

Directorate: Children, Education and Families
 Subject: Finance Monitoring Report – January 2024
 Date: 12th February 2024

Contents

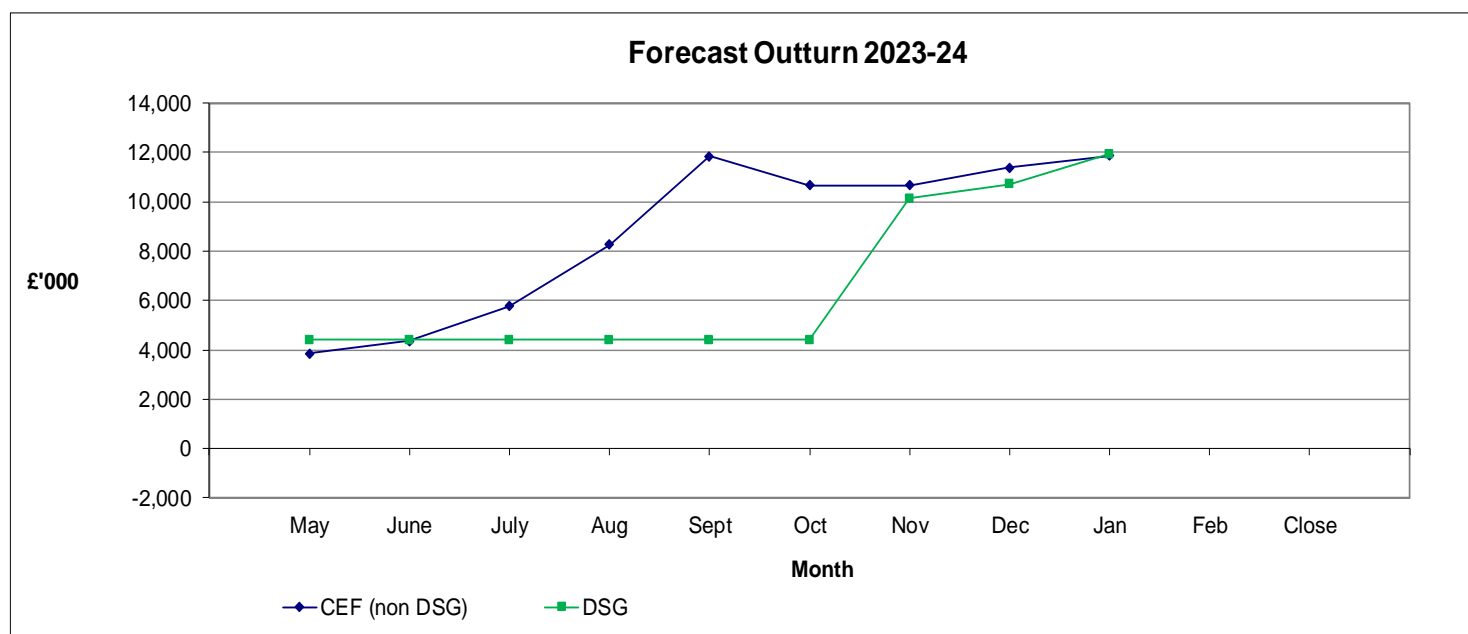
Section	Item	Description
1	Revenue Executive Summary	High level summary of information and narrative on key issues in revenue financial position
2	Capital Executive Summary	Summary of the position of the Capital programme within Children, Education and Families
3	Savings Tracker Summary	Summary of the latest position on delivery of savings
4	Technical Note	Explanation of technical items that are included in some reports
5	Key Activity Data	Performance information linking to financial position of main demand-led services
Appx 1a	Service Level Financial Information	Detailed financial tables for Children, Education and Families main budget headings
Appx 1b	Service Level Financial Information	Dedicated Schools Grant (DSG) financial tables for Children, Education and Families main budget headings
Appx 2	Service Commentaries	Detailed notes on revenue financial position of services that have a significant variance against budget
Appx 3	Capital Appendix	This contains more detailed information about the capital programme, including funding sources and variances from planned spend.
<i>The following appendices are included quarterly as the information does not change as regularly:</i>		
Appx 4	Savings Tracker	Each quarter, the Council's savings tracker is produced to give an update of the position of savings agreed in the Business Plan.
Appx 5	Technical Appendix	Each quarter, this will contain technical financial information showing: Grant income received Budget virements Earmarked & Capital reserves

1. Revenue Executive Summary

1.1 Overall Position

At the end of January 2024, Children, Education and Families is projected to be £11.865m overspent on core funded activities and £11.933m overspend on Dedicated Schools Grant (DSG) activities.

1.2 Summary of Revenue position by Directorate



1.2.1 Childrens, Education and Families – Non DSG

Forecast Outturn Variance (Previous) £000	Directorate/Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
5,752	Commissioning	29,236	-2,336	26,900	21,589	7,165	24.5%
1,285	Children & Safeguarding	72,242	-14,383	57,860	44,499	1,090	1.5%
4,266	Education	65,164	-18,225	46,940	28,516	4,243	6.5%
0	Executive Director	-161	-15	-176	674	-0	0.0%
-633	Mitigations	633	0	633	0	-633	-100.0%
10,670	Total Expenditure	167,114	-34,958	132,156	95,279	11,865	7.1%
0	Schools	0	0	0	-2,643	0	0.0%
10,670	Total	167,114	-34,958	132,156	92,636	11,865	7.1%

1.2.2 Children, Education and Families – DSG

Forecast Outturn Variance (Previous) £000	Directorate/Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	Commissioning (DSG)	245	0	245	-123	0	0.0%
12,322	Education (DSG)	115,221	-1,716	113,505	80,569	14,106	12.2%
12,322	Total Expenditure (DSG)	115,466	-1,716	113,750	80,446	14,106	12.2%
-2,173	Schools (DSG)	489,111	-2,689	486,422	129,413	-2,173	-0.4%
0	Financing (DSG)	1,951	-602,122	-600,171	-183,821	0	0.0%
10,149	Total (DSG)	606,528	-606,528	0	26,038	11,933	0.0%

1.3 Significant Issues

The overall position for Children, Education and Families non-DSG budgets to the end of January 2024 is a forecast overspend of £11.865m. The figures include budget rebaselining adjustments approved at Strategy and Resources Committee in July.

