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To: The Chair and Members of the Children's
Scrutiny Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

Date: 10 January 2022

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CHILDREN'S SCRUTINY COMMITTEE

Tuesday, 18th January, 2022

A meeting of the Children's Scrutiny Committee is to be held on the above date at 10.00 am in the Council Chamber, to consider the following matters.

Phil Norrey
Chief Executive

A G E N D A

PART I - OPEN COMMITTEE

1 Apologies

2 Items Requiring Urgent Attention

Items which in the opinion of the Chair should be considered at the meeting as matters of urgency.

3 Public Participation

Members of the public may make representations/presentations on any substantive matter listed in the published agenda for this meeting, as set out hereunder, relating to a specific matter or an examination of services or facilities provided or to be provided.

MATTERS FOR CONSIDERATION OR REVIEW

4 Budget 2022/23 and Capital Programme for 2022/23 to 2026/27 (Pages 1 - 36)

Overall Approach

The 2022/23 budget proposals will be scrutinised with consideration of relevant service area budgets by Scrutiny Committees with the Corporate Infrastructure and Regulatory Services Scrutiny Committee considering both its own budget responsibilities as well as any issues raised by the Children's Scrutiny Committee and the Health and Adult Care Scrutiny Committee, to produce an overarching set of recommendations.

This approach enables all Scrutiny Members to question and challenge the budget proposals across services, to better understand the implications of the budget proposals across the Council and to make effective recommendations to Cabinet and Council.

The proceedings of all Scrutiny Committees will be livestreamed and publicised through normal channels.

The Council must have full regard to and consider the impact of any proposals in relation to equalities prior to making any decisions, as set out in equality impact assessments, and any identified risks and mitigation action required.

Public Participation

There will be an opportunity for members of the public to address each Scrutiny Committee meeting and make oral representations/presentations on any matter relating to the proposed budget, in line with the [public participation scheme](#).

This Meeting

At this and other Scrutiny Committees in the current cycle, Members are asked to identify salient issues within each Committee's areas of responsibility, to examine the general thrust of the budget and take an overview of priorities and prospects.

At this meeting Chief Officers/ Heads of Services will report on

- the Cabinet's Target Budget for Services and likely implications of the 2022/23 target for individual areas of service (e.g. in percentage terms compared to current levels) and how those areas have been prioritised;
- any comparisons between the current year and next year's proposals for the major service areas, to illustrate the scale of change within those activities and how the budget has been allocated across services in those years (to illustrate changes of emphasis or priority);
- any "alternative delivery models" or other initiatives contemplated for given services and how it is thought that these may reduce costs; and
- impact assessments undertaken in relation to the draft budget.

Report and Budget 2022/23 Impact Assessment

Joint Report of the Director of Finance and Chief Officer for Children's Services (DF/22/01) on the proposed budget for Children's Services for 2022/23, attached.

NB: An overview of the impact assessments for all service areas entitled 'Budget 2022/23 Impact Assessment' has been made available to all Members of the Council so that Scrutiny Committees have access to all equality impact assessments undertaken as part of the budget's preparation which is available at <https://www.devon.gov.uk/impact/budget22-23/>

Members are asked to consider the contents and retain it for future meetings, accepting that individual assessments may be updated with time. Members must have full regard to and consider the impact of any proposals in relation to equalities for this (and other) budget meeting prior to making any decisions. Scrutiny Committees will no doubt wish to be assured that risk assessments and projections are adequate and that the evidence supports the assumptions made in the formulation of the budget.

MATTERS FOR INFORMATION

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PUBLIC AND PRESS

Nil

Members are reminded that Part II Reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s). They need to be disposed of carefully and should be returned to the Democratic Services Officer at the conclusion of the meeting for disposal.

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as directed by the Chair. Filming must be done as unobtrusively as possible without additional lighting; focusing only on those actively participating in the meeting and having regard to the wishes of others present who may not wish to be filmed. Anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance.

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It is to be noted that Members of the Council must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.

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Induction Loop available



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DF/22/01

Children's Services Scrutiny Committee

18th January 2022

Joint Report of the Director of Finance and the Chief Officer of Children's Services

2022/23 Budget

Recommendation: that the Scrutiny Committee considers whether it wishes to draw to the attention of Cabinet any observations on the proposals contained within the draft Revenue Budget 2022/23 and Capital Programme for 2022/23 to 2026/27.

1. Introduction & Commentary

- 1.1 Cabinet at its meeting on 8th December 2021 set Revenue Budget Targets for 2022/23. The provisional settlement was very close to what was expected, and therefore no change was proposed to the Budget Targets at Cabinet on 12th January 2022.
- 1.2 As is normal at this stage, the final outcome of the Local Government Finance Settlement is awaited and details of the council tax base, collection fund surpluses and tax base yield have yet to be confirmed along with the local element of business rates. Information will be available when the County Council considers final budget proposals for 2022/23 on 17th February 2022. Given the late notification of the Provisional Settlement and in line with arrangements in previous years, 22nd February has been set aside for a second County Council budget meeting should it be required.
- 1.3 The draft budget attached to this report complies with the Targets set by Cabinet on 8th December which total £629.4 million. The total includes funding for budget pressures of £87.4 million that mainly relates to additional expenditure to allow for service growth to cater for demographic changes such as increased children and adult service users and unavoidable cost pressures. Savings and income initiatives of £38.7 million are required to set a balanced budget.
- 1.4 The targets set for each service area have been subject to different pressures and influences. The table over shows the 2022/23 Budget Targets by service area.

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	2021/22 Adjusted Budget *	Inflation & Pressures	Savings & additional Income	2022/23 Budget	Net change	
	£000	£000	£000	£000	£000	%
1 Adult Care & Health	283,294	47,875	(18,241)	312,928	29,634	10.5%
2 Childrens Services	159,036	28,787	(11,675)	176,148	17,112	10.8%
3 Communities, Public Health E&P	40,280	3,809	(2,846)	41,243	963	2.4%
4 Corporate Services	40,937	3,612	(2,830)	41,719	782	1.9%
5 Highways, Infrastructure D&W	57,124	3,349	(3,149)	57,324	200	0.4%
	580,671	87,432	(38,741)	629,362	48,691	8.4%

* Adjusted for permanent virements

1.5 This report provides detailed budget proposals in line with these targets.

2. The Provisional Local Government Finance Settlement 2022/23

- 2.1 On 16 December 2021, the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC), Rt. Hon. Michael Gove MP, released a written statement to Parliament on the provisional local government finance settlement 2022/23, the details of which are set out below.
- 2.2 The 2022/23 local government finance settlement is for one year only and is based on the Spending Review 2021 (SR21) funding levels. This is the first time since 2015 that, in the context of a multi-year Spending Review, the government has only provided local authorities with a single-year settlement.
- 2.3 Spending Review 2021 Additional Funding – The Chancellor announced an additional £1.6bn per annum (2022/23 to 2024/25) for local government as part of SR21. The majority of this amount has been included in the Core Spending Power figures. Based on the figures in the Core Spending Power amounts, there has been a net increase in funding (excluding the multiplier adjustment and Adult Social Care reform funding) of £1.526bn. A breakdown of this change is shown below.
- + £822m – 2022/23 Services Grant – A new grant based on 2013/14 SFA shares
 - + £636m – Increase to the Social Care Grant
 - + £63m – Inflationary increase to the Improved Better Care Fund
 - + £72m – Increased RSG (based on CPI)
 - (£68m) – Reduction in New Homes Bonus Funding
- 2.4 Council Tax – As previously announced at SR21, the council tax referendum limit will be 2% for local authorities, with social care authorities allowed an additional 1% social care precept.
- 2.5 Local Government Funding Reform – No papers were published relating to the Fair Funding Review or the Business Rates Reset. It would appear the government intend to make further announcements in the new year, before then consulting on any potential changes.

