



Revenue Forecast Outturn Report

2021-22

1 Purpose of report

1.1 To report the forecast outturn position at period 6.

2 Background Summary

2.1 The controllable budget for 2021/22 as approved in the contract is £123.348m. This also includes the impact of the full £6.8m savings programme, the element relating to the 21/22 financial year is £3.260m.

3 Summary

Table 2 – Forecast outturn by service area

Service Area	Budget £'000	Forecast Outturn £'000	Outturn Variance £'000	Prior Month Variance £'000	Movement £'000
Corporate Parent Service	44,298	44,707	409	363	46
Children, Young People and Family Support Services	6,670	6,195	(475)	(315)	(160)
Prevention & Safeguarding	14,314	14,262	(51)	(113)	62
Quality Assurance and Commissioning	58,724	59,524	800	334	466
NCT Central	(657)	(718)	(61)	(0)	(61)
Northamptonshire Children's Trust	(123,348)	(123,348)	(0)	(0)	(0)
Total	-	622	622	269	353

3.1 The forecast outturn position for 2021/22, is an overspend of £0.622m against the approved budget of £123.348m, an adverse movement of £0.353m from period 5.

3.2 Management mitigations

3.3 The forecast outturn position for 2021/22, is an overspend of £0.622m against the approved budget of £123.348m. This represents 0.5% of the trusts controllable budget.

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- 3.4 The trust will mitigate this pressure through the use of the carry forward reserve of £0.812m (relating to the financial period Nov 2020–Mar 2021.) The carry forward reserve figure has reduced by £0.280m from £1.092m due to an end of year adjustment relating to accumulated absences £0.277m and minor admin expenses £0.003m. Through the detailed monthly financial reporting key budget risk areas will continue to be reported to ensure effective monitoring is in place.
- 3.4 Within external placements, an additional resource is in place to support the development of provision in line with the sufficiency action plan, with a key focus on provision for emergency and complex referrals. All placements, especially the high costs ones, are regularly reviewed using a risk based approach to ensure sufficiency of provision and improve outcomes for the children and young persons.
- 3.5 A revised joint funding panel will be launched on the 1st November 2021 to agree funding for placements with a social care, education and health input

4 Outturn by service area

4.1 Corporate parenting

4.2 Table 3, outturn by service

Service	Budget £'000	Forecast Outturn £'000	Outturn Variance £'000	Prior Month Variance £'000	Movement £'000
Children's Homes	3,413	3,413	0	49	(49)
Fostering and Adoption Staffing	4,479	4,529	50	1	49
Disabled Children's Team - Staffing	1,595	1,439	(156)	(149)	(7)
Disabled Children's Team - Care Provision	3,031	3,108	76	0	76
LAC & Leaving Care - Staffing	7,662	7,927	265	0	265
CFN - No Recourse to Public Funds	319	319	0	0	0
LAC & Leaving Care - Care Provision - Exc. Placements	1,396	1,396	0	0	0
Mother & Baby Assessments	923	1,173	250	250	0
Unaccompanied Asylum Seeking Children - Staffing	556	578	22	(55)	77
Unaccompanied Asylum Seeking Children - Placements	4,318	4,818	500	315	185
Unaccompanied Asylum Seeking Children - Care Provision	573	573	0	0	0
Unaccompanied Asylum Seeking Children - Funding	(4,257)	(4,599)	(342)	0	(342)
Social Work Legal Provision - Costs	4,535	4,535	(0)	(0)	0
In House Fostering Care Provision	8,866	8,566	(300)	(150)	(150)
Adoption Care Provision	6,753	6,801	48	110	(62)
Corporate Parenting AD	136	131	(6)	(8)	2
Corporate Parent Service Total	44,298	44,707	409	363	46

- 4.3 Corporate parent service is reporting an overspend of £0.409m, an adverse movement of £0.046m from period 5.
- 4.4 Disabled children's team is reporting an underspend of £0.156m due to vacancies.
- 4.5 Disabled children's care provision is reporting an overspend of £0.076m an adverse movement from Period 5. The direct payments commitments to September shows a budget pressure of £0.076m.