Children in Care Placements – The forecast for Children in Care Placements has increased to £7.15m. This reflects the continuing complex needs of a small number of existing placements, where step-down arrangements have not been possible, or where placement moves / breakdowns have resulted in additional support to ensure the success of the transition and ensure the safeguarding of the young person / service provider. We still currently have a small number of young people in very high-cost placements which is causing a significant weekly pressure against the budget. It is proving extremely difficult to secure appropriate registered placements for these young people, due to a combination of complexity of need and a saturated external market. This has led to an increase in the length of some of the very high-cost placements being forecast, which has worsened the forecast overspend position. This position is being carefully monitored and the service is working hard to control cost where possible, including tracking of all packages at the weekly External Placement Panel and ensure all agencies are working towards more suitable, stable and cost-effective placements for these children. We are also continuing our market engagement with our providers to develop more cost-effective arrangements for current and future children needing placements.

Children and Safeguarding – A revised net forecast overspend of £1.090m is being reported across Children and Safeguarding. Worsening forecast overspends in Legal services spend, Integrated Front Door additional staffing arrangements, and Family Safeguarding have been offset by an underspend in the Targeted Support Service.

Education – A net forecast overspend of £644k is now being reported across Education (excluding Home to School Transport). As a result of delays in implementing a new ICT system, the proposed efficiency savings of £223k are now unlikely to be delivered until the 2025/26 financial year. This is being reflected in the 2024-25 budget setting process. The ICT Service is now also reporting a pressure of £134k due to reduced investment from schools in ICT infrastructure. The service has a surplus income target of £300k which is being directly affected by this reduction in investment. SEND Specialist Services

continues to report a forecast overspend of £500k. This pressure is from the Education Psychology (EP) service and SEND Head of Service. The EP service is experiencing a continuing increase in demand for Education Health and Care Needs Assessments (EHCNA) which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. We have seen a 24% increase in the number of requests for assessments for SEND. The SEND Head of Service pressure is a result of additional speech and language therapy costs and back care training costs. Both service areas are in discussion with relevant health organisations around performance and responsibility for payment.

Home to School Transport – A revised forecast of £3.598m is now being reported across the Home to School Transport budget lines.

There are increasing concerns around the home to school transport budget areas following the summer procurement rounds, which, due to lack of supply in the market, saw between 7% and 8% uplifts on the same route previously. This inflationary impact continues to be a live issue for the delivery of home to school transport. Alongside this, recent admissions data shows that growth of children and young people with SEND will continue to rise above what is forecast, therefore creating a higher demand for more complex routes, such as solo travel.

Work is underway to determine the financial impact of the unprecedented levels of in-year applications into the county which will not have been factored into the budget setting last year given the timing of the applications. Equally, the summer Year 7 secondary school place allocation round saw 5% higher retention of pupils from Primary into Secondary on previous years transfer rates. The impact of this has meant pressure on secondary school places and consequently more young people are being placed in schools over 3 miles from their home address and therefore eligible for transport. This information has been built into business planning to ensure budget setting is appropriate in the context of current demand.

Various cost saving exercises are currently taking place, such as optimising the use of our fleet and working with other external providers, to minimise overspends and create a more sustainable market.

Dedicated Schools Grant (DSG) – Appendix 1b provides a detailed breakdown of all DSG spend within Children, Education & Families Services. The budget figures are net of recoupment for academies and High Needs place funding.

As a result of the Safety Valve Agreement with the Secretary of State for Education the local authority received an initial payment of £19.6m in March 2023 which will support the reduction of the overall DSG deficit. Alongside this, a local authority contribution of £2.5m has been applied, resulting in a reduced cumulative deficit of £29.16m brought forward into 2023-24. To the end of January, the revised reported net DSG forecast is £11.933m, with further risks in respect of the Early Years position which is dependent on spring term payments versus adjustments to funding based on the January census.

Our September return to the DfE showed a £3.6m in-year adverse variance to the SV plan which was projected over the lifetime of the SV deal. The latest revised forecasts are showing an in-year position in excess of £8m off-track. The challenges around the funding gap include increase growth and demand, inflation on placements, complexity of needs continue to increase, delays in opening new provision (including DfE initiated) and challenges around our data systems. As a result of these challenges, the DfE have written to the County Council outlining that we will be part of the Enhanced Monitoring and Support Programme with a view to submitting an updated Safety Value plan which is rebased to allow for these challenges. Officers are working on remodelling our demand and developing new approaches to manage costs whilst meeting the increase level of need. An update report will be brought to the CYP committee in the coming months on progress for the discussion with the DfE.

2. Capital Executive Summary

At the end of January 2024, the capital programme forecast underspend is zero. The level of slippage and underspend in 2023-24 is currently anticipated to be £12,523k and as such has not yet exceeded the Capital Variation Budget. A forecast outturn will not be reported unless this happens.

Details of the currently forecasted capital variances can be found in Appendix 3.

3. Savings Tracker Summary

The savings trackers are produced quarterly to monitor delivery of savings against agreed plans. The second quarterly savings tracker for 2023-24 was included in the October report.

4. Technical note

On a quarterly basis, a technical financial appendix is included as Appendix 5. This appendix covers:

- Grants that have been received by the service, and where these have been more or less than expected.
- Budget movements (virements) into or out of the directorate from other directorates, to show why the budget might be different from that agreed by Full Council.
- Service earmarked reserves – funds held for specific purposes that may be drawn down in-year or carried-forward – including use of funds and forecast draw-down.