- 2.6 The table below sets out Devon’s Core Funding of £103.2 million and shows the other grants that have been announced so far. Other grants are expected to be announced in the coming weeks and months and these will be reporting as part of the overall budget papers in February if known by then.

	£000
Revenue Support Grant	566
BRRS Central Government Top Up	80,654
BRRS Local Element*	<u>21,997</u>
Core Funding	103,217
New Homes bonus	2,143
Rural Services Delivery Grant	7,823
Social Care Grant	32,317
Improved Better Care Fund	29,126
ASC Reform/Market Sustainability & Cost of Care Fund	2,413
Services Grant	<u>7,076</u>
Other Grants	80,898

* the actual amount we receive will be derived from returns completed by our Devon Districts

3. Service Specific Budget Issues - Children's Services overview

- 3.1 The draft total budget for Children's Services (excluding the Dedicated Schools Grant) is £176.1 million, an increase of £17.1 million (10.8%) from 2021/22 budget.
- 3.2 From 2022/23 all SEND budgets are being reported under the Education, Learning and Inclusion Services which has meant that Disabled Children's Services has moved from Children's Social Care for completeness.

4. Children's Social Care

- 4.1 We are investing in early help and the children’s social care response following first point of contact to enable children and families to be effectively helped at the right time and avoiding further escalation into child protection and the need for care. This includes support for foster carers, especially those who are caring for children with very complex needs. Strategies focus on providing the right support at the right time early on, at the “Front Door”. Restorative practice is about working alongside families, supporting, guiding, and enabling them to improve outcomes for children, reducing those needing child protection plans or care by 10% over the next two years. Additional investment of £5 million has been set aside for this.
- 4.2 We are also investing in our workforce. This includes £3.4 million of targeted measures to recruit and retain social workers, agreed by Cabinet in September 2021, in recognition of the need to improve terms and conditions for children’s social workers in key frontline safeguarding teams, and building a more stable workforce. A further £1.5 million is a one-off budget for 2022/23 for additional social work capacity to respond to the increased demand pressures for children’s social care services following the Covid

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pandemic. These additional teams are already in place, funded by Covid support money from central government, but we recognise that the existing demand will continue through 2022/23 and the Covid funding ends at the end of March 2022.

- 4.3 Strategic leadership capacity has been strengthened, with an additional £180,000 of funding. This funds the additional Deputy Chief Officer, Children's Health and Wellbeing, and an additional Tier 3 leadership role responsible for placements and fostering. Leadership capacity has been further strengthened by the successful application to the DfE for Restorative Devon Transformation grant funding, worth £1.5 million in 2022/23.
- 4.4 The Emergency Duty Service will be redesigned to provide robust first points of contact for out of hours emergencies, improving outcomes for those in crisis. It will be phased in during 2022/23 with £250,000 allocated for this purpose.
- 4.5 Bridges (the multi-disciplinary service formally known as Edge of Care) is an invest to save improvement strategy, with the multi-disciplinary team now fully operational and successfully contributing to better outcomes for children, working alongside them and their families at an early stage and is partly credited for the sustained reduction in the number of children coming into care, from a high of 840 at its peak, to around 805 now. The cost of this service is £2.3 million, £1 million of which will be funded from savings arising from reduced numbers of children in care, £1.3 million will be funded from reserves.
- 4.6 There are significant cost pressures of £4.6 million in demand-led budgets for placements for children looked after, independent special school care placements and Special Guardianships.
- 4.7 The impact of inflation, including pay and national living wage, is £2.2 million.
- 4.8 Savings and demand management

Our overall investment strategies will assist in responding to these challenges, and management action will mitigate cost pressures on demand-led budgets arising in 2022/23. Working restoratively, redesigning the front door, enhancing, and reviewing the early help system are all strategies to safely reduce the number of children needing child protection plans, or to come into care, and addressing their needs earlier creates better outcomes for them and their families. The aim is to reduce the number of children on child protection plans, and children in care by 10%, over two years.

Combined with the invest to save and demand management strategies total savings of £5.1 million are planned for 2022/23.

5. Service Specific Budget Issues - Public Health Nursing

- 5.1 The national and local shortfall in trained Health Visitors and School Nurses remains a challenging issue. The Service has successfully recruited qualifying Specialist Community Public Health Nurses although this does not cover all vacancies and recruitment remains a focus. External grant is funding 3 more Specialist Community Public Health Nursing students, and 4 more locality-based referral co-ordinators.
- 5.2 The majority of the £11 million budget for the Public Health Nursing service is from the Public Health Grant, £10.4 million, the remaining £600,000 is supported by Health and core revenue funding.

6. Service Specific Budget Issues - General Fund

- 6.1 Through its Transport Coordination Service within Planning, Transportation and Environment Devon manages school transport alongside public, health and social care transport. This coordinated approach is nationally recognised as the best way to provide an integrated, cost effective transport service. However, the regulatory and operational pressures remain high and together with external market pressures caused by COVID-19, is putting pressure on bus, coach, and taxi operators
- 6.2 The cost of Personalised School Transport continues to rise due to a continued increase in the number of children requiring complex transport arrangements. This has also led to increased journey times for many students in order to access appropriate provision.
- 6.3 The Education and Inclusion Services contract, formerly Babcock LDP, will be brought back in house from August 2022. The current contract is made of elements funded through the General Fund, Dedicated Schools Grant High Needs Block, Early Years Block and through de-delegated funding of the Schools Block. This contract costs circa £8 million. In addition to this further income is secured through a ringfenced grant of £1 million (Music) and traded work of £4.2 million which is expected to be cost neutral.
- 6.4 Savings and Demand Management
- Transport route reviews within Home to School transport and reinstating the Independent Travel Training will reduce costs by £1 million. The Service will review the schools transport routes to identify savings to mitigate the £5.6 million costs pressures identified for 2022/23.
- 6.5 Risk assessments are included within the budget pages and provide more detail around the risks and mitigations for the services.

7. Service Specific Budget Issues - Schools Funding

- 7.1 In 2022/23 the Dedicated Schools Grant (DSG) for schools and early years setting is increasing by £40 million. This relates, in the main, to the increase in the National Funding Formula for the DSG announced by the Department for Education (DfE) in 2019 which committed to increase the funding across

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England to £52.2 billion by 2022/23. An extra allocation was then announced in the autumn 2021 Spending Review of £1.6 billion for schools and high needs, for the 2022/23 financial year.

