

# Children's Commissioning Committee

## Part 1

Agenda item number: 5

Item for: Decision/**Assurance**/Information

13<sup>th</sup> January 2021

**Report of:** Interim Chief Finance Officer

**Date of paper:** 17th December 2020

**Subject:** Finance Report

**In case of query please contact:** David Warhurst, Interim Chief Finance Officer

**Strategic priorities (please mark with an X which priorities the paper relates to)**

Priority	Selection
Quality, Safety, Innovation and Research:	
Integrated Community Care Services (Adult Services):	
Children's and Maternity Services:	X
Primary Care:	
Enabling Transformation:	X

### **Purpose of paper:**

The purpose of this paper is to provide the Children's Commissioning Committee with:

- An update on the 2020/21 financial performance of the Integrated Fund for Children services (Section 2)

## Further explanatory information required

Question	Answer
<b>How will this benefit the health and wellbeing of Salford residents or the Clinical Commissioning Group?</b>	Ensuring public funding is spent appropriately. Achieving Value for Money, ensuring that funding is available to protect core services.
<b>What risks may arise as a result of this paper? How can they be mitigated?</b>	Financial and performance pressures associated with the adults' integrated fund services. Through management of committed developments and holding providers to account for performance.
<b>What equality-related risks may arise as a result of this paper? How will these be mitigated?</b>	N/A
<b>Does this paper help address any existing high risks facing the organisation? If so what are they and how does this paper reduce them?</b>	N/A
<b>Please describe any possible conflicts of interest associated with this paper.</b>	N/A
<b>Please identify any current services or roles that may be affected by issues within this paper.</b>	N/A

Footnote:

Members of the Children's Commissioning Committee will read all papers thoroughly. Once papers are distributed no amendments are possible.

## Document development

Process	Yes	No	Not applicable	Comments and date (i.e. presentation, verbal, actual report)	Outcome
Public engagement (Please detail the method i.e. survey, event, consultation)		✓			
Clinical engagement (Please detail the method i.e. survey, event, consultation)		✓			
Has 'due regard' been given to Social Value and the impacts on the residents of Salford socially, economically and environmentally (including climate change)?		✓			

Process	Yes	No	Not applicable	Comments and date (i.e. presentation, verbal, actual report)	Outcome
Has 'due regard' been given to Equality Analysis (EA) of any adverse impacts? (Please detail outcomes, including risks and how these will be managed)		✓			
Legal advice sought		✓			
Presented to any informal groups or committees (including partnership groups) for engagement or other formal governance groups for comments / approval? (Please specify in comments)	✓			Some elements discussed at the Service and Finance Group	

**Note:** Please ensure that it is clear in the comments and date column how and when particular stakeholders were involved in this work and ensure there is clarity in the outcome column showing what the key message or decision was from that group and whether amendments were requested about a particular part of the work

# Children's Commissioning Committee (CCC)

## Finance Report – 13th January 2021

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### 1. Executive summary

This finance report provides the Children's Commissioning Committee (CCC) with an in-year update in relation to the financial performance of the children's element of the Integrated Fund at month 8 (November) 2020/21.

At month 8, the children's element of the Integrated Fund (IF) is forecast to be over spent by £2.5m.

**Section 2** highlights the main areas of over and under performance within the Fund against the approved IF plan for 2020/21. The key areas that resulted in the outturn are highlighted below:

- Looked After Children £5.7m overspend - £4.0m of this overspend relates to out of area placements. The other areas to note are Independent Fostering Arrangements £1.0m and Residential care £0.5m.
- Committed Developments £4.4m underspend – This predominantly relates to the release of the contingency (£5m full year) that was set aside to offset the pressure on looked after children.

CCC is asked to note the in-year position for the children's integrated fund for 2020/21 and the risks identified affecting the children's integrated fund presently and in the future.

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### 2. 2020/21 Monitoring

- 2.1 This latest finance report provides the Children's Commissioning Committee (CCC) with the in-year position of the Children's element of the Integrated Fund for the financial year (2020/21). The appendices contain a lot of detail and are appended to give members a more thorough understanding of the scope of the Children's Integrated Fund. There are explanatory notes included in the appendices which hopefully explain the key messages contained within them.
- 2.2 This finance report is based on November 2020 CCG and local authority information available at the time of writing the report. A detailed analysis of the key children's services within the Children's Integrated Fund is shown in Appendices One and Two. The Service and Finance Group (SFG) have scrutinised the position and agreed to the key messages.
- 2.3 The children's services are forecasting to be over spent by £2.5m; this is an improvement of £0.1m from the expected overspend last report to the committee, as shown in Table 1 below.

