

**Children & Young People Select Committee  
Portfolio Position Statement Month 9 (2015-16)**

**APPENDIX 5**

**CYP DIRECTOR'S COMMENTARY**

The Directorate's month 9 position is a forecasted overspend of £242,000, this is £45,000 higher than anticipated at Quarter 2. The youth service remains a volatile area having been subject to a £200,000 savings mandate. The current forecast over spend for the youth service is £139,000. It is pleasing to note that the Additional Learning Needs service is underspent by £132,000, again an improvement of £30,000 since Quarter 2.

**SCH DIRECTOR'S COMMENTARY**

In terms of children's services, there are 2 key pressures: firstly, the pressure due to continued use of agency workforce resulting from vacancies in the permanent workforce. Recruitment campaigns have not been successful so alternative workforce plans are being developed including a scheme to recruit newly qualified social workers, linked to peer mentoring. The biggest cost pressure in children's services is the placement budgets. There has been an increase in the number of looked after children currently at 119, but there have also been an increase within that number of high cost residential placements, increasing the average weekly unit cost by £3,000 per placement. There are a number of strategies being employed to address this issue namely the fostering and SGO business cases, investment in commissioning capacity, and review of early intervention and prevention model and services.

## 1 Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Children & Young People Service Area	Budget @ Month 6 £000's	Budget Revision Virements £000's	Budget @ Month 9 £000's	Forecast Outturn £000's	Variance @ Month 9 £000's	Variance @ Month 6 £000's	Variance @ Month 2 £000's	Forecast Movement Months 6 to 9 £000's
21st Century Schools	0	0	0	0	0	0	0	0
Individual School Budget	43,797	121	43,918	44,033	115	28	0	87
Resources	1,402	0	1,402	1,451	49	74	61	(25)
Standards	5,434	0	5,434	5,298	(136)	(42)	99	(94)
Youth	597	0	597	708	111	137	114	(26)
<b>CYP Directorate</b>	<b>51,230</b>	<b>0</b>	<b>51,351</b>	<b>51,491</b>	<b>140</b>	<b>197</b>	<b>274</b>	<b>(57)</b>
Children's Services	8,543	153	8,696	10,060	1,364	1,297	675	67
Total C&YP Select	59,426	274	60,047	61,551	1,504	1,494	949	10

1.2 The most significant over and underspends are

Children & Young People Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
<b>STANDARDS</b>				
Additional Learning Needs		152	(50)	Staff vacancy and higher than anticipated recoupment income.
Primary Breakfast Initiative Grant	55		0	Take up continues to increase and therefore resulting in additional staffing requirements.
Early Years		45	(45)	Due to the establishment of a new LA nursery there are less children attending a non-maintained setting
<b>ISB</b>				

ISB	115		87	Increased costs of protection at schools, changes in rateable value of a secondary school has incurred increased rates charge, also professional fees have been incurred by the directorate
<b>RESOURCES</b>				
Support Services	66		(11)	Efficiency savings for directorate to be identified. Directorate legal costs and a small saving now slightly higher than anticipated at Q2 due to a vacancy continuing to be held open.
Service Level Agreements		10	(10)	WJEC contributions less than anticipated.
<b>YOUTH</b>				
Community Education Youth General	111		(26)	Delay in the start of the ESF project will result in less income in this financial year.
<b>CHILDRENS SERVICES</b>				
Fostering Allowances and Payments For Skills	144		(12)	Reflects financial support to the current number and age mix of children in foster care and skills payments to carers with SGO's
Younger People's Accommodation		(66)	30	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an underspend. This budget is prone to volatility and since month 6 we are supporting two more placements costing £1,600 per week.
Ty'r Enfys		(52)	0	This facility will remain closed for the entire year.
Therapeutic Service		(28)	0	Under spend due to part vacant Play Therapist post.
External Placements - LAC	1,094		174	Current activity is 70 placements compared to 64 at month 6. We are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC		(96)	0	This budget is generally used to fund the over spend within LAC.
SCYP - Placement & Support Team	122		(5)	There is a mixture of reasons for the overspend such as use of agency staff, contact and assessment costs and home to school transport. More recently this budget has funded building work to create in house contact centres.
SCYP - Supporting Children & Young People Team	233		35	Overspend relates to the employment of 7 agency workers to cover staff sickness and capacity issues and a 77% increase in transport costs since last year.
Children's Services Safeguarding Unit		(27)	(6)	Under spend relates to a vacant part time Independent Reviewing Officer post not expected to be filled until 2016/17.
Disabled Children	91		3	Large part of overspend relates to the continued use of agency staff to cover sickness.