- 7.2 Within the DSG the significant cost pressure continues to relate to the SEND High Needs service. This is largely due to continued increases in the number of children with an Education Health and Care Plan (EHCP). Whilst Devon supports a higher than average number of children in our mainstream settings, the cost of educating pupils with complex educational and physical needs can be significant and volatile. In addition, the number of students with SEN remaining in Education post-16 is rising.
- 7.3 Devon, along with other councils, continue to raise concerns with the DfE over the rising costs and demand of special educational needs, and although government has responded nationally with £730 million for 2022/23 and a further £325 million in the recent spending review. Devon's share of this funding is £12.5 million which is not sufficient to deal with the demand on the High Needs Block.
- 7.4 The deliverability of a balanced budget over the short to medium term continues to be a great concern for the Authority. This could have a considerable impact on the financial sustainability of Devon County Council and on future education budgets within the DSG.
- 7.5 Increasing demands and expenditure within the High Needs Block will be mitigated by the High Needs Block Management Deficit Plan, which is developing with support from the Department for Education. This includes a range of measures, for example increasing special school places locally, investing in training and development, outreach projects supporting teachers and pupils to remain within the mainstream settings or prevent the need of an EHCP, and redesigning the SEND service offer.
- 7.6 In addition, expansion of the mainstream special school provision through the Planning, Transportation and Environment capital programme will increase the special school estate by 48% between 2020-2024 with an additional 525 places including three new schools.
- 7.7 During 2021/22 it has continued to be very difficult to contain the costs of SEND within the High Needs Block funding being received from Government. The 2022/23 budgeted DSG deficit is projected to be £27 million and with the cumulative deficit of £88 million to March 2022 sees the overall deficit increase to just over £115 million.
- 7.8 Devon is now part of the 2nd tranche of the Safety Valve Intervention Programme. Meetings with representatives from the DfE are being held in early 2022 along with the submission of the authority's proposal to bring the High Needs funding back to within its funding envelope.

8. Staffing Establishment - full time equivalent staff (FTE)

- 8.1 The strategies and initiatives described above rely on investment in the workforce. Many of the roles already have staff in post, appointed initially on fixed term contracts as part of the improvement programme, or in response to the Written Statement of Action and increase in demand caused by the pandemic. These staff have largely been funded by Covid support money from central government recognising the significant increase in demand for children's services which has been seen nationally as well as in Devon. The changes in the number of staff therefore reflect both these and new roles, the majority of which are to support restorative transformation and redesign. Some of these will be fixed term contracts.
- 8.2 Overall, the base budget establishment is increasing by 175 full time equivalent social care staff and 7 staff in the Public Health Nursing service. 204 full time staff are expected to TUPE across with the change in delivery of the Education and Inclusion Services currently delivered by Babcock. The remaining increases are 24 staff for SEND and transformation, 5 staff in the Disabled Children's Service and an increased capacity of 5 staff in the Hospital School.

9. Capital Programme

- 9.1 The Council's capital programme has been produced to maximise investment in the County's infrastructure and assets and to support service delivery and priorities.
- 9.2 There has been a request to increase the Children's services Capital Programme by £420,000 profiled in 2022/23 and funded from Internal Borrowing and an element of Capital Receipts.
- 9.3 This money will be spent on remodeling two existing Buildings at Welland House in Barnstaple and Barnes Tiverton to provide a minimum of 4 but potentially 6 'beds' plus sleeping and waking adult support facilities, providing a long-term solution to meeting the needs of children in care with complex and challenging needs and reducing the risk and reliance on the Independent market. Welland House is a DCC building, and this will add additional capacity to the existing provision.
- 9.4 This project has been commissioned through the Communities, Public Health, Environment and Prosperity (CoPHEP) service, and is shown in the Capital Programme under Children and Schools Expansions programme, entitled 'Children's Accommodation – Barnes and Welland House'.

10. Equality Impact Assessment

- 10.1 Under the Equality Act 2010, the County Council has a legal duty to give due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations when making decisions about services. This duty applies to the eight 'protected characteristics' of age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex

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and sexual orientation. Where relevant, Impact Assessments are carried out to consider how best to meet this duty, which includes mitigating against the negative impact of service reductions.

10.2 The Equality Act 2010 and other relevant legislation does not prevent the Council from taking difficult decisions which result in service reductions or closures for example, it does however require the Council to ensure that such decisions are:

- Informed and properly considered with a rigorous, conscious approach and open mind.
- Taking due regard of the effects on the protected characteristics with the need to ensure nothing results in unlawful discrimination in terms of access to, or standards of, services or employment as well as considering any opportunities to advance equality and foster good relations.
- Proportionate (negative impacts are proportionate to the aims of the policy decision).
- Fair
- Necessary
- Reasonable, and
- Those affected have been adequately consulted.

10.3 The impact assessment for the 2022/23 budget is published at

<https://www.devon.gov.uk/impact/budget22-23>

Angie Sinclair
Director of Finance

Melissa Caslake
Chief Officer of Children's Services

Electoral Divisions: All

Cabinet Member: Councillor Phil Twiss

Local Government Act 1972: List of Background Papers

Spending Round 2021 & Provisional Settlement 2022/23

Contact for enquiries:

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Date Published: 11th January 2022

Leadership Group Commentary

Over the course of the last two years the Council has worked with other organisations to respond to and manage the impacts of COVID-19. As a community leader and part of Team Devon it has had new responsibilities for addressing issues such as food poverty, financial hardship and shielding. During that time the pressures on health, social care and children's services have increased. Those pressures have been exacerbated by the fragility of the care market and difficulties of recruiting key workers. The Council's finances and workforce remain under significant pressure and strain.

Looking ahead, our focus for the next 12 months as Leadership Team will be to listen, learn and lead on different and sustainable ways to support the health and wellbeing of the whole county and enable greater financial resilience for the Council.

The Team will also play a key role in leading on the Council's Strategic Plan for 2021 to 2025 [[The best place - Strategic Plan \(devon.gov.uk\)](https://www.devon.gov.uk)] which describes the overall ambitions for Devon to become the best place to:

- **Grow up** - We are committed to being a child friendly Devon where all children and young people are safe, healthy, ambitious, and can fulfil their potential.
- **Live well** - We are committed to being a fairer Devon: inclusive, compassionate and caring, where everyone is safe, connected and resilient.
- **Prosper** - We are committed to being a greener and prosperous Devon, with opportunities to create a sustainable future for all.

The Strategic Plan 2021-2025 has six priorities:

- Respond to the climate emergency.
- Be ambitious for children and young people.
- Support sustainable economic recovery.
- Tackle poverty and inequality.
- Improve health and wellbeing.
- Help communities be safe, connected and resilient.

For each of those priorities, the Strategic Plan sets out the areas of focus for the next four years. In April 2022, the Council will publish its Annual Plan for 2022/23 which will describe the main actions for the next 12 months and the specific activities to deliver or work towards achievement of priorities and outcomes.

At the time of writing the Government's Levelling Up White Paper is expected to be published early in 2022. The Government's Levelling Up ambitions include an opportunity for County Deals which will build on its support for high streets, towns and local infrastructure as part of a longer-term devolution offer. The detailed framework and scope for County Deals will be included in White Paper and there is a possibility that Devon will be invited to develop a Deal with Government over the coming months.

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As a Leadership Team we will ensure that the Council continues to play a leading role in the Devon's response to the climate emergency, through the Interim Devon Carbon Plan and actions to implement the resolutions from the Citizens' Assembly.

The Council will continue to work with national, regional and local partners to find ways to address the workforce challenges facing adult social care. This includes changes and improvements to pay and conditions, training, development and career progression. Support for family and unpaid carers is also essential so that everyone who provides care and support is enabled to live a good life.

