

Report of the Director of Adults, Children & Education and the Director of Communities & Neighbourhoods

**2012/13 FIRST QUARTER FINANCIAL MONITORING REPORT –  
LEISURE, CULTURE & TOURISM AND CHILDREN & YOUNG PEOPLE'S  
SERVICES**

**Summary**

- 1 This report analyses the latest performance for 2012/13 and forecasts the outturn position by reference to the service plan and budgets for all of the relevant services falling under the responsibility of the Director of Adults, Children & Education and the Director of Communities & Neighbourhoods.

**Financial Analysis**

- 2 Communities & Neighbourhoods are currently predicting a small underspend of £72k within Leisure, Culture & Tourism budgets. This is primarily due to a small number of vacant posts being held, and the Arts & Culture Education service moving to operate on a breakeven basis during 2012/13.
- 3 Within Children & Young People's budgets early financial pressures of £1,043k are being projected, representing 4.5% of the net budget.
- 4 The strategy in York has been to invest in preventative services and to support greater early intervention in the belief that this will lead to a reduction in the overall population of young people in care over time. There are some encouraging signs that that this approach is succeeding, with the intake having reduced since it's 2007-9 peak with approximately 20% fewer over 2009-11 than over 2007-9 and some 25% fewer admissions in April-July 2012 than in same four months of 2011.
- 5 We have new services in place which are impacting upon the increased number of cases we were seeing associated with drug and alcohol misuse and domestic violence. Our greater targeting of support and the

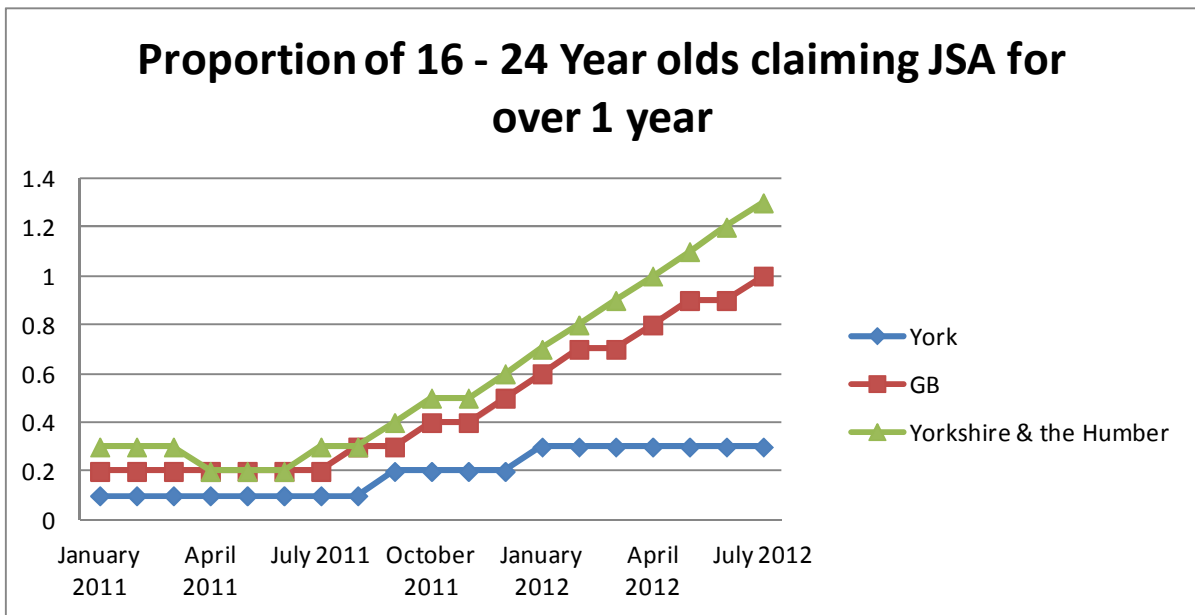
expansion of services such as intensive family support teams specifically aimed at those on the edge of care, give ground for further optimism. We also know that the new front door arrangements are supporting early interventions, coordinated across multiple agencies.

- 6 However, the financial pressure on the budget for children's services has continued into 2012/13, despite the additional resources of £500k provided in this year's budget. The current pressure reflects various costs associated with the increase in the total number of looked after children which had risen to 261 by the end of the first quarter.
- 7 Most notably, local foster placements have increased from 174 to 180 (£132k) and Independent Fostering Agency placements have increased from 13 to 17 (£192k). This has had a corresponding impact on support budgets, including staffing (£229k), leaving care costs (£135k), legal fees (£100k) and adoption agency fees (£91k).
- 8 The Council does continue to benefit from our ability to retain the significant majority of placements in local high quality family settings. Compared to authorities with 30% of placements with (more expensive) Independent Fostering Agencies, York continues to have less than 10% in such placements.
- 9 Overall, our target of safely reducing the care population by the end of 2013/14 is ambitious but appears to be deliverable given the performance in relation to early intervention and managing those on the edge of care.
- 10 In other areas the Home to School Transport budget is now expected to overspend, but as full information on the contracts which are in place from September is not yet available it is difficult to form a firm view of the likely variance. However, projections based on summer term spend and a continuation of 2011/12 pressures suggest the overspend will be at least £250k.
- 11 Mitigating this position are a number of underspends elsewhere in the directorate, including the LACSEG Academy refund (£397k) and some staffing vacancies.
- 12 As well as the vacancy freeze and a moratorium on non essential expenditure, the directorate is also assessing 2013/14 savings proposals that could be brought forward in order to help bring the budget back in line by the end of the financial year.

