

Children & Young People Select Committee Portfolio Position Statement Outturn (2015-16)

APPENDIX 5

CYP DIRECTOR'S COMMENTARY

The Directorate's outturn position is an under spend of £87,000; this is an improvement of £226,000 compared to Quarter 3. Taking into account requests to and from reserves, the position adjusts to reflect an over spend of £24,000, therefore resulting in a positive variance of £115,000 compared to Quarter 3. Given the challenging budget settlement, this is a very pleasing result indeed. The youth service is a volatile area having been subject to a £200,000 savings mandate. The over spend for the youth service is £116,000, which is £5,000 more than anticipated at Quarter 3. It is pleasing to note that the Additional Learning Needs service is underspent by £298,000, again an improvement of £168,000 since Quarter 3, due to higher rates of recoupment and decreased costs of placements out of county.

SCH DIRECTOR'S COMMENTARY

The overall outturn position for the directorate is £1.2m after reserve funding adjustments, in line with our month 9 predictions.

In relation to Children's Services, after adjusting for the YOS budget overspend of £57K to be reserve funding, the amended outturn overspend is £1,431m, a variance of £67K on month 9.

In January 2016, Cabinet approved a 3 year service and financial plan. A further £1 million for 2016/17 has been invested in children's services reflecting a 3 year programme to modernise the workforce, practice and commission. This was based on projected number of looked after children as at November 2015. Numbers within the looked after system have continued to rise to year end and the major contributor to the overspend position is the external placement budget of £1.038m. At the start of the year, stood at 106 but closed at 130, an increase of 24. A commissioning strategy (and workforce and practice improvement plans) will be brought forward to the next CYP Select Committee which will also update progress on the business cases approved In May 2015.

1 Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Children & Young People Service Area	Budget @ Month 9 £000's	Budget Revision Virements £000's	Budget @ Outturn £000's	Actual Outturn £000's	Variance @ Outturn £000's	Variance @ Month 9 £000's	Variance @ Month 6 £000's	Variance @ Month 2 £000's	Actual Movement Months 9 to Outturn £000's
21st Century Schools	0	0	0	0		0	0	0	0
Individual School Budget	43,918	0	43,918	44,047	129	115	28	0	14
Resources	1,402	0	1,402	1,343	(59)	49	74	61	(109)
Standards	5,434	0	5,434	5,162	(272)	(136)	(42)	99	(136)
Youth	597	0	597	713	116	111	137	114	5
CYP Directorate	51,351	0	51,351	51,265	(86)	140	197	274	(226)
Children's Services	8,696	0	8,696	10,184	1,488	1,364	1,297	675	124
Total C&YP Select	60,047	0	60,047	61,449	1,402	1,504	1,494	949	(102)

1.2 The most significant over and underspends are

Children & Young People Service Area	Overspend £000's	Underspend £000's	Actual Movement Mth's 9 to Outturn (Positive)/ Negative £000's	Commentary on Outturn
STANDARDS				
Additional Learning Needs		298	(168)	The outturn position against the contingency budget equated to an overspend of £105k. This was £40k more than anticipated at month 9 due to the award of SAPRA funding to schools late in the Spring term. Additional savings of £140k for out of county placements and an increased level in recoupment income of £68k in comparison to month 9 explain the net positive variance of £168k.

Primary Breakfast Initiative Grant	57		2	Take up continues to increase and therefore resulting in additional staffing requirements.
Early Years		45	0	Reduced distribution of funding for non-maintained settings (as per month 9).
Collaborative Arrangements		43	(5)	Contributions to joint services part-refunded due to underspends by host LA's.
ALN Management	42		42	A restructure in ALN as per the report taken to Cabinet meeting on 26 th March 2016 has resulted in a cost to the directorate – a request to fund this from reserves has been agreed.
ISB				
ISB	129		14	This includes an underspend against invest to redesign reserve funding of £49k - a request has been submitted to slip this funding into 16-17 to support the work that is ongoing. As it was assumed at month 9 that this reserve would be fully spent, the actual variance to outturn therefore equates to £63k. This is due to higher than anticipated legal (£8k), transport (£21k) and ICT (£34k) costs.
RESOURCES				
Support Services	83		14	Costs of health and safety assessments for pupils have resulted in an increased overspend in this area in comparison to the month 9 forecast. In addition, the final recovery board costs have resulted in a small further increase in the overspend reported at month 9.
Service Level Agreements		158	(148)	A request has been made to transfer £104k of the underspend for the sickness and maternity compensation schemes to a new reserve to safeguard against any potential overspends in future, given the volatility of the costs involved to the Authority. The costs of this premature retirement compensation are not known to the directorate until year end. Due to the nature of the remaining liability, it is likely that the cost will continue to reduce marginally on an annual basis.
YOUTH				
Community Education Youth General	116		5	Small negative variance to month 9 due to the further delay in commencement of ESF funded project. This has now begun in April 2016.