FRS – Family Support Team	42		15	This budget has utilised the services of numerous agency social workers to cover for various staff absences.
Bus Cases / Temp Funding - Cabinet 06/05/15		(77)	(161)	Underspend relates to delayed appointment to social worker posts connected with approved business cases

Further analysis of the Service Areas contained within CYP Select can be found in Appendix 7 and Appendix 6 for Children's Services

## 2 2015-16 Savings Progress

The savings required by the 2015-16 have not yet been secured.


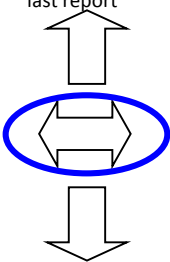
Children & Young People's budgeted savings were £1,514,000 and at month 9 £1,377,000 have been identified. Of the remaining savings £137,000 are currently deemed to be unachievable.

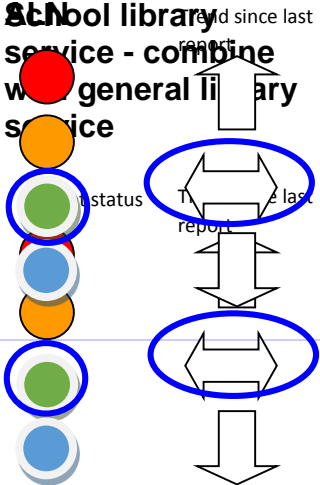
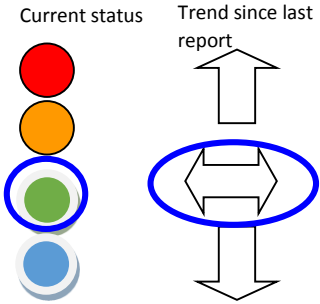
Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed In year £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	<b>Children &amp; Young People</b>					
16	Delegated Schools Budget	1,124,000	1,124,000	0	0	0
18	School Library Service	20,000	20,000	0	0	0
20	School Music Service	50,000	50,000	0	0	0
35	CYP / Additional Needs / Mounon House	120,000	120,000	0	0	0
42	Youth Service	200,000	63,000	0	137,000	0
	<b>TOTAL C&amp;YP</b>	<b>1,514,000</b>	<b>1,377,000</b>	<b>0</b>	<b>137,000</b>	<b>0</b>

2.1 Further analysis of the Savings mandates can be found in Appendix SM.

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p><b>Mandate 16</b></p> <p><b>schools delegated budgets</b></p> <p>Current status</p>  <p>Trend since last report</p> 	<p><b>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</b></p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

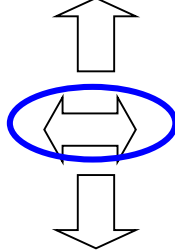
<p><b>Mandate 35 *</b>  <b>Transformation of School library service - combine with general library service</b></p> 	<p><b>We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.</b>  <b>Saving 0.5 million over the 2015/16 savings*</b>      Stages 1 and 2 are complete.      The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).</p>	<p>All timescales of delivery of the mandate to stay in line with the complete review timetable.      No complete review necessary.      All future stages of the ALN review will be monitored via the future mandates.</p>	<p>Income Savings Total</p>	<p>0 20,000 20,000 20,000</p>	<p>0 0 20,000 20,000</p>	<p>0 0 0 0</p>	<p>Sharon Randall-Smith Sharon Randall - Smith</p>
<p><b>Mandate 20</b>  <b>Gwent Music</b></p> 	<p><b>Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-</b>      Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.      Introduce an instrument charge.      Not fill the vacant post.      Music access fund agreed as of 19<sup>th</sup> June by cabinet.      Access fund launched from September 2015.</p>	<p>To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.      Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.      Gwent music continues to work with MCC to ensure the finding is used to support the need.</p>	<p>Income Savings Total</p>	<p>0 50,000 50,000</p>	<p>0 50,000 50,000</p>	<p>0 0 0</p>	<p>Nicky Wellington</p>