Table 1: 2020/21 Financial Summary

	2020/21 Monitoring						Previous Reported Variance to CCC	Movement in Variance	Notes
	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast	Annual variance			
	£000s	£000s	£000s	£000s	£000s	£000s			
<b>TOTAL FUNDING</b>	<b>£84,027</b>	<b>£84,027</b>	<b>-</b>	<b>£126,041</b>	<b>£126,041</b>	<b>-</b>	-	-	
Safeguarding	£234	£225	(£9)	£351	£336	(£15)	(£12)	(£3)	
Looked After Children	£15,183	£18,483	£3,300	£22,775	£28,432	£5,657	£6,374	(£716)	
Localities	£5,957	£6,341	£384	£8,936	£9,594	£658	£467	£191	
Complex Needs SEN	£3,477	£3,673	£196	£5,215	£5,552	£337	£537	(£201)	
Partnerships	£2,460	£2,601	£141	£3,690	£3,931	£242	£177	£65	
Asset Management & Delivery	£696	£670	(£25)	£1,043	£1,000	(£43)	(£38)	(£5)	
Transforming Learning	£1,504	£1,487	(£18)	£2,256	£2,226	(£30)	(£30)	-	
Early Years (Early Intervention/Starting Life Well)	-	-	-	-	-	-	-	-	
Skills & Work / Careers	£974	£974	-	£1,460	£1,460	-	-	-	
Helping Families	£856	£856	-	£1,284	£1,284	-	-	-	
Resources & Investment	£4,463	£4,442	(£21)	£6,694	£6,658	(£36)	(£71)	£35	
Children's Administration	£925	£931	£6	£1,387	£1,398	£10	£13	(£3)	
Specific Grants	£11,875	£11,875	-	£17,812	£17,812	-	-	-	
PH Looked After Children (next steps post)	£14	£14	-	£21	£21	-	-	-	
PH 0-19 Services	£3,552	£3,552	-	£5,327	£5,327	-	-	-	
Home Safety	£20	£20	-	£30	£30	-	-	-	
Early Years	£792	£792	-	£1,188	£1,188	-	-	-	
Youth Service	£495	£495	-	£742	£742	-	-	-	
Placements/Non Contracted Activity	£541	£550	£10	£811	£826	£15	£25	(£11)	
Community Services	£6,188	£6,189	£1	£9,281	£9,283	£2	£2	(£0)	
Acute Services	£19,023	£19,099	£77	£28,534	£28,649	£115	£27	£88	
<b>TOTAL - Integrated Fund</b>	<b>£79,226</b>	<b>£83,268</b>	<b>£4,043</b>	<b>£118,839</b>	<b>£125,750</b>	<b>£6,911</b>	<b>£7,471</b>	<b>(£560)</b>	
<b>TOTAL - Aligned</b>	<b>£867</b>	<b>£867</b>	<b>-</b>	<b>£1,301</b>	<b>£1,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL - Committed Developments</b>	<b>£3,934</b>	<b>£316</b>	<b>(£3,618)</b>	<b>£5,902</b>	<b>£1,490</b>	<b>(£4,411)</b>	<b>(£4,851)</b>	<b>£439</b>	
<b>TOTAL EXPENDITURE</b>	<b>£84,027</b>	<b>£84,451</b>	<b>£424</b>	<b>£126,041</b>	<b>£128,541</b>	<b>£2,500</b>	<b>£2,621</b>	<b>(£121)</b>	
<b>Over/(Under) Spend</b>	<b>(£0)</b>	<b>£424</b>	<b>£424</b>	<b>-</b>	<b>£2,500</b>	<b>£2,500</b>	<b>£2,621</b>	<b>(£121)</b>	

  

Description	£'000's	%
CCG Element of Overspend/(Underspend)	£800	32%
Council Element of Overspend/(Underspend)	£1,700	68%
<b>Grand Total</b>	<b>£2,500</b>	<b>100%</b>

- 2.4 **Looked After Children** - This is the main area of overspend and biggest risk area for the fund. These services are forecasting to be over spent by £5.7m, this is predominantly due to outside placements forecasting £4.0m over spend. Other areas of note are Fostering £1.0m over spent and Residential at £0.5m over spent. The cost pressures in these areas have been exacerbated by the impact of Covid-19, for which the estimated cost impact has currently been included against the committed developments budget line within the fund. Appendix 1 gives a breakdown of the other services in the Looked after Children category.
- 2.5 **Contingency** - As part of the approved plan a contingency of £5m full year was set to reduce the 2019/20 financial pressure (£7.5m) within children's services. The expectation is that the children's best value transformation, such as Route 29, would offset the remaining pressure from 2019/20. Due to the impact of COVID-19 this has been released in full to offset the pressure within children's current forecast.

