

Children's Services Committee

| | |
|---|--|
| Report title: | Integrated Performance and Finance Monitoring 2017-18 |
| Date of meeting: | 17 October 2017 |
| Responsible Chief Officer: | Matt Dunkley Interim Executive Director Children's Services |
| Strategic impact Robust performance and risk management is key to ensuring that the organisation works both efficiently and effectively to develop and deliver services that represent good value for money and which meet identified need. | |

Executive summary

Performance is reported on an exception basis, meaning that only those vital signs that are performing poorly or where performance is deteriorating are presented to committee. Those that do not meet the exception criteria will be available on the Performance section of the Norfolk County Council web site. The two measures which are currently rated as Red (CP Child Seen and LAC Health Assessments) were reported via scorecards to the last Committee.

This report focusses primarily on data as at end of August 2017 and in addition to vital signs performance, this report and its appendices contain other key performance information via the (MI) Report (Appendix 2).

Members should note that, due to changes to teams which have occurred during the reporting period, some of the data reported within the MI report is not accurate. Where that is the case, it is highlighted in the accompanying narrative. This was a predicted, one-off event and we expect a return to normal reporting going forward.

Locality-level performance information is available on the Members Insight area of the intranet.

Recommendation:

Review and comment on the performance data, information and analysis presented in the vital sign report cards and determine whether the recommended actions identified are appropriate or whether another course of action is required.

1. Introduction

1.1 Performance dashboard

1.1.1 The performance dashboard provides a quick overview of Red/Amber/Green rated performance for our vital signs over a rolling 12 month period. This then complements that exception reporting process and enables committee members to check that key performance issues are not being missed.



Children's Services Committee - Vital Signs Dashboard

NOTES:

Green is in line with high performing authorities; Amber within 10% (not percentage points) of high performing authorities; Red being more than 10% worse than high performing authorities.

'White' spaces denote that data will become available; 'grey' spaces denote that no data is currently expected, typically because the indicator is being finalised.

The target value is that which relates to the latest measure period result in order to allow comparison against the RAG colours. A target may also exist for the current and/or future periods.

| Monthly | Bigger or Smaller is better | Aug 16 | Sep 16 | Oct 16 | Nov 16 | Dec 16 | Jan 17 | Feb 17 | Mar 17 | Apr 17 | May 17 | Jun 17 | Jul 17 | Aug 17 | Target |
|---|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------|
| {ChS} Percentage of Referrals into Early Help Services who have had a referral to EH in the previous 12 months | Smaller | 7.9% | 14.1% | 13.3% | 18.0% | 11.1% | 11.3% | 10.1% | 13.7% | 14.7% | 18.4% | 16.8% | 21.7% | 11.3% | 20.0% |
| | | / | / | / | / | / | / | / | / | / | / | / | / | / | |
| {ChS} Percentage of Referrals into Section 17 CIN Services who have had a referral to S.17 CIN in the previous 12 months | Smaller | 23.5% | 27.2% | 25.9% | 26.4% | 20.0% | 23.8% | 22.2% | 22.6% | 26.3% | 28.6% | 22.8% | 24.0% | 21.9% | <20% |
| | | 99 / 421 | 172 / 650 | 195 / 754 | 196 / 743 | 113 / 566 | 185 / 776 | 154 / 693 | 187 / 826 | 133 / 506 | 187 / 654 | / | / | / | |
| {ChS} Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (in the last 2 years) | Smaller | 8.6% | 9.5% | 14.3% | 7.8% | 12.7% | 4.2% | 9.8% | 7.6% | 5.5% | 5.7% | 16.2% | 8.4% | 9.8% | |
| | | / | / | / | / | / | / | / | / | / | / | / | / | / | |
| {ChS} Child in Need (CIN) with up to date CIN Plan | Bigger | 66.9% | 73.0% | 72.6% | 72.5% | 70.6% | 85.7% | 86.7% | 81.9% | 78.3% | 82.1% | 79.9% | 84.0% | 80.0% | 100% |
| | | 1246 / 1825 | 1196 / 1600 | 1248 / 1656 | 1250 / 1649 | 1254 / 1707 | 1084 / 1265 | 1052 / 1213 | 997 / 1218 | 950 / 1213 | 958 / 1167 | 1057 / 1323 | 1052 / 1253 | 890 / 1112 | |
| {ChS} Child Protection (CP) - % children seen | Bigger | 89.3% | 89.5% | 88.8% | 87.5% | 90.7% | 89.1% | 84.5% | 93.3% | 90.5% | 90.0% | 58.3% | 68.6% | 49.2% | 100% |
| | | 418 / 468 | 417 / 466 | 428 / 482 | 393 / 449 | 411 / 453 | 423 / 475 | 392 / 464 | 458 / 491 | 466 / 515 | 441 / 490 | 298 / 511 | 359 / 523 | 272 / 553 | |
| {ChS} LAC with up to date Care Plan | Bigger | 97.6% | 97.7% | 97.8% | 97.1% | 98.5% | 98.6% | 98.0% | 97.3% | 97.1% | 96.5% | 96.6% | 96.6% | 96.2% | 100% |
| | | 1020 / 1045 | 1031 / 1055 | 1037 / 1060 | 1053 / 1085 | 1083 / 1100 | 1097 / 1113 | 1083 / 1105 | 1075 / 1105 | 1061 / 1093 | 1057 / 1095 | 1066 / 1103 | 1066 / 1103 | 1075 / 1117 | |
| {ChS} LAC with up to date Health Assessment (HA) | Bigger | 87.6% | 88.7% | 89.3% | 91.1% | 88.4% | 87.8% | 89.4% | 86.5% | 85.4% | 79.9% | 78.1% | 79.3% | 80.1% | 100% |
| | | 664 / 758 | 673 / 759 | 677 / 758 | 683 / 750 | 661 / 748 | 652 / 743 | 666 / 745 | 641 / 741 | 624 / 731 | 591 / 740 | 580 / 743 | 606 / 764 | 622 / 777 | |
| {ChS} Eligible Care Leavers with up to date Pathway Plan | Bigger | 84.4% | 88.3% | 86.6% | 87.6% | 91.5% | 89.9% | 84.4% | 82.6% | 84.1% | 85.9% | 83.7% | 84.5% | 83.6% | 100% |

