

CHILDREN & FAMILIES DEPARTMENT

Revenue Budget as at 31 March 2025

	Annual Budget	Actual Spend	Variance (Overspend)
	£'000	£'000	£'000
Expenditure			
Employees	16,311	17,761	(1,450)
Other Premises	430	390	40
Supplies & Services	2,907	3,496	(589)
Transport	360	312	48
Direct Payments	1,097	1,074	23
Commissioned services to Vol Orgs	224	209	15
Residential Care	19,594	25,550	(5,956)
Out of Borough Adoption	96	0	96
Out of Borough Fostering	4,408	5,211	(803)
In House Adoption	548	505	43
Special Guardianship Order	2,510	2,520	(10)
In House Foster Carer Placements	2,788	2,301	487
Lavender House Contract Costs	234	219	15
Home Support & Respite	478	347	131
Care Leavers	290	472	(182)
Family Support	53	50	3
Contracted services	3	4	(1)
Emergency Duty	132	175	(43)
Youth Offending Services	321	335	(14)
Transfer to Reserves	149	149	0
Finance Costing	2	2	0
Total Expenditure	52,935	61,082	(8,147)
Income			
Fees & Charges	-54	-34	(20)
Sales Income	-4	-2	(2)
Rents	-97	-97	0
Reimbursement & other Grant Income	-1,092	-914	(178)
Transfer from reserve	-214	-214	0
Dedicated Schools Grant	-50	-50	0
Government Grants	-14,150	-14,064	(86)
Total Income	-15,661	-15,375	(286)
Net Operational Expenditure	37,274	45,707	(8,433)
Recharges			
Premises Support	669	669	0
Transport	16	17	(1)
Central Support Recharges	2,274	2,274	0
Asset Rental Support	0	0	0
Internal Recharge Income	-967	-967	0
Net Total Recharges	1,992	1,993	(1)
Net Departmental Expenditure	39,266	47,700	(8,434)

Financial Position

The net departmental expenditure is over budget at the end of the financial year by £8.433m with majority of this relating to Social Care Services.

Growth budget of £6.079m has been provided to support pressured areas for financial year 2024/25 but unfortunately this has not been sufficient to support the increasing spend across the service.

The overall overspend position at the end of 2024/25 has reduced by £1.654m since the forecast was last reported at 31 January 2025.

Significant investment as part of a Children's Social Care improvement plan has helped to reduce the overspend position as well as reductions in agency and placement costs.

Although there is a reduction in the overspend position compared to previous forecast, the Children's and Families department is still an area of serious concern and the issues remain the same. The difficulty in the recruitment of social workers and the subsequent extortionate agency costs, along with the spiralling costs of residential placements. This has been an ongoing problem for a number of years.

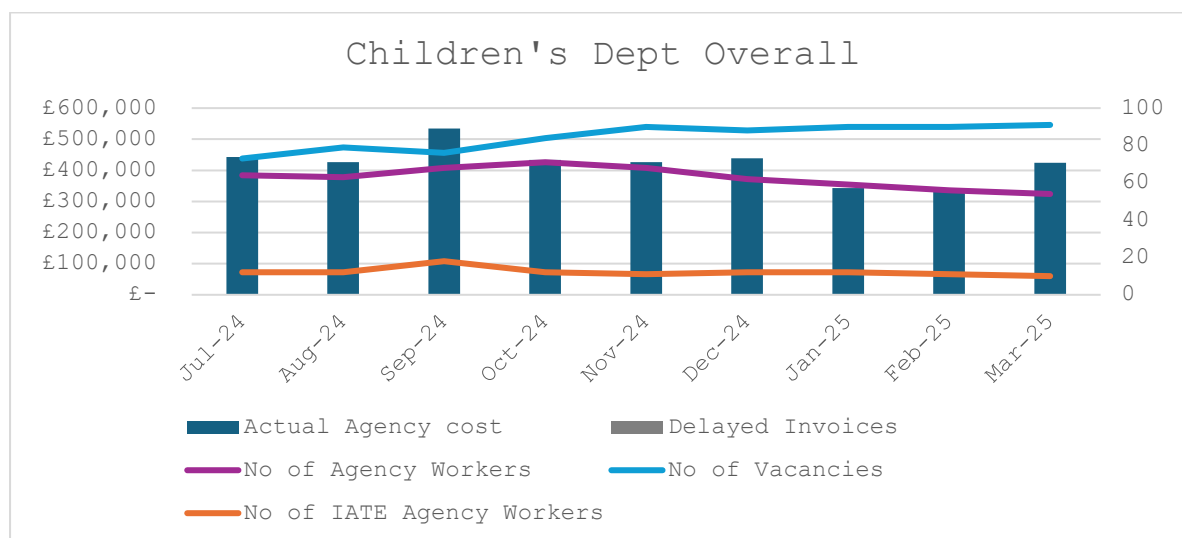
Please see below for further details

Employee Expenditure

Employee costs are over budget at the end of financial year 2024/25 by £1.450m this is a reduction of £0.544m since last reported.