5. Key Activity Data

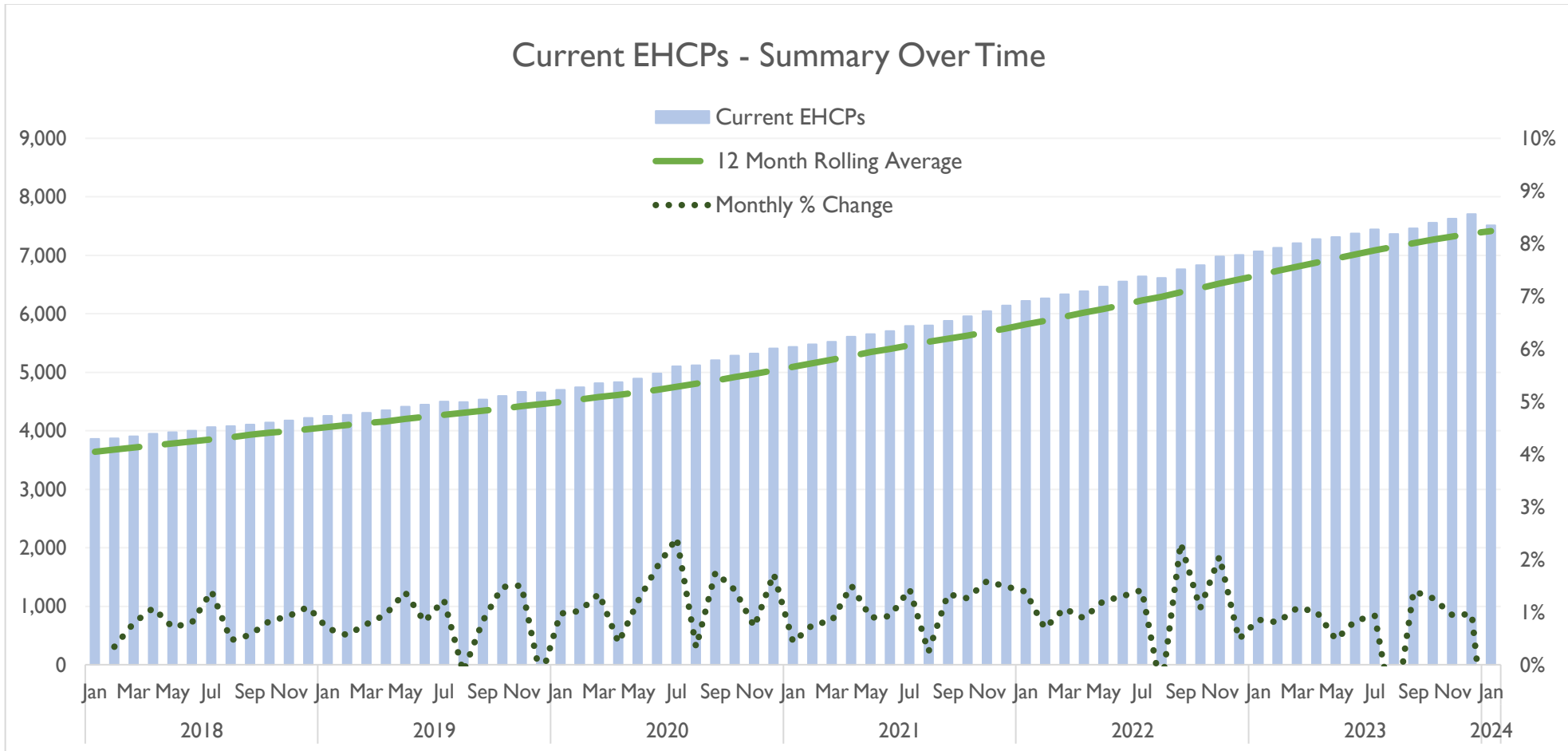
5.1 Key activity data to the end of January 2024 for **Children in Care Placements** is shown below:

Service Type	BUDGET				ACTUAL (January 2024)				FORECAST OUTTURN		
	No of placements Budgeted	Annual Budget	No. of weeks funded	Average weekly cost per head	Snapshot of No. of placements January 2024	Yearly Average	Outturn	Average weekly cost per head	Yearly Average budgeted no. of placements	Net Variance to Budget	Average weekly cost diff +/-
Residential - disability	4	£874k	52	£3,277	4	3.99	£1,003k	£6,120	-0.01	£128k	£2,843
Residential - secure accommodation	2	£1,449k	52	£8,538	0	1.80	£2,355k	£28,852	-0.20	£906k	£20,315
Residential schools	6	£509k	52	£1,632	6	5.76	£577k	£2,031	-0.24	£68k	£399
Residential homes	51	£10,922k	52	£4,118	52	48.19	£12,795k	£6,262	-2.81	£1,873k	£2,144
Independent Fostering	174	£8,153k	52	£901	152	163.08	£7,857k	£1,005	-10.92	£296k	£104
Tier 4 Step down	2	£449k	52	£4,318	0	0.23	£27k	£2,232	-1.77	£422k	£2,087
Supported Accommodation 16+	18	£2,264k	52	£6,302	35	26.27	£8,464k	£9,112	8.27	£6,200k	£2,810
Supported Living	5	£81k	52	£310	6	5.22	£105k	£329	0.22	£24k	£19
Mitigations required	2	£373k	52	£3,588	2	1.78	£615k	£10,990	-0.22	£242k	£7,402
	0	£k	0	£0	0	0.00	£363k	£0	-	£363k	£0
TOTAL	265	£26,285k			257	256.32	£33,435k		-7.68	£7,150k	
In-house Fostering	163	£4,119k	56	£450	164	145.87	£3,695k	£462	-17.42	£424k	£11
In-house fostering - Reg 24	31	£334k	56	£190	0	37.24	£364k	£187	5.81	£31k	£3
Family & Friends Foster Carers	18	£341k	52	£364	20	14.12	£464k	£586	-3.87	£123k	£222
Supported Lodgings	0	£k	0	£0	0	0.00	£23k	£0	0.00	£980k	£0
Growth/Replacement							£k		0.00	£k	£0
TOTAL	217	£4,832k			185	198.23	£4,547k		-20.16	£275k	
Adoption Allowances	87	£1,113k	52	£246	78	77.01	£857k	£213	-9.84	£256k	£33
Special Guardianship Orders	298	£2,319k	52	£150	283	282.79	£2,085k	£141	-15.37	£234k	£8
Child Arrangement Orders	52	£422k	52	£156	42	43.20	£321k	£142	-8.89	£101k	£13

Concurrent Adoption Growth/Replacement	2	£22k	52	£210	0	0.00	£k £64k	£0 £0	-2.05 0.00	-£22k £64k	-£210 £0
TOTAL	439	£3,876k			403	403.00	£3,326k		-36.15	-£550k	
OVERALL TOTAL	921	£34,993k			845	857.55	£41,308k		-63.99	£6,325k	

NOTES: In house fostering payments fund 56 weeks as carers receive two additional weeks payment during the summer holidays and one additional week each for Christmas and birthday.

