
Learning & Culture Overview & Scrutiny Committee 20 March 2013

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

2012/13 Third Quarter Financial & Performance Monitoring Report – Leisure, Culture & Tourism and Children and 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 £151k within Leisure, Culture & Tourism budgets and an underspend of £68k within Children & Young People’s budgets. This is partly due to vacant posts being held within Libraries (£138k) and Parks (£14k), although some of this is offset by overspends in operational costs. Additional income within City Centre and Markets (£56k) and Parks (£20k) is forecast. The Arts & Culture Education service moving to operate on a breakeven basis during 2012/13 is forecasting an underspend of £68k.
- 3 Within Children & Young People's budgets financial pressures of £1,414k are being projected. There was growth of £500k included in the Children’s Social Care budgets for 2012/13, but despite this it remains challenging to address the increase in demand for services. All areas of the directorate have been examined, and mitigation options within children’s services of £952k have been identified, that bring the forecast outturn for the service down to £462k, representing 1.9% 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 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 stood at 253 by the end of the third quarter.
- 7 Most notably, local foster placements have increased from 174 to 179 (£165k) and Independent Fostering Agency placements have increased from 13 to 16 (£146k). This has had a corresponding impact on support budgets, including staffing (£273k), leaving care costs (£82k), transport (£53k) and adoption agency fees (£78k).
- 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 by £629k. The most significant pressures reflect the growth in the number of students attending the Danesgate Community and other alternative education settings. These arrangements are being reviewed, including an option to transfer appropriate costs from the GF to the DSG. A new taxi contract providing transport for all children with special needs became operational in September. The new contract has significantly improved the quality of provision. Further negotiations are underway with the contractor to seek further efficiencies in route planning and cost

reductions. New Bus contracts for all mainstream schools are due to be procured in 2013. However it is unlikely that this procurement will generate savings given significant fuel price increases in recent years, and increasing requirements regarding safety and vehicle emissions.

- 11 A higher than expected LACSEG Academy refund (£397k) helps offset the forecast overspend.

Mitigation Options

- 12 All areas of the directorate have been reviewed and work is ongoing within the Directorate Management Team to progress on a range of mitigation proposals, although this is not without some potential impact on customers and services:
 - Vacancy freeze measures are being strictly enforced across the directorate, including relief staff and short term cover. Other expenditure will only be incurred to meet statutory obligations, or where the well being of a vulnerable child could be compromised.
 - Contracts for care provision are being reviewed and opportunities taken to reduce the level of contracted spend where possible, and demand allows.
 - Options for utilising reserves and grants will be taken where a consequent general fund revenue saving can be generated.
 - Charges for services are being reviewed to consider the options for increased income generation.
 - All options to delay the start of planned investment in new or revised services will be considered.
 - Decision making processes for care packages and support are being reviewed to ensure high cost arrangements are thoroughly scrutinised. All high cost packages have to be authorised by the Assistant Director to ensure the needs are evidenced and eligible and that the costs are in line with market rates.

Performance Analysis

Create Jobs & Grow the Economy

- 13 Working in partnership with other organisations in the region and led by Welcome to Yorkshire, York had a significant role in securing Le Grand Départ of the Tour de France 2014 for Yorkshire. It has now been confirmed that York will host the start of Day 2. The Tour de France has an estimated global audience of 3.5 billion and economic benefit for the

region is estimated at £100m and will bring significant benefits to the York economy in 2014.

Protect Vulnerable People

Looked After Children & Children's Social Care:

- 14 The LAC Support Service commenced operation on 3 December 2012 as planned, under the supervision of a newly appointed practice manager, and indications of early cost savings are already being seen. Whilst the number of Looked After Children has increased by 7 in Q3 to 253 there are indications that early intervention work is having an impact, with a significant reduction in new entrants to care, and a third less legal applications, so it is expected that numbers will reduce again by April.
- 15 In the past year there had also been a concern around the numbers of children in care with more than 3+ moves, but Q3 figures are now in line with the target, reflecting attention to short term placement stability.
- 16 The latest available NEET rate continues to perform very well, with notable reductions of young people NEET after Year 11 and leaving Danesgate, although there is still a challenge around Learner with Learning Difficulties or Disabilities NEET.
- 17 The Integrated family Support Service (IFS) project is fully up and running. They are now engaged with over 100 Families, many of whom are eligible for funding through the 'Troubled Families' Payment by Results scheme. Overall child poverty has also reduced by 0.4%, equivalent to 130 children.

Schools:

- 18 The gap between children eligible for Free School Meals and those not eligible has narrowed at both KS2 and KS4 in 2012. KS2 L4+ in English and maths combined, gap narrowed from 33% in 2011 to 27% in 2012, but recent data places York in the bottom quartile.
- 19 Danesgate have received an improved outcome from their recent Ofsted inspection, moving from 'Satisfactory' to 'Good'. Nine primary schools were inspected by Ofsted, with five moving out of 'Requiring Improvement' to 'Good'. All these schools served the more deprived areas of York, showing an increase in education provision for those who have more need.

- 20 All year 8 and year 9 pupils leaving Burnholme Community College received their 1st preference of new school.
- 21 Despite this good progress, there are still some financial pressures on children's services as noted earlier in this report.

Build Strong Communities

- 22 The Active York Strategy was agreed by the Health and Wellbeing board in December 2012 and will be presented to Cabinet shortly. Funding of £252,705 from the National Lottery (Sport England's "Inclusive Sport Fund") has also been secured to increase provision of sport for disabled people in York.
- 23 Youth Support Services were awarded one of 12 Youth Innovation Zone (YIZ) grants to establish a new Youth Sector Partnership in the City. The Partnership will bring together youth work providers from the statutory, voluntary, community, uniformed and faith sectors. Members of the play team are supporting the YIZ by working with young people to develop a website.
- 24 The Shine programme has increased the number of places (over 50,000) and activities (almost 400) available in the period April - December compared to last year. The number of views of the Shine webpage, and number of new cultural providers registered on the website have also increased this year. The first Shine awards were launched by the Lord Mayor in October 2012 to recognise and celebrate the achievements of children and young people between the ages of 5 to 14 around York.
- 25 Cabinet have agreed the development of a business plan for a potential community benefit society for the Council's libraries and archive services, and £100,000 of government funding has been secured to assist with this.
- 26 The procurement phase for the Community Stadium has commenced, which is expected to last 15 months with the contract to be awarded in November 2013.

Council Plan

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

Implications

- 28 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

- 29 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

- 30 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

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Specialist Implications Officer(s) None

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

All

For further information please contact the author of the report

Background Papers

Third finance and performance monitor for 2012/13, Cabinet 12 February
2013

Annexes

None