CHILDRENS SERVICES				
Fostering Allowances and Payments For Skills	150		6	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		(72)	(6)	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an underspend.
Ty'r Enfys		(52)	0	This facility has remained closed for the entire year. In 2016/17 this budget has been used to deliver an alternative service.
Counsel Costs	111		93	Significant Barrister / Solicitor costs incurred that were unexpected within 2015-16 at M9
Therapeutic Service		(26)	2	Under spend due to part vacant Play Therapist post.
External Placements - LAC	1,038		(56)	Outturn activity resulted in 71 placements compared to 70 at month 9. 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 needs to be considered in conjunction with External Placements - LAC
SCYP - Placement & Support Team	150		28	Mainly due to use of agency staff
SCYP - Supporting Children & Young People Team	250		18	Use of agency staff and increased child transport costs
Disabled Children	84		(7)	Large part of overspend relates to the continued use of agency staff to cover sickness.
Other		18	64	See Appendices 5 and 6 for further detail
Totals	2,200	808	(102)	Net Total 1,402

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

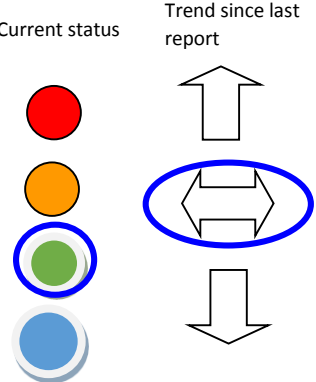
The target savings required during 2015-16 are outlined below.

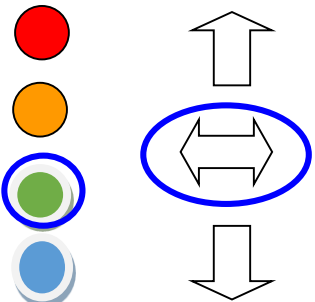
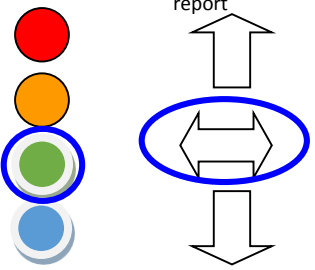
Children & Young People's budgeted savings were £1,514,000 and at outturn £1,398,000 have been identified. Of the remaining savings £116,000 are deemed to be unachievable, which is an improvement on month 9 of £23,000.

Man. No.	Mandate Description	Target Savings £'s	Actual Savings Achieved £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Actual Savings Variance Since Month 9 £'s
	Children & Young People					
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 / Mounton House	120,000	120,000	0	0	0
42	Youth Service	200,000	84,000	0	116,000	(23,000)
	TOTAL C&YP	1,514,000	1,398,000	0	116,000	(23,000)

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

Budget Mandates
Progress and Next Steps at Outturn
(including Recovery Plan actions agreed by Cabinet 2nd December 2015)

Mandate RAG	Outturn position	Next Steps	Type	Year-end target	Achieved at outturn	Variance	Owner
Mandate 18 * School library service - combine with general library service Current status Trend since last report 	2014/15 mandate with 2015/16 savings* Savings achieved – mandate delivered	No next steps necessary	Income	0	0	0	Sharon Randall - Smith
			Savings	20,000	20,000	0	
			Total	20,000	20,000	0	

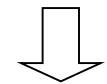
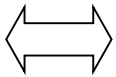
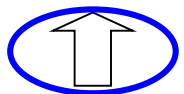
<p>Mandate 20</p> <p>Gwent Music</p> <p>Current status Trend since last report</p> 	<p>Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-</p> <p>Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.</p> <p>Introduce an instrument charge.</p> <p>Not fill the vacant post.</p> <p>Music access fund agreed as of 19th June by cabinet.</p> <p>Access fund launched from September 2015 which has proved to be very successful and oversubscribed. Gwent Music are administering this on our behalf and dealing direct with schools.</p>	<p>To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.</p> <p>Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.</p> <p>Gwent music continues to work with MCC to ensure the finding is used to support the need.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nicky Wellington</p>
<p>Mandate 35</p> <p>Transformation of ALN</p> <p>Trend since last report</p> 	<p>We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.</p> <p>Savings fully met for this year.</p> <p>Stages 1 and 2 are complete. The team have commenced consultation with families as part of the stage 3.</p>	<p>All timescales of delivery of the mandate to stay in line with the 'complete review' timetable.</p> <p>All future stages of the ALN review will be monitored via the future mandates.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall-Smith</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. The kitchen is going well and on average making an average of £100 per week.

