

Children and Young People Overview and Scrutiny Panel

9 September 2010

Performance and Budget Report

Services for Children and Young People - April to June 2010

1. Introduction

The following report contains extracts from the 1st Quarter Performance and Budget Monitoring Report as presented to Cabinet on 10th August 2010.

2. Government Announcements on Public Sector Funding

A new Comprehensive Spending Review will be announced in October 2010. This will be a challenging framework which will significantly reduce the level of revenue and capital spending available for Local Authorities over the next 4 years.

In addition, the Government has recently announced a series of in year spending reductions for 2010/11. These reductions, in the main, relate to grant funding. There are also a number of changes to policy, enacted by Government, that will impact on spend for the Council.

The most significant budget announcement related to grants provided through the Area Based Grant. Across the council, £1.8m was cut from Area Based Grant.

In addition to this, the Performance Reward Grant linked to delivery of Local Area Agreement targets has been reduced by 50%. The Council had been relying on some of this reward grant to deliver a balanced budget in 2010/11, for example, a specific delivery plan within Chief Executive's department linked to the Local Strategic Partnership and planned spend on partnership working in Children's Services.

Considering all of the known grant reductions and policy changes, the Corporate Management Team recommended targets to reduce in year revenue spend by circa £4m. This reduction has been prioritised to ensure that we drive greater efficiency from back office functions, thus protecting core front line spend. Cross cutting groups are meeting to drive out higher percentage savings across the board in areas such as Business Support and Policy and Performance.

Services for Children and Young People are required to deliver an in-year saving of £1,181,000.

3. Departmental Revenue Monitoring – Forecast is an overspend of £3.195m





The latest forecast spend for Services for Children and Young People is £55.654m against an approved budget of £52.459m, representing a forecast year end adverse variance of £3.195m (6.09%). The detail for each branch is included in the following summary tables.

Services for Children & Young People Quarterly Budget & Performance Report 1/2

L(Fin)3 Net revenue budget -
Childrens Services Monthly
June 10 6.19 % ➡

Monthly Service Budgets	Performance	Comments
		<p>Responsible Officer: Mairead MacNeil</p> <p>Finance - The Children in Care placement budget continues to be a pressure, resulting in a year end forecast overspend of £2.945m. This is mainly due to a significant rise of high cost Residential packages within the Independent Sector during the later part of 2009/10, continuing into 2010/11 as shown below. There are currently 24 children in residential placements against a budgeted number of 14 and there are currently 52 in Independent foster care against a budget of 39 placements.</p> <p>Performance - For the second year running there were over 3,000 referrals to CSC in 2009/10. This continues an increasing trend over the last 4 years and is consistent with the first three months of 2010/11. Compared to last year, the number of Children with a Child Protection plan had increased by 86%. On the 31st March 2010 we reported 352 Children with a plan, for June this year we report 363 a further increase. The number of children in care, year on year has risen by 12%. On the 31st March 2010 we looked after 437 children and young people, compared to 389 the previous year. In June this year this number rose to 447. Together with many other local Authorities we have experienced a rise in the number of presenting 16 and 17 year old young people as a result of the G v Southwark Judgement.</p>
		<p>Responsible Officer: Claire Cordory-Oatway</p> <p>There are no material financial variations to report at this stage.</p>
		<p>Responsible Officer: Colin Moore</p> <p>NI 117 NEET narrowly missed the target for 2009/10. the promotion of apprenticeships in the private, public and voluntary sector has started to have an impact on reaching the annual target. An in year update will be provided in the next report. At the same time youth unemployment has dropped from the period April to June with 1950 18-24 year old claimants counted in June compared to 2090 in April. The figure is also lower than for June 2009 when there were 2300 claimants.</p>
Human Resources		

