

Report of the Corporate Director of Children, Education & Communities

2019/20 Finance and Performance Second Quarter Report – Children, Education & Communities

Summary

- 1 This report analyses the latest performance for 2019/20 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 2019/20 – Quarter 2

2019/20 Quarter One Variation £000		2019/20 Latest Approved Budget			2019/20 Projected Outturn Variation	
		Gross Spend £000	Income £000	Net Spend £000	£000	%
+839	Children's Specialist Services	24,305	4,134	20,171	+998	+5.0%
-44	Communities & Equalities	9,116	4,306	4,810	-53	-1.1%
+310	Education & Skills	17,499	5,819	11,680	+12	+0.1%
0	School Funding & Assets	126,153	133,729	-7,576	0	0%
+3	Director of CEC & Central Budgets	1,579	5,996	-4,417	+84	+1.9%
-514	Mitigations				-522	
+594	Total CEC Directorate	178,652	153,984	24,668	+518	+2.9%

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

- 3 A net overspend of £518k is forecast primarily due to children's social care. The following sections provide more details of the major outturn variations.

Children's Specialist Services (+£998k / +5.0%)

- 4 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 £630k, including £169k on adoption allowances and £308k on Out of City Placements.
- 5 There is a net projected overspend of £330k 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.
- 6 A number of other more minor variations make up the remaining projected net overspend of £38k.

Communities & Equalities (-£53k / -1.1%)

- 7 The underspend is mainly due to the vacant Head of Communities & Equalities post.

Education & Skills (+£12k / +0.1%)

- 8 There is a net projected underspend on staffing of £204k mainly due to vacancies within School Improvement and the Skills Team.
- 9 Home to School Transport budgets are currently projected to overspend by a net £247k. The savings targets for the SEN element of home to school transport have not been achieved because of a growth in the number of pupils/students requiring transport and the specialist requirements of that transport.
- 10 A number of other more minor variations make up the remaining projected net underspend of £31k.

Schools Funding & Assets (£Nil)

- 11 The net projected variation is made up of the following items:
- a carry forward deficit of DSG from 2018/19 that is £28k higher than budgeted for;
 - an estimated £158k retrospective negative adjustment to early years funding for 3 & 4 year olds relating to 2018/19;

- a projected saving of £250k on prudential borrowing repayments as the provision set aside following the closure of Burnholme Community College has not yet been fully committed;
- an estimated overspend on high needs costs of £1,500k, particularly in relation to Danesgate alternative provision and post 16/19 placements;
- a projected deficit carry forward of DSG into 2020/21 of £2,263k which represents an increase of £1,436k.

Director of CEC and Central Budgets (+£84 / +1.9%)

- 12 The projected overspend is mainly due to unachieved vacancy factor within the senior management team and additional admin support.

Mitigations (-£522k)

- 13 CEC DMT are committed to doing all they can to try and contain expenditure within their budget for 2019/20, and reduce the projected overspend as far as possible by the year end. Dealing with the budget pressures is a standing item at the DMT meetings with all options available to further mitigate the current overspend projection being explored. To date mitigations of £322k have been identified from the on-going implications of actions taken to reduce the overspend in 2019/20. Further areas being considered include 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 - although this may be a challenge given the pressures already being experienced within the high needs block of the DSG.

Performance Analysis

Secondary school persistent absence rate

- 14 Secondary school persistent absence is a worsening trend and York is performing in the lower quartile for this measure. There is a correlation with disadvantage and special educational needs with the highest levels of persistent absence being seen in pupils who are eligible for pupil premium and/or have special educational needs. Work taking place to develop curriculum pathways is designed to address this issue. 2018/19 data will be released in early November 2019.

