

Report of the Director of Learning, Culture and Children's Services

Service Plan Performance Monitoring Period 3 (Full Year): Children's Services

Summary

1. This report analyses performance by reference to the service plan, the budget and the performance indicators for all of the services funded through the Children's Services budget.

Background

2. A common proforma has been developed for all services in the directorate which summarises progress against the actions listed in the service plan, records variations from the budget, and comments on the Performance Indicators for which information has become available during the reporting period. These are attached as annex 1 to the covering report. Service Managers have been asked to use no more than 2 sides of A4 for their monitoring reports.
3. A summary of the main findings on progress on services within each of the Executive Member's portfolios is included below.

Consultation

4. Not applicable

Options

5. This report is for information only

Analysis

6. The full year evaluation of progress against the service plans for 2006 – 07 shows that most of the action that was planned 12 months ago has been completed. Where progress has been slow, it has usually been because of delays in appointing staff to key posts or long term staff absence. However, some priorities have been re-assessed during the year in the light of feedback about the impact on outcomes for young people and actions have been postponed or modified as a consequence.
7. The most eye-catching achievements have been as follows:
 - Beacon status for school improvement,

- A significant increase in the number of schools judged 'outstanding',
 - A successful submission for the provision of specialist diplomas (14 – 19),
 - A successful submission for Independent School and State School Partnership (ISSP),
 - Improved performance in SATs and GCSE, particularly in secondary schools,
 - The establishment of Training and Development Unit for Children's Services,
 - The positive report on adoption and fostering,
 - Improvements in Initial and Core assessments by social workers,
 - Progress on the establishment of children's centres,
 - Accreditation of CYC standard for school inclusion, and development of sophisticated system for tracking performance of pupils with LDD/SEN,
 - The ALL inspection of the ACE service ('good'),
 - The establishment of the Early Years Pathfinder projects,
 - Excellent progress on extended schools as measured by regional self evaluation,
 - Successful pilot for TYS and well developed plans for Integrated Youth Service,
 - Opening of Castlegate Advice Centre,
 - Continuing growth in the scale and quality of the Schools Out programme,
 - Delivery of the biggest ever capital programme for schools,
 - Improvements in the provision of management information, including the second Parents' Survey,
 - Delivery of a balanced budget for 2006/07 despite significant inherited and in year cost pressures.
8. In addition to this, the department has embarked on a major restructure of services, the main purpose of which is to tackle some of the outstanding issues where progress has not been so rapid, or where there has been a renewed focus on improved performance. These include the need for:
- A continuing reduction in the number of NEETs,
 - Improvements in the provision of education and training particularly for young offenders and other at risk groups,
 - Improved arrangements for full time education or training for 14 – 19 year olds at Rathbone, the Skills Centre, the PRU and through WBL provision,
 - Improvements in the tracking of persistent truants and the development of individual action plans for targeted young people,
 - An appropriate response to the unexpected increase in the number of Looked After Children and the consequent impact on budgets,
 - Closer links between all services engaged in delivery of the National Strategy programme for 'Behaviour and Attendance',
 - A decrease in the number of permanent exclusions,
 - Action to manage the Home and Hospital tuition budget,
 - Delivery of the 'Youth Offer',
 - Review of the LMS scheme,
 - The delivery of the 'Music Manifesto',
 - Delivery of services in communities through locality planning.

Corporate Priorities

9. The service plans reflect the national and local planning framework, including the Local Area Agreement and the Children and Young People's Plan. In particular they take account of the need:
- To increase people's knowledge and skills to improve future employment prospects',

- To improve the contribution that Science City York makes to economic prosperity’,
- To improve the health and lifestyles of people in York, in particular among people whose levels of health are the poorest’,
- To improve the life chances of the most disadvantaged and disaffected children, young people and families in York.

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Implications

Financial Implications

- 10 This report sets out the draft outturn figures for the financial year 2006/07. Whilst most budgets have outturned at or about the level of the current approved budget, there are still a number of exceptions to this. The individual variations are detailed in full at Annex 2 but in summary the draft net outturn for 2006/07 is £24,617k. This compares with a current approved net budget of £25,073k, a net underspend of £456k or 1.8%. It must be noted that the figures are provisional and may be adjusted. However, significant changes are not expected to be made.
- 11 Members will be aware that for the first time in 2006/07 the majority of the Children’s Services budget is now funded from the ring-fenced Dedicated Schools Grant (DSG). As a consequence the net draft underspend for the portfolio is split:
- | | |
|----------------------------|---------|
| Dedicated Schools Grant | - £598k |
| General Fund (Council Tax) | + £142k |
- 12 The original net budget for Children’s Services for 2006/07 was set at £23,139k. Since then there have been a number of changes made (the summary table at Annex 2 provides details) resulting in the latest approved net budget of £25,073k.
- 13 The Executive Members have also received two formal monitoring reports and have been kept informed on expenditure and income trends during the year. The latest report was presented on 7 December 2006. Further regular monitoring reports have also been considered by the LCCS Departmental Management Team throughout the year.