5.2 Key activity data for **SEN**. The graph below shows the increase in the number of EHCPs over time.



Appendix 1a – Children, Education and Families Detailed Financial Information (non DSG)

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual to date	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%
Director of Commissioning								
5,737	CYP	Children in Care Placements	28,601	-2,316	26,285	21,709	7,150	27%
15	CYP	Commissioning Services	635	-20	615	-120	15	2%
5,752		Director of Commissioning Total	29,236	-2,336	26,900	21,589	7,165	27%
Director of Children & Safeguarding								
-520	CYP	Strategic Management - Children & Safeguarding	3,697	0	3,697	2,328	-520	-14%
-0	CYP	Safeguarding and Quality Assurance	3,917	-540	3,377	2,420	-0	0%
-275	CYP	Fostering and Supervised Contact Services	10,412	-327	10,085	7,604	-275	-3%
0	CYP	Corporate Parenting	10,445	-7,014	3,431	4,909	0	0%
2,070	CYP	Integrated Front Door	4,997	-345	4,652	5,350	2,300	49%
340	CYP	Children's Disability Service	9,429	-832	8,596	7,542	340	4%
-0	CYP	Support to Parents	2,212	-2,019	192	-1,544	-0	0%
-300	CYP	Adoption	6,183	-668	5,515	3,705	-550	-10%
180	CYP	Legal Proceedings	2,050	0	2,050	1,588	275	13%
-0	CYP	Youth Offending Service	3,707	-1,381	2,326	1,227	-50	-2%
-210	CYP	Family Safeguarding	4,755	-173	4,582	2,603	-60	-1%
0	CYP	Targeted Support Service	10,440	-1,083	9,357	6,766	-370	-4%
1,285		Director of Children & Safeguarding Total	72,242	-14,383	57,860	44,499	1,090	2%

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual to date	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%
Director of Education								
223	CYP	Strategic Management – Education	1,359	-119	1,241	2,877	195	16%
50	CYP	Early Years Service	3,351	-2,383	968	951	4	0%
-66	CYP	School Improvement Service	2,344	-1,371	973	515	-61	-6%
0	CYP	Virtual School	2,106	-1,618	488	437	-30	-6%
58	CYP	Outdoor Education (includes Grafham Water)	2,335	-2,411	-77	-100	47	61%
-25	CYP	Cambridgeshire Music	1,709	-1,734	-25	640	-25	-100%
126	CYP	ICT Service (Education)	5,645	-5,945	-300	-671	134	45%
-71	CYP	Redundancy & Teachers Pensions	4,596	-605	3,991	3,458	-71	-2%
<u>SEND Specialist Services (0 - 25 years)</u>								
500	CYP	SEND Specialist Services	4,916	-173	4,743	3,756	500	11%
0	CYP	High Needs Top Up Funding	0	0	0	0	0	0%
19	CYP	Alternative Provision and Inclusion	-9	0	-9	290	3	30%
519		SEND Specialist Services (0 - 25 years) Total	4,907	-173	4,735	4,046	503	11%
<u>0-19 Place Planning & Organisation Service</u>								
-94	CYP	0-19 Organisation & Planning	1,796	-1,019	778	722	-104	-13%
37	CYP	Education Capital	292	-103	189	-6,441	52	28%
2,202	CYP	Home to School Transport - Special	21,395	-580	20,815	13,804	2,202	11%
46	CYP	Children in Care Transport	1,954	-5	1,949	1,096	136	7%
1,260	CYP	Home to School Transport - Mainstream	11,375	-160	11,215	7,183	1,260	11%
3,451		0-19 Place Planning & Organisation Service Total	36,812	-1,866	34,945	16,364	3,547	10%
4,266		Director of Education Total	65,164	-18,225	46,940	28,516	4,243	9%

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual to date	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%

Executive Director								
-0	CYP	Executive Director	-162	-15	-177	674	-0	0%
0	CYP	Central Financing	1	0	1	0	0	0%
-0		Executive Director Total	-161	-15	-176	674	-0	0%
Mitigations								
-633	CYP	Additional Social Care Grant	633	0	633	0	-633	-100%
-633		Mitigations Total	633	0	633	0	-633	-100%
10,670		Total	167,114	-34,958	132,156	95,279	11,865	9%
Schools								
0	CYP	Schools Financing	0	0	0	-2,737	0	0%
0	CYP	Pools and Contingencies	0	0	0	93	0	0%
0		Schools Total	0	0	0	-2,643	0	0%
10,670		Overall Total	167,114	-34,958	132,156	92,636	11,865	9%

Appendix 1b – Children, Education and Families Detailed Financial Information (DSG)

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual to date	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%
Director of Commissioning								
0	CYP	Commissioning Services	245	0	245	-123	0	0%
0		Director of Commissioning Total	245	0	245	-123	0	0%
Director of Education								
-0	CYP	Early Years Service	2,225	0	2,225	1,313	129	6%
0	CYP	Virtual School	150	0	150	74	-150	-100%
<u>SEND Specialist Services (0 - 25 years)</u>								
114	CYP	SEND Specialist Services	7,412	-309	7,103	5,772	398	6%
859	CYP	Funding to Special Schools and Units	43,362	0	43,362	23,304	654	2%
172	CYP	High Needs Top Up Funding	35,739	0	35,739	23,253	1,360	4%
3,000	CYP	SEN Placements	16,877	-1,175	15,702	15,263	3,624	23%
1,079	CYP	Out of School Tuition	5,035	0	5,035	3,646	1,079	21%
493	CYP	Alternative Provision and Inclusion	7,538	-117	7,421	5,897	493	7%
6,726	CYP	SEND Financing – DSG	-5,731	0	-5,731	333	6,531	114%
12,444		SEND Specialist Services (0 - 25 years) Total	110,232	-1,601	108,631	77,468	14,138	13%
<u>0-19 Place Planning & Organisation Service</u>								
-121	CYP	0-19 Organisation & Planning	2,214	-115	2,099	1,713	-11	-1%
0	CYP	Home to School Transport - Special	400	0	400	0	0	0%
-121		0-19 Place Planning & Organisation Service Total	2,614	-115	2,499	1,713	-11	0%
12,322		Director of Education Total	115,221	-1,716	113,505	80,569	14,106	12%
12,322		Total	115,466	-1,716	113,750	80,446	14,106	12%

