

Appendix A

£5.222 million allocation breakdown

In response to the high court judgement, in April 2021 an extraordinary council meeting on 27th April 2021 allocated £5.222m from ear marked reserves to support the improvement of children's services over a two year period, across seven key areas, as shown in Table 1 below:

Table 1: Additional resources approved by Council on 27 April 2021 (by area)

Transformation cost	2021/22 £000	2022/23 £000	Total £000
Improvement Board	130	130	260
Support for families	100	100	200
Legal	551	551	1,102
External legal fees	525	325	850
Human resources' support	364	289	653
Assurance and transformation	292	85	377
Interim Staffing	890	890	1,780
Total	2,852	2,370	5,222

The total sum of £5,222m approved by Council relates to staffing costs only, not non-staffing costs such as IT/laptops. Of that sum, £2,542m was allocated to Children's Services and the remainder was allocated to Legal Services, Human Resources and Communications to provide increased levels of support into the Children's Directorate, as shown in Table 2 below:

Table 2: Allocation of £5.22m across all council services supporting the 2 year improvement journey

Service area	Total funding £000
Children's services	2,542
Legal services	1,952
Human resources	653
Communications	75
Total	5,222

How the £5.222m has been allocated by service area

Children's services

Table 3: Children's services expenditure of £2,542k allocation over the two years

Additional resources	Expenditure £000
Assurance and transformation <ul style="list-style-type: none"> Independent assurance team Forensic audit Work with safeguarding business unit Project audit team 	694
Social work project teams <ul style="list-style-type: none"> Fostering Assessment Child protection and court Children in care including 16+ 	885
Interim and additional posts <ul style="list-style-type: none"> Leadership team and additional managers Social care academy service Safeguarding and review Set up costs for additional staff 	963
Total	2,542

The allocation funded the project and assurance teams for three months, interim posts to the end of the financial year.

Legal Services

Legal Services allocation was for both internal and external legal resources as follows:

Table 4: Legal Services budget allocation for internal and external legal resources

	Year 1 2021/22 £000	Year 2 2022/23 £000	2 Year Total £000
Internal legal	551	551	1,102
External legal	525	325	850
Total legal	1,076	876	1,952

Legal Services expenditure of their allocation is shown below:

Table 5: Legal Services expenditure of 1,952k allocation over the 2 years

Additional resources	Year 1 Expenditure £000	Year 2 Expenditure £000	Total Expenditure £000
Internal legal	551	551	1,102
External legal	565	285	850

Total	1,116	836	1,952
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Legal costs for 2021/22 (year 1) are expected to be £40k above the £1,076k planned, all relating to external legal costs. This external support is required to meet what is assessed as being a short-term bulge in workload, and will be reduced in year 2 to return legal costs to their previous budget allocation.

It is noted that that Herefordshire Council also hold a Litigation Reserve which is drawn upon, when necessary, for court claims and settlements.

Human Resources

Human Resources expenditure of their allocation is shown below:

Table 6: Human Resources expenditure of £653k allocation over the 2 years

Additional resources	Expenditure £000
Year One (2021/22) <ul style="list-style-type: none"> • HR business partner team • OD support • Recruitment partner • Trade union facility time 	364
Year Two (2022/23) <ul style="list-style-type: none"> • HR business partner team • OD support • Trade union facility time 	289
Total	653

Communications

Communications expenditure of their allocation is shown below:

Table 7: Communications expenditure of £ 75k allocation over the 2 years

Additional resources	Expenditure £000
Media agency for initial response to judgement	30
Additional communications support	45
Total	75