1.2 Report cards

1.2.1 A report card has been produced for each vital sign. It provides a succinct overview of performance and outlines what actions are being taken to maintain or improvement performance. The report card follows a standard format that is common to all committees.

1.2.2 Each vital sign has a lead officer, who is directly accountable for performance, and a data owner, who is responsible for collating and analysing the data on a monthly basis. The names and positions of these people are clearly specified on the report cards.

1.2.3 Vital signs are reported to committee on an exceptions basis. The exception reporting criteria are as follows:

- Performance is off-target (Red RAG rating or variance of 5% or more)
- Performance has deteriorated for three consecutive months/quarters/years
- Performance is adversely affecting the council's ability to achieve its budget
- Performance is adversely affecting one of the council's corporate risks.

1.2.4 Vital Signs performance is reported on an exception basis using a report card format, meaning that only those vital signs that are performing poorly or where performance is deteriorating are presented to committee. To enable Members to have oversight of performance across all vital signs, all report cards will be made available to view through Members Insight. To give further transparency to information on performance, for future meetings it is intended to make these available in the public domain through the Council's website.

2. Impact of Support For Education Improvement (Needs Analysis at Appendix 1)

2.1 Ofsted Outcomes

The percentage of schools judged to be Good or Outstanding is 89%, which remains the same last the latest available national average.

2.2 Education Achievement

2.2.1 For more detail on unvalidated outcomes at primary phase in 2017, see the “Early Needs Analysis v1 Test and teacher assessment outcomes primary phase” (appendix 1)

An in depth analysis of validated outcomes up to 2016 is published online at www.schools.norfolk.gov.uk/Supportforschoolimprovement/School-Performance/

2.2.2 Norfolk and National outcomes at EYFS and Key Stage 1 are calculated by the National Consortium for Education Results (NCER). No official figures are available yet from the Department for Education, but they are likely to be in line with NCER calculations. Unvalidated National and Norfolk Key Stage 2 outcomes have been published by the Department for Education. Cohort amendments and re-marking of tests can affect national and local results. Validated results will be available in December. No data is yet available to evaluate outcomes at Key Stage 4 (GCSE) or post 16.

2.2.3 Early Years Foundation Stage (age 5)

The percentage of children achieving the expected “Good Level of Development” remains in line with national data. The percentage of children exceeding expected standards in 2017 is below 2016 national data (2017 national data is not yet published).

2.2.4 Key Stage 1

The percentage of pupils in year 1 (age 6) achieving the expected standard remains below national averages. This is the second year that pupils have been teacher assessed against the revised National Curriculum. Norfolk outcomes are broadly in line with national averages.