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%
Schools								
-178	CYP	Primary and Secondary Schools	446,592	0	446,592	98,787	-178	0%
0	CYP	Nursery Schools and PVI	40,028	-2,689	37,338	30,666	0	0%
-1,995	CYP	Schools Financing	2,492	0	2,492	-40	-1,995	-80%
0	CYP	Pools and Contingencies	0	0	0	0	0	0%
-2,173		Schools Total	489,111	-2,689	486,422	129,413	-2,173	0%
Financing								
0	CYP	Financing DSG	1,951	-602,122	-600,171	-183,821	0	0%
0		Financing Total	1,951	-602,122	-600,171	-183,821	0	0%
10,149		Overall Total	606,528	-606,528	0	26,038	11,933	0%

Appendix 2 – Service Commentaries on Forecast Outturn Position

Narrative is given below where there is an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater for a service area.

1) Children in Care Placements

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
28,601	-2,316	26,285	21,709	7,150	27%

Current overspend primarily due to a small number of young people in very high-cost placements. If forecast to year-end, these placements would result in a more significant overspend position, however, the service is working hard with relevant agencies to secure placements at more manageable costs and therefore we do not expect these to continue for the full year.

2) Strategic Management – Children & Safeguarding

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
3,697	0	3,697	2,328	-520	-14%

Forecasted underspend due to unallocated budget in the Strategic Management budget, and unused Social Care Grant reserves from previous financial years.

3) Fostering and Supervised Contact Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
10,412	-327	10,085	7,604	-275	-3%

we are now forecasting an under spend of £275k against foster carer allowances for in-house carers. This is predominantly due to a lower number of children placed with in-house carers than was anticipated when the budget was set.

4) Integrated Front Door

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
4,997	-345	4,652	5,350	2,300	49%

There is an overspend on the Integrated Front Door and Assessment to the value of £2.3m, due to additional staffing required to manage demand. The recruitment of 7 AYSE's (Assessed and Supported Year in Employment) into Assessment will ultimately reduce the agency commitment, however there will be a need to continue to recruit agency social workers in the interim period. The previous Assessments structure was not sufficient to meet the demand, and in January 2023, the assessment service had over 270 out of date assessments, and caseloads over 35. To address these issues 2 project teams were agreed for 26 weeks to support the service to address the backlog. The additional capacity provided by the project teams, (at enhanced rates), ceased in August and September 2023. Additional agency staff have been recruited at normal rates which is ongoing within East and Hunts team whilst the current service structure is reviewed. The volume of work within MASH continues to be high and further solutions are being considered to manage demand.

5) Children's Disability

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
9,429	-832	8,596	7,542	340	4%

The Disability Social Care 0-25 Service is currently forecasting a year-end overspend of £340k. This has been caused by an accumulation of factors, including a significant increase in new demand (with over 100 new Direct Payments being set up in the past 4 months), and a continued increase in behavioural complexity. In addition, we have brought the terms and conditions of our Community Support Service in line with other council services which has increased our salary costs. The service has also taken steps which, whilst preventing costs to the Children's Placement Budget, have increased the Disability Social Care in-year pressure, such as by utilising the third unfunded bed at our residential children's home (London Road) and funding the Disabled Facilities Grant (DFG) top-ups to enable children and young people with complex needs to remain living within their family homes. These actions have significantly improved outcomes for the complex children and young people we support, whilst maintaining their right to family life.

6) Adoption

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
6,183	-668	5,515	3,705	-550	-10%

We are forecasting an under spend of £550k against adoption allowances and SGO allowances, this is due to a lower number of children in these placement types than anticipated at the time the budget was set.

7) Legal Proceedings

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
2,050	0	2,050	1,588	275	13%

There is a forecasted overspend in the legal budget of £275k. A review of the spend within the Adolescent Service identified a higher than usual legal spend on children with very complex needs requiring deprivation of liberty safeguarding orders requiring court approval for every placement move (complicated by securing appropriate accommodation) repeated moves in unregistered provisions. The safeguarding legal spend has been reviewed; the data indicates we have not increased the number of children we are issuing on. However, there is evidence to indicate that delays in the through put in Court means the number of children in proceedings increased; in December they increased by 20 from the previous 12 months. A review of the PLO process following the Essex diagnostic has led new guidance. The recent adjustment to the delegated authority requires further review.

8) Targeted Support Service

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
10,440	-1,083	9,357	6,766	-370	-4%

There will be a £370k underspend in the Targeted Support Service budget for FY 23-24. £250k of this is the Supporting Families grant underspend that can be taken as a one off. The remaining £120k is due to an underspend within Child and Family Centres (CFC's) where services have exceeded their income target (income target to be increased through budget build for FY 24-25 as a result), underspend due to Children's Centre Strategy funding and underspend for the Barnardo's contract which was less than anticipated.

An underspend for the next financial year 24-25 isn't anticipated due to an uplift to the Barnardo's contract of approximately 4% and factoring in unplanned building repair expenses in MCW C&FC buildings and purchasing Outcomes Star evidenced based tool for supporting and measuring change.

9) Strategic Management – Education

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,359	-119	1,241	2,877	195	16%

The £195k forecast overspend is primarily due to delays in the implementation of the new ICT system and resulting impact on the delivery of budgeted efficiency savings. Provision has been made in the 2024-25 budget proposals to allow for the new system to be implemented. Procurement is currently under way.

10) ICT Service (Education)

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
5,645	-5,945	-300	-671	134	42%

Summer work in 2023, which represents a significant proportion of yearly income, significantly dropped from 2022 as schools held back on their spending due to external economic conditions. Also, increased focus on the complex connect the classroom project reduced the ability to deliver other significant projects over this financial year which has affected the services ability to generate income.

