working group noted that following the Ofsted Inspection in 2021 where it was highlighted as an issue, there was now improved and stronger working relationships with health partners and providers which was having a positive impact. It was noted that there was some work to be done around the funding splits with health partners.</p> <p>The group noted that permanent staffing levels had improved and stabilised and heard about the actions which were being undertaken to continue to improve recruitment and retention.</p>
Do we have any recommendations?	<p><u>Recommendations to the O&S Board</u></p> <p>That the Board recommends that Cabinet:</p> <ol style="list-style-type: none"> 1. Be informed that the O&S working group notes that the Children's Social Care Service is working within the MTFP and is assured that the budget for 25/26 is being built on well informed growth forecasts and that BCP's position was now stabilising in terms of numbers of children entering the care system. 2. Notes that, within a time of financial constraint, the O&S working group finds that protection of non-statutory services (such as Early Help) continues to be vitally important to avoid additional financial impact on statutory services. The working group supports and recommends a continued approach to protecting non-statutory services for this reason.

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| | <p>3. Be informed that the O&S working group was assured by the previous end of year outturn being within approximately £300k of the Quarter 3 projections for the year which was a minimal variance, demonstrating that the Service has a good handle on the anticipated costs for Children's Services.</p> <p>That the Board recommends that the Children's Services O&S Committee:</p> <p>1. Notes the challenges in the market around children's social care providers and the development of the Sufficiency Strategy to address this and that the Sufficiency Strategy be added to the Children's Services O&S work plan for engagement in at the appropriate time.</p> <p>2. Notes that mental health provision needs strengthening to meet demand and that this be included within the Children's Services O&S work plan as a priority for scrutiny.</p> |
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