2.2.5 Key Stage 2

This is the second year that pupils have taken tests which reflect the content of the new national curriculum. As expected there was significant improvement in Norfolk and Nationally as schools better understood the new content and prepared pupils better. Norfolk outcomes at Key Stage 2 remain below national averages.

2.2.6 Participation post 16

The key Department for Education indicator is the combined percentage of young people whose destination is unknown and those who are not in education, employment or training (NEET). During the last academic year we have worked proactively and maintained above average performance in this measure. The percentage has varied between 1 and 1.5% over the year, which places us in the second quintile nationally.

Norfolk young people at 16 and 17 years old who are participating in learning was stronger than national at the end of December but slightly weaker in June which indicates that we are not retaining students in year post 16 at the same level as nationally.

2.2.7 Exclusion

The overall number of confirmed permanent exclusions from Norfolk schools in the 2016/17 academic year is provisionally 266 (0.23% of the school population), compared to 247 (0.22%) in 2015/16. Final data will be available at the end of October when the independent review period has expired. This is much higher than the national exclusion rate which in 2015/16 was 0.08%. Proactive work by the Virtual School for Children in Care has ensured that no Looked After Child has been permanently excluded in the Spring or Summer term.

3. Early Help (MI report at appendix 2)

- 3.1 The drop in the percentage of requests for support that result in allocation to EHFF should not necessarily be seen as a negative. This is likely to reflect action being taken locally through early help arrangements to ensure families are being supported at an appropriate level and ensure that EHFF holds more targeted cases. Efforts to encourage and support more referrers to offer families support and/or hold Family Support Plans themselves are proving successful and there was a steep increase in the number of Family Support Plans initiated by partner agencies in July (+51% to previous month). There is a wide variation across localities for this measure, with the South consistently taking 100% due to multi-agency triaging of cases in the hub before referral to EHFF, whilst in Norwich, triaging of cases is taking place at the point of referral to EHFF, resulting in a rate of 41%.
- 3.2 It is encouraging that we have seen a significant increase in the percentage of new cases that have been stepped down from social care, although there are significant differences across the county, with 60% of new cases having stepped down in Breckland compared to only 9.7% in Norwich. In-reach by EHFF teams is enabling families to have a better transition to early help, and the apparent sharp increase in the volume of in-reach in July reflects an exceptionally high volume being reported by Breckland. Some caution in interpreting the data is required until longer term trends for step downs and in-reach are clearer.
- 3.3 The slight increase in the proportion of cases that are re-referrals to EHFF is being closely monitored to understand whether referrals are positive in that they reflect individuals and families feeling able to make decisions about when they need help or negative in that they reflect cases closing too quickly. All teams are being asked to analyse and report on re-referrals occurring over May – August.

4. Social Work (MI Report at Appendix 2)

4.1 Contact and Referrals

- 4.1.1 The number of contacts in August fell as would be expected during the summer school holiday, however the figure is significantly higher than that seen at the corresponding time last year. A higher percentage of contacts were accepted as referrals, this could indicate that the application of thresholds both from referrers and decision makers within MASH is becoming more robust (i.e. more appropriate contacts are being made). However we cannot be sure this is the case and measure it against data over the coming months in terms of contacts into referrals and also whether more assessments result in ongoing involvement from social care.
- 4.1.2 The number of referrals in August 17 is an anomaly in that we have in the past seen numbers fall during the school holiday period. The number is more than double that in August 16 and the highest in the last 12 months. All localities except Breckland saw a rise in numbers from July 17 with the most significant seen in Norwich (up by 39), West (up by 46) and Great Yarmouth (up by 54). As previously suggested, given the number of contacts fell this month, the increase in referrals may be the result of changes to the application of thresholds. Whether this means that 'the right children' are being referred for an assessment can be considered through analysis of data regarding outcomes of SWA in the next couple of months - i.e. an increase in outcomes of no ongoing involvement might suggest inappropriate application of threshold for referral. With regards to repeat referral rates, all localities except Great Yarmouth saw a drop in the percentage rose by 5% to 32.2% and their repeat referral rates continue to be higher than the other localities. the locality has been done in the past and the Head of Social Work will be asked to look at this again given the continuing concerns.

4.2 Assessments

- 4.2.1 There was a rise in the number of Social Work Assessments completed in August 17 but not above the highest levels and not as many as seen in August last year. Whilst we are not above the national average for this measure, we are significantly above the statistical neighbour and Eastern Region averages. Whether we are undertaking the right assessments on the right children at the right time continues to be a theme in Quality Assurance team activity via dip-sampling work and will continue to be considered through analysis of referral and outcomes of assessment data.

