

Children's Services Risk/Challenges

Department & Division	Short Description of Risk	Risk				Mitigation
		2019/20 Value (£000's)	2020/21 Value (£000's)	2021/22 Value (£000's)	2022/23 Value (£000's)	
Children's Services						
Looked After Children placements	New high cost placements. Cases have occurred in 2018-19 with annual costs of up to £0.345m. In 2018-19 the top 20 placements are expected to account for 27% of the total placements spend. Contingency is built into the budget for placements growth in line with 2018-19 and 2017-18, however additional high cost placements above this are a significant risk.	500	500	500	500	Growth of £2.050m in the 2019/20 MTFS for Looked After Children and Leaving Care pressures. Investment of £0.650m in a Diversionary Team to prevent further escalation in LAC costs
Children with disabilities	New high cost placements. Individual costs are high with the most expensive package in 2018-19 forecast to cost £437k with 50% funded by health. A new placement at this level is a significant risk.	200	200	200	200	
High Needs Block and Schools Grant funding pressure	Due to the current commitments to children, it will be a significant challenge to meet children's needs within the budget envelope defined by Central Government. There is a high risk that the whole systems review of SEND will have significant lead in times resulting in a financial risk that expenditure will exceed central government funding over the medium term. The risk may be compounded by further unfunded demand growth in Education & Health Care Plans and SEN Support.	4,500	4,500	4,500	4,500	
Early Years Dedicated Schools Grant Funded Expenditure	There is a risk for 2019/20 with respect to the Early Years National Funding Formula. A change in the NFF requires all LAs to passport funding via the Early Years Dedicated Schools Grant (EY DSG) to all providers based on a participation (activity model) with standard unit rates. This will have an adverse financial impact on the budgets of Schools in LBHF who have benefitted from protected payments via lump sum payments until 2018/19. There is a particular risk around the provision for vulnerable children subject to a child in need and child protection assessment and how this can continue to be funded from Early Years DSG in line with government regulations.	500	500	500	500	
Children's Services Total		5,700	5,700	5,700	5,700	