The Council will also be playing a part in tackling the county's housing crisis through the creation of a new Team Devon strategic housing task force in partnership with Devon's district, town and parish councils and other key partners such as Homes England. The Council will also look at whether it can offer accommodation to key workers to attract them to work for the authority and lobby MPs to press for tax loopholes on holiday rental homes to be tightened up.

The way that the Council works will change during 2022/23 to reflect the Strategic Plan's aims for it to be:

- **A trusted council** – that shows leadership, brings people together and collaborates well with our partners; a Council that makes good decisions, uses resources well, and is financially resilient.
- **An inclusive council** – that is intolerant to prejudice and discrimination, is a good employer that invests in, develops and nurtures our workforce, and hears the voices of all our communities.
- **An innovative council** – that is agile, listens and learns, uses data and intelligence well, and can transform the way we work in order to improve services for the people of Devon.

As a Leadership Team, our membership, role and responsibilities will change during Spring 2022 to unlock the potential of individuals, teams and the organisation. These changes will reflect the [principles and behaviours](#) which apply to everyone at every level of the organisation.

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Children's Services

How the 2022/23 Budget has been built up

	2021/22 Adjusted Budget	Changes	2022/23 Outturn Budget
	£'000	£'000	£'000
Children's Social Care	94,007	14,426	108,433
Education and Learning - School Funding	0	0	0
Education Learning and Inclusion Services	65,029	2,686	67,715
Total	159,036	17,112	176,148

	Change £' 000
Reasons for changes in Revenue Budget	
Technical and Service Changes	
Inflation and National Living Wage	4,217
Demographic and demand pressures	9,752
Transformation and Improvement	14,818
	<u>28,787</u>
Savings Strategies	
Invest to save and demand management	(4,977)
Additional grant funding Domestic Abuse services	(145)
Transport review	(5,553)
Route reviews of Home to School transport	(1,000)
	<u>(11,675)</u>
Total	17,112

Analysis of Total Expenditure 2022/23

	Gross Expenditure	Grant and Contribution Income	External Income	Internal Income	Net Expenditure
	£'000	£'000	£'000	£'000	£'000
Children's Social Care	129,932	(7,146)	(822)	(13,531)	108,433
Education and Learning - School Funding	678,016	(676,841)	(137)	(1,038)	0
Education Learning and Inclusion Services	73,297	(3,945)	(645)	(992)	67,715
Total	881,245	(687,932)	(1,604)	(15,561)	176,148

The following services (which are not included above) are wholly self-funded and do not directly impact on Council Tax.

	Gross Expenditure	Grant and Contribution Income	External Income	Internal Income	Net Expenditure
	£'000	£'000	£'000	£'000	£'000
Children's Social Care					
Atkinson	4,344	(422)	(3,234)	(688)	0
Education Learning and Inclusion Services					
Devon Education Services - Traded Services	4,200	0	(4,200)	0	0
Total	8,544	(422)	(7,434)	(688)	0
Grand total	889,789	(688,354)	(9,038)	(16,249)	176,148

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Children's Social Care

2021/22 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2022/23 Outturn Budget £'000	2022/23 Net Changes £'000
Corporate Parenting Service					
1,826	Adopt South West	1,861	0	1,861	35
813	Adoption Allowances and Fees	805	0	805	(8)
280	Child Arrangements and Private Kinship	271	0	271	(9)
1,193	Contracts	1,229	0	1,229	36
3,657	Corporate Parenting Teams	3,812	0	3,812	155
4,285	Fostering Team	4,554	0	4,554	269
3,332	Special Guardianship Orders	3,349	0	3,349	17
1,086	Supervised Contact Service	1,115	0	1,115	29
16,472		16,996	0	16,996	524
Early Help (Access)					
921	Emergency Duty Team	1,357	(154)	1,203	282
1,031	Multi Agency Safeguarding Hub	1,110	0	1,110	79
541	REACH	557	0	557	16
2,493		3,024	(154)	2,870	377
Early Help (Provision)					
1,679	Early Help Co-Ordination	5,571	(2,280)	3,291	1,612
720	Youth Offending - Statutory and Prevention	1,704	(951)	753	33
2,399		7,275	(3,231)	4,044	1,645
Placements					
4,580	Disabled Children's Placements	6,271	(1,014)	5,257	677
8,341	Independent Fostering	8,001	0	8,001	(340)
2,143	Independent Post 18 Placements	2,106	(5)	2,101	(42)
18,807	Independent Residential Care	21,751	(2,346)	19,405	598
5,546	Independent Supported Accommodation	6,313	(122)	6,191	645
10,591	Internal Fostering	10,333	(8)	10,325	(266)
425	Internal Post 18 Placements	752	(480)	272	(153)
653	Secure Accommodation	735	(26)	709	56
402	Unaccompanied Asylum Seeking Children	1,174	(916)	258	(144)
51,488		57,436	(4,917)	52,519	1,031
179	Public Health Nursing	10,983	(10,804)	179	0
1,753	Quality Assurance Reviewing Safeguarding	2,169	0	2,169	416
Social Work Teams					
0	Bridges	2,425	0	2,425	2,425
13,798	Social Work Teams	21,111	0	21,111	7,313
13,798		23,536	0	23,536	9,738
5,425	Strategic Management and Legal Costs	8,513	(2,393)	6,120	695
94,007		129,932	(21,499)	108,433	14,426

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Analysis of changes:	£'000
Technical and Service Changes	
Inflation and National Living Wage	2,225
Transformation and Improvement	
Front Door transformation and improvement	2,850
Quality of practice and systems improvement	916
Early Help and Supporting Families	1,505
Social worker recruitment and retention	4,900
Invest to save: multi-disciplinary intervention and family support	2,553
Growth and demand pressures	4,599
	<hr/> 19,548
Savings Strategies	
Invest to save and demand management	(4,977)
Additional grant funding Domestic Abuse services	(145)
	<hr/> (5,122)
Total	<hr/> 14,426 <hr/>

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Service Commentary

Children's Social Care

This service brings together the statutory duties of the Council in relation to children in need, children in need of protection, children in our care and care experienced young people. It includes a range of services to support children, and their families, at the earliest opportunity to prevent needs or risks increasing, and to avoid whenever it is safe to do so, the need for children to come into our care.

The budget for 2022/23 includes significant investment in restructuring to improve both the quality, and sustainability, of our services. There is a considerable focus on the MASH, the earliest point of contact with children and families, to ensure they receive the right help at the lowest level of intervention, reducing the need for more complex, costly, or repeated interventions. The recruitment and retention of experienced staff is the cornerstone of our improvement work and investment in staffing is a priority in this budget. Funding from the Department for Education is supporting the further development, and embedding, of restorative practice in Devon.

