

Gloucestershire County Council Budget Consultation 2019/20

Schools' Forum Date	10 th January 2019
Type of Decision	For information and comment as part of the consultation
Background Documents	<p>Council Strategy and Medium Term Financial Strategy (MTFS) 2017/18 to 2019/20.</p> <p>Council Report : 14th February 2018</p> <p>Cabinet Report: 19th December 2018: MTFS 2019/20 to 2021/22. Link for full report – Item 6 on the Agenda</p> <p>Gloucestershire County Council MTFS 2019/20</p>
Author	<p>Sue Hall, Finance Business Partner</p> <p><i>Extracts of report presented by:</i> Jo Walker: Strategic Finance Director Paul Blacker: Head of Financial Management</p>
Purpose of Report	To inform the Schools Forum of the budget strategy and draft details for 2019/20 and the MTFS covering the period 2019/20 to 2021/22.
Key Recommendations	That the report is noted and that any comments are fed back through the Council's consultation process by 21 st January 2019.
Resource Implications	The report is concerned with the Council's overall budget and the specific financial implications for Children and Families.

Summary of Information

The attached report is the summary MTFS position presented to Cabinet on the 19th December 2018 for the whole Council. The link to the detailed report is included above but a number of specific annexes relating to the overall budget and specifically to Children and Families are attached for information. These include:-

- Annex 3: Budget Summary by Service Area for the Council
- Annex 2: Budget movements in services for Children and Families

In summary it is proposed that Children and Families achieve cost reductions of £2.25 million and receive cost increases of £13.15 million, a net increase in budget of £10.9 million. See annex for details. The Council's financial planning cycle has recognised the pressure on the children's and families budget during 2018/19 (forecast overspend of £9.83 million before the offset of the business rates retention income) and this is reflected in the investment being made.

Summary of the overall budget for the Council

Medium Term Financial Strategy – 2019/20 Budget – Overall Summary

Budget Area	2018/19 Agreed MTFS Budget	Transfer of 2018/19 One Off Budget Support to T&C for MTFS Presentation	Agreed 2018/19 Budget adjustments *	2018/19 Revised MTFS Base Budget	Pay Inflation Costs	Cost Increases	Cost Reductions	Proposed 2019/20 Budget	Cash Increase / Decrease	Percentage Increase / Decrease
	£000	£000	£000	£000	£'000	£'000	£'000	£'000	£'000	%
Programme Budget Areas										
Adults	133,172	-	1,384	134,556	1,180	11,287	-10,498	136,525	1,969	1.5%
Vulnerable Children	73,696	-1,123	848	73,421	917	11,632	-1,700	84,270	10,849	14.8%
Other Children Services	29,278	-	-10,599	18,679	391	215	-550	18,735	56	0.3%
Communities and Infrastructure	80,426	-530	-848	79,048	1,088	3,943	-990	83,089	4,041	5.1%
Support Services	27,917	-	47	27,964	749	3,533	-1,467	30,779	2,815	10.1%
Technical and Cross Cutting	44,721	1,703	-513	45,911	3	732	-4,669	41,977	-3,934	-8.6%
Prevention & Wellbeing	24,271	-50	9,681	33,902	20	100	-1,041	32,981	-921	-2.7%
Total Budget	413,481	-	-	413,481	4,348	31,442	-20,915	428,356	14,875	3.6%

* Includes the budget transfer of £9.485 million for Supporting People and Prevention Hub Services from Other Children Services to Prevention & Wellbeing

Detail of Children and Families budget movements

2019/20 Children and Families Budget - Vulnerable Children

	Cost Increases £000	Cost Reductions £000	£000
<u>Budget Changes:</u>			
Starting Budget (2018/19 Revised Budget)			73,421
<u>Cost Increases</u>			
Pay Inflation	917		
External Placement Budget - to provide for the increased cost and number of placements	4,200		
Child Protection Conference Chairs - additional staffing to meet demand and statutory standards	305		
Inflation uplift for Fostering, Adoption, Special Guardianship orders & Child Arrangement Allowances	213		
Special Guardianship Orders - Increased Numbers	181		
In House Fostering Service - additional staff and allowances to increase placement capacity	526		
Kinship Foster Carers - payment of foster carer fee and additional staff to support the increased activity in the assessment team	507		
Over recruitment of newly qualified social workers by 40 FTE's above establishment	1,349		
Social work pay and allowances - includes retention, welcome and relocation expenses	1,047		
Additional staff for the Front Door, social work teams and administrative support	813		
Family Group Conferencing - additional staff to extend the service on a phased basis	181		
Contact Centre - additional staff to provide capacity to meet contact arrangements for children in care	80		
Additional one-off investment to mitigate against demand for external placements funded from the Rates Retention Reserve	2,000		
Additional one-off funding to support the implementation of the Ofsted Improvement Plan, from the Rates Retention Reserve	230		
<u>Cost Reductions</u>			
Reduction in cost of external placements following the review by High Cost Panel		-1,700	
TOTAL NET CHANGE	12,549	-1,700	10,849
Children & Families - Vulnerable Children Budget 2019/20			84,270

* This excludes additional ringfenced grant funding as follows:-
Additional funding for Social Care £4.322 million announced by Government November 2018, to be allocated equally between Adult Care and Vulnerable Children.

2019/20 Children and Families Budget - Other Services

	Cost Increases £000	Cost Reductions £000	£000
Starting Budget (2018/19 Revised Budget)			18,679
<u>Budget Changes:</u>			
<u>Cost Increases</u>			
Pay Inflation	391		
Home to School Transport To provide for contractual prices inflation.	146		
Staff to support increase in Education, Health & Care Plans Additional staff to provide capacity to support and review the increased number of EHC plans	69		
<u>Cost Reductions</u>			
Pensions Realigned budget based on current estimate of pensioner numbers		-150	
Home to School Transport Realign bespoke travel arrangements through Independent Travel training, increased vehicle capacity to special schools and the use of individual Personal Travel Allowances.		-150	
Education Services Align intervention and support capacity with demand		-250	
TOTAL NET CHANGE	606	-550	56
Children & Families - Other Services Budget 2019/20			18,735

* This budget excludes the ringfenced Dedicated Schools Grant (DSG).