## Performance Analysis

### Create Jobs & Grow the Economy

- 13 York is a national leader in education provision and this continues to be a key part of the city's exceptional offer and the resulting high level of workforce skills also continue to be a feature of the city's economy. Supported by its high quality of school education and its two large universities, York has a greater percentage of highly qualified working age residents and a lower rate of unqualified people in the workforce people than most other UK cities. The 'attainment gap' at Key Stage 4 is also falling, meaning that children who are potentially more vulnerable to low achievement are attaining results closer to the average for the city. The city has also created 400 new apprenticeships over the last year, representing increased opportunities for young people to gain skills and progress into employment. Early indications from the recent A Level results show that previous high standards have been maintained, with 28% of entries awarded A\*/A grades and over 78% of entries being awarded grade A\*, A, B or C. Very early indications on GCSEs show that we have maintained our high standards of last year with an indicative headline figure showing 62% 5A\*-C including English and Maths has been achieved. This is second in the region.
- 14 However, the city still has a high proportion of graduates in basic jobs and there is a need to continue to drive the creation of higher skill jobs for graduates so as to create opportunities for those in the workforce with more appropriate skill levels for the basic roles.
- 15 Whilst levels of people who are Not in Employment Education or Training (NEET) has risen to 5.6%, York continues to sit below the regional & national average (being ranked 3rd regionally and 30th nationally). York's performance on NEETs has been helped by the fact that around 400 new apprenticeships have been created over the last year, providing increased opportunities for young people to gain skills and progress into employment.
- 16 The 2011 increase in long term youth unemployment (16-24 year-olds) has also now levelled off locally and remained stable for the last seven months at 0.3% – a level well below the national & regional figures (currently 0.9% and 1.2%) both of which are still currently displaying an upward trend (the regional figure has almost doubled and the national figure has increased by two thirds in the same seven-month period).



### Protect Vulnerable People

- 17 Services for vulnerable children in York continue to be strong with our repeated Excellent/4\* assessments for children's services being unrivalled outside London, and our Children's Safeguarding arrangements were rated as good in the recent OFSTED inspection. This review also highlighted that the service has "outstanding prospects for improvement" whilst providing good value for money when compared with other authorities. York also has the lowest level of children in workless households in the region - an illustration of our comparatively strong economy creating good conditions and prospects for young people.
  
- 18 Work to ensure that there are sufficient Adopters for York children available for timely placements is progressing well and approvals in 2011/12 and Q1 are on target. In addition, we are continuing to perform at a high level for the completion of final statements of SEN at 100%, and as a result of excellent coordination of multi-agency working to develop and enhance local alternatives, we have our lowest ever numbers of children placed outside the local authority, currently at 22, having reduced steadily from a high of 35 in Q1 2010/11. Despite this good progress, there are still some financial pressures on children's services budgets.

### Build Strong Communities

- 19 The York800 Charter Weekend was highly successful. Footfall during the special Charter Weekend of events in the city from 7-9 July was up by

nearly 20% on normal, despite flood warnings – a testament to the reach and effect of the campaign despite some challenging weather conditions. A level of community spirit not seen in the city for many years has been created, because of a celebratory feel to the promotion from a whole range of organisations and the sheer volume of events happening under the York 800 banner. The community spirit has been enhanced by the York Stories strand of the project – a chance for residents to record their stories about York. Hundreds of these have been received from a wide range of people and organisations and recorded for posterity in the city archives. This was followed by events marking the hosting of the Olympic Torch and Paralympic torch, again contributing to the community spirit of the City.

### **Corporate Priorities**

- 20 The information included in this report demonstrates progress on achieving against the priorities within the council's plan for 2011-15.

### **Implications**

- 21 The financial implications are covered within the main body of the report. There are no significant human resources, equalities, legal, information technology, property or crime & disorder implications arising from this report.

### **Risk Management**

- 22 A number of budgets are under pressure. On going work within the directorates may identify some efficiency savings in services that could be used to offset these cost pressures before the end of the financial year. It will also be important to understand the level of investment needed to hit performance targets and meet rising demand for key statutory services. Managing within the approved budget for 2012/13 will be a challenge, particularly for Children & Young People's Services, and the management team will continue to review expenditure across the directorate.

### **Recommendations**

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

Reason: To update the committee on the latest finance and performance position for 2012/13.

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**Report Approved**

**Date** 10 September 2012

**Specialist Implications Officer(s)** None

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

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**For further information please contact the author of the report**

**Background Papers**

First finance and performance monitor for 2012/13, Cabinet 4 September 2012

**Annexes**

None