

Report of the Corporate Director of Children, Education & Communities

2018/19 Finance and Performance First Quarter Report - Children, Education & Communities

Summary

- 1 This report analyses the latest performance for 2018/19 and forecasts the financial outturn position by reference to the service plans and budgets for all of the services falling under the responsibility of the Corporate Director of Children, Education & Communities.

FINANCIAL ANALYSIS

- 2 A summary of the service plan variations is shown at table 1 below.

Table 1 – CEC Financial Projections Summary 2018/19 – Quarter 1

2017/18 Draft Outturn Variation £000		2018/19 Latest Approved Budget			2018/19 Projected Outturn Variation	
		Gross Spend £000	Income £000	Gross Spend £000	£000	%
+434	Children's Specialist Services	22,312	1,406	20,905	+1,272	+6.1%
-5	Communities & Equalities	8,064	3,566	4,498	+53	+1.2%
-597	Education & Skills	18,203	8,636	9,566	+628	+6.6%
+330	School Funding & Assets	122,492	129,810	-7,317	-153	-2.1%
-14	Director of CEC & Central Budgets	1,241	5,937	-4,696	0	-
	Mitigations				-545	
+147	Total CEC Directorate	172,311	149,355	22,956	+1,255	+5.5%

+ indicates increased expenditure or reduced income / - indicates reduced expenditure or increased income

3 The following sections provide more details of the significant outturn variations.

Children's Specialist Services (+£1,272k / +6.1%)

- 4 Children's Social Care (CSC) staffing budgets are currently projecting a net overspend of £186k, mainly due to more expensive agency staff being used to cover important but hard to fill social worker posts. This is lower than the position in previous years following the introduction of 'golden hello' and 'golden handcuff' payments to new and existing staff in some of the key social work teams.
- 5 Based on the current numbers of Looked After Children (LAC) being maintained throughout the rest of the year there is a net projected overspend on placement and associated costs of £984k. This includes +£251k on local fostering, +£476k on IFAs, +£223k on adoption/SGO/CAO allowances, +£71k on inter-agency adoption fees and +£77k on other costs, offset by a projected underspend on leaving care costs of £114k.
- 6 There is a net projected overspend of £94k within The Glen and disability short breaks budgets, due mainly to delays in implementing the new model of provision for children with the most complex needs that was planned to deliver budget savings in 2017/18 and 2018/19.
- 7 A number of other more minor variations make up the remaining projected net overspend of £8k.

Communities & Equalities (+£53k / +1.2%)

- 8 There is a projected overspend of £30k within ward committee budgets due to the continued additional expenditure on parish grass cutting contracts. A number of other more minor variations make up the remaining projected net overspend of £23k.

Education & Skills (+£628k / +6.6%)

- 9 There is a net projected underspend of £184k within School Improvement. This is due to a number of staffing vacancies, particularly within the Skills Team, offset by some additional costs including for the LAC virtual school headteacher.
- 10 Home to School Transport budgets are currently projected to overspend by a net £621k. This is mainly due to significant pressures within SEN taxi budgets where contract inflation has been higher than expected and significant savings requirements for 2017/18 and 2018/19 that are unlikely to be delivered, offset by some savings on other school transport costs.

- 11 Education Psychology budgets are projected to underspend by £51k mainly due to difficulties being experienced in recruiting to some psychologist posts.
- 12 Within the Dedicated Schools Grant (DSG) funded Special Educational Needs budgets there is a net projected overspend of £229k. This is mainly due to additional costs on out of city education placements.
- 13 A number of other more minor variations make up the remaining projected net overspend of £13k.

Schools Funding & Assets (-£153 / -2.1%)

- 14 The net projected variation is made up of the following items:
 - a carry forward of surplus DSG from 2017/18 that is £105k lower than budgeted for,
 - an estimated £407k retrospective positive adjustment to early years funding following the expansion of the free entitlement for 3 & 4 year olds to 30 hours per week;
 - a projected £250k write off of school deficits for schools converting to sponsored academy status;
 - an estimated overspend on high needs costs of £500k, particularly in relation to Danesgate alternative provision;
 - a revised projected deficit carry forward of DSG into 2019/20 that is £601k greater than budgeted for.

Director of CEC and Central Budgets (£Nil)

- 15 At this stage of the year there are no significant variations to report. However no account has yet been taken of any additional costs that might be incurred on interim arrangements to cover the statutory director of children's services post prior to a permanent appointment being in place.

Mitigations (-£545k)

- 16 CEC Directorate Management Team (DMT) are committed to doing all they can to try and contain expenditure within their budget for 2018/19, and reduce the projected overspend as far as possible by the year end. Dealing with the budget pressures will be a standing item at the DMT meetings with all options available to further mitigate the current overspend projection being explored, including consideration of the following:
 - Consider whether any of the existing efficiency savings proposals can be stretched or implemented early to deliver additional short term and on-going savings.

- Continue the restrictions on all discretionary spend and hold recruitment to vacant posts wherever possible and safe to do so.
- Review the level of expenditure to be committed from specific unbudgeted in year grants with a view to generating a one-off saving.
- Consider the extent to which the increased SEN transport costs can be accounted for within the DSG.