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. The shop is seasonal and a small amount of income was achieved for the financial year. The shop is currently closed.

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

Wellbeing is steadily progressing
Courses being written

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 was due to commence delivery on 2nd September 2015, however this was delayed until April 2016.

Meet with SPP to finalise grant.
Case load young people to be supported. This has commenced and is currently supporting 18 young people.

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


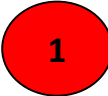
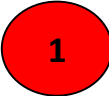

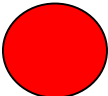

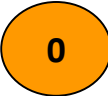
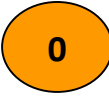

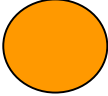










Set income targets once steady business flow is established.
Shop to be operational by September 2015
Set income targets once steady business flow is established

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>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.</p> <p>£63k of the savings have been achieved, but the service reported an £137k overspend at month 6.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 60k achievable Combination of increase in Grant Income and savings on staff vacancies. £21k has been achieved on the alternative delivery plan as at outturn.</p>	<p>Courses have run and have been full and created good steady income stream.</p> <p>Amendment to delivery plan.</p>	Total	137,000	21,000	116,000	
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Summary - Outturn	Summary – Month 2	Summary – Month 6	Summary – Month 9	Key
				 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.

Mandate Summary	RAG Outturn	RAG Month 2	RAG Month 6	RAG Month 9
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.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Month 9 Draw on School Balances 2015-16 £'000	(C) Variance on Month 9 Reserve Draw £'000	(D) Draw on School Balances @ Outturn £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	Forecasted Reserve Balances @ Month 9 £'000	Forecasted Reserve Balances @ Month 6 £'000	Forecasted Reserve Balances @ Month 2 £'000
Clusters								
Abergavenny	(412)	46	(228)	(182)	(594)	(366)	(431)	(312)
Caldicot	(426)	112	(276)	(164)	(590)	(314)	(273)	(174)
Chepstow	98	80	40	120	218	178	161	143
Monmouth	(424)	137	(12)	125	(299)	(287)	(270)	(231)
Special	24	116	(31)	85	109	140	129	(4)
	(1,140)	491	(507)	(16)	(1,156)	(649)	(683)	(578)

3.1.2 School balances at the beginning of the financial year amounted to £1,140,000. The Schools budgeted draw upon balances was £620,000 for 2015/16, however at outturn the actual position saw an increase in balances overall of £16,000, therefore leaving £1,156,000 as 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, however at outturn the result is an increase in the deficit for the school, as reported at month 9. This is due to the contribution to redundancy costs that the school has incurred and additional water rates. 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 Five schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crucorney, Castle Park, Chepstow Comprehensive, Llandogo and Mounton House Special School. Of these five schools, the following three have seen an increase in their deficit at outturn and their balances are as follows: Chepstow School (£414,066) due to water charges and an increase in exam fees; Llanvihangel Crucorney (£23,605) as a result of having to employ an additional teacher due to increased pupil numbers; and Mounton House Special School (£154,854), due to significant staffing changes and

a delay in grant funding through the ESF project. The other two schools have seen a decrease in their deficit balance. One additional school, Overmonnow Primary, is now also exhibiting a deficit (£19,101), taking the total number of schools in a deficit position to six at the end of 2015/16.

- 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.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16	(1,156)

- 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 Approved 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 £961,552. The budget is separated under the following headings

CHILDREN & YOUNG PEOPLE	Actual Outturn £000's	Original Budget £000's	Slippage from 2014/15 £000's	Budget Virement or Revision £000's	Total Approved Budget @ Outturn £000's	Provisional Slippage carried Forward 2016/17 £000's	Adjusted Budget @ Outturn £'000's	Actual Variance To Budget @ Outturn £,000's	Forecast Over / (Under) Outturn @ Month 9 £000's	Variance Since Month 9 £000's
Development Schemes Over £250k	13	0	19	(6)	13	0	13	0	0	0
ICT Infrastructure and Hardware	59	0	0	806	806	(827)	(21)	80	0	80
Education Strategic Review	10,134	42,247	6,917	0	49,165	(38,895)	10,270	(137)	(110)	(27)
Maintenance Schemes Property	1,071	854	331	161	1,346	(9)	1,337	(266)	0	(266)
Grand Total	11,276	43,101	7,268	962	51,330	(39,731)	11,599	(323)	(110)	(213)

Further details of all the schemes are contained in the appendix 5C.

APPENDIX (links to Hub)