

CHILDREN & FAMILIES DEPARTMENT

Revenue Budget as at 30 September 2025

	Annual Budget £'000	Budget to Date £'000	Actual Spend £'000	Variance (Overspend) £'000	Forecast Outturn £'000
Expenditure					
Employees	20,757	9,506	9,786	(280)	(726)
Other Premises	395	181	183	(2)	(4)
Supplies & Services	1,714	828	1,120	(292)	(584)
Transport	367	163	108	55	103
Direct Payments	1,220	590	541	49	86
Commissioned services to Vol Orgs	224	81	81	0	0
Residential Care	27,526	11,138	11,665	(527)	(58)
Out of Borough Adoption	97	49	5	44	92
Out of Borough Fostering	5,469	1,648	2,384	(736)	(1,263)
In House Adoption	557	164	142	22	24
Special Guardianship Order	2,604	1,137	1,073	64	129
In House Foster Carer Placements	2,766	1,169	932	237	476
Lavender House Contract Costs	279	117	115	2	4
Home Support & Respite	494	287	228	59	122
Care Leavers	434	181	178	3	7
Family Support	81	27	13	14	28
Contracted services	3	2	2	(0)	(1)
Emergency Duty	184	33	33	0	0
Youth Offending Services	461	-8	0	(8)	(17)
Total Expenditure	65,632	27,293	28,589	(1,296)	(1,582)
Income					
Fees & Charges	-33	-12	-7	(5)	(14)
Rents	-82	-31	-31	0	0
Reimbursement & other Grant Income	-502	-277	-209	(68)	(212)
Transfer from reserve	-15	0	-1	1	(2)
Dedicated Schools Grant	-50	0	0	0	0
Government Grants	-13,477	-7,386	-7,386	0	0
Total Income	-14,159	-7,706	-7,634	(72)	(228)
Net Operational Expenditure	51,473	19,587	20,955	(1,368)	(1,810)
Recharges					
Premises Support	736	368	368	0	0
Transport	10	5	5	0	0
Central Support Recharges	3,331	1,666	1,666	0	0
Asset Rental Support	0	0	0	0	0
HBC Support Costs Income	-176	-108	-108	0	0
Net Total Recharges	3,901	1,931	1,931	0	0
Net Departmental Expenditure	55,374	21,518	22,886	(1,368)	(1,810)

Financial Position

The net departmental outturn position is estimated to be over budget profile at the end of financial year 2025/26 by £1.810m with the majority relating to Social Care Services.

Growth budget of £12.1m and £4m of Children's Improvement Fund has been provided to the Children's and Families Department for financial year 2025/26. Unfortunately, this has not been sufficient to support the increasing costs across the service

Since last reported at 31 July 25 there has been a reduction in overspend of £0.381m. It's important to remember that although there has been a reduction in forecast outturn the Children's and Families Department has received significant budget increases for 2025/26. The level of spend remains high across the service.

The Children's and Families Department remains 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.

