

Budget Amendments

Agenda item no. 10

2024/25 budget setting

Councillor Liz Harvey Proposed Budget Amendment (1)

Proposed Budget Amendment (1) –

Proposer: Councillor Liz Harvey

Seconded: Councillor Toni Fagan

Received by the monitoring officer: 8 February 2024, 12:00 p.m.

Independents for Herefordshire Group Amendment to the Cabinet’s proposed 2024/25 Budget

For Consideration at Full Council 9 February 2024

Purpose of report

1. To present to Full Council proposed amendment(s) from the Independents for Herefordshire Group to the budget recommended by Cabinet on 25 January 2024, with officers’ technical comments on the impact to the budget.

2. The proposals are set out below:

	Revenue Budget Amendment		
		£ m	£ m
Directorate (s) affected :	Children & Young People		
Description of Amendment: to include any implications for service delivery:	In the absence of any delivery or forecast delivery of in-year savings during 2023-24, the savings currently proposed to be delivered during 2024-25 in: <ul style="list-style-type: none">• Childrens High Cost Placements• Social Worker Establishment• Agency Social Workers to be covered from: <ul style="list-style-type: none">• Care Market Costs• Financial Resilience earmarked reserves. And for these reserves then to be repaid in-year with any of the proposed savings which do get delivered during 2024-25.		
Source of funds: to confirm if source is one off, multi-year or recurring.	Care Market Costs Earmarked Reserve		-0.959
	Financial Resilience Earmarked Reserve		-1.344
	This is a one-off change which might be repaid in-year.		
Budget implications of amendment, to include any implementation costs, and confirmation if amendment creates a one off or recurring budget pressure.	Childrens High Cost Placements (LAC?)	0.959	
	Social Worker Establishment (Staff Costs?)	0.338	
	Agency Social Workers (Staff Costs?)	1.006	
Net total impact		2.303	-2.303
Balance / gap		0	0

Detail

- **Description of amendment:**

To increase the likelihood of Council setting a balanced budget by covering £2.303m of Children’s Directorate proposed savings from two relevant earmarked reserves at the budget-setting stage, and to require any savings that are delivered are used to repay these reserves during the delivery year.

- **Wording of amendment to be presented to Council:**

To retain proposed SEN Transport savings (£200,000), but to remove savings in Children’s Directorate budget of £2,303,000 in service areas where no targeted savings have yet been delivered:

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Reduce	S1	Reduce Children's High-Cost placements	Current activity to step down higher cost placements and reunite some families	959
Reduce	S2	Reduction in Social Worker establishment	Achieving a reduction of 14 social workers posts by 31 March 2025 based on the assumption of reduced demand	338
Transform	S3	Reduce numbers of agency social workers	Convert 30 posts from agency to permanent by end of June 2024 (Q1) to realise 3/4yr effect	1,006

The balancing figure to be provided, for one year only, from the funds held in the following earmarked reserves:

- Care Market Costs: £959,000
- Financial Resilience Reserve: £1,344,000

Any savings that actually get delivered during 2024-25 by the Directorate be required to be used to repay these reserves – and that these repayments are reported publicly in the Quarterly Performance Reports produced by the administration during the year.

This amendment is proposed to give Council and the public greater assurance of the setting of a balanced budget for 2024-25. It follows track record and evidence from two consecutive years of significant overspends in the Children’s Directorate (£6m in 2022-23 and (Q2) £13.8m 2023-24). It also is informed by there being no track record and no evidence of delivery during 2023-24 of the Directorate’s £4.5m of agreed savings in Looked After Children care costs and in reduced agency and staff costs – the exact same service areas proposed to deliver immediate, front-loaded savings in 2024-25.

S151 officer comments

The S151 officer confirms that the amendment is deliverable. Thursday 8th February 2024. 11.14am

Monitoring Officer comments

The monitoring officer confirms that the amendment is lawful. Thursday 8th February 2024 11.15am