

Proposer: Councillor L Nethsingha

Seconder: Councillor E Meschini

**Joint Administration Amendment to Agenda Item No.7 - Proposed Business Plan for 2024-29
for Consideration at Full Council 13 February 2024**

AMENDMENT

- a) Add: and Amend the Council's funding following the Final Local Government Financial Settlement announcements, as follows:

Additional grant announced on 5 February	£m
Social Care Grant [one-off]	4.8
Services Grant [permanent]	0.04
Business Rates levy surplus return [one-off]	0.43
TOTAL	5.27

- c) Replace (rec c): Approve a total county budget requirement in respect of general expenses applicable to the whole County area as a result of £1,164,584,542

- j) New recommendation: To Add and amend the Council's gross and net revenue spend, allocating the budget initially to corporate resources to transfer to service/directorate budgets during the year as spend is allocated and committed:

Business Planning Reference	Item	Amount (2024-25) £m
A/R.4.011 A/R.4.012	Children in Care Placements Pressure	3.10
E/R.5.002 E/R.5.003	Children's Social Care Academy	0.40
New	Special Educational Needs and Disability capacity to transform	0.50
New	Home to School Transport capacity to transform	0.57

New	Additional Mental Health Support	0.40
New	Review of Adult Social Care Fees and Charges to support anti-poverty measures	0.20
	TOTAL	5.27

k) New recommendation: Note the Council's revised Medium Term Financial position as follows:

£000	2024-25	2025-26	2026-27	2027-28	2028-29
Budget Gap	0	23,480	25,746	25,958	24,581

END OF AMENDMENT

1.1 The funding revisions set out above are to be applied as follows, in accordance with the stipulation that these support investment in frontline services:

Business Planning Reference	Item	Amount (2024-25) £m	Description
A/R.4.011 A/R.4.012	Children in Care Placements Pressure	3.10	The increase in social care placements and costs is provided for on an ongoing basis in 2024-25 but was planned to be funded from reserves for one year. This cost forms part of the pressures for 2025/26 and has not been baselined due to a drive to improve placements and cost management. The Social Care grant will be used to enable two years of funding, but with a key focus being on enabling the Directorate to convert a higher proportion of staff to permanent/employed status and reduce the levels of reliance on agency workers. This will further aid driving down costs and improving

Business Planning Reference	Item	Amount (2024-25) £m	Description
			placements to manage this pressure across the medium-term financial plan. This proposal is also consistent with the Government's provisions relating to a Local Productivity Plan and the basis for this funding allocation.
E/R.5.002 E/R.5.003	Children's Social Care Academy	0.40	The current proposals provide for one year funding of support for growing our directly employed Children's social care workforce via apprentices and our CARE academy. This grant will be used to extend that to two years support. This will complement the additional investment proposed for Children's Social Care to reduce reliance on agency workers and increase the number of employed qualified social workers within the Council.
New	Special Educational Needs and Disability capacity to transform	0.50	One off capacity will be provided to the service to work with schools, parents and other partners, including the NHS, to focus provision and costs to deliver more rapidly the necessary service change and improvement. This will also strengthen the Council's delivery of the Safety Value agreement with the Department for Education. This allocation aligns fully with the Government's intent for the use of this one-off funding allocation.
New	Home to School Transport capacity to transform	0.57	One off capacity to accelerate the delivery of change and improvement, working with operators and the Combined Authority to ensure more sustainable transport solutions in an integrated manner and to embed options with lower costs.
New	Additional Mental Health Support	0.40	This one-off investment seeks to respond to the feedback received through the Quality of Life Survey to expand upon existing resources in communities to enable a targeted and preventative approach to

Business Planning Reference	Item	Amount (2024-25) £m	Description
			support adult mental health and wellbeing. This approach will not only align with existing resource allocated to adult mental health services at a community level and will draw upon the insights from the Joint Strategic Needs Assessment, Census Data and other data sources to ensure this is targeted in concert with our Closer to Communities programme. This will include improved ease of access to services and working with relevant mental health providers from the local voluntary, community and social enterprise sector (VCSE).
New	Review of Adult Social Care Fees and Charges to support anti-poverty measures	0.20	The Council is reviewing how it has applied the legislation and applying its charging policy, using areas of good practice, including comparators from neighbouring councils and wider, to help inform this piece of work. This review will also consider the current Court of Protection processes and work to address the levels of debt, arising from this area of work.
	TOTAL	5.27	

1.2 The revisions above provide funding, in 2024-25, to the services recognised as areas of concern for residents through the quality-of-life survey, and as major pressures financially through the business planning process. The proposals support the children in care placement budget, which has increased due to the very high cost of placements and market pressures. One off funding is also proposed to increase capacity in some of our key services and to support improvement and transformation. These items increase the council's gross budget by £5.27m.