Dedicated Schools Grant

- 14 The net underspend has increased from a projected £367k at monitor 2, an increase of £231k. The major changes from the 2nd monitoring report are set out briefly below with full details of all variations from the approved budget at Annex 2:
- A £34k reduction in the underspend on Work Related Learning compared with the previous projection.
 - CAMHS grant of £48k carried forward from 2005/06 in error has had to be repaid.
 - An increase in the underspend on Out of City Placements of £95k but offset by increased costs on Inclusion Support Packages of £48k.
 - An increase of £60k in the net cost of support required for statemented children from School Based Area Teachers and Learning Support Assistants.
 - A reduction in the costs charged against the NQT training budget of £38k.
 - An underspend on the Schools Specific Contingency budget of £175k, mainly in

relation to provision for the West of York Review.

- An increase in the actual amount of DSG available of £98k following the completion of Children's Services Grant adjustments.
- 15 Under the terms and conditions of the DSG any in year underspend can either be allocated to schools at the year end or carried forward and added to the following financial year's DSG. Following consultation with the Schools Forum, it is proposed to carry forward the final DSG underspend of £598k to 2007/08. (Overspends either have to be funded in year by a contribution from the council's General Fund budget or carried forward and funded from the following financial year's DSG).

General Fund Budgets

- 16 The first budget monitoring report highlighted a projected net underspend of £41k. Additional funding of £79k was then provided by the Executive to help support the overspends within Children and Families budgets. This additional allocation was conditional on £120k of the Broadband underspend being transferred to the Leisure & Culture portfolio to fund one-off overspends within the Sports Facilities budgets.
- 17 By the time of the second monitoring report in December 2006 the position had worsened slightly with a net overspend of £31k after the additional funding and budget transfers referred to above.
- 18 The individual service plan financial monitoring sheets at Annex 2 now show a total net projected overspend of £448k. To offset this mitigating action has been taken to hold back expenditure or redirect resources totalling £306k, with the details again shown in Annex 2. The result of this action leaves the net overspend of £142k which represents a further worsening of the position reported in the 2nd monitoring report. The major changes from the 2nd monitoring report are set out briefly below with full details of all variations from the approved budget at Annex 2:
- A net increase in Home to School Transport costs of £53k within the SEN and discretionary elements of the budget.
 - A reduction in the net underspend within the Youth Service of £46k compared with that projected at the time of the 2nd monitoring report.
 - A significant worsening of the position within Children and Families of £164k mainly due to an increase in the number of looked after children requiring fostering support.
 - Increased savings from staff vacancies and income generation within the LCCS Finance team totalling £59k.
 - A reduction in the level of insurance premiums and costs of £34k.
 - £37k higher than expected interest income on negative school balances.
- 19 Members should be aware that the Director of LCCS has a responsibility to deliver a balanced budget across all services within the directorate. In order to balance the general fund services within the Children's Services portfolio that were heading towards significant overspends in a number of statutory services, positive action to reduce expenditure in the more discretionary Leisure & Culture budgets was taken. This resulted in a net underspend within the Leisure & Culture budget of £130k which goes some considerable way to offsetting the Children's Services general fund

overspend. Details of this underspend have been reported separately to the Executive Member for Leisure & Culture.

On-going Impact in 2007/08

- 20 Although many of the underlying variations have already been accounted for when the 2007/08 budgets were set, there are still some items that are expected to have an impact in 2007/08. Initial estimates of this impact suggest continuing net overspends in the following areas:
- Home to School Transport costs of £120k (Options for charging some of the on-going increased SEN transport costs to the DSG in 2007/08 are being explored).
 - Children's Social Care costs including Independent Foster Agencies (£100k), section 34 contact transport (£40k) and The Glen respite care home (£20k).
 - Youth Service premises costs of £30k until surplus buildings are removed from the portfolio.

Proposals to Carry Forward Unspent Budgets

- 21 In order to promote good management and allow planned 2006/07 projects to proceed, it is proposed to continue the arrangements of previous years and permit underspendings to be carried forward in certain circumstances. Rather than being a general provision, it is suggested that carry forward proposals should only be allowed where the portfolio area and directorate actually underspends due to a genuine slippage.
- 22 Because of the net overspend in the Children's Services general fund budget, no carry forwards are requested this year.

Human Resources (HR)

- 23 There are no implications for HR, other than those identified within the plans.

Equalities

24. There are no implications

Legal

25. There is no statutory requirement for the directorate to maintain service plans or to report on them. However, elected members do have a responsibility for monitoring performance and this report is a key element in the Council's arrangements for Performance Management and will be subject to scrutiny under arrangements for Comprehensive Performance Assessment.

Crime and Disorder

- 26 There are no implications

Information Technology (IT)

- 27 There are no implications

Property

28 There are no implications

Other

29 There are no implications

Risk Management

30 The risk to the authority of not monitoring service plans is that there will be no appropriate mechanism for Performance Management of the work of the directorate.

Recommendations

31. The Executive Member is recommended to note the performance of services within the directorate funded through the Children's Services budget and to approve the draft revenue outturn for 2006/07

Reason: In order to ensure appropriate performance management arrangements are in place across the department.

Contact Details

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**Report
Approved**

Date 29 May 2007

Specialist Implications Officer(s)

Financial Implications.
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Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report