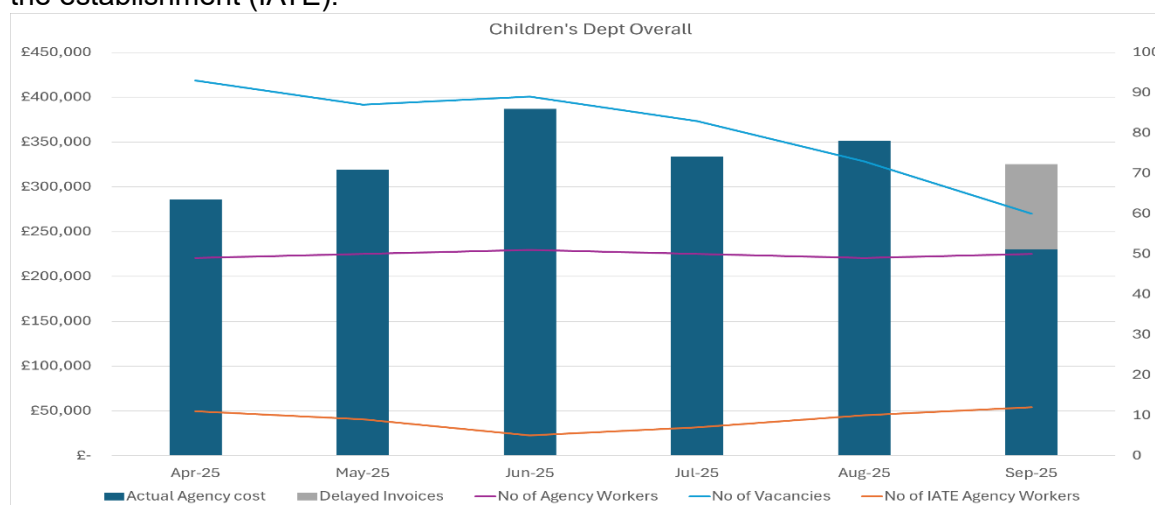
Employee Expenditure

Employee costs are forecast to be over budget profile by the end of financial year 2025/26 by £0.726 this is a reduction of £0.478m since last reported on 31 July 25. The reduction mainly relates to vacant posts that remain unfilled that are not being covered by agency and an increase in staffing budgets due to the higher than anticipated salary uplift costs.

The forecast overspend largely relates to the difficulty in recruitment across the service. A number of successful initiatives have helped support the recruitment including Social Work Academy and market supplements.

The level of agency has remained consistent since April across the service. There is an expectation that a number of agency staff are due to convert to Halton BC employees in the coming months and the recruitment of newly qualified social workers should reduce the level of agency reliance. Forecasts will be updated as and when to reflect the changes in staffing.

The chart below demonstrates agency costs that cover April to September 2025, the number of agency 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 remains high with spend totalling £1.907m.

One area of concern relates to the number of staff that remain in addition to the establishment (IATE). These are staff that are currently not allocated to an established role within their respective team. This figure currently stands at 12 across the service. 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

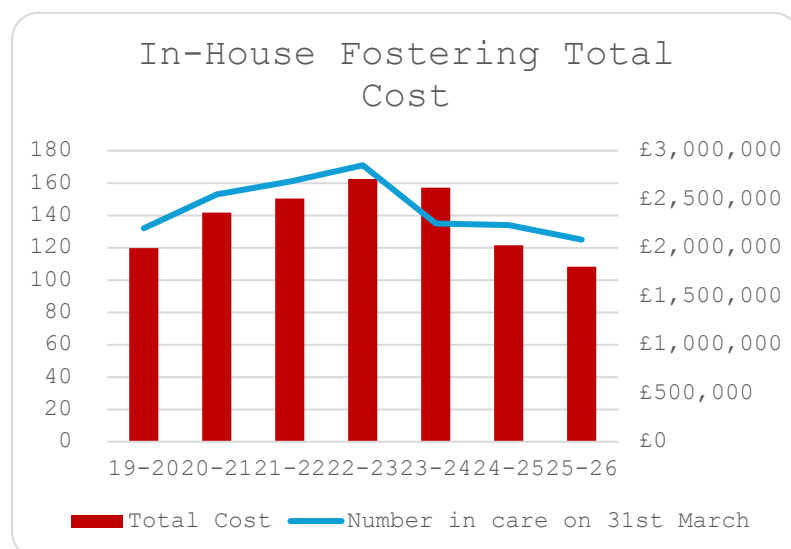
Supplies and services expenditure is forecast to be £0.584m over budget profile at the end of the financial year. Supplies and Services is diverse and covers a number of areas including nursery fees, consultancy, translation costs, equipment and support provided to young people.

A number of initiatives are being looked into to target specific areas of spend within supplies and services.