PERFORMANCE ANALYSIS

Number of Children Looked After

- 17 This measure gives an understanding of the efficiency and effectiveness of a key front-line service which has impacts on vulnerability and the life chances of children. There were 201 children and young people in care at the end of June 2018. This evidences a continued consistency of practice and need, against the national trend of increasing looked after numbers.

Children in Care Council

- 18 In 2017, *Show Me That I Matter* (York's Children in Care Council) identified mental health as a priority and decided to create a resource to help raise awareness about mental health amongst young people. Young people took part in a series of workshops with Inspired Youth and had the opportunity to develop their creative writing skills at the same time as exploring some of the feelings and emotions that are often experienced by children and young people in care. The group identified key messages that they wanted to share with other young people and designed a booklet which they named 'You Are Not Alone'. It is planned that the booklet, which also signposts to support services, will be shared with young people when they first come into care.

Fostering Fortnight

- 19 The council is committed to placing as many children in its care as possible within York placements and is therefore seeking to increase the number of foster carers within the City. This will enable more flexibly to match children and young people with the right foster carers and continue to bring young people back to York, when this is the right plan for them. To help achieve this, the council has signed up to the 'You Can Foster' regional initiative for a second year, helping with wider advertising campaigns across Yorkshire and Humber. This is mirrored by a more local campaign, launched during 'Fostering Fortnight' in May 2018, with the team undertaking the Park Run which ran alongside York led adverts on local radio and in the local press.
- 20 Last year's enquiry rates for prospective foster carers increased greatly, and resulted in 12 new households being approved during the year. We continue to see our numbers of kinship carer households increase, which enables children

and young people to stay within their wider family networks and we are also beginning to reap the benefits of working alongside the Regional Adoption Agency, where more children are subject to early permanence arrangements, promoting stability for some of our most vulnerable children.

Average Progress 8 Score from Key Stage 2 to Key Stage 4

- 21 This indicator gives an understanding of educational attainment levels within the city. Progress 8 is a measure of the progress made by pupils between Key Stage 2 and Key Stage 4. A positive score represents progress above the average for all pupils and a negative score progress below the average for all pupils. Indicative 2018 results should be available for the Q2 Monitor.
- 22 In 2017, the average Progress 8 score for Year 11 pupils was +0.11 above the national average and this is an improvement on 2016 when progress was in line with the national average. The 2017 GCSE results have been published and show that the Progress 8 score of 0.11 for York puts the city in the top quartile (ranked 34th nationally). This is an improvement with York moving up 10 percentiles from 2016. The Progress 8 score for 2018 will be available in October 2018.

Primary School Admissions

- 23 Primary school admission figures for entry in September 2018 show that 99.4% of pupils received an offer for one of their first three preferences. The percentage of children achieving their first preference has increased from 94.2% in 2017.

DfE Strategic School Improvement Fund

- 24 Building on the success of our six school primary writing project, which contributed to improved Key Stage 2 outcomes in 2017, we joined Pathfinder Teaching School Alliance and Huntington Research School in a bid for funding to the DfE Strategic School Improvement Funding for a larger project starting in January 2018. The bid was successful and realised £196k to deliver a programme of intensive training and support across at least 14 schools this year. The first phase of the Strategic School Improvement Fund Writing Project has been successfully launched and the outcomes will be formally evaluated in July 2018.

School Inspections

- 25 In Q1 there were four short (Section 8) inspections of schools that were judged to be good in their previous inspection. Three reports have been published to date, with all retaining their good judgements. However, two came into 'Outcome 3' under arrangements introduced in January 2018. This means that the lead inspector did not believe that they would retain their 'good' judgement

in a full (Section5) inspection. These schools will receive a full inspection within 1 to 2 years.

%pt gap between FSM and non-FSM pupils at 15, who attain a Level 3 qualification by the age of 19

- 26 This measure gives an understanding of the inequality gap. The attainment Gap at age 19 is currently 33.9% in York compared to 25.2% nationally. There have been concerns about the gap between both disadvantaged young people and young people with Special Educational Needs (SEN) and their peers.
- 27 81% of 16-17 year olds who are Not in Education, Employment or Training (NEET) are not qualified to Level 2, demonstrating challenges before people are aged 19. Learning and Work Advisers from the council's Local Area Teams provide specialist information, advice and guidance to young people who are in the care of the local authority, those in alternative education provision, those in the youth justice system, and those aged 16-18 who are NEET.

Council Plan

- 28 This report is directly linked to the three key priorities of the Council Plan for 2015-19: A Prosperous City for All; A Focus on Frontline Services; and A Council that Listens to Residents.

Implications

- 29 The financial implications are covered within the main body of the report. There are no other direct implications arising from this report.

Recommendations

- 30 As this report is for information only there are no specific recommendations.

Reason: To update the committee on the latest financial and performance position for 2018/19.

Contact Details

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**Report
Approved**

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Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the authors of the report

Background Papers

[2018/19 Finance and Performance Monitor 1 Report, Executive 30 August 2018](#)

Annexes

Annex A: 2018/19 Monitor 1 Performance Scorecard