

FINANCE AND PERFORMANCE REPORT – Outturn 2014/15

To: Children and Young People Committee

Meeting Date: 30th June 2015

From: Executive Director: Children, Families and Adults
Chief Finance Officer

Electoral division(s): All

Forward Plan ref: Not applicable **Key decision:** No

Purpose: To provide the Committee with the 2014/2015 Outturn Finance and Performance report for Children's, Families and Adults (CFA). The report is presented to provide the Committee with the opportunity to comment on the financial and performance position as at the end of the 2014/2015 financial year.

Recommendation:

1. The Committee is asked to review and comment on the report.
2. The Committee is asked to approve the proposals for the CFA reserves as set out in Appendix 5 so they can be forwarded to the Chief Finance Officer for agreement.

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1.0 BACKGROUND

- 1.1 A Finance & Performance Report for the Children, Families and Adults Directorates (CFA) is produced monthly and also at the end of the financial year. This report is the final report of 2014/15 and reports on the year-end financial position against budget.
- 1.2 The report is presented to provide the Committee with the opportunity to comment on the financial and performance position of the services for which the Committee has responsibility.
- 1.3 The Finance and Performance report is for the whole of the CFA Service, and as such, not all of the budgets contained within it are the responsibility of this Committee. Members are requested to restrict their attention to the budget lines for which this Committee is responsible, which are detailed in **Appendix B**.

2.0 MAIN ISSUES IN THE OUTTURN CFA FINANCE & PERFORMANCE REPORT

- 2.1 The 2014/15 Outturn Finance and Performance report is attached at **Appendix A**. The previous report presented to Committee (the March Finance & Performance Report) identified a forecast overspend at year end of £1,138K across CFA. The final outturn position at year end is a £1,343K overspend.

2.2 Revenue

The main overspends are detailed below:-

In Children's Social Care Directorate the service had been given a £1.1m savings target for agency staff and vacancy savings. This target was not achieved due to high levels of demand within the Units which required vacancies to be covered by agency staff which cost significantly more than permanent staff. The actual overspend due to agency staff and vacancy savings was £1.8m and this pressure occurred across the Strategic Management, Safeguarding & Standards, Access, and Children In Need policy lines. For more detail see Page 14 and Page 15 of the Finance & Performance Report.

In Strategy & Commissioning Directorate there were 4 main areas of overspend.

- The Looked After Children (LAC) placement budget overspent by £1.5m due to there being a higher number of Looked After Children than budgeted for, and these additional children were placed in external placements. For more detail see Page 17 and 18 of the Finance & Performance Report.
- The Special Educational Needs (SEN) Placement Budget overspent by £763K. This budget is funded by the Dedicated Schools Grant (DSG) High Needs Block and as such does not affect the CFA bottom line budget. The additional DSG grant income is shown under the Financing DSG policy line. For more detail see Page 18, 19, 20 and 25.
- The Commissioning Services budget, funding out of school tuition, overspent by £429K. As with SEN Placements above, this is funded by the DSG High Needs Block. For more detail see Page 20 of the Finance & Performance Report.
- The Home to School Transport (Special) budget overspent by £1.6m.

This was due to an increase in the number of children being transported, an increase in distance travelled, and supply issues impacting on unit cost. For more detail see Page 21 and 22 of the Finance & Performance Report.

In the Learning Directorate there was a £1.1m overspend on Home to School Transport (Mainstream) due to problems in achieving the savings target: the re-tendering of contracts did not generate the anticipated savings; there were delays in withdrawing free transport on some routes; and an increase in the number of young people eligible for post-16 transport. There was also a £345K structural overspend in the budget from late pressures in the previous financial year. For more detail see Page 24 and 25 of the Finance & Performance Report.

Overall, Adults Directorate and Older People and Mental Health Directorate underspent by approximately £4.2m which partly offset the Children and Young People (C&YP) budget overspends.

2.3 Capital

The 2014/15 Capital spend was £56.7m, which is £24.7m less than the Capital programme approved as part of the Business Plan. This is mainly due to slippage on the following schemes:-

Northstowe 1 st Primary	-£3.4m	Littleport Secondary	-£4.2m
Isle of Ely	-£2.1m	Southern Fringe	-£8.3m
Fawcett Primary	-£1.4m	Trinity School	-£1.5m
Hardwick Second Campus	-£0.9m		

For more detail see Page 6, 34, 35, 36 and 37 of the Finance & Performance Report.

2.5 Performance

There are nine CFA service performance indicators and three are shown as green, four as amber and two are red. Of the five C&YP Committee Performance Indicators, one is red, two are amber and two are green. The red Performance Indicator is the proportion of pupils attending Cambridgeshire schools judged good or outstanding by Ofsted, and performance was adversely affected by a number of large secondary academies slipping from “good” to “requires improvement”. For more detail, refer to Appendix 7

3.0 CFA Reserves

- 3.1 CFA has developed investment proposals to use CFA reserves to fund projects to support the achievement of the Business Plan savings in 2015/16. These are detailed in Appendix 5 of the Finance & Performance Report (Pages 29 – 43). Committee is asked to approve these proposals so they can be forwarded to the Chief Finance Officer for agreement.

4.0 ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

4.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

4.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

5.0 SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

This report sets out details of the overall financial position of the CFA Service.

5.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

5.3 Equality and Diversity Implications

There are no significant implications within this category.

5.4 Engagement and Consultation Implications

No public engagement or consultation is required for the purpose of this report.

5.5 Localism and Local Member Involvement

There are no significant implications within this category.

5.6 Public Health Implications

There are no significant implications within this category.

SOURCE DOCUMENTS GUIDANCE

Source Documents	Location
There are no source documents for this report	