The creation of the Edge of Care and Family Time Teams should support the reduction of Supplies and Services expenditure. There is hope that particular tasks will no longer need to be outsourced which could result in the reduction in supplies and service.

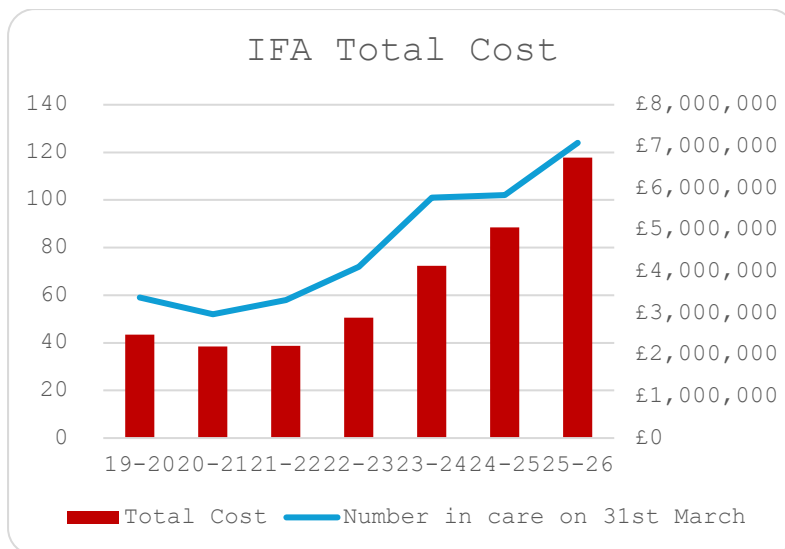
Fostering

Inhouse fostering placements is estimated to be £0.476m under budget profile for financial year 2025/26.



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 Independent Fostering Agencies (IFA). Higher numbers of children placed within IFA provision and increased IFA rates has resulted in an estimated forecast overspend for the end of 2025/26 as £1.263m. This is an increase since last reported at 31 July 2025 of £0.193m.



Special Guardianship Order

Special Guardianship Order (SGO) at the end of financial year 2025/26 is estimated to be under budget profile by £0.129m

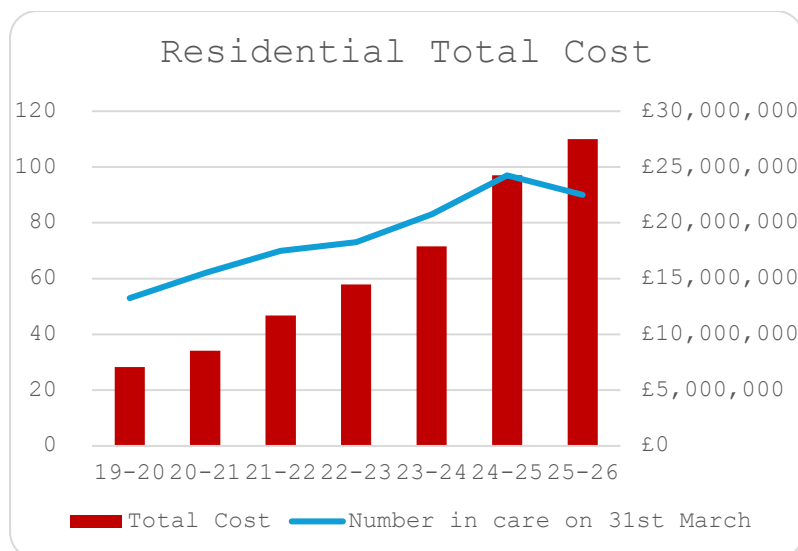
These are long term placements for young people, where the carers are granted parental responsibility for the young person in their care. This is a positive outcome for the young person as these are stable placements and the children are no longer classed as a 'child in care'. They are also less expensive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

Residential Care

Out of Borough Residential Care continues to be a 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.

