

FINANCE AND PERFORMANCE REPORT – OCTOBER 2016

To: Children and Young People Committee

Meeting Date: 6 December 2016

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

Electoral division(s): All

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

Purpose: To provide the Committee with the October 2016 Finance and Performance report for Children's, Families and Adults Services (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 October 2016.

Recommendation: The Committee is asked to review and comment on the report.

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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 the most recent available report is presented to the Committee when it meets.
- 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 This 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 2.
- 1.4 **Financial context**
The Council planned to save £38,294k in 2016/17, and is on course to achieve close to this with a Council-wide overspend forecast of £1.8m at the end of October.

The major savings agenda continues with £99.2m of savings required across the Council between 2017 and 2022. Business Planning proposals are considered separately in another item at this meeting.

2.0 MAIN ISSUES IN THE OCTOBER 2016 CFA FINANCE & PERFORMANCE REPORT

- 2.1 The October 2016 Finance and Performance report is attached at Appendix 1. At the end of October, CFA forecast an overspend of £2,012k. This is an improving position from the previous month when the forecast overspend was £2,338k.

2.2 Revenue

The main changes to the revenue forecast variances within CYP Committees areas of responsibility since the previous report are as follows:

- In Strategy and Commissioning the Special Educational Needs (SEN) Placements budget is now reporting a forecast overspend of £500k. This budget is funded from the High Needs Block (HNB) element of the Dedicated Schools Grant (DSG) and as such will be met from DSG carry-forward to be applied in-year.
- In Strategy and Commissioning the Out of School Tuition budget within Commissioning Services is forecasting to overspend by £200k. There are a number of children with a Statement of Special Educational Needs / Education, Health and Care Plans (EHCP) out of school in receipt of alternative education (tuition) packages whilst the process to place at other schools is followed. This budget is funded from the High Needs Block (HNB) element of the Dedicated Schools Grant (DSG) and as such will be met from DSG carry-forward to be applied in-year.
- In Strategy and Commissioning the Home to School Transport - Special budget is reporting a forecast underspend of £180k as a result of savings on the retendering of contracts under the Council's Dynamic Purchasing System and also a result of fewer mid-year route additions than originally budgeted.
- In Learning, Home to School Transport – Mainstream is now forecasting a £200k underspend primarily due to the implementation of policy changes to the financial

support provided by the Council to post-16 students and the re-tendering of contracts under the Council's Dynamic Purchasing System.

2.3 The table below identifies the key areas of over and underspends within CYP alongside potential mitigating actions (non-DSG services only):

Children's Social Care (CSC)	<p>Excluding Looked After Children the current forecast overspend on CSC totals £2,083k and is a result of:</p> <ul style="list-style-type: none"> • Staffing above establishment to meet increasing demand and statutory responsibilities. • Additional costs of agency staff required to meet demand. • Increasing legal costs reflecting the rising number of care proceedings. <p>The mitigations in place to address this include:</p> <ul style="list-style-type: none"> • Review of use of agency staff. • The implementation of the Children's Change Programme (CCP) will address the structural staffing issues and is also expected to reduce exposure to legal costs.
Looked After Children (LAC)	<p>The forecast overspend on LAC is currently £3,000k due to:</p> <ul style="list-style-type: none"> • Underlying pressure carried forward from 2015/16 • The continuing rise of children in care and those requiring high cost placements. <p>The mitigations in place to address this include:</p> <ul style="list-style-type: none"> • A weekly Section 20 panel to review children on the edge of care, specifically looking to prevent escalation by providing timely and effective interventions.
Home to School Transport – Special	<p>The forecast underspend on Home to School Transport Special is currently £180k due to:</p> <ul style="list-style-type: none"> • Savings on the retendering of contracts under the Council's Dynamic Purchasing System • Fewer mid-year route additions than originally budgeted.
Schools Partnership Service	<p>There is a £196k underspend forecast in the Schools Partnership Service due to:</p> <ul style="list-style-type: none"> • a review of Education Support for Looked After Children (ESLAC) funding which has meant it has been possible to substitute grant funding in-year to create an underspend against the base budget.
Home to School Transport - Mainstream	<p>The forecast underspend on Home to School Transport Mainstream is currently £200k due to:</p> <ul style="list-style-type: none"> • Policy changes to Post-16 support implemented from September 2016. • Savings on the retendering of contracts under the Council's Dynamic Purchasing System • Changes to contracts to more closely match the actual number of pupils requiring seats.

2.4 Capital

The Capital Programme Board previously recommended that services include a variation budget to account for likely slippage in the capital programme. As forecast underspends start to be reported, these are offset against the variation budget, resulting in a balanced

outturn up until the point where slippage exceeds the budget set aside. The allocation for CFA's budget adjustments has been calculated as per the table below, show against the slippage forecast to date:

2016/17					
Service	Capital Programme Variations Budget £000	Forecast Variance - Outturn (Oct) £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Revised Forecast Variance - Outturn (Oct) £000
CFA	-10,282	-6,443	3,839	37.3%	-
Total Spending	-10,282	-6,443	3,839	37.3%	-

2.5 Performance

Of the twenty-one CFA service performance indicators six are shown as green, seven as amber and eight are red.

Of the Children and Young People Performance Indicators, three are green, four are amber and six are red. The six red performance indicators are:

1. Number of children with a Child Protection Plan per 10,000 population under 18
2. The number of Looked After children per 10,000 children;
3. % year 12 in learning
4. The proportion of pupils attending Cambridgeshire Secondary Schools judged good or outstanding by Ofsted;
5. The FSM/Non-FSM attainment gap % achieving level 4+ in reading, writing and maths at Key Stage 2.
6. The FSM/Non-FSM attainment gap % achieving 5+ A*-C including English and maths at GCSE.

2.6 CFA Portfolio

The major change programmes and projects underway across CFA are detailed in Appendix 8 of the report – none of these is currently assessed as red.

3.0 ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

3.1.1 There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

3.2.1 There are no significant implications for this priority

3.3 Supporting and protecting vulnerable people

3.3.1 There are no significant implications for this priority

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

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

4.2 Statutory, Risk and Legal Implications

4.2.1 There are no significant implications within this category.

4.3 Equality and Diversity Implications

4.3.1 There are no significant implications within this category.

4.4 Engagement and Consultation Implications

4.4.1 There are no significant implications within this category.

4.5 Localism and Local Member Involvement

4.5.1 There are no significant implications within this category.

4.6 Public Health Implications

4.6.1 The educational attainment gap is likely to be associated with current and future inequalities in health outcomes.

Source Documents	Location
As well as presentation of the F&PR to the Committee when it meets, the report is made available online each month.	http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/147/finance_and_performance_reports