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- 4.6 LAC & leaving care staffing is reporting an overspend of £0.265m based on the review of staff on payroll and agency including C-19 funded arrangements. The overspend is mainly due to high level of agency staff across the teams, while permanent recruitment takes place.
- 4.6 Mother and Baby assessments is reporting an overspend of £0.250m. The budget was set for 19 assessments i.e. 230 weeks. Although the service is proactively reviewing the cases to curtail the spend, the current trend expects the costs will be in the region of 25 assessment or 272 weeks resulting in the forecast overspend. Work is ongoing to improve understanding of throughput of expectant mothers who have been identified as at risk. This will provide some assurance concerning the expectant growth within the forecast.
- 4.7 The Unaccompanied Asylum Seeking Children (UASC) service is forecasting a net overspend of £0.158m for placement costs for young persons who have exhausted all appeal rights. Expenditure pressure is £0.500m and additional income of £0.342m.
- 4.8 The in-house foster care services is reporting an underspend of £0.300m due to lower than planned placements based on data at the end of the quarter two. At the end of quarter two payments made to mainstream foster carers each week were lower, from 256 to 247, than the benchmark set at the end of March @ 256 beds.
- 4.9 Adoption care is reporting a forecast overspend of 0.048m. This is due to expenditure on therapeutic services. While quarter 1 revealed net growth of 31 SGO arrangements, quarter 2 has seen this growth number reduce to 17 with a number of existing arrangements ending. The budget has allowed for net growth in year of 32 new SGO arrangements and therefore the previous reported budget pressure has been removed.
- 4.10 Other minor variances include overspend of £0.022m in UASC care staffing costs.
- 4.12 **Children, Young People and Family Support Services**

Table 4, outturn by service

Service	Budget £'000	Forecast Outturn £'000	Outturn Variance £'000	Prior Month Variance £'000	Movement £'000
Strengthening Families and Young People's Service Staffing	5,076	4,601	(475)	(315)	(160)
Strengthening Families and Young People's Service Care	30	30	-	-	-
Supporting Families Programme Staffing	778	778	-	-	-
Supporting Families Programme Funding	(1,389)	(1,605)	(216)	-	51
Supporting Families Programme Care Provision	611	827	216	-	(51)
Children, Young People and Family Support Services Total	6,670	6,195	(475)	(315)	(160)

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- 4.13 Strengthening families and young people’s service is reporting an underspend of £0.475m on a number of vacant posts across the service.

The forecast underspend has increased by £0.160m based on current staff on payroll and agency as at 30th September assuming these will continue to the end of the financial year.

The two key factors impacting the change in forecast are the agreed recharge from strengthening families staffing costs to the supporting families programme.

The second, the Chief Executive has approved for vacancies to be filled using agency to meet demand pressures and clear existing bottlenecks and backlogs. £0.250m has been assigned to cover future agency and recruitment costs to 31st March. The impact will be monitored, however, it is evident from the staffing tables that the numbers have further reduced over the summer months.

4.14 Prevention and safeguarding

Table 5, outturn by service

Service	Budget £'000	Forecast Outturn £'000	Outturn Variance £'000	Prior Month Variance £'000	Movement £'000
Prevention & Safeguarding Management	339	338	0	0	0
Safeguarding & Care Planning - Staffing	7,586	7,007	(578)	(462)	(116)
Safeguarding & Care Planning - Care Provision	717	717	0	0	0
Duty & Assessment - Staffing	3,467	3,953	486	405	81
Duty & Assessment - Care Provision	85	85	0	0	0
MASH & EDT Care Provision	12	12	0	0	0
MASH & EDT - Staffing	2,108	2,150	42	(56)	98
Prevention & Safeguarding Total	14,314	14,262	(51)	(113)	(62)

- 4.15 At period 6 the prevention and safeguarding service is forecasting an underspend of £0.051m, an adverse movement of £0.062m from the position reported at period 5.