Services for Children & Young People Quarterly Report 2/2

Monthly Service Budgets	Performance	Comments
		<p>Responsible Officer:</p> <p>There are no material financial variations to report at this stage.</p>
 		<p>Responsible Officer: Maggie Carter</p> <p>We currently have an overspend of £250,000 due to an increase in demand for Transport within the Pupil Access Service. This is due to more Early Years placements requiring 1:1 escorts, more children in mainstream schools who had previously attended Special Schools and a higher number of children with greater needs.</p> <p>Despite a significant reduction in the year on year % of pupils who feel bullied, 35.2% felt they had been bullied once or more in the last year, this is significantly higher than the national average. The 2009 Tellus 4 Survey of Plymouth schools, Children and Young People felt they were more likely to be bullied at school than elsewhere. However, 55% of children felt that bullying was being dealt with quite well or very well.</p> <p>NI 54 – Parental Experiences of services for disabled children improved in Plymouth for 2009/10 and we compare favourably against the national average and statistical neighbours.</p>
		<p>Responsible Officer: Gareth Simmons</p> <p>The Council receives funding for Schools through the Dedicated Schools Grant (DSG) which funds expenditure either directly through the Individual Schools Budget (ISB) or incurred by the Council on behalf of schools. Any over or underspends on the DSG are carried forward. The ISB element has been distributed in accordance with the schools funding formula and the overall DSG has been approved by the Schools Forum. The schools budget for 2010/11 was set at £140.037m (estimated DSG of £141.139m after academy recoupment plus £0.350m brought forward from 2011/12 budget less £1.452m deficit brought forward from 2009/10). The final DSG was announced as £141.208m, providing an additional £0.069m. Schools Forum approval will be sought to use the additional allocation to reduce the commitment for 2011/12 by adjusting the £0.350 brought forward from 2011/12 to £0.281m.</p>
Human Resources		

4. Delivery Plans

Progress against the original delivery plans set to deliver a balanced budget are mostly on track.

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of admin across the council	0.100	Green
2	Seek additional contribution towards the Cost of Building Schools for the future	0.300	Green
3	Additional Contributions from DSG for pensions and EOTAS	0.343	Green
4	Remove Concessionary Fares 16+	0.022	Amber
5	Savings Target to be achieved by reducing staff in high performing areas/link with locality working funding & Review of senior management within Lifelong Learning	0.150	Amber
6	Charge ICAN (speech and language needs) services to Early Years Grant	0.080	Amber
7	Seek Performance Reward Grant for partnership projects - including youth service & grants to voluntary sector	0.091	Red
8	Review of Early Years grants	0.050	Amber
9	Family support	0.085	Amber
10	Reduced Wrap Around packages for permanency placements and reduce secure bed nights	0.133	Amber
11	Multi-Systemic Therapy Contract (consider ceasing contract) value £140k in 10/11. Dept of Health currently part fund	0.000	Amber
12	Negotiate savings in Connexions contract	0.100	Green
13	No inflation Allocated. in social care where linked with Fostering Network rates (frozen at 09/10 levels)	0.129	Green
	Delivery plans within original 2010/11 Budget	1.583	

A Commissioning and Finance Delivery Board, chaired by the Director of Services for Children and Young People has been set up and will meet monthly to drive, not only the original delivery plans (£1.5m), but also efficiencies set by management (£1.0m) and new delivery plans set in response to the government funding reductions and also in year budget pressures (£4.3m). Delivery plans will be monitored under key programme themes and plans to contribute towards next year continue to be developed and discussed with key partners, such as schools.

7.3 Key High Level Risks

- Achieving financial performance within Children Social care budget delivery continues to be a challenge whilst ensuring that safeguarding issues are not compromised
- Delivery plans at risk due to staggered implementation.
- Reducing the number of Court ordered Parent & Child assessment placements.
- Continual recruitment of experienced Social Work staff in order to provide a robust service.
- Insufficient growth in the Foster Care community to place children locally.

7.4 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Maintaining front line services during a financially challenging climate.
- Achieving the Delivery Plans
- Integration with Health partners