11) SEND Specialist Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
4,916	-173	4,743	3,756	500	11%

Across SEND Specialist Services, we are seeing an overall pressure of £500k. The Education Psychology service is forecasting a pressure of £338k. The service is experiencing increasing demand which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. This pressure is due to the significant increase in requests for Education Health and Care Needs Assessments (EHCNA) that is impacting SEND services generally. The SEND Head of Service budget is also reporting a forecast pressure as a result of additional speech and language therapy, and back care training costs, further exacerbated by a shortfall in income from the training offer to schools.

12) 0-19 Organisation and Planning

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,796	-1,019	778	722	-104	-13%

Large proportion of underspend resulting from overachievement of income in both Welfare Benefit and Education Safeguarding service areas. These underspends have been earmarked to mitigate pressures elsewhere in the Education directorate.

13) Home to School Transport – Special / Children in Care / Mainstream

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
21,395	-580	20,815	13,804	2,202	11%
1,954	-5	1,949	1,096	136	7%
11,375	-160	11,215	7,183	1,260	11%

There are increasing concerns around the home to school transport budget areas following the summer procurement rounds, which, due to lack of supply in the market, saw between 7% and 8% uplifts on the same route previously. This inflationary impact continues to be a live issue for the delivery of home to school transport. Alongside this, recent admissions data shows that growth of children and young people with SEND will continue to rise above what is forecast, therefore creating a higher demand for more complex routes, such as solo travel.

Work is underway to determine the financial impact of the unprecedented levels of in-year applications into the county which will not have been factored into the budget setting last year given the timing of the applications. Equally, the summer Year 7 secondary school place allocation round saw 5% higher retention of pupils from Primary into Secondary on previous years transfer rates. The impact of this has meant pressure on secondary school places and consequently more young people are being placed in schools over 3 miles from their home address and therefore eligible for transport. This information has been built into business planning to ensure budget setting is appropriate in the context of current demand.

Various cost saving exercises are currently taking place, such as optimising the use of our fleet and working with other external providers, to minimise overspends and create a more sustainable market.

16) Mitigations

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
633	0	633	0	-633	-100%

Additional Social Care Grant transferred from Adults.

17) Dedicated Schools Grant (DSG)

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
606,528	606,528	0	26,038	11,933	0%

Forecast DSG deficit reflective of continuing pressures and increasing demand within the High Needs Block. Net of forecast underspends on Central Schools Services Block (CSSB).

Appendix 3 – Capital Position

4.1 Capital Expenditure

Original 2023-24 Budget as per Business Plan £000	Committee	Scheme Category	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Budget Carried- forward 2023-24 £000	Budget Re- phasing 2023-24 £000	Revised Budget for 2023-24 £000	Actual Spend (January) £000	Forecast Outturn Variance (January) £000
44,312	CYP	Basic Need - Primary	130,160	-780	805	-35,805	9,312	3,810	-2,789
104,100	CYP	Basic Need - Secondary	211,776	-1,500	-140	-19,291	84,669	52,187	-8,374
1,904	CYP	Basic Need - Early Years	7,367	0	548	-1,772	680	524	-80
3,855	CYP	Adaptations	10,024	0	-183	-1,117	2,555	1,542	-698
3,250	CYP	Conditions Maintenance	27,334	0	805	54	4,109	1,963	-1,367
780	CYP	Devolved Formula Capital	7,793	0	2,474	-7	3,247	0	0
13,915	CYP	Specialist Provision	46,396	0	2,592	-4,891	11,616	9,236	785
1,050	CYP	Site Acquisition and Development	1,050	0	0	0	1,050	51	0
750	CYP	Temporary Accommodation	9,220	0	0	0	750	556	0
850	CYP	Children Support Services	7,500	0	0	0	850	0	0
-22,448	CYP	Capital Variation	-54,565	0	0	4,622	-17,826	0	12,523
1,425	CYP	Capitalised Interest	6,958	0	0	-182	1,243	0	0
-1,729	CYP	Environment fund Transfer	-3,499	0	0	0	-1,729	0	0
152,014			407,514	-2,280	6,901	-58,389	100,526	69,869	-2,789

There are sixteen schemes with significant variances (>£250k) either due to changes in phasing or changes in overall scheme costs to be reported this month.

Ref	Directorate / Committee	Commentary vs previous month	Scheme	Scheme Budget £m	Budget for 2023-24 £m	Forecast Outturn Variance £m	Cause	Commentary
1			Basic Need -Primary					
1a	CEF CYP	Prev Month	Kennett Primary School	10.12	5.8	-1.05	Phasing	Slippage due to later start on site than expected due to skylarks still nesting. Ecologists to confirm birds have left. Delay to start on site from 14.08.23 to 04.09.23 and completion 30.08.24 to 20.09.24.
1b	CEF CYP	Prev Month	Ermine Street Primary, Alconbury, Phase 2	4.08	1.5	-0.75	Phasing	Scheme estimated to start on site January 2024. Project will now be a steel frame rather than CLT (cross laminated timber panels). Steel has a longer construction period and expected costs incurred this financial year will be reduced.
1c	CEF CYP	Prev Month	Waterbeach New Town Primary	19.52	0.5	-0.3	Phasing	Minimal spend this financial year on design fees, surveys and consultants as decision on planning not expected until March 2024.
2			Basic Need - Secondary					
2a	CEF CYP	Prev Month	Darwin Green (North West Fringe) secondary	34.7	0.33	-0.28	Slippage	Scheme delayed due to planning application appeal for the housing on phase 2 and 3 of the development. Appeal not likely to be heard until January 2024. Work will continue on MS1 and discussions ongoing with developer to work around planning delay to maintain school programme and 2026 opening
2b	CEF CYP	Prev Month	Alconbury Weald secondary and Special	74.8	29.0	-0.6	Slippage	Slippage on the Secondary school element. £1m was budgeted for design work this financial year. Design work delayed as work is ongoing to confirm who will undertake the delivery of the project. CYP Committee will consider and determine preferred deliver option at its meeting on 12 th March 2024.