Voice of the Child

- 15 Children's Rights and Advocacy Service: Participation opportunities for young people in care and care leavers continue to be delivered via the Children in Care Council (CiCC) and Care Leavers Forum. This includes monthly 'Show Me That I Matter' panel meetings (13-17 yrs), monthly meetings of the Care Leavers Forum, 'I Still Matter', (17-21 yrs) and fortnightly 'Speak Up' youth club sessions (10-16yrs). Activity over this quarter has included working with the Fostering service to create child friendly profiles for foster carers and also for children and young people in care, creating a resource to highlight young people's views in relation to some of the terminology used by professionals (Mind Your Language), working with other youth groups in York to host a Mental Health Participation Festival and taking part in the North Yorkshire Young Minds Combined Mental Health Summit.
- 16 York Youth Council: The youth council were part of the Mental Health Participation festival which took place in July 2019. This was a joint collaboration with the York Mind Steering group and 'Show Me That I Matter' – York's Children in Care Council. Youth council have also began working alongside North Yorkshire Youth to form a working group which they have named 'North Yorkshire Young Minds Combined'. This group aims to tackle issues around mental health that have been spotted within both authorities and also the difference in services available to those individuals who may live in one authority but go to school in the other.

% of children who have received a Good level of Development (GLD) at Foundation Stage

- 17 Early indications show a continuing trend of improvement in York's already good performance in this area. This is in part due to the improving outcomes for disadvantaged and SEN support pupils, which both show increases since 2017. Provisional results show that the disadvantaged gap has narrowed in 2019, but is likely to remain wider than the National gap.

Education Progression (Average Progress 8 score from KS2 to KS4) and GCSE Results (% of pupils achieving 9-4 in English and Maths at KS4)

- 18 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. In 2018, the average Progress 8 score for Year 11 pupils was +0.11, which was significantly above the national average. The Progress 8 score of +0.11 was the same as in 2017 and again put York in the top quartile for all Local Authorities. 2019 data has not yet been published however, the un-validated data suggests that we can expect to see an improvement.
- 19 Provisional data shows that 74% of York's 16 year olds leaving Secondary school in summer 2019 achieved a standard grade (9-4) in both English and Maths. The 2018 York figure was 70% compared to a National average of 64%.

% point gap between disadvantaged pupils (eligible for FSM in the last 6 years, looked after and adopted from care) and their peers achieving 9-4 in English and Maths at KS4

- 20 Reducing the attainment gap between disadvantaged pupils and their peers is a key priority in all phases of education across 0-19 years. We have had early indications from some secondary schools about improved attainment and progress measures in the 2019 exams and await the imminent publication of provisional national data, which will allow a full analysis.

% of 16-17 year olds who are NEET who do not have a L2 qualification

- 21 The proportion of 16-17 year olds in York who are NEET remains at a similar level to historical trends and there is a correlation with disadvantage, with the majority of young people being from the wards with the highest levels of deprivation. At the end of August 2019, 91% of young people who were NEET did not have a Level 2 qualification. Historically the figure can increase in August in line with the end of the academic year.
- 22 Of the 16-17 year olds who are NEET, over 50% also have some form of special educational need. They are most likely to have required SEN Support at school, rather than have an Education & Health Care Plan (EHCP). Whilst young people with SEND are over-represented in the NEET cohort, it is known (both in York and nationally) that young people who are NEET often have multiple risk factors. Characteristics such as SEND, exclusions from school and deprivation are usually present in NEET cohorts and rarely in isolation. York also has a small cohort of young parents who do not have L2 qualification level.
- 23 The young people who are both NEET and have SEND are less likely to have high levels of need (e.g. EHCP). This is supported by the destination data of Applefields Special School, who frequently see 100% of their Year 11s staying at the school for another two years.

Council Plan

- 24 This report is directly linked to the key priority A Better Start for Children and Young People in the Council Plan.

Implications

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

Recommendations

- 26 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 2019/20.

Contact Details

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**Report
Approved**

Date

19/01/20

Specialist Implications Officer(s) None

Wards Affected

All

For further information please contact the authors of the report

Background Papers

2019/20 Finance and Performance Monitor 2 Report, Executive 21 January 2020
<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=11115>

Annexes

Annex A: 2019/20 Monitor 2 Performance Scorecard