Impact on future years.

1.3

Ref	Title	2024-25 £000	2025-26 £000	2026-27 £000
A/R.4.012	Children in Care Placements pressure - reserves funding	-	-3,100	3,100
E/R.5.003	Learning and Development - Children's Academy funding from reserves	-	-400	400
H/R.5.002 [new]	SEND capacity	500	-500	-
H/R.5.003 [new]	Home to School Transport capacity	570	-530	-
H/R.5.004 [new]	Additional Mental Health Support	500	-500	-
H/R.5.005 [new]	Fees and Charges review	200	-200	-

The above allocations enable planned reserves use across several lines in 2024-25 to be deferred by a year to 2025-26. The ongoing services grant allocation also provides for a recurring budget allocation. Finance tables in section 3 of the business plan would therefore be updated to show:

1.4 Consequently, there is an impact on the budget gap for 2025-26 and 2026-27. The revised budget gaps would therefore be per the below table, replacing those referenced in 3.7 of the main council report:

£000	2024-25	2025-26	2026-27	2027-28	2028-29
Budget Gap	0	23,480	25,746	25,958	24,581

1.5 This would also impact on earmarked reserve projections, through the deferral of reserves use by a year to 2025-26.

2. Officers comments

Section 151 Officer comments:

- 2.1 The proposals match the funding available and treat the expenditure in accordance with the expectation of the mainly one-off nature of those funds. The purposes and nature of the funding is matched by the nature of the spend, in that the majority of the additional funds are for social care in line with the final settlement requirements.
- 2.2 This has no new impact on reserves from the assessment provided to Strategy, Resources and Performance Committee on 30 January, and thus there are no new matters or risks for Council to consider.

Monitoring Officer technical comments:

- 2.3 Under section 25 of the Local Government Act 2003 the Section 151 Officer is required to report to the authority on the robustness of the estimates made for the purposes of the calculations required to be made by the Council and the adequacy of the proposed financial reserves. These are the estimates which are contained within the main budget report and also require a separate evaluation of the financial sustainability of any amendments proposed. This is contained in the evaluation set out above.
- 2.4 The Council is then required to "have regard" to the Section 151 officer's comments on the amendment but it is not required to adopt the recommendations in it. However, Members must demonstrate they have acted reasonably if they do not adopt the recommendations.
- 2.5 The Section 151 officer considers that there is no change in the level of risk to the financial sustainability of the Council if the amendment is adopted.

Head of Paid Service technical comments:

- 2.6 The Section 151 officer's comments set out the technical assessment of the amendment and the implications this may have for the financial sustainability of the Council, if approved. These have positive impacts on the Council's medium-term

business and financial plans, as well as delivery against the Strategic Framework and in response to the Council's Quality-of-Life Survey.

- 2.7 The role of Head of Paid Service, in accordance with Section 4 of the Local Government and Housing Act 1989, is responsible for the structure and organisation of the County Council's staffing. A focus on creating permanence in children's social care staffing and further growing our own, directly employed workforce, through the Children's CARE academy is recognised as a key factor in improving outcomes. It also accords with the direction set with the Written Ministerial Statements from the Secretary of State for Levelling Up, Housing and Communities, which encourages authorities to reduce agency worker expenditure and to prioritise these additional funds towards areas such as Children's and Adult Social Care, including Mental Health, SEND provision and Home to School Transport.

Conclusion:

- 2.8 Overall, the proposals contained within this amendment are deemed financially competent, are aligned to the Policy and Budget Framework for the County Council and are considered deliverable. Consequently, these do not add any new risks to delivery of a legally balanced budget, should this amendment be approved.