### 3. Recommendations

3.1 The Children's Commissioning Committee (CCC) is asked to:

- Note the in-year and forecast position of the children's services within the Integrated Fund for 2020/21.

**David Warhurst**

**Interim Chief Finance Officer, Salford CCG**

## Appendix 1 – Looked After Children 2020/21

Description	2020/21 Monitoring						Previous	
	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast	Annual variance	Reported Variance to CCC	Movement in Variance
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Looked After Children Team	£1,059	£1,163	£104	£1,588	£1,766	£178	£217	(£39)
Family Placement	£573	£571	(£2)	£860	£856	(£4)	£1	(£5)
Independent Foster Agency	£1,632	£1,472	(£160)	£2,448	£2,174	(£274)	(£333)	£59
Outside Placements	£2,762	£5,075	£2,313	£4,143	£8,108	£3,965	£4,485	(£520)
Adoption	£319	£473	£154	£479	£743	£265	£283	(£19)
Fostering	£5,145	£5,750	£606	£7,717	£8,755	£1,038	£1,018	£20
Next Steps - Care Leavers	£1,529	£1,526	(£3)	£2,294	£2,288	(£5)	(£5)	(£0)
Residential	£2,164	£2,453	£289	£3,246	£3,741	£495	£707	(£212)
<b>Total Looked After Children</b>	<b>£15,183</b>	<b>£18,483</b>	<b>£3,300</b>	<b>£22,775</b>	<b>£28,432</b>	<b>£5,657</b>	<b>£6,374</b>	<b>(£716)</b>

### Notes on this Appendix:

This appendix shows all of the Looked after Children services that are managed directly by Salford City Council.

These services are forecasting to be over spent by £5.7m by the end of the year. This is predominantly due to outside placements already showing a forecasted £4.0m over spend. Other areas of note are Fostering a £1.0m over spend and Residential at £0.5m over spend.

These services are the biggest area of financial risk for the Children's Integrated Fund. The impact of the "Route 29" scheme should be within the position but this should have a positive impact on improving the position. A separate update to this committee is provided on progress of this scheme.

## Appendix 2 – Localities 2020/21

Description	2020/21 Monitoring						Previous	
	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast	Annual variance	Reported Variance to CCC	Movement in Variance
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Protect Team (Complex Safeguarding Hub)	£209	£205	(£4)	£314	£307	(£6)	-	(£6)
Outreach Service	£706	£679	(£27)	£1,059	£1,012	(£47)	(£47)	-
Multi Agency Safeguarding Hub (The Bridge)	£366	£359	(£7)	£549	£537	(£12)	(£15)	£3
Referral Initial Assessment team	£1,038	£1,121	£83	£1,557	£1,699	£142	£70	£72
Child Protection & Planning	£2,166	£2,497	£330	£3,249	£3,816	£567	£518	£48
Emergency Duty Team	£250	£253	£3	£375	£380	£5	£3	£2
Other Child Protection	(£87)	(£94)	(£7)	(£130)	(£142)	(£12)	(£2)	(£9)
Children with Disability	£736	£724	(£12)	£1,104	£1,084	(£20)	(£9)	(£11)
Locality Team North	£69	£73	£3	£104	£110	£6	£3	£3
Locality Team South	£101	£89	(£13)	£152	£131	(£21)	(£1)	(£21)
Locality Team West	£111	£118	£7	£166	£179	£13	£12	£1
Locality Team Central	£123	£81	(£41)	£184	£113	(£71)	(£83)	£11
Locality Team General	£113	£128	£15	£170	£196	£26	£17	£9
Parenting Team	£56	£108	£52	£85	£173	£89	(£1)	£90
<b>Total Localities</b>	<b>£5,957</b>	<b>£6,341</b>	<b>£384</b>	<b>£8,936</b>	<b>£9,594</b>	<b>£658</b>	<b>£467</b>	<b>£191</b>

### Notes on this Appendix:

This appendix shows all of the Localities Services that are managed directly by Salford City Council.

These services are forecast to be £0.7m over spent by the end of the year. These services overspent due to increased assessment and child protection costs and this is in line with last year's spend.