**Mandate 42  
Youth Service**

Current status



Trend since last report



Replace core funding with other income sources.  
The Youth Service is exploring new ways of working. They are embracing this opportunity in an innovative way. Small groups are exploring ideas to generate income streams and savings whilst ensuring quality service is maintained.

Sourced and secured ESF funding for pre and post 16 for a period of 3 years. 130k per year secured and runs an academic year so circa 70k will be in this financial year.

Secured 10k from Supporting People's Programme to assist with Post 16 support for 1 year

Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Skate Park Shop in Abergavenny is near opening  
Finalising details with Legal on contract with local business  
Audit and accounts have been set up  
Marketing ready to go out

Propel is steadily progressing  
Courses ready to advertise  
Staffing being trained currently to deliver

Wellbeing is steadily progressing  
Courses being written  
Staff who have expertise in this area are finding it difficult to fit in this as well as working with young people on their case load as these are the priority.

Meetings with all schools to look at new roles for staff and outcomes required to meet funding criteria.  
Planning and writing of resources and courses to be completed over summer period  
Programme to start delivery on 2<sup>nd</sup> September 2015

Meet with SPP to finalise grant.  
Case load young people to be supported. Commence project in July 2015.

Market and promote menus and packages available  
Community Kitchen opened September 2015.

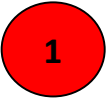
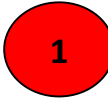
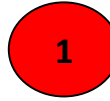
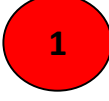
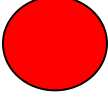

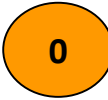
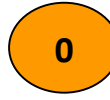

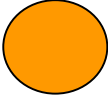










Set income targets once steady business flow is established.  
Shop to be operational by September 2015  
Set income targets once steady business flow is established





















Still awaiting for HUB section to promote courses  
Meeting with staffing team to look at where time can be found in order to free staff up to deliver specialised courses and offer more packages to families and young people

Income	200,000	63,000	137,000
Savings	0	0	0
Total	200,000	63,000	137,000

Tracey Thomas

	<p>£63,000 the savings have been met, but the service are reporting an £137k overspend at month 6.</p> <p><b>Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec) – 60k achievable</b>  <b>Combination of increase in Grant Income and savings on staff vacancies.</b>  Grant income delayed to new financial year</p>	<b>Amendment to delivery plan.</b>	Total	200,000	63,000	<b>137,000</b>	
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<b>Summary - Month 10</b> Current status	<b>Summary – Month 2</b>	<b>Summary – Month 6</b>	<b>Summary – Month 9</b>	<b>Key</b>
				 Not on target Concerns identified with delivery of target. Closely review & monitor.
				 Monitoring & required to keep on track
				 On target to achieve budget and action Plans.
				 On target and over achieve.

