

Financial Advice

Supported Lodgings

The decision seeks to undertake a competitive tender to award a contract for supported lodgings.

Revenue Impact

The current budget for this is held within the Children in Care (CiC) service. The revenue impact of the decision is summarised below:

Revenue Impact	2024/25*	2025/26	2026/27	Contract Total
	£m	£m	£m	£m
Supported Lodgings	0.290	0.348	0.058	0.696

* assumes Jun 2024 contract start

Consideration for increased supported lodgings places are cost effective as they are on average cheaper than external residential costs (as at period 7 – Semi-independent average weekly costs of £1,691 compared to External Residential average weekly cost of £5,562).

Indicative figures for the last 2x financial years show that the budget envelope of £0.348m per annum is likely to be contained as costs have been below £0.200m in both years. It is expected that increased uptake of places indicated in the report would still be contained within the budget envelope for this provision type.

Risks

There is considerable pressure on the External Provision budgets within CiC, and specifically within the semi-independent budget allocation. Current forecast overspend is £1.567m as at period 7 forecasting for semi-independent provision. Therefore, if the future contract reaches the contract envelope, the current underspend relating to this contract in the wider budget will be eroded leading to a worsening of the annual pressure by circa £0.148m per annum.

2024/25+ MTFP

Growth items in the MTFP are attempting to reduce the overall CiC base budget gap but are not confirmed at this stage of the process for 2024/25+.

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