The reduction mainly relates to an agreed investment within children's services which has resulted in the establishment of new roles across the department. Agency staff that were previously in addition to the establishment (IATE) and are no longer considered as IATE. Additional in-year budget of £0.714m (funded from contingency) has been provided for some of the newly established posts which has helped reduce the overspend position.

The chart below demonstrates agency cost that cover the financial year July to March 2025 based on the period that was worked, the number of agency members of staff that the Council have received an invoice for within each period, the number of vacancies across the department and the number of staff that are currently in addition to the establishment (IATE).



Agency spend across the department has remained high, total agency spend for financial year 2024/25 was £5.089m.

Various workstreams are in place to target the difficulties in recruitment, including a recruitment work group, social work academy and market supplements for applicable posts.

The chart above shows the level of agency has consistently reduced since October this is due to a number of agency converting to vacant positions and external recruitment which has resulted in agency staff being stepped down.

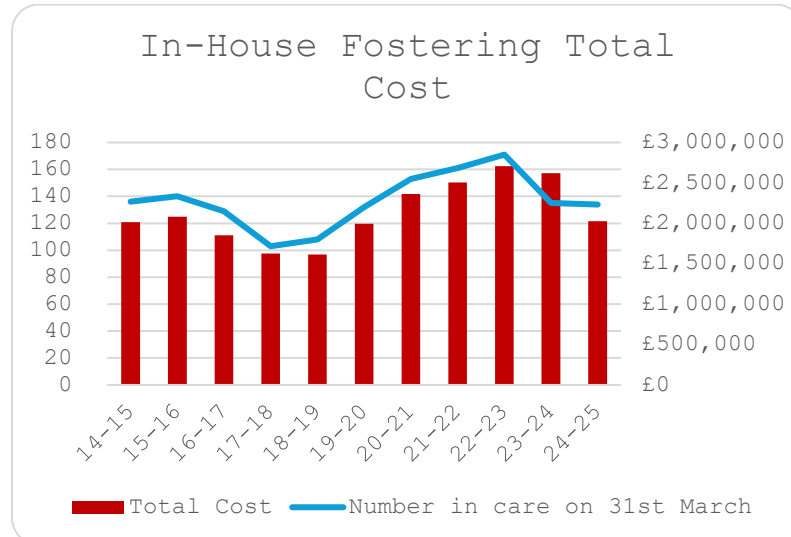
One area of concern relates to the number of staff that remain in addition to the establishment (IATE). These are agency staff that are currently not allocated to an established role within their respective team. This figure currently stands at 10 across the service which is a reduction since last reported at the end of January. Work should now be undertaken to reduce the level of staff that are in addition to the establishment if they do not form part of the redesign improvement plan.

Supplies and Services

Supplies and services expenditure is forecast to be £0.589m over budget at the end of the financial year. Supplies and Services is diverse and covers a number of areas including nursery fees, consultancy, translation costs, equipment and support provided to young people.

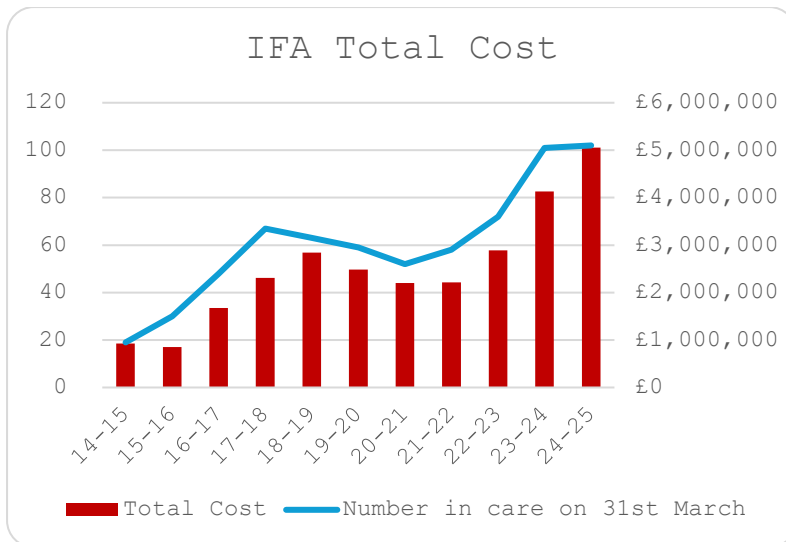
Fostering

Inhouse fostering placements is £0.487m under budget for financial year 2024/25. Inhouse fostering budgets were increased to support the budget pressure in this area.



Work continues to recruit and retain Halton's In-house foster carers, along with training to develop carers enabling them to accommodate more specialist placements. This therefore means that costs could increase. However, the ability to accommodate young people within in-house provision provides a substantial saving in comparison to Independent Fostering Agency (IFA) or residential care.

Increasing numbers of children in care and insufficient in-house fostering provision has meant increased reliance on IFA. Higher numbers of children placed within IFA provision and increased IFA rates has resulted in an overspend for the end of 2024/25 of £0.803m



Special Guardianship Order

Special Guardianship Order (SGO) cost at the end of financial year 2024/25 is over budget by £0.010m

These are long term placements for young people, where the carers are granted parental responsibility for the young person in their care. This is a positive outcome for the young person as these are stable placements and the children are no longer classed as a 'child in care'. They are also less expensive than other placements so they are financially beneficial too.

