

**CHILDREN'S AND FAMILIES
ONE ADOPTION WEST YORKSHIRE
FINANCIAL DASHBOARD - 2018/19 FINANCIAL YEAR
P10 2018-19**

OVERALL COMMENTARY:

The overall position of OAWY is currently forecasting a potential overspend of £860k as previously reported in month 6, this is mainly due to the pressures around the new payment arrangements (set up by the Consortium of Voluntary Adoption Inter Agency Agencies (CVAA)) for placements and staffing capacity issues in the service. Going forward it is also likely to have a financial impact for 2019/20
Table 3 shows the 2018/19 financial impact for each LA.

Staffing

Staffing is currently showing a forecasted overspend of £216k with recruitment currently under way to help mitigate the identified capacity issues in the service. However, a number of posts are funded directly from the DfE's Centre of Excellence project of which OAWY so the actual pressure is £23k.

Inter Agency Placements

Inter Agency placements (External Providers) new arrangements that have come into effect from 1st April 2018 are ,firstly, the fee rates have increased (see table 1 below) and secondly that the new system set up by the CVAA that LA's/Regional Adoption Agencies (RAA) are required to pay the Voluntary Organisations (VO) the full fee in year of placement. This is a change to previous years where the fee would be split over two years (2/3rd's/1/3rd split). LA's and RAA's have agreed to continue to split the fee for their placements. This double effect of increased fee and paying the VO's the full year has significantly impacted on the current financial position of OAWY (see Table 2 below), based on placements made to date 53 and future placements (23) identified by the service will give a forecasted overspend of £650k (£2,158k spend against budget of £1,508k). Note for comparison if the current cohort was placed with 2017/18 rates and previous VO payment arrangements the position would be a potential saving of £42k (£1,466k spend vs £1,508k budget).

Adoption Support Fund

Anticipated spend and corresponding income is expected to be £1,454k for 18/19.

Income

DfE funding for the Centre of Excellence programme £300k is expected which will help offset staffing pressures and pay for third party partners involved in the programme.
Inter Agency Income - currently forecasting a shortfall of £246k due to less OAWY adopters available to be being matched with out of area children.

Note that the above position has been discussed at the OAWY Management Board and the West Yorkshire Joint Committee and at the West Yorkshire Combined Authority. Respective Chief Officer's have agreed in principle to increase their contributions to mitigate the pressures outlined above but these potential increased contributions will need to be agreed by each LA's respective approval arrangements. For Leeds this would mean an increased contribution of a further £364k for 18/19 and note this has been agreed.

BUDGET MANAGEMENT - net variations against the approved budget

	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES											Total (under) / overspend £'000	Total (under) / overspend P6 £'000		
				Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income				
ONE ADOPTION WEST YORKSHIRE	7,362	(7,362)	0	237	0	(5)	(23)	2,167		0	0	0	0	0	2,376	(1,516)	860	847
	7,362	(7,362)	0	237	0	(5)	(23)	2,167		0	0	0	0	0	2,376	(1,516)	860	847

Total Pay Costs by Period	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	Total	Projected Outturn	LE Budget	Variance Outturn - LE
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Total	409.0	370.0	405.0	388.0	404.0	402.0	402.0	406.0	414.0	422.0			4,022.0	4,866.0	4,650.0	216.0

FTE Analysis	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	Budgeted
Total	114.1	109.4	113.6	110.9	110.3	111.6	112.4	113.9	116.9	115.6			112.0

Table 1 - Inter Agency Placement fee structure

Number of children	2017/18 fee rates	2018/19 fee rates	2019/20 fee rates
1 child	£27,000	£31,000	£31,620
2 children	£43,000	£50,000	£51,000
3 children	£60,000	£68,000	£69,360
4 or more children	£68,000	To be negotiated	To be negotiated

Table 1 - 2018/19 Partner Contribution

Total Partner Contribution uplift required for 2018/19 pressures				
	Original LA Contribution 18-19	Revised LA Contribution 18-19	Required Uplift	%age Split
	£	£	£	
Bradford	1,320,428	1,483,150	162,722	18.9%
Calderdale	847,907	952,399	104,491	12.1%
Kirklees	1,002,122	1,125,618	123,496	14.4%
Leeds	2,956,710	3,321,079	364,369	42.3%
Wakefield	854,643	959,964	105,321	12.2%
	6,981,810	7,842,210	860,400	