- 4.16 Staffing pressures of £0.486m are included in the forecast relating to of £0.356m in the innovate team, £0.130m peripatetic team. This is being reviewed as part of ongoing covid pressures. Initial funding was provided to cover the period April 2021 – September 2021.

- 4.17 The Emergency duty team, £0.030m service manager post and £0.045m for advance practitioners posts £0.070m. The above forecast includes a recharge to recover additional costs of £0.130m based on current staffing arrangements from the unitary authorities. Further work is being undertaken to ensure the budgets are realigned and agency costs are attributed to the correct cost centre.

4.18 Quality assurance and commissioning

Table 6, outturn by service

Service	Budget £'000	Forecast Outturn £'000	Outturn Variance £'000	Prior Month Variance £'000	Movement £'000
Northampton Social Work Academy	446	466	20	21	-
Social Work Transport Provision	1,462	1,479	17	-	17
Business Support & Development	1,970	2,068	98	139	(41)
Commissioning & Strategy	6,197	6,318	121	174	(53)
Agency Placements	45,493	46,143	650	-	650
Quality & Performance Management	123	132	9	-	9
Quality & Assurance	3,033	2,918	(115)	-	(115)
Public Health Projects – Invest to Improve	-	-	-	-	-
Quality Assurance and Commissioning Total	58,724	59,524	800	334	416

- 4.19 Quality Assurance and Commissioning are reporting an overspend of £0.800m, an adverse movement of £0.416m from period 5, mainly due to pressure on agency emergency placements of £0.650m.
- 4.20 Northampton social work academy is forecasting an overspend of £0.020m for cost of step up social work students who were employed in the intervening period between the end of their placements and their qualification as social workers before they can be permanently employed.
- 4.21 Social work transport provision is forecasting an overspend of £0.017m. The NCT transport hub pilot has been set up to improve and challenge approval process to ensure efficiency. A detailed review of transport forecasting is ongoing.
- 4.22 Business support staffing budgets are reporting a pressure of £0.098m mainly due to the vacancy factor. The establishment for the service had been historically underfunded due to structural issues from past restructures/reorganisations. This deficit was addressed in the 21/22 budgets from unutilised non-staffing budgets plus an increase in the vacancy factor rate. There are currently several vacant posts across the service off-setting the total impact of the vacancy factor budget which is £0.369m. The movement of £0.091m is due to staff underspends.
- 4.23 Commissioning and Strategy are reporting a forecast overspend of £0.121m due to a £0.150m uplift to the residential short breaks contract with Northamptonshire Healthcare NHS Foundation Trust and additional ad-hoc income of £0.025m for services provided to other local authorities and £0.005m underspend on staffing. The movement of £0.053m is due to staffing underspend.
- 4.24 Quality & Assurance are reporting a forecast underspend of £0.115m mainly due to vacancies across the service. The forecast underspend on staffing is £0.287m, this is offset by vacancy factor budget of £0.169m and £0.015m forecast spend on car

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mileage and allowances for advocacy visit and £0.012m underspend on non-pay budgets.

4.25 The placements budget is reporting a forecast overspend of £0.650m on residential placements. A detailed placement and forecasting model is now in place tracking at an individual placement level. The model will be used to inform the placement sufficiency strategy and commissioning within the Trust.

4.26 Agency placements

4.27 Agency placements is forecast to overspend by £0.650m. This is a highly volatile area, with one single placement costing in excess of £0.4m per annum. We have seen an increase in emergency placements during September, which has increased the projected overspend on residential placements to £1.378m. The emergency placements are high cost and for an initial 28 days, therefore the projections are volatile and subject to change.

