

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the Children and Young People Select Committee held in the Council Chamber, County Hall, The Rhadyr, Usk on Thursday 18th September 2014 at 2.00p.m.

PRESENT: County Councillor P. Jones (Chairman)

County Councillors: D. Blakebrough, P.R. Clarke, P.S. Farley, L. Guppy, R.G. Harris, D.W.H. Jones, and M. Powell

ADDED / CO-OPTED MEMBERS:

Mr. K. Plow (Monmouthshire Association of School Governors)

OFFICERS IN ATTENDANCE:

Mrs. D. Mountfield	-	Head of Service: Achievement & Learning Infrastructure
Ms. T. Jelfs	-	Head of Children's Services
Mrs. N. Wellington	-	Finance Manager
Mr. T. Stokes	-	Finance Manager
Ms. H. Ilett	-	Scrutiny Manager
Mr. R. Williams	-	Democratic Services Officer

APOLOGIES FOR ABSENCE

1.- Apologies for absence were received from County Councillor A. Webb and from Revd. Dr. S. James.

DECLARATIONS OF INTEREST

2.- Declarations of Interest are identified under the relevant minute.

MINUTES

3.- The minutes of the following meetings were confirmed and signed by the Chairman:

- **Children and Young People Select Committee – 12th June 2014**

The following amendment was made to Page 2, Minute 4 – Declarations of Interest, second paragraph, first sentence:

The word 'personal' had been misspelt.

- **Children and Young People Select Committee – 17th July 2014**

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PUBLIC OPEN FORUM

4.- There were no items raised by members of the public present.

FINANCE TRAINING ON MATTERS RELATING TO CHILDREN AND YOUNG PEOPLE

5.- We received a presentation by the Head of Service: Achievement & Learning Infrastructure and the Finance Manager in which the Select Committee Members were provided with information on finance matters relating to the Children and Young People Directorate.

The following information was noted:

- Total Monmouthshire County Council budget for 2014-15 is £142,329,000.
- The Children and Young People Directorate is £52,302,013 (36.7%).
- Of the Children and Young People Directorate Budget, £44,421,415 (84.9%) is delegated directly to schools.
- Schools also receive grants of:
 - £2,656,39 : Foundation Phase.
 - £713,589 : School effectiveness Grant.
 - £1,047,348 : Pupil Deprivation Grant.
 - £76,389 : Welsh Effectiveness Grant.
- Central Budgets: £7,880,508
- Resources: £1,505,541 – 19.1%
- Standards: £5,578,277 – 70.8%
- Youth Service £796,780 – 10.1%
- ALN is the largest part of the total budget amounting to 43.5% of the central budget.

Schools Budgets:

- Opening balances for 2014-15: £988,156.
- Six schools in a deficit.
- Funding is provided via a funding formula.

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- 70% of all funding must be delegated via pupil led factors.

How is the formula calculated?:

1. Age Weight Pupil Numbers – number on role in the previous January. Therefore, the current year is calculated on the January 2014 pupils.

Main Elements: staffing, general allowances and a small element of cleaning and building maintenance.

2. Premises and other factors: covering caretaking, building maintenance, cleaning, Service Level Agreements, lump sum, rates and grounds.

Allocation is based on actual areas, floor and grounds, actual costs, full time equivalent's for caretakers.

3. Additional Learning Needs – split into 3 elements.

Lump sum for moderate needs, one to one support and funding for Additional Learning Needs units where a school hosts a unit.

Areas to Consider:

- Where schools use grant money to employ staff, any severance costs cannot be charged to the grant.
- Staffing represents about 85% of total school budget, most of the non-pay budgets are 'fixed', e.g. rates, utilities and Service Level Agreements. Very small discretionary spend left.

The Role of the Governing Body:

- Responsible for the finances of the school.
- The Governing Body cannot set a deficit budget without the permission of the Chief Officer.
- If agreed, the school must complete and agree a recovery plan with the Authority.

Recovery Plans:

- Usually over a three year period unless agreed.
- Plan is monitored at least six times a year, most being monthly.
- Any movement from the plan the Head and Chair of Governors attends a challenge meeting with senior managers from the Local Authority.

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- The Local Authority has authority to remove delegated powers.

Investment Plans:

- Over a three year period.
- The spend should be in line with the school improvement plan.
- Any movement from the plan the Head and Chair of Governors attends a challenge meeting with senior managers from the Local Authority.
- Spend planned in a timely manner.

Budget Monitoring:

- Schools are required to meet with Officers four times a year.
- Detailed reports, covering all costs.
- Summary of these come to scrutiny and Cabinet.
- Developing benchmarking data to allow schools to compare.

Having received the presentation, the following points were noted:

- Some grants were now administered via the Education Achievement Service. Currently, grants were audited by the Authority and the Welsh Government.
- Challenge Advisers agree the plans.
- The Welsh Government allocates the amount of grant funding each authority receives.
- In response to a Select Committee Member's question regarding Additional Learning Needs, it was noted that it was a legal requirement for the Authority to provide this service.
- The funding formula was reviewed annually. Teachers now received performance related pay.
- Each pupil generates, on average, for a primary school £1,992 per pupil per annum. A secondary school generates, on average, £3,066 per pupil per annum.
- In response to a Select Committee Member's question regarding 'shopping around' for better services, it was noted that this was an option. However, the Authority still needed to meet the needs of the corporate responsibilities of schools.