<b>Mandate Summary</b>	<b>RAG Month 10</b>	<b>RAG Month 2</b>	<b>RAG Month 6</b>	<b>RAG Month 9</b>
16 Schools Delegated budgets				
18 School Library Service				
20 Gwent Music				
35 Transformation of ALN				
42 Youth Service				



### 3. SCHOOLS

3.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 9 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 9 (Period 3)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Month 6 Draw on School Balances 2015-16 £'000	(C) Variance on Month 6 Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month 9 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	Forecasted Reserve Balances @ Month 6 £'000	Forecasted Reserve Balances @ Month 2 £'000
<b>Clusters</b>							
Abergavenny	(412)	(19)	65	46	<b>(366)</b>	(431)	(312)
Caldicot	(426)	153	(41)	112	<b>(314)</b>	(273)	(174)
Chepstow	98	63	17	80	<b>178</b>	161	143
Monmouth	(424)	154	(17)	137	<b>(287)</b>	(270)	(231)
Special	24	105	11	116	<b>140</b>	129	(4)
	<b>(1,140)</b>	<b>456</b>	<b>35</b>	<b>491</b>	<b>(649)</b>	(683)	(578)

3.1.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £491,000 for 2015/16, therefore leaving £649,000 as forecasted closing reserve balances.

3.1.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, Chepstow Comprehensive school have a recovery plan in place, the latest forecast indicates an increase in the deficit for the school. This is due to the contribution to redundancy costs that the school has incurred and additional water rate. The recovery plan is currently being reviewed and given the predicted increase in number of pupils on roll this deficit will still be met over the duration of the plan.

3.1.4 5 schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crocorney (£30,947), Castle Park (£36,380), Chepstow Comprehensive (£399,926) Llandogo (£11,391) and Mounton House Special School (£142,391). Of these five schools the following four have seen an increase in their deficit balance at month 9, Llandogo (£1,770), this is due to the sickness absence at the school, Chepstow School (£24,478) due to water charges and increase in exam fees, Castle Park (£6,168) due to changes in staffing, and Mounton House Special School (£6,247), due to significant staffing changes and a delay in grant funding through the ESF project.

3.1.5. Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

<b>Financial Year-end</b>	<b>Net level of School Balances</b>
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(649)

3.1.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.1.7 Individual School Balances are available in Appendix 14 CYP School Select.

## Capital Outturn Forecast

The total budget for Capital Schemes within the Children & Young People portfolio is £51,350,996 comprising an original budget of £43,100,948 together with authorised capital slippage from 2014/15 of £7,267,647 and virements or revisions of £982,401. The budget is separated under the following headings

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>Annual Forecast</b>	<b>Original Budget</b>	<b>Slippage from 2014/15</b>	<b>Budget</b>	<b>Total Approved Budget</b>	<b>Provisional Slippage carried Forward 2016/17</b>	<b>Adjusted Budget</b>	<b>Forecast</b>	<b>Variance</b>
				<b>Virement or Revision</b>	<b>@ Month 9</b>		<b>@ Month 9</b>	<b>Over / (Under) Outturn @ Month 9</b>	<b>Reported @ Month 6</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>		<b>£000's</b>	<b>£000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£000's</b>
Asset Mgt Schemes	19	0	19	0	19	0	19	(0)	0
Future Schools	13,552	42,197	6,699	0	48,896	(35,235)	13,661	(110)	(92)
School Development Schemes	269	50	219	806	1,075	(806)	269	0	0
Maintenance Schemes – Property	1,361	853	331	176	1,361	0	1,361	0	0
<b>Grand Total</b>	<b>15,200</b>	<b>43,101</b>	<b>7,268</b>	<b>982</b>	<b>51,351</b>	<b>(36,041)</b>	<b>15,310</b>	<b>(110)</b>	<b>(92)</b>

Further details of all the schemes are contained in the appendix 5C. There is an underspend anticipated in respect of Raglan 21c schools scheme, This is not available for redistribution at this stage, as there is a prior commitment to utilise this source to assist with IT capital replacement in schools during 2016-17.

## APPENDIX (links to Hub)

[M9 School Movement on Reserves 2015-16 Appendix 14.xls](#)

[M9 Social Care and Health Revenue Budget Monitoring 2015-16 Appendix 6.xls](#)

[M9 CYP Revenue Budget Monitoring 2015-16 Appendix 7.xls](#)

Appendix [5C M9 Capital Monitoring Children and Young People Select 2015-16.xlsx](#)