4.28 Attached at Appendix A is the current placements report giving detailed breakdown of placements and historic changes to aid forecasting

4.29 We have previously been able to mitigate these pressures across the overall placements budget, with variances across the individual placements types. The table below details the individual placement type.

Placement Type	21/22 Revised Budget £	21/22 Forecast Commitment £	P06 Reporting Variance £
Agency Foster Placements	15,135,801	15,314,120	178,319
Agency Residential Placements	17,525,521	18,904,320	1,378,799
Agency Supported Accommodation	3,358,915	4,341,476	982,561
Welfare Secure Placements	318,917	0	(318,917)
Remand Secure Placements	274,141	214,265	(59,876)
DCT Agency Placements	4,004,976	3,402,081	(602,895)
18+ Former LAC Agency Placements	4,874,280	3,965,631	(908,649)
Total LAC Agency Placements	45,492,551	46,141,893	649,342

4.30 Agency foster placements

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Agency foster placements budget is £15.1m. At period 6 there is forecast overspend of £178k. There are currently 324 active placements, an increase of 13 since the start of the financial year. Approximately 63% agency placements are with foster carers.

4.31 Agency residential placements

Agency foster placements budget is £17.5m. At period 6 there is a forecast overspend of £1.379m (net of partner contributions) due to additional placements and increases and decreases in packages. In period 6 there were 3 new high cost placements, 28 day crisis placements @ £8,400, £9,100 and £10,100 per week. The forecast has been adjusted and status of placements is to be reviewed.

There are currently 86 active placements, a decrease of 4 since the start of the financial year. Approximately 15% of total agency placements are residential placements.

The forecast has been reduced by £174k for 2 remaining active packages due to turn 18 by the end of the financial year.

The average weekly rate for a residential placement is £4,279.

4.32 Agency supported accommodation

Agency supported Accommodation budget is £3.358m. At period 6 there is forecast overspend of £0.983m. There are currently 46 active placements. The forecast has been reduced by £778k for 27 remaining active packages due to turn 18 by the end of the financial year.

The average weekly rate for a supported accommodation placement is £2,120.

4.33 Welfare and remand secure placements

The budget for welfare and remand placements is £0.593m. At period 6 there is forecast underspend of £0.379m. During period 6 ,2 of the secure placements ended.

The estimated forecast for welfare placements was removed in period 5 as the 2 probable placements were placed in remand secure. The forecast includes an estimate of £262k grant income.

The average weekly rate for a remand secure placement is £2,205. In 2020/21 the spend was £467,128.

4.34 Agency DCT placements

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Agency DCT placements is forecasting an underspend of £603k. The net movement is due to increased cost of £352k for 1 placement and forecast adjustment of £56k for 1 client that turned 18 in October, assuming the placement will end in December.

There are currently 20 active placements, the same as the start of the financial year. The average weekly rate for a DCT placement is £3,238. The weekly cost of packages ranges from £795 to £7,986. Partner Contribution from Health and Education for DCT placements is forecast at £854k.

4.35 18+ Former LAC agency placements

18+ Former LAC is forecasting an underspend of £909k. There are currently 102 active placements, same as the start of the financial year.

The average weekly rate for an 18+ LAC placement is £680.

The forecast will be reviewed in more detail. This is required to clarify the assumption in the modelling and check the average cost of step down costs for LAC in residential and fostering transferring into supported accommodation.

5.0 Savings target and delivery

5.1 The savings requirement of £3.260m is for the full financial year. The performance of these savings are reviewed at the monthly transformation and efficiency board meetings. A revised savings and transformation programme will be developed in 21/22 to ensure delivery.