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- Efficiency savings – Facilities Management systems were being investigated.
- With regard to service level agreements, it was noted that charges should only reflect the costs involved in delivering the service.
- In response to a Select Committee Member's question, it was noted that redundancy costs were borne by the school. The Authority's budget for schools' redundancies was £300,000. However, this had been exceeded by £66,000. Therefore, schools were required to find the £66,000 from their budgets.
- A recovery plan will commence when a school's budget goes into deficit.
- Under Welsh Government legislation, surplus balances may be withdrawn that were in excess of £50,000 (primary schools) and £100,000 (secondary schools).
- The Children and Young People Directorate was actively promoting school governors to establish a finance committee. It was noted that the Select Committee could take this matter to the budget forum.

On behalf of the Select Committee, the Chairman thanked the officers from the Children and Young People Directorate for their role in supporting Monmouthshire's schools.

We resolved to receive the presentation and noted its content.

**REVENUE AND CAPITAL BUDGET MONITORING 2014/15 MONTH 3 OUTTURN
FORECAST STATEMENT**

6.- County Councillor P. Farley declared a personal, non-prejudicial interest as he was a governor of Chepstow School and reference was made to finance and issues relating to schools.

County Councillor P. Jones declared a personal, non-prejudicial interest as she was a governor of Raglan Primary School and reference was made to schools' budgets.

County Councillor M. Powell declared a personal, non-prejudicial interest as she was a governor at King Henry VIII School and Deri View Primary School.

We received a report by the Finance Managers in which the Committee received information on the forecast outturn position of the Authority at the end of month 3 for the 2014/15 financial year.

Members were informed that a potential £219,000 overspend has been mitigated significantly by anticipated Council Tax receipts and treasury

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considerations. Therefore, net cost of services exhibits an overspend of £1,029,000. Whilst still a significant challenge, this was a favourable position over that calculated at quarter 1 2013/14 of a £1,700,000 overspend on net cost of services.

Having received the report, the following points were noted:

Social Care - Children

- The predicted overspend for the Looked After Children budget was £380,000. Officers had been investigating this budget over the previous 12 months and it had been noted that Monmouthshire had the lowest budget per head per child, indicating a lack of funding to meet budget pressures. For the 2015/16 budget, an additional £500,000 had been put forward to address the need.
- The Head of Children's Services informed the Select Committee that since she had been in post a significant number of children had come onto the system. Therefore, a proactive approach to address this matter had been adopted to reduce the numbers of children on the Child Protection Register. However, it was noted that Monmouthshire spends significantly less than other authorities on looked after children.
- It was noted that Officers were working on a 'State of the Nation' report for the Social and Housing Services Directorate and that this could include details of a deficit recovery plan to challenge the Welsh Government, as suggested by a Select Committee Member.
- The Head of Children's Services informed the Select Committee that in order to reduce costs incurred in court proceedings, staff were being encouraged to ensure the work undertaken was carried out correctly in order to reduce the number of C2 applications.
- It was considered that the data contained within the report could be presented in a more user friendly way.
- It was noted that the Directorates could not budget for unknown costs.

Schools

- Chepstow Comprehensive School was anticipating a deficit in its budget in the sum of £352,000 by the end of the year. The School was subject to a four year recovery plan. It was noted that the Head Teacher had implemented a new staffing structure. Monmouthshire schools received Post 16 funding from the Welsh Government. However, with Monmouth School being a smaller school, it received less funding.
- In response to a Select Committee Member's question regarding Chepstow Comprehensive School's deficit budget, it was noted that the

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Directorate had been aware of the deficit and had therefore been working with the school to formulate a recovery plan.

- It was noted that there had been a significant reliance on reserve balances to supplement school spending plans in the last two years, and no indication of potential replenishment evident.
- It was anticipated that Monmouthshire would be located within the bottom balances for funding from the Welsh Government.
- In response to a Select Committee Member's Question regarding Home to School Transport provision for children with additional learning needs, it was noted that there would likely be a reduction in funding for the Home to School Transport Budget. Such impact was being reviewed, as well as the likely budgetary pressures.

We resolved to receive the report and noted its content.

WORK PROGRAMME

7.- We received the Children and Young People Select Committee Work Programme. In doing so, the following points were noted:

- **Special Children and Young People Select Committee - 9th October 2014 at 10.30am (9.30am pre-meeting):**
 - Further scrutiny of the Education Achievement Service (EAS).
 - Children's Services Report.
 - Individual schools balances.
- **Joint Special Meeting – Adults and Strong Communities Select Committee at 2.00pm (1.30pm pre-meeting).**
- **Special Meeting (all four Select Committees) – 14th October 2014 at 10.00am:**
 - Partnerships
 - Strategic Improvement Plan.
- **Special Children and Young People Select Committee – 14th October 2014 at 2.00pm (1.30pm pre-meeting).**
 - Safeguarding children.
 - CSSIW Looked After Children Report.
 - Fostering Services.
- The Scrutiny Manager will define the Work Programme for November 2014.

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- Scrutiny of budgets in November 2014.
- Future items – invite Head Teachers to a Children and Young People Select Committee Meeting to question schools on finance and performance, meet with the Youth Service.
- The need to ‘pencil in’ dates for special meetings.

We resolved to receive the work programme and noted its content.

CABINET FORWARD WORK PLANNER

- 8.- We received the Cabinet Forward Work Planner and noted its content.

NEXT MEETINGS

9.- The next meetings of the Children and Young People Select Committee will be held at County Hall, Usk, as follows:

- Special Meeting – Thursday 9th October 2014 at 10.30am.
- Special meeting – Tuesday 14th October 2014 at 2.00pm.
- Ordinary Meeting – Thursday 27th November 2014 at 10.00am.

The meeting ended at 4.33pm.