Residential care costs are forecast to be over budget profile by £0.058m, this is a reduction in forecast overspend since last reported.

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.



The table below demonstrates the number of children that the department are forecasting to be in Residential care at 31 March 26.

Provision	Weekly Costs	30-Sep-25	
		No. Placed	Estimated cost for the year
Residential	£1000 - £3000	5	445,567
Residential	£3001 - £5000	29	6,955,125
Residential	£5001 - £7000	21	6,557,922
Residential	£7001 - £15982	20	10,864,716
Secure	£6397 - £8137		
Leaving Care	£443 - £7175	14	2,264,902
Parent & Child	£2000 - £5500	1	424,412
Total:		90	27,512,643

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.

UASC Residential Care

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

Funding for the period April to August 2026 has been agreed and is higher than anticipated. The estimated forecast income for this financial year is expected to cover the residential expenditure for our UASC cohort.

The table below demonstrates the estimated costs of residential accommodation for UASC

		30-Sep-25	
Provision	Weekly Costs	No. Placed	Estimated cost for the year
UASC	£300-£500	24	334,319
UASC	£500-£5000	25	979,411
Total:		49	1,313,730

Income

Children and Families are forecast to underachieve on income for financial year 2025/26 by £0.228m. The underachievement relates to the reduction in joint funded packages care packages with the NHS and a number of historic joint funded invoices that are likely to be credited.

2025/26 Approved Savings

£1.922m of approved savings have been included in the departmental budget for 2025/26, details of those savings are included at Appendix A.

Approved 2024/25 Savings**Appendix A**

Service Area	Net Budget £'000	Description of Saving Proposal	Savings Value		Current Progress	Comments
			25/26 Agreed Council 01 February 2023 £'000	25/26 Agreed Council 05 March 2025 £'000		
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.	22	0		With the implementation of the family hubs the review of windmill hill will no longer be viable. The centre is located in an area of deprivation and the role of the centre as a family hub is a priority in the children's social care review and supporting families at an earlier level, improving access to services for the most vulnerable and ensure a positive start for all children. These priorities fit with the council priorities
Children's Residential Care		Residential Placements – continuation of the work being undertaken to review residential placements, especially high cost placements, and identify opportunities to step-down placements or find alternatives, in order to reduce the current overspend and ongoing costs.	0	1,500		Residential placements were all reviewed in early 2024 with some reduction in costs established. As part of the longer term plan included in the sufficiency strategy, Halton has partnered with a not for profit organisation, Juno, who are awaiting registration from OFSTED - this approach is part of the LCR approach working with NFP organisations. In addition significant changes have been

						made to reduce the numbers of children coming into care. Mocking bird constellation is in place and evidenced support has resulted in appropriate transition so the need for residential is mitigated. A property has been identified for care leavers and further properties identified for additional semi-independent provisions. Juno will focus on their second home after July
Fostering		Independent Fostering Agencies and Out of Borough Fostering – continuation of the work being undertaken to review placements, to increase use of In-Borough foster carers wherever possible and thereby reduce costs, in order to reduce the current overspend and ongoing costs.	0	200	U	Recruitment campaign has been launched to attract in house foster carers so Council reliance on IFA's is reduced. Unfortunately there is a national shortage of foster carers and as a result the reliance on IFA's continues
Legal Costs		Court Costs – implementation of measures in conjunction with Legal Services, to reduce the backlog and ongoing number of Children's cases going to court, thereby reducing the timescales involved and cost of court proceedings, in order to reduce	0	200	U	Progress has been made on reducing the cost of court with success in reducing the number of applications, the reduction in timeliness of proceedings, further work is currently underway to reduce the number of C2 applications to court. PLO process is proving effective for some families in diverting away from legal proceedings and safely

		the current overspend and ongoing costs.				maintaining children with parents, further exploration is taking place on the use of in house psychologists to undertake assessments in the court arena to further reduce court costs
Total Children & Families Department			22	1,900		