Service Statistics

Children's Social Care	Unit of Measurement	Number of people budgeted to receive service		
		Average through Year		
		2021/22	Change	2022/23
Children in Care				
External Residential	Service Users	107	(7)	100
Internal Fostering Placements	Service Users	450	(41)	409
External Fostering Placements	Service Users	173	(13)	160
Foster to Adopt	Service Users	9	(3)	6
External Supported Lodgings/Housing	Service Users	41	6	47
Internal Residential Special School	Service Users	5	2	7
Medical Establishment	Service Users	1	0	1
Placed For Adoption	Service Users	23	3	26
Placed with Parents	Service Users	27	0	27
Other Placements	Service Users	5	4	9
Secure Welfare	Service Users	2	(0)	2
Remand / Custody	Service Users	1	(1)	0
Unaccompanied Asylum Seeking Children	Service Users	23	(12)	11
Total Children in Care		867	(62)	805
		2021/22	Change	2022/23
Other Children's Services				
Staying Put/Care Leavers	Service Users	120	(32)	88
Adoption Allowances	Full Year Equivalents	80	(2)	78
Special Guardianship Order Allowances	Full Year Equivalents	405	110	515
Residence/Child Arrangement Order Allowances	Full Year Equivalents	36	(2)	34

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Education Learning and Inclusion Services

2021/22 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2022/23 Outturn Budget £'000	2022/23 Net Changes £'000
Disabled Children Services					
8,668	Children In Need Short-Break Services	9,836	(1,042)	8,794	126
2,337	Contracts	2,360	(23)	2,337	0
3,506	Social Work Area Teams	3,892	(154)	3,738	232
14,511		16,088	(1,219)	14,869	358
Infrastructure					
772	Admissions, Data and Strategic Management	1,049	(223)	826	54
45	Legal Disbursements	87	0	87	42
1,201	Teachers Pension - Historic Enhancements	1,267	0	1,267	66
2,018		2,403	(223)	2,180	162
School Improvement Inclusion and Safeguard					
2,165	Improve Outcomes Disadvantaged Children	2,355	(19)	2,336	171
4,197	Inclusion (Including SEN)	5,636	(601)	5,035	838
1,215	Quality Service and Provision	2,189	(974)	1,215	0
807	Safeguarding Every Learner	607	0	607	(200)
8,384		10,787	(1,594)	9,193	809
School Transport					
0	Home to College	81	(81)	0	0
13,878	Home to School	14,675	(131)	14,544	666
19,125	Personalised Transport	19,865	(85)	19,780	655
33,003		34,621	(297)	34,324	1,321
512	Vulnerable Groups and Virtual School	790	(261)	529	17
6,601	Children's Centres and Early Years Servs	8,608	(1,988)	6,620	19
65,029		73,297	(5,582)	67,715	2,686

Analysis of changes: **£'000**

Technical and Service Changes

Inflation and National Living Wage 1,992

Transformation and Improvement

SEND Service redesign 514

EHCP Care Timeliness & Educational Psychologists for Inclusion 180

Growth and demand in School Transport 6,553

7,247

Savings Strategies

Transport review (5,553)

Route reviews of Home to School transport (800)

Independent Travel Training (200)

(6,553)

Total **2,686**

Service Commentary

This service budget represents the Council's responsibilities for education and learning other than those funded by the Dedicated Schools Grant and Post 16 funding which are shown separately. It includes infrastructure and support to ensure the delivery of more than 200 statutory duties to deliver a range of specialist support for inclusion services, admissions, home to school transport, safeguarding in schools, maintained schools, education support for children with special needs and vulnerable groups of children, as well as disabled childrens social care services including the provision of short breaks and respite care.

Through its Transport Coordination Service Devon manages school transport alongside public, health and social care transport. This coordinated approach is national recognised as the best way to provide an integrated, cost effective transport service. However, the regulatory and operational pressures remain high and together with external market pressures caused by COVID-19, this is putting pressure on bus, coach, and taxi operators.

The cost of Personalised School Transport continues to rise due to ongoing increases in the number of children requiring complex transport arrangements. This has also led to increased journey times for many students in order to access their nearest appropriate provision.

Service Statistics

Transport	Unit of Measurement	2021/22	Change	2022/23
School/College Transport	Pupil Numbers p.a.	12,633	15	12,648
Personalised Transport	Pupil Numbers p.a.	1,976	231	2,207
Shortbreak Services and Direct Payments for Disabled Children	Service Users	1,654	(21)	1,633

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Education and Learning (School Funding)

2021/22 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2022/23 Outturn Budget £'000	2022/23 Net Changes £'000
Schools					
25,920	Academy Grants	21,265	0	21,265	(4,655)
262,840	Primary Schools	280,053	0	280,053	17,213
2,714	Pupil Growth	2,736	0	2,736	22
208,424	Secondary Schools	222,031	0	222,031	13,607
499,898		526,085	0	526,085	26,187
De-Delegated Schools Budget					
110	Facilitation and Representation	110	0	110	0
631	Licences and Subscriptions	779	0	779	148
398	Maternity	398	0	398	0
63	School Intervention Fund	63	0	63	0
566	Schools and DSG Contingency	566	0	566	0
1,007	Targeted Specialist Services	1,007	0	1,007	0
2,775		2,923	0	2,923	148
Central Provision Within Schools Budget					
476	Admissions	574	(84)	490	14
1,651	Other DSG Services	1,739	(87)	1,652	1
292	Phase Associations	292	0	292	0
855	Support Services	940	(85)	855	0
873	Termination of Employment Costs	873	0	873	0
4,147		4,418	(256)	4,162	15
High Needs Budget					
6,515	Alternative Provision	6,795	(30)	6,765	250
1,470	Children In Care and Inclusion	1,536	0	1,536	66
318	Hospital Education Services	574	0	574	256
334	Inclusion	334	0	334	0
5,836	Mainstream SEN - Further Education	6,684	0	6,684	848
36,973	Maintained and Academy Special Schools	36,972	(338)	36,634	(339)
1,164	Nursery Plus	1,164	0	1,164	0
44,230	Other Special School Fees	47,326	(438)	46,888	2,658
1,397	Recoupment	2,545	(722)	1,823	426
144	Safeguarding Every Learner	144	0	144	0
19,297	SEN Mainstream	21,675	0	21,675	2,378
932	SEN Services	933	0	933	1
1,500	SEN Support	1,500	0	1,500	0
2,153	Support Centre Funding	2,563	(36)	2,527	374
122,263		130,745	(1,564)	129,181	6,918
39,641	Early Years Budget	40,870	(113)	40,757	1,116
Schools Funding					
(588,784)	Dedicated Schools Grant (DSG)	0	(634,441)	(634,441)	(45,657)
(19,498)	Other School Grants	0	(15,222)	(15,222)	4,276
(1,240)	Post 16 Funding	0	(1,287)	(1,287)	(47)
(25,214)	Pupil Premium	0	(25,133)	(25,133)	81
(634,736)		0	(676,083)	(676,083)	(41,347)
(33,988)	Transfer to DSG Deficit Reserve	(27,025)	0	(27,025)	6,963
0		678,016	(678,016)	0	0

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Analysis of changes:	£'000
Additional investment for children with complex needs	6,918
Net changes to mainstream school budgets due to increase in Schools Funding Block and demographic changes	31,005
Net changes to Early years funding due to increase in Early Years funding and demographic changes	1,116
Increase in DSG and other grants arising from National Funding Formula changes and demographic changes.	(33,161)
Increase in DSG due to baseline changes to the High Needs block and demographic changes.	(12,496)
Net change of Academy Grant funding due to Teachers Pay & Pension Grant now part of DSG	(4,655)
Reduction to Other School Grants due to Teachers Pay & Pensions Grant now part of DSG	4,276
Net movement in Other Grant funding	34
Reduction to Unfunded High Needs Block deficit (Funding shortfall)	6,963
Total	0

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Service Commentary

Services funded by the Dedicated Schools Grant include high needs funding, Post 16 Funding, Early years funding, Pupil Premium and other school grants. Most funding in the Dedicated schools grant is delegated directly to schools or early years settings.