Residential Care

Out of Borough Residential Care continues to be the main budget pressure for the Children and Families Department as the costs of residential care have continued to rise year on year. The numbers of young people in residential placements remains high and the cost of placements is rising significantly year-on year.

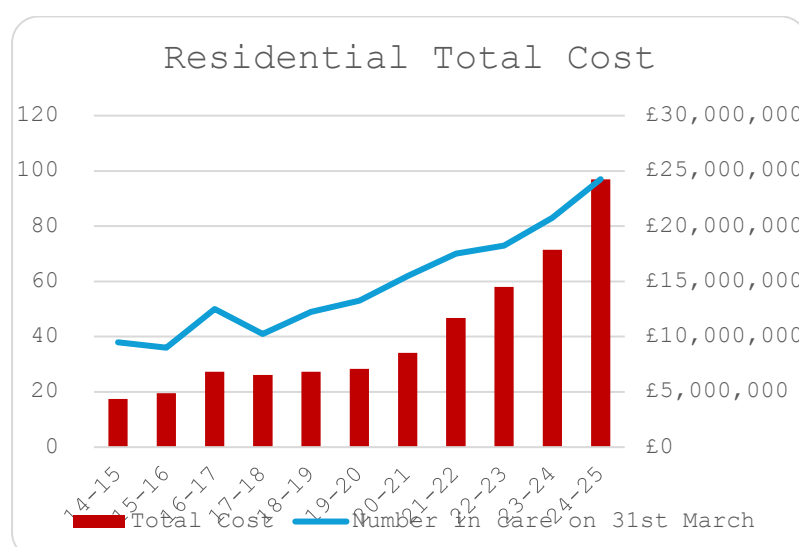
Provision	Weekly Costs	31-Mar-25		31-Jan-25	
		No. Placed	Estimated cost for the year	No. Placed	Estimated cost for the year
Residential	£1000 - £3000	6	838,280	4	488,662
Residential	£3001 - £5000	32	5,779,924	27	5,108,252
Residential	£5001 - £7000	20	5,478,530	26	6,737,694
Residential	£7001 - £15982	18	9,323,003	16	9,452,930
Secure	£6397 - £8137	1	53,295		
Leaving Care	£443 - £7175	11	2,058,824	11	2,134,843
Parent & Child	£2000 - £5500	9	717,242	7	774,025
Total:		97	24,249,098	91	24,696,405

Overall cost of packages are increasing due to the complexity of support the young people require as well as standard package cost increases. This is a national issue and market factors such as low supply and high demand have resulted in the costs of residential care

packages rising significantly over the last year, meaning that the level of spend is unsustainable at the current rate.

A number of initiatives are taking place to try and address the issue including a High Cost Placement Panel where high cost packages are individually scrutinized to ensure the placement is right for the young person and at the best available cost for the placement.

The graph below illustrates the rising costs of residential care, for consistency this does not include the costs of Unaccompanied Asylum-Seeking Children (UASC) as these costs were not included previous years.



UASC Residential Care

The number of Unaccompanied Asylum-Seeking Children (UASC) currently placed in care has remained steady.

Funding for 24/25 for the period April to September for both UASC and Leaving Care have been received and the remaining funding should be received in the next few months.

Provision	Weekly Costs	31-Mar-25		31-Jan-25	
		No. Placed	Estimated cost for the year	No. Placed	Estimated cost for the year
UASC	£300-£500	23	391,134	25	399,785
UASC	£500-£5000	25	772,950	24	773,079
Total:		48	1,164,084	49	1,172,864

Income




Children and Families have underachieved on income in financial year 2024/25 by £0.286m, the underachievement relates to not receiving all grant income that was originally expected for the Social Work Academy and the number of joint funded NHS packages reducing.

Approved 2024/25 Savings

Please see Appendix A for full details.

CHILDREN & FAMILY SERVICES DEPARTMENT

APPENDIX A

Ref.	Service Area	Net Budget £'000	Description of Saving Proposal	Savings Value		Current Progress	Comments
				24/25 £'000	25/26 £'000		
C1	Ditton and Warrington Road Daycare Centres	52	Closure of Ditton and Warrington Road daycare centres, given the significant on-going net losses at both centres. Sufficient alternative provision exists nearby, as well as in the adjoining nursery schools.	26	0		Early Years has now closed and budget for 24/25 has been removed
C2	Children's Centres	1,293	Review the operation of Windmill Hill Children's Centre, where there is the potential to save on premises and staffing costs.	0	22		This is subject to further review as external factors are changing the original review parameters. Potential alternative funding also to be reviewed.
C3	Children with Disabilities and Inglefield	858	Explore the potential for selling Inglefield and then purchase two bungalows within the community to provide a more appropriate setting.	112	0		Amount was removed at budget setting as will not be achieved
Total Children & Families Department				138	22		