Ref	Directorate / Committee	Commentary vs previous month	Scheme	Scheme Budget £m	Budget for 2023-24 £m	Forecast Outturn Variance £m	Cause	Commentary
2c	CEF CYP	Prev Month	Northstowe secondary, phase 2	53.45	22.50	-5.70	Underspend Slippage	The receipt of milestone 4 report shows £1.5m saving on original estimate due to risk contingencies including those built in for price volatility. £4.2m slippage as groundworks and superstructure works slower than originally expected due to adverse weather. Construction completion slipped from December 2024 to January 2025.
2d	CEF CYP	Prev Month	Witchford Village College	1.38	1.33	-1.29	Slippage	Slippage due to planning application progressing slower than anticipated. Planning expected in December with works not starting until 2024-25
2e	CEF CYP	Prev Month	Cambourne Village College Phase 3b	35.8	23.3	-0.5	Slippage	Programme slippage due to lack of permanent power on site by the developer. Power now supplied.
4			Adaptations :					
4a	CEF CYP	Prev Month	William Westley Primary	0.35	0.34	-0.34	Phasing	This project is being reviewed to establish whether it can be delivered in an alternative way to meet the need for places across the wider area, including whether it can be combined with other planned capital projects in the wider Sawston, Duxford and Hinxton (Genome Campus) area. Revised delivery expected to be 2027.
4b	CEF CYP	Prev Month	Townley	1.60	0.60	-0.36	Phasing	This project is expecting £360k slippage due to planning consent still being outstanding. The intended start on site of early February 2024 is now unlikely.
5			Conditions					
5a	CEF CYP	Prev Month	Conditions, suitability & Maintenance	4.14	4.14	-1.367	Slippage	Number of schemes delayed due to contractors being unavailable, and discussion on scope of work needed. £500k committed to match fund energy schemes and heat decarbonisation plans but which will not be taken forward this year as bids for de-carbonisation grants were not successful.
			Specialist Provision					

Ref	Directorate / Committee	Commentary vs previous month	Scheme	Scheme Budget £m	Budget for 2023-24 £m	Forecast Outturn Variance £m	Cause	Commentary
8a	CEF CYP	Prev Month	Samuel Pepys Special School	10.72	5.00	1.00	Slippage	Expected £1m additional spend, due to land purchase, furniture and fittings and IT expenditure occurring ahead of original schedule.
8b	CEF CYP	Prev Month	Enhanced Resources Bases	2.29	0.675	-0.525	Slippage	Initial progress on suitable schemes is slower than originally expected. One scheme stopped due to school withdrawing.
8c	CEF CYP	Prev Month	New SEMH Provision Wisbech	17.78	4.8	0.3	Slippage	Additional works being undertaken this financial year for highways works outside the main contract for construction of the school. These are to be undertaken during the next available school summer holiday period to minimise disruption (Summer 2024).
8d	CEF CYP	Prev Month	Highfields Littleport - Expansion	8.0	0.5	-0.4	Slippage	Delay in appointing contractor means design has only just commenced
8e	CEF CYP	New	Swavesey VC site - Martin Bacon satellite	1.0	0.59	0.41	Slippage	Project ahead of expected schedule and all funding to be transferred to the school this financial year.

4.2 Capital Variations Budget

Variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget.

4.3 Capital Funding

Original 2023-24 Funding Allocation as per Business Plan £000	Source of Funding	Budget Carried-forward 2023-24 £000	Budget Revisions 2023-24 £000	Revised Budget for 2023-24 £000	Forecast Spend - Outturn (January) £000	Forecast Variance - Outturn (January) £000
2,259	Basic Need	2,627	0	4,886	4,886	0
3,800	Capital maintenance	805	0	4,659	4,659	0
780	Devolved Formula Capital	2,474	55	3,246	3,246	0
0	Schools Capital	0	-7	0	0	0
62,275	S106 contributions	0	13,160	49,115	48,046	-1,069
16,588	Other Specific Grants	-1,467	0	15,121	15,121	0
0	Other Contributions	0	0	0	0	0
0	Other Revenue Contributions	0	0	0	0	0
67,338	Prudential Borrowing	0	-45,053	24,748	25,817	1,069
-1,026	Prudential Borrowing (Repayable)	2,463	-224	-1,250	-1,250	0
152,014	Total Funding	6,901	-58,389	100,526	100,526	0

Appendix 4 – SAVINGS TRACKER

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Forecast Savings £000	Variance from Plan £000	% Variance	Forecast Commentary
Black	Childrens	C&YP	A/R.6.250	Efficiencies resulting from implementation of new IT system	-223	0	223	100%	Delay in implementation of new computer systems means this saving will not be achieved in 2023-24
Green	Childrens	C&YP	A/R.6.252	Teachers Pensions	-150	-150	0	0%	Complete
Green	Childrens	C&YP	A/R.6.253	Realign schools partnership and improvement service	-85	-85	0	0%	Achieved
Black	Childrens	C&YP	A/R.6.254	Children in Care Placements	-1,000	0	1,000	100%	Saving at risk due to significant pressures from very high-cost complex placements
Black	Childrens	C&YP	A/R.6.255	Careers Education Information Advice and Guidance	-75	0	75	100%	Delayed consultation means saving will not be made in 2023-24
Green	Childrens	C&YP	A/R.6.256	Family Safeguarding Team restructure	-352	-352	0	0%	Saving fully achieved
Green	Childrens	C&YP	A/R.6.257	Special Guardianship Orders	-150	-150	0	0%	On track
Green	Childrens	C&YP	A/R.6.268	Transport - Home to School	-401	-401	0	0%	On track
Amber	Childrens	C&YP	A/R.6.274	Outdoors Centres	-134	-107	27	20%	Partially unachieved
Black	Childrens	C&YP	A/R.7.110	Cambridgeshire ICT	-100	0	100	100%	Reduced investment from schools in ICT infrastructure
Green	Childrens	C&YP	A/R.7.111	Cambridgeshire Music	-25	-25	0	0%	On track

APPENDIX 5 – Technical Note

5.1 The table below outlines the additional Children, Education and Families grant income, which is not built into base budgets.