Funding for Devon County Council's maintained schools is delegated and managed by the individual schools, in the same way as Academies, therefore the staffing data does not include the 8,413 staff working in these schools.

Within the DSG a significant cost pressure continues to relate to the High Needs service. This is largely due to the continued rise in the number of children with an Education Health and Care plan and a year on year increase in demand for the use of higher cost Independent settings. Whilst Devon supports a higher than average percentage of children in our mainstream settings we have not recently had sufficient state funded special school provision to meet the demands placed upon it; this has resulted in more independent places needing to be commissioned. A further cost pressure relates to the provision of appropriate school, and sometimes care placements, for pupils with complex educational and physical needs which can be significant and volatile.

Significant investment by the council and the DfE (through the Free Schools Programme) has recently increased the number of places in our special schools. It is estimated the special school estate will increase by 48% between 2020 and 2024, 525 additional places including three new schools.

Service Statistics

Number of local authority maintained schools and academies

	Number of organisations	Number of Schools
Local Authority Maintained Schools		176
Federations	29	82
Management Partnerships	13	36
% of schools actively collaborating		67%
Free Schools		14
Academies		181
Number of schools in multi-academy trusts/collaborations		180
% of academies in multi academy trusts / collaborations		92%

Total all schools and academies

Number of pupils in academy and LA maintained schools	Unit of Measurement	Census	Change	Census
		Oct-2020		Oct-2021
Nursery Schools (Universal Entitlement 15 hours)	Pupil Numbers PTE	141	(5)	136
Nurseries within Primary Schools (Universal Entitlement 15 hours)	Pupil Numbers PTE	2,217	(42)	2,175
		2,358	(47)	2,311
Primary	Numbers on Roll	30,784	(401)	30,383
Secondary	Numbers on Roll	5,343	47	5,390
Post 16	Numbers on Roll	282	45	327
		36,409	(309)	36,100
Number of pupils in academy schools				
Primary	Numbers on Roll	23,507	140	23,647
Secondary	Numbers on Roll	30,368	228	30,596
		53,875	368	54,243
Number of pupils in Free schools				
Primary	Numbers on Roll	952	349	1,301
Secondary	Numbers on Roll	437	67	504
		1,389	416	1,805
Total number of pupils in LA maintained schools, academies and free schools				
Nursery Schools	Pupil Numbers PTE	2,358	(70)	2,288
Primary	Numbers on Roll	55,243	88	55,331
Secondary	Numbers on Roll	36,148	342	36,490
Post 16 (maintained only)	Numbers on Roll	282	45	327
		94,031	405	94,436
Percentage of pupils in academy schools				
Primary	Numbers on Roll	44.3%	0.8%	45.1%
Secondary	Numbers on Roll	85.2%	0.0%	85.2%

Early Years Education Provision

		2021/22	Change	2022/23
Early Years Independent Provision (Universal entitlement 15 hours)	Pupil Numbers PTE	7,527	(222)	7,305
Early Years Entitlement Take up	Percentage of eligible children	97.1%	0.0%	97.1%
3 and 4 Year old additional 15 hours for all sectors	Pupil Numbers PTE	3,905	39	3,944
Disadvantaged two year olds	Pupil Numbers PTE	1,373	16	1,389

Young People with Additional Needs

		2021/22	Change	2022/23
Pupils with Education Health Care Plans in Mainstream provision (pre 16)	Number of young people	3,382	90	3472
Educated Other Than At School	Number of young people	150	46	196
Maintained and Academy Special Schools (pre 16 and post 16)	Number of budgeted Places	1,485	125	1,610
Independent Special Schools (pre 16 and post 16)	Number of budgeted Places	957	195	1,152
Further Education	Number of Budgeted Places	712	85	797
Inter-Authority recoupment	Net number of Exported Pupils	101	35	136
Import / export adjustments for local authorities	Net number of Exported Pupils	449	54	503
Alternative Provision	Number of Planned Places	270	19	289

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Grants Paid to External Organisations

2021/22		2022/23
£'000	Service and Grant Title	£000
	Children's Services	
137	University Bursary Grants	139
120	Facilitating Access to Mainstream Activities for Disabled Children's Services	120
257	TOTAL	259

Staffing Data 2022/23

	2021/22	Changes FTEs	2022/23		Total FTEs
	Adjusted Total FTEs		Revenue Funded FTEs	Externally Funded FTEs	
Children's Social Care	1,056	182	916	322	1,238
Education and Learning - School Funding	43	5	0	48	48
Education Learning and Inclusion Services	258	233	397	94	491
Children's Services	1,357	420	1,313	464	1,777
Total	1,357	420	1,313	464	1,777

Explanation of Movements

Children's Social Care

Additional Deputy Chief Officer and management capacity	4
Front Door transformation and improvement	50
Quality of Practice	4
Systems improvement	17
Early Help Review	19
Increased capacity supporting social workers recruitment and retention	48
Emergency Duty Service redesign	5
Mockingbird Programme and continuing care co-ordination - invest to save	4
Restorative Devon Transformation - grant funded	27
Public Health Nursing Service - grant funded	7
Other net changes - cessation of projects and temporary posts	(3)
	182

Education, Learning and Inclusion Service

General Fund

Education and Inclusion contract brought in house (from July 2022)	204
Increased capacity - SEND and service transformation	24
Increased capacity - Disabled Children Services	5
<u>Dedicated Schools Grant</u>	
Increased Capacity - service improvement (Hospital school)	5
Review of Early Years and Complex Needs Services	1
Externalisation of Devon Phase Association	(1)
	238

Total	420
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Children's Services - Risk Assessment

Service	Budget 2022/23 £'000	Risk and Impact	Mitigation
Market sufficiency	52,519 (net)	<p>The "sufficiency duty" is a statutory duty set out in the Children's Act 1989. The council is required to support children to remain with their families safely, and when this is not possible, to have a sufficient range of care and accommodation to meet their varying needs.</p> <p>Since the pandemic the number of children in our care has risen by 4%. Nationally there is a shortage of foster carers, and residential homes for children with the most complex needs, including those with mental ill health or those who require secure accommodation under a court order. In a Department for Education survey, completed in October 2020, local authorities reported an increase in the cost of care placements of up to 11%. This was the result of fewer appropriate available placements, more complex care packages, and private providers increasing their costs.</p> <p>There is ongoing financial risk associated with these market conditions that could lead to significant budget pressures.</p>	<p>Our sufficiency strategy "Finding a Place Called Home" sets out our response to emerging trends and pressures.</p> <p>It is a co-ordinated approach to support children to remain at home through the Bridges (formerly known as the Edge of Care) Service, to increase the number of foster carers equipped to care for more complex children and develop partnerships with residential providers to increase local placements for children that provide good quality care and value for money.</p>