Table 8 – savings delivery

REF	Name	Target 21/22 (£000's)	SRO	Estimated not Deliverable (£000's)	Savings Estimated as Deliverable but at risk (£000's)	Savings Delivered (£000s)	Savings mitigated in year (£000's)
19-002-02	Improvement in capacity building in foster (BRR)	1,084	Olivia Ives	£198	£571	£314	-
19-002-05	Reducing Reliance on Agency Staff (BRR)	388	Andrew Tagg	-	£388	-	-
19-002-07	Improved children's outcomes (BRR)	843	Olivia Ives	-	£612	£231	-
19-002-09	Supported Accommodation	197	Louise Mackender	-	-	-	£197

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19-002-10	In-House Foster Carers	433	Olivia Ives	-	£433	-	-
19-002-12	Transport Optimisation	316	Louise Mackender	-	£316	-	-
	TOTAL	3,261		£198	£2,320	£545	£197

RAG	Work stream	Deliverable/action	Financial
Red	Delays being experienced across the work stream Escalation required SRO/SLT intervention/recovery plan needed	Deadline missed Escalation to SRO/Service lead required Recovery plan required	Planned amount not achievable
Amber	Risk of delay / key deliverables Corrective action required Being managed within work stream	At risk of missing scheduled date	Forecast as deliverable with elements of risk
Green	Work stream is on track to deliver all scheduled dates	On track to meet scheduled date	Delivered pending financial verification
Blue	Complete	Complete	Fully Delivered and verified
BLANK	Not started	Not started	N/A

Green - £4.085m (Including 2020/21 delivery of savings of £3.540m)
 Amber - £2.320m (Plans in place, potential risk to full year delivery target - in year mitigation required)
 Red - £0.198m (Alternative Savings required)
 Blue - £0.197m (Savings mitigated in year)
 Total - £6.8m

- 5.2 BRR funded improvement in capacity building in foster care seeks to develop specialist resilient foster carers to be able to foster young people with higher complex needs. 4 Carers have placements attached which has delivered savings to date of £0.314m. If the 4 placements remain stable to 31st March, further £0.366m will be achieved, providing total in year savings of £0.680m.
- 5.3 The service is forecasting 6 further placements to be matched to carers before the end of the financial year. All 6 have yet to be approved by NFA, with expectation these will be matched providing further contribution to in- year savings of £0.206m is included within the forecast.
- 5.4 The BRR funded savings project reducing reliance on agency staffing seeks to reduce the high levels of agency staff covering permanent vacancies.
- 5.5 BRR funded improved children outcomes project was originally based on reducing the number of young people in care but has been formally replaced by the high cost placements review project as an alternative delivery model. Savings are generated from a review of high-cost placements.

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- 5.6 Reduction in residential care project seeks to generate savings from reduced use of external residential care.
- 5.7 The supported accommodation savings project generated savings through the commissioning of managed accommodation for young persons.
- 5.8 This saving overlaps with the high costs placement review, therefore savings delivered will be allocated across both projects. The supported accommodation savings has been fully delivered as at period 5.
- 5.9 In-house foster carers project seeks to generate savings by increasing the capacity of in house foster carers and thus reducing the reliance on other costlier placements types.
- 5.10 The transport optimisation project seeks to deliver savings through a tighter management and application of the transport policy. The NCT transport hub pilot has been set up to improve and challenge approval process to ensure efficiency.
- 5.11 A detailed review of transport forecasting will be completed by P7 to determine the level of savings that can be achieved.
- 5.12 A revised savings programme has been implemented to deliver the full £6.840m savings deducted from the initial 17th month contract sum. The governance, monitoring and reporting will be managed through the transformation and efficiency board.