Grant	Awarding Body	Amount £'000
Grants as per Business Plan		
Public Health	Department of Health and Social Care (DHSC)	469
Unaccompanied Asylum Seekers	Home Office	6,581
Holiday Activity Fund (HAF)	Department for Education (DfE) / Education & Skills Funding Agency (ESFA)	1,875
Supporting Families	Department for Levelling Up, Housing & Communities (DLUHC)	1,881
Pupil Premium - Virtual School	DfE / ESFA	1,318
Cambridgeshire Music Hub	Arts Council	942
Youth Offending Good Practice Grant	Youth Justice Board	707
Staying Put	DfE / ESFA	285
RSS Therapeutic Hub	DfE / ESFA	238
Recovery Premium - Virtual School	DfE / ESFA	200
Personal Advisor Support to Care Leavers & Homelessness	DfE / ESFA	163
Leaving Care allowance - uplift	DfE / ESFA	133
Crime and Disorder Reduction Grant	Police & Crime Commissioner	127
Local Authority (LA) Delivery Support Funding	DfE / ESFA	112
Turnaround Programme 2022-2025	Youth Justice Board	109
Non-material grants (+/- £160k)	Various	385
Total Non-Baselined Grants 23-24		15,525
Financing DSG	DfE / ESFA	113,750
Total Grant Funding 23-24		129,275

The non-baselined grants are allocated across the Children, Education and Families directorates as follows:

Directorate	Grant Total £'000
Children & Safeguarding	10,306
Education	5,219
TOTAL	15,525

5.2 Virements and Budget Reconciliation (Children, Education and Families)

(Virements between Children, Education and Families and other service blocks)

	Period	£'000	Notes
Budget as per Business Plan		344,317	
Multiple Directorates (all)	Apr	-249,866	People Services restructuring into Children, Education & Families (CEF) and Adults, Health &
Multiple Directorates (all)	Apr	-915	Post BP, pre initial budget load adjustments
Commissioning Services	Apr	860	Commissioning Services (shown within CEF rather than AHC)
Children's Disability Service	Apr	8,245	Children's Disability Service (shown within CEF rather than AHC)
LAC Placements	Apr	25,724	LAC Placements (shown within CEF rather than AHC)
Schools Financing	Apr	-20	Transfer final postage budget to centralised postal cost centre
SEND Specialist Services	Apr	-26	Transfer funds for place planning business analyst post to Business Intelligence
Youth Offending Service	May	12	Budget Correction 2023-24 - Pay award element
Strategic Management - Education	May	115	Redistributing central funding for Childrens decoupling
Executive Director CEF	May	334	Splitting Executive Director Budget for Childrens & Adults decoupling
LAC Transport - Home to School	June	240	23-24 Budget resetting PV approved by S&R at July 2023 meeting
LAC Placements	June	561	LAC Placements (shown within CEF rather than AHC) - Budget resetting PV impact
Safeguarding; Children's Centres Strategy; and PSHE	June	-254	Adjust PH income budget to match amounts to be transferred under PH MoU
Children's Centres Strategy and Executive Director CEF	June	-285	Budget for 23-24 funding from PH reserves
Home to School Transport	July	4	Staffing Budget Corrections - Adults and Childrens Transport
Executive Director CEF	Aug	-15	Moving Budget for ADASS Regional costs to Adults from Childrens- Association of Directors of Adult Social Services (ADASS)
Multiple Directorates (all)	Aug	-185	Executive Assistant and Personal Assistant restructure
Multiple Directorates (all)	Nov	2,693	Budget Funding for Pay Award 2023-24
Executive Director CEF	Nov	-15	Contribution from Public Health to the corporate centre
Strategic Management - Children & Safeguarding	Jan	633	Transfer social care grant from Adults to Children's as agreed by SR&P
Budget 23-24		132,156	

5.3 Children, Education and Families Earmarked Reserve Schedule

Budget Heading	Opening Balance 2023-24 £'000	Movements 2023-24 £'000	Q3 Balance £'000	Year End Forecasted Balance £'000	Reserve Description
Adoption	763	0	763	736	Funding to cover CCC legacy adoption costs following transition to a Regional Adoption Agency.
Early Help District Delivery Service – North & South	141	0	141	0	Historical project funding for youth projects to be applied in 2023-24.
Strategic Management - Children & Safeguarding	465	0	465	0	Residual Social Care Grants.
Safeguarding and Quality Assurance	308	0	308	231	Local Safeguarding carry forward amount. Annual contributions from internal and external bodies.
Support to Parents	42	0	42	0	Family Hub – Historical project Funding.
Youth Offending Service	153	0	153	0	Funding to provide ongoing support to the SAFE Team.
0-19 Organisation & Planning	65	0	65	55	Art Collection Restoration Fund. Providing cultural experiences for children and young people in Cambridgeshire.

Home to School Transport	426	-31	395	289	To cover cost of programme of work to deliver savings in Social and Education Transport.
Cambridgeshire Music	94	0	94	51	Reserve to support required works to former School building to make suitable for service.
Outdoor Education	47	-27	20	13	Reserve to support replacement of equipment.
Virtual School	12	-12	0	0	Reserve to support identified redundancy cost
Strategic Management - Education	174	0	174	124	Reserve to support identified redundancy costs.
Pools and Contingencies	256	0	256	56	Schools' absence and contingency schemes.
Schools Financing	64	0	64	0	Residual school facing grants.
Schools	2,694	0	2,694	2,629	Thomas Clarkson Building Schools for the Future PFI and Pilgrim Pathways carryforward.
TOTAL EARMARKED RESERVES	5,704	-70	5,634	4,184	

(+) positive figures represent surplus funds.

(-) negative figures represent deficit funds.

5.4 Children, Education and Families Capital Reserve Schedule

Budget Heading	Opening Balance 2023-24 £'000	Movements 2023-24 £'000	Q3 Balance £'000	Year End Forecasted Balance £'000	Reserve Description
Education Capital	2,761	0	2,761	0	Devolved Formula Capital
Education Capital	21,327	0	21,327	6,327	Capital Other Grants
Education Capital	2,627	0	2,627	0	Capital Basic Need
Education Capital	805	0	805	0	Capital Schools Condition
Primary Schools	36	0	36	36	Insurance – Primary
Central Financing	735	0	735	735	Schools General
TOTAL CAPITAL RESERVES	28,290	0	28,290		

(+) positive figures represent surplus funds.

(-) negative figures represent deficit funds.