

**FINANCE AND PERFORMANCE REPORT – MAY 2018**

**To: Children and Young People Committee**

**Meeting Date: 10 July 2018**

**From: Executive Director: People and Communities  
Chief Finance Officer**

**Electoral division(s): All**

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

**Purpose: To provide the Committee with the May 2018 Finance and Performance report for People And Communities (P&C).**

**The report is presented to provide the Committee with the opportunity to comment on the financial and performance position as at the end of May 2018.**

**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 People and Communities (P&C) 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 P&C 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 1, whilst the table below provides a summary of the budget totals relating to the Children and Young People (CYP) Committee:

<b>Forecast Variance Outturn (Previous) £000</b>	<b>Directorate</b>	<b>Budget 2018/19 £000</b>	<b>Actual May 2018 £000</b>	<b>Forecast Outturn Variance £000</b>
0	Children's Commissioning	32,544	1,706	739
0	Communities & Safety - Youth Offending Service	1,645	129	0
0	Children & Safeguarding	50,699	8,352	248
0	Education	64,382	18,896	929
<b>0</b>	<b>Total Expenditure</b>	<b>149,271</b>	<b>29,083</b>	<b>1,916</b>
0	Grant Funding (including Dedicated Schools Grant etc.)	-51,966	-9,421	-809
<b>0</b>	<b>Total</b>	<b>97,304</b>	<b>19,662</b>	<b>1,107</b>

**Please note:** Strategic Management – Commissioning, Executive Director and Central Financing budgets cover all of P&C and are therefore not included in the table above.

## 1.4 Financial Context

As previously discussed at CYP Committee the major savings agenda continues with £99.2m of savings required across the Council between 2017 and 2022. The total planned savings for P&C in the 2018/19 financial year total £21,287k.

Although significant savings have been made across the directorate the service continues to face demand pressures, particularly in children's services related to the rising number of looked after children.

Nationally there has been a rise in children in care, also; however, as identified by the service and supported by Oxford Brookes University, we are not moving children through the system quickly enough and also previous practice of supporting children at home for perhaps longer than is best practice has led to children entering the care system later and then remaining, rather than them being adopted at an earlier stage.

This, combined with the scale of change needed for the new model of operational delivery, makes any reductions in numbers in care this year unlikely and for only a gradual reduction in

numbers and improvement in placement mix to take place in 2019/20.

As a result further work is ongoing to quantify the extent of the pressure in 2018/19 as original budgets were predicated on lower numbers in care than is likely to be achievable. The overall pressure across Looked After Children and associated budgets will therefore increase in coming months to reflect these realities.

## **2.0 MAIN ISSUES IN THE MAY 2018 P&C FINANCE & PERFORMANCE REPORT**

2.1 The May 2018 Finance and Performance report is attached at Appendix 2. This is the first available report for the 2018/19 financial year and at the end of May there is a forecast overspend of £1,107k.

### **2.2 Revenue**

The main revenue pressures within CYP Committee areas are as follows:

- The Looked After Children Placements budget is forecasting an overspend of £0.7m at the end of May. This initial pressure is a result of the full year impact of increased numbers in the last quarter of 2017/18.
- The Adoption Allowances budget is forecasting a £248k over spend due to a revised contract with Coram Cambridgeshire Adoption (CCA) and associated risk share.
- The School Partnership Service budget is forecasting an overspend of £120k at the end of May due to the Schools Forum decision to cease the de-delegation for the Cambridgeshire Race Equality & Diversity Service (CREDS) from April 2018. Closure timescales have led to a period at the start of 2018/19 where the service is running without any direct funding.
- The special educational needs (SEN) Placements budget is forecasting an overspend of £0.5m at the end of May due to a continuing increase in placements in high cost provision.
- The Out of School Tuition budget is forecasting a £0.3m overspend at the end of May due to a combination of a higher number of children remaining on their existing packages and a higher number of children accessing new packages, due to a breakdown of placement.
- The SEN Placement and Out of School Tuition budgets are funded from the Dedicated Schools Grant (DSG) High Needs Block and so do not form part of the overall P&C bottom line position.

### **2.3 Capital**

The Capital Programme Board recommended that services include a variation budget to account for likely slippage in the capital programme, as it is sometimes difficult to allocate this to individual schemes in advance. The allocation for P&C's negative budget adjustments has been calculated as follows, shown against the slippage position for 2018/19:

2018/19					
Service	Capital Programme Variations Budget £000	Forecast Outturn Variance (May 18) £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Revised Outturn Variance (May 18) £000
P&C	-12,120	165	165	1.4%	-11,955
<b>Total Spending</b>	-12,120	165	165	1.4%	11,955

## 2.4 Performance

Please note: Updated performance data for 2018/19 is not yet available and as such will be revised in the next report.

At the end of 2017/18, of the thirty-eight P&C service performance indicators six were shown as green, two as amber and four as red. Twenty-six had no target and were therefore not RAG-rated.

Of the Children and Young People Performance Indicators, one was green, none were amber and two were red. Sixteen had no target and were therefore not RAG-rated. The two red performance indicators were:

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

## 2.5 P&C Portfolio

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

The programmes and projects within the P&C portfolio are currently being reviewed to align with the business planning proposals.

## 3.0 2018-19 SAVINGS TRACKER

- 3.1 As previously reported the “tracker” report – a tool for summarising delivery of savings – will be updated throughout the year and the overall position reported to members on a quarterly basis.
- 3.2 Based on current forecasts as at mid-June, including the delivery of some additional funnel savings, the overall position for P&C is a £2,007k shortfall against plan. However, the expectation is that stretched targets for existing savings and additional funnel savings will support delivery of the overall £21,287k P&C savings target. It is also important to note the relationship with the reported position within the detailed F&PR. As pressures arise in-year further mitigation and/or additional savings will be required to deliver a balanced position.

## **4.0 ALIGNMENT WITH CORPORATE PRIORITIES**

### **4.1 Developing the local economy for the benefit of all**

4.1.1 There are no significant implications for this priority.

### **4.2 Helping people live healthy and independent lives**

4.2.1 There are no significant implications for this priority

### **4.3 Supporting and protecting vulnerable people**

4.3.1 There are no significant implications for this priority

## **5.0 SIGNIFICANT IMPLICATIONS**

### **5.1 Resource Implications**

5.1.1 This report sets out details of the overall financial position of the P&C Service.

### **5.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

5.2.1 There are no significant implications within this category.

### **5.3 Statutory, Risk and Legal Implications**

5.3.1 There are no significant implications within this category.

### **5.4 Equality and Diversity Implications**

5.4.1 There are no significant implications within this category.

### **5.5 Engagement and Consultation Implications**

5.5.1 There are no significant implications within this category.

### **5.6 Localism and Local Member Involvement**

5.6.1 There are no significant implications within this category.

### **5.7 Public Health Implications**

5.7.1 There are no significant implications within this category.

<b>Source Documents</b>	<b>Location</b>
As well as presentation of the F&PR to the Committee when it meets, the report is made available online each month.	<a href="https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&amp;-performance-reports/">https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&amp;-performance-reports/</a>