Managing unit cost pressures	As above	<p>The spend on placements to support children in care in Devon has risen from 46% of total spend on Children's Social Care five years ago to 51% in 2021. The average weekly cost of residential placement has grown and is on average £4,800 per week compared with £3,100 over the same time.</p> <p>Local authorities are competing for limited places and the risk is that costs continue to escalate as a result.</p>	<p>High-cost packages are approved at a senior officer level. Unit costs are monitored monthly by managers to ensure that care packages and costs continue to be appropriate.</p>
Managing demand for services and packages of care	62,973	<p>Referrals, the number of children in need and on child protection plans have increased since the pandemic, and the impact on caseloads and capacity in the system continues. Whilst the number of children in care is higher than at the start of 2020, it has reduced from its peak of 841 in Autumn of 2020. Increases in concerns relating to parental mental health, domestic violence and substance misuse place continued pressure on front door and early help services.</p>	<p>Early and effective intervention reduces the need for more intrusive higher-level and costly work. It also reduces the numbers of re-referrals, repeated assessments and intervention which results in improved outcomes for children and reduces pressures within the system.</p> <p>The 2022/23 budget has been based on the most recent volume data available at the time of preparation, with estimates made for anticipated growth in demand for services next year and the effects of planned savings strategies.</p> <p>The review of early help services, practices in MASH, and a focus on improving practice across all areas of the service will contribute earlier intervention and diversion from the higher cost interventions.</p>

Social Care workforce recruitment and retention	24,923	<p>Recruiting enough experienced social workers is a challenge not unique to Devon. Government statistics published in February 2020 showed 6000 social work vacancies, an increase on the previous year of 3.9%, and an increase of 7.4% in the use of agency staff. 34.2% of social workers had been in their posts for less than two years and only 16.6% have been in post for more than five years. Recent high-profile tragedies, the impact of the pandemic on demand, and working practices, all contribute to pressures on the profession and adds to the challenge of retaining and recruiting staff.</p> <p>In Devon, while vacancies have reduced since the high point in the summer of 2021, in December 2021 there was a 10.3% vacancy rate and 25.4 % were agency staff. This has a negative impact on existing staff increasing the number of children they work with and impeding their ability to spend sufficient time with them.</p>	<p>A stable, skilled, and well-supported workforce is the necessary foundation for our improvement work. A refreshed recruitment campaign, financial incentives to bring terms and conditions in line with competing employers, the quality of support provided, and opportunities for professional development are all significant factors in attracting and retaining our practitioners. Significant financial investment has been set aside to recruit and retain a stable, well-qualified workforce. As this develops, our reliance on agency staff and the attendant costs, will reduce.</p>
Savings and cost management strategies	(5,122)	<p>Significant cost pressures were identified for 2021/22 in the budgets for Special Guardianships and placements for children looked after. Our overall investment strategies will assist in responding to these challenges, and management action will ensure best endeavours to mitigate cost pressures on demand-led budgets arising in 2022/23.'</p>	<p>Investment in transforming our services will, in time, lead to more effective management of demand, reductions in the number of children in need or on child protection plans, and those children who need to come into our care. Increased choice of local placements, with wrap around support, will reduce our reliance on high cost often out of county placements.</p>
Public Health Nursing	10,983 (gross)	<p>High levels of vacancies and a shortage of trained Health Visitors and School Nurses nationally and locally impact on capacity and service delivery.</p>	<p>Qualifying Specialist Community Public Health Nursing students are actively and successfully recruited. Continued focus on wider recruitment.</p>

Education, Learning and Inclusion Services – service wide	67,715 (net)	The unknown medium and long term impacts of all aspects of the COVID-19 emergency including market provision, recruitment, and retention, changing ways of working, delays to key strategic projects, capacity, and demand.	<p>Clear communication on priorities. Utilising business continuity plans and effective service leadership plans to identify emerging risks and pressures.</p> <p>Actively engage and influence recovery programmes. Raising key issues such as recruitment issues and cause at national and local level.</p> <p>Active recruitment ongoing for DCC posts, supporting schools with messaging for Devon employment.</p> <p>Looking to secure additional capacity for projects where funding allows.</p>
Education, Learning and Inclusion Services – General Fund	52,846 (net)	<p>A small number of Devon's schools continue to convert to academies; however, this is at much a slower rate.</p> <p>Changes to the national allocations to the central fund may reduce the LAs ability to effectively deliver the statutory duties linked to this funding, potentially adversely impacting on maintained schools, partnerships, and academies.</p>	<p>Ensure strong and effective collaborative working and information sharing to set out clearly the council's role and relationship with maintained schools, partnerships, and academies.</p> <p>Continue to ensure that statutory responsibilities within a diverse educational landscape are secured through a range of protocol and stakeholder agreements.</p> <p>Continue to encourage Academies to buy back Traded Services where appropriate and monitor levels of funding for statutory duties.</p>
School/College Transport	34,324 (net)	<p>The number of pupils requiring home to school transport remains high together with external market pressures caused by COVID-19 sees limited operators causing costs to rise.</p> <p>Personalised transport with increased journey times continues to rise as the number of children with complex needs grow.</p>	<p>In this area it is now difficult to mitigate effectively. Market breakdown is seeing costs increase. This is due to a shortage of taxi/bus operators willing to run routes as they are not commercially viable or ceasing to trade.</p> <p>COVID-19 requirements have meant additional demands on transport of children.</p>

			<p>Number of children with EHCPs continues to rise. We continue work to manage demand for special educational needs (as below for High Needs DSG spending) but whilst slowing the increase this will not reduce numbers.</p> <p>Return to increasing access to Independent Travel Training when permitted.</p>
Education and Learning – Schools Funding	678,016 (gross)	<p>The DSG is made up of the Schools block, the High Needs Block and the Early Years Block and Central Schools Services.</p> <p>As per government guidance, the budgeted DSG deficit for 2022/23 is projected to be £27 million and with the cumulative deficit of £88.1 million to March 2023 sees the overall deficit increase to just over £115 million.</p> <p>As directed by the DfE this deficit is currently held, and will continue to be held, outside the authority's accounts until 31 March 2023.</p> <p>If after that date the deficit is returned to the DSG it will impact on the schools funding available to meet demand to support the education and children in schools within the authority.</p>	<p>As per the DfE requirement, a comprehensive Management Plan is in place to produce a balanced budget and reduce the DSG deficit over short to medium term.</p> <p>Service review of processes and services engaging with school representatives to set an agreed direction to reduce pressures on the service.</p> <p>Continue active engagement with Devon Education Forum to ensure funding is appropriately distributed and targeted to achieve the best educational outcomes for all children across all ages and levels of need.</p> <p>Increasing the Special School capacity in Devon through corporate capital investment and opening a new school through the DfE Free School Programme.</p>
Education and Learning – Schools Budgets	529,008 (net)	<p>This is a delegation to schools' budgets.</p> <p>This risk is predominately caused by the impact of the national funding formula and changes to employee costs adding to pressure on school budgets. This could lead to schools prioritising their spend in ways which may impact on traded services and de-delegation decisions.</p>	<p>Continue to engage with national reviews of schools funding arrangements.</p> <p>Continue to develop partnership working to maximise effect of collaborative approaches between statutory and purchased service delivery.</p>