6. Reserves and ring fenced funding

Table 9 – Reserves

Reserves	Opening Balance £'m	YTD Commitment £'m	Balance £'m
Litigation costs (HRA)	0.051	0.018	0.033
Family Group Conferencing	0.289	0.289	-
International Social Worker visa costs	0.148	-	0.148
Youth Offending Service	0.427	-	0.427
Troubled Families	0.844	0.600	0.244
Staff Retention	0.650	0.166	0.484
Total Reserves	2.410	1.073	1.337

- 6.1 Total reserves carried forward to 21/22 are £2.410m as detailed in table 10.
- 6.2 In addition to the above the underspend of £0.812m was also carried forward from 20/21.
- 6.3 Litigation costs (HRA)
- This reserve is to support children who have had court judgement in their favour from Human Rights Assessments claims. Expenditure incurred to date is £0.018m.
- 6.4 Family group conferencing

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£0.289m payment to Leicestershire County Council for the delivery of the Family Group Conference Service as part of a DfE funded pilot

DfE funded eighteen month controlled trial of family group conferencing (FGC), a comprehensive process through which the child's extended family create their own plan of how they will all come together to look after the child. This trial is for a select cohort of families to assess the impact of FGC in reducing the number of children that come into care.

6.5 International social worker visa costs

To provide assistance for overseas social workers in their visa application.

6.6 Youth Offending Service

This provides help and support to the most vulnerable families, at the earliest possible stage, in order that children's outcomes across a range of areas improve. The programme is focused on happier, healthier children with improved educational attendance, attainment and improved life chances. Parents are supported to engage in preparation for work and towards financial independence so that they and their children can escape poverty and hardship.

6.7 Supporting families

This reserve is help achieve significant and sustained progress against multiple problems to make work and ambition possible for all families. Funding by central government is allocated based on level of need by application.

6.8 Staff retention

Three-year retention scheme for qualified social workers to reduce staffing cost, turnover and the reliance on agency staffing.

6.9 Table 10 – Ring fenced funding

Other ring fenced funding	Opening balance - £'m
DfE Invest to improve	0.976
PH Funded interventions	1.341
BRR Fostering	0.276
BRR Practice improvement	0.079
Total ringed fenced funding	2.672

In addition to the reserves identified at table 9, other ringed fenced funding totalling £2.672m has also been carried forward.

6.10 DfE Invest to Improve comprises of four priority areas that was identified as most likely to have a positive impact upon the improvement plan for children's services as below:

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- Edge of Care – to reduce the numbers of children looked after through supporting family networks to meet needs of children and generally reduce levels of residential placements.
The majority of this funding is supporting staffing arrangements with current forecast costs of £307k. The balance of the funding is earmarked to support training qualification and hardship support.
- Early Help – to reduce pressure upon the front door through among other things lowering rate of contacts and referrals and improving pathways to early help responses.
Current Staffing arrangements are committing £0.100m with further £0.097m earmarked for vacant posts. The remaining balance has been ring-fenced to meet essential maintenance of the family hubs and provide necessary equipment to enhance the venues and make them more appealing to the community.
- Strengthening practice for impact and outcomes - to improve effective strengths-based and relationship-based practice and improve consistency of practice.
- Digital and IT – to facilitate more efficient working practices and communications.

6.11 PH Funded interventions to improve outcomes for children and young people and specifically contribute to public health outcomes. There are three strands to this intervention as below:

- Care leavers mental health and wellbeing – this seeks to address the significant disadvantages that care leavers face in a number of areas, a significant factor of this being their prior experience in the care system. The project links to addressing the Ofsted inspection outcomes, learning from serious incidents, the high levels of self-harm, the JSNA findings, the views of care leavers and wider issues for children in care and care leavers.
- Mentoring for Adolescents – this is to invest in a sustainable mentoring programme to provide targeted mentoring support in school environments. This will broaden the offer of support for young people to ensure their needs are met in the right way and at the earliest opportunity.
- Fostering support capacity building – this programme seeks to deliver an agreed range of interventions, support and training for foster carers to give them a greater level of confidence and expertise to understand and address the complex health needs.

6.12 BRR Fostering is ring fenced for the recruitment and capacity building of resilient foster carers to foster young persons with complex needs and reduce costly external placements costs.

6.13

BRR Practice Improvement seeks to reduce the admission to and the re-unification of children and young persons from foster care and residential placements.