		This in turn affects the sustainability of services for all schools and academies.	
Central Schools Services Block	4,162 (net)	DfE have reduced the Historic commitment funding by a further 20% irrespective of the need by the LA for this funding. This may lead to additional budget pressures.	Continue to engage with the DfE via prescribed processes in line with the DSG Operational Guidance.
High Needs Block	129,181 (net)	<p>The significant risk that the High Needs Block spend does not return a balanced budget.</p> <p>The continued growth, in recent years, of EHC plans with no facility to reduce external demand has meant the DfE HNB grant has seen a significant overspend.</p> <p>The cost of educating pupils with complex educational and physical needs can also be significant and volatile. In particular the number of students remaining in Education post-16 is rising.</p> <p>The deliverability of a balanced budget requires providing early support so more children have their needs appropriately met in mainstream schools and successfully increasing capacity in our maintained special schools so we can disinvest from the more expensive independent sector.</p> <p>There is also a risk of more permanent exclusions and an increase in harder to admit children.</p>	<p>The DSG management plan lays out the actions that must be taken to return the HNB to a balanced in year position.</p> <p>These include:</p> <p>Continuing to increase Special School capacity in Devon through corporate capital investment and opening a new special school through the DfE Free School Programme.</p> <p>A full review of processes and services as set out in the SEND transformation programme</p> <ul style="list-style-type: none"> • to ensure earlier support is in place across education health and care to support children with SEN thereby reducing the demand on more expensive statutory services; • Seek to increase the number of resource bases in mainstream settings so pupils can receive additional specialist support and continue to access some mainstream education; • Identify the growing needs and provide central support to enable schools to effectively support those pupils that would normally pass into the special school system;

			<ul style="list-style-type: none">• Undertake service reviews including that of students currently in 3rd-5th years of post-16 education;• Consider Independent Special School block contracts or a minimum of 5% reduction in placement costs.
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Capital Programme

The following table details the medium term capital programme for this service and how that programme is being funded.

Total Approval (includes prior years) Project	2022/23	2023/24	2024/25	2025/26	2026/27
£'000	£'000	£'000	£'000	£'000	£'000
Children's Social Care					
N/A Grant to foster carers	73	70	40	40	40
Children's Social Care Total	73	70	40	40	40
Education & Learning					
N/A Devolved Formula Capital (DFC)	1,050	1,050	1,050	1,050	1,050
N/A External contribution to school projects	150	150	150	150	150
N/A External Grants to school projects	50	100	100	100	100
N/A School budget share contribution to school projects	509	500	500	500	500
N/A Vehicle Equipment Loans Pool (VELP)	200	200	200	200	200
Education & Learning Total	1,959	2,000	2,000	2,000	2,000
Childrens Services Total	2,032	2,070	2,040	2,040	2,040
Financed by:					
Borrowing - Internal	0	0	0	0	40
Borrowing - VELP	200	200	200	200	200
Capital Receipts - General	73	70	40	40	0
Direct Revenue Funds - Services	500	500	500	500	500
External Funding - Grants	1,259	1,300	1,300	1,300	1,300
Total	2,032	2,070	2,040	2,040	2,040

* Total Scheme Approvals have been included for individual projects only, not for programmes.

This table does not show expenditure on capital projects currently programmed in financial year 2021/22 which may be deferred to 2022/23 or future years.

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Abbreviations

Abbreviations used within the budget for all Scrutiny reports:

ADASS	Association of Directors of Adult Social Services
AMHP	Approved Mental Health Professional
AONB	Area of Outstanding Nature Beauty
ASW RAA	Adopt South West Regional Adoption Agency
BACS	Bankers automated clearing services (electronic processing of financial transactions)
BCF	Better Care Fund - formerly known as the Integration Transformation Fund, a national arrangement to pool existing NHS and Local Government funding starting in April 2015.
BDUK	Broadband delivery UK
Blk	Block
CCG	Clinical Commissioning Group
CCLA	Churches, Charities and Local Authorities
CFR	Capital Financing Requirement
CIL	Community Infrastructure Levy
CIPFA	The Chartered Institute of Public Finance & Accountancy
CO	Carbon Monoxide
C of E	Church of England
CPG	Capital Programme Group
CVS	Council of Voluntary Services
CYP	Children and Young People
DAF	Devon Assessment Framework
DAP	Devon Audit Partnership
DC	District Council
DCC	Devon County Council
DDA	Disability Discrimination Act
DEFRA	Department for Environmental Food & Rural Affairs
DELETTI	Devon low-carbon Energy and Transport Technology Innovator
DFC	Devolved Formula Capital
DfE	Department for Education
DFG	Disabled Facilities Grant
DfT	Department for Transport
DLUHC	Department for Levelling Up, Housing and Communities formally known as Ministry of Housing, Communities and Local Government
DoLS	Deprivation of Liberty Safeguards
DPLS	Devon Personalised Learning Service
DSG	Dedicated Schools Grant
DYS	Devon Youth Services
EFA	Education Funding Agency
EH4MH	Early Help 4 Mental Health
EHCP	Education & Health Care Plans
ERDF	European Regional Development Fund
ESPL	Exeter Science Park Ltd
EU	European Union
FF&E	Fixtures, Fittings & Equipment
FTE	Full Time Equivalent
HIF	Housing Infrastructure Fund
HIV	Human Immunodeficiency Virus
HMRC	Her Majesty's Revenue & Customs
HNB	High Needs Budget
HR	Human Resources
HRMS	Human Resources Management System
iBCF	Improved Better Care Fund - Additional grant funding to supplement the Better Care Fund
ICT	Information & Communications Technology

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IID	Investing in Devon funds
ILACS	Inspection of Local Authority Children's Services
INNOVASUMP	Innovations in Sustainable Urban Mobility plans for low carbon urban transport
INTERREG	European Territorial Co-operation
IVC	In Vessel Composting
LAG	Local Action Group
LEP	Local Enterprise Partnership
LGA	Local Government Association
LMC	Local Medical Committee
LPS	Liberty Protection Safeguards
LTP	Local Transport Plan
MH	Mental Health
MHCLG	Ministry of Housing, Communities and Local Government is now called Department for Levelling Up, Housing and Communities
MRP	Minimum Revenue Provision
MTCP	Medium Term Capital Programme
MTFS	Medium Term Financial Strategy
MUGA	Multi Use Games Area
MUMIS	Major Unforeseen Maintenance Indemnity Scheme
NDEC	North Devon Enterprise Centre
NDLR	North Devon Link Road
NEWDCCG	Northern, Eastern and Western Devon Clinical Commissioning Group
NFF	National Funding Formula
NHS	National Health Service
NLW	National Living Wage
NPIF	National Productivity Investment Fund
NPV	Net Present Value
OP&D	Older People & Disability
OSP	On Street Parking Account
OT	Occupational Therapist
PFI	Private Finance Initiative
PH	Public Health
PHN	Public Health Nursing
PPE	Personal Protective Equipment
PSPB	Priority School Building Project
PTE	Part-time Equivalent (15 hours)
PWLB	Public Works Loans Board
R&R	Ring and Ride
REACH	Reducing Exploitation and Absence from Care or Home
ROVICs	Rehabilitation Officers for Visually Impaired Children services
RD&E	Royal Devon & Exeter Hospital
RPA	Rural Payments Agency
RSG	Revenue Support Grant
S106	Funding from developers resulting from planning obligations authorised by section 106 of the Town and Country Planning Act 1990
SCF	Southern Construction Framework
SCOMIS	Schools Management Information Service
SEND	Special Education Needs and Disability
SGO	Special Guardianship Order
SR21	Spending Review 2021
STP	Sustainable Transformation Programme
TBC	To be confirmed
TCS	Transport Co-Ordination Services
TIDE	Atlantic Network for Developing Historical Maritime Tourism
TUPE	Transfer of Undertakings (Protection of Employment)
UASC	Unaccompanied Asylum Seeking Children
UK	United Kingdom
VELP	Vehicle Equipment Loan Pool
VfM	Value for Money
WEG	Water Environment Grant