4.3 Child Protection (CP)

- 4.3.1 The number of children subject to child protection planning has decreased slightly and is similar to the figure we saw last August. We are in line with the Eastern Region average and below both the statistical neighbour and national averages. Whilst Norwich remains high in terms of rate per 10k under 18s at 60.5 this is a significant drop from May 17 where the figure was 77 per 10k and this is likely to be a result of more scrutiny on decision making regarding going to ICPC and also changes in work practice through the new smaller teams. Great Yarmouth however have seen an increase in CP cases with a rate of 58.4 per 10k, which is the highest rate seen over the past 12 months and significantly higher than the figure in August 17 (47.2). The number of children subject to CP plans has been gradually increasing since May 17 and it would be helpful for the HOSW and team managers to consider reasons for this, i.e. particular issues within the wider locality, different approached to decision making etc.
- 4.3.2 The number of children subject to ICPC in August was very low at only 55. Whilst this is significantly less than that seen in August last year, it is not unusual to see lower numbers during school holiday periods (e.g. December 16 and April 17). Whilst the data states that 12.7% of ICPCs were not in timescales, this relates to only 7 children across 3 localities. The figure of 87.3% of ICPCs within 15 days of strategy discussion is also higher than the statistical and national averages and significantly higher than the Eastern Region average.

4.4 Looked After Children

- 4.4.1 The numbers of looked after children within the county have risen to the highest level seen in the past 12 months. It remains a top priority of the local authority to reduce the numbers of children in it's care, however it is recognised that this is not something that will happen quickly and we need to give new initiatives time to have a positive impact. The new edge of care service, New Directions, is now in place and from 18th September new locality panels chaired by the Heads of Localities will be operational. In terms of the individual localities , all except Norwich have seen a rise in numbers. However the drop for Norwich is due to a reconfiguration of boundaries, whereby some of it's cohort of LAC have transferred to the South locality.
- 4.4.2 A very high proportion of our looked after children continue to have up to date care plans. Through audit there is some evidence of better quality planning as of 13 LAC cases audited by managers in August and September, 12 at least met the practice standard for planning and review, with 2 exceeding practice standards. However, there are still areas where improvement is needed.
- 4.4.3 We have had no increase in the numbers of children being placed in residential settings in the past month. However there are 12 children under 11 in residential placements and teams and Independent Reviewing Officers are being asked to ensure that residential is the right placement for these children and to plan for a move to foster care or kinship care where this is more appropriate. It also needs to be noted that there are recognised sufficiency issues regarding in-house fostering paces, particularly foster carers able to offer care to those children with very complex emotional and behavioural issues.
- 4.4.4 Whilst the percentage of children who attended their LAC reviews has increased significantly, it is too early to conclude that this is solely due to recent work by the Independent Reviewing Service to engage certain cohorts of children, although the impact of this is not dismissed. One reason for the big increase in August is likely be that more reviews are held at the foster home during school holiday times than at other points in the year, and the child would in those cases more likely be within the home and therefore take some part in the meeting. There was a wide variance in the performance across localities with North & Broadland the highest performing at 89.5% and Breckland the lowest at 50%.

4.5 Care Leavers

- 4.5.1 There has been a fall in the percentage of Care Leavers with a pathway plan. For Breckland and West this data is not clear as the team that covered both localities has recently separated out into two. All the localities are being reminded of the need to understand which young people do not have an up to date plan and ensure this is addressed as soon as possible. Improving the quality of pathway plans continues to be a top priority and there is now a Leaving Care Practitioner Learning and Development Framework in place to aid this.
- 4.5.2 Due to team changes, the reporting has not included the young people who are now allocated to the new Breckland Leaving Care team and therefore the county figure regarding the number of care leavers is not accurate. However, the suitable accommodation and EET figures continue to be above statistical neighbour and national averages. There is now a new Learning and Development framework in place for Leaving Care Practitioners to ensure assessment, planning and interventions with young people have positive, aspirational, outcomes,

4.6 Adoption

- 4.6.1 Recent analysis shows that in the past 12 months it took an average of 315 days from stage 1 of the adoption process (child entering care) to stage 6 (child being place for adoption) which is

below the DfE target of 426 days. And whilst we are above the threshold for time between placement order being made and the child being matched to prospective adopters, at 166 days we are performing significantly better than our own statistical neighbour and national 3 year averages, all of which were over 200 days. Their improvement in performance is likely to reflect more use of foster to adopt placements. It is also noted that in the past 6 months 10 of the 120 over 5 years old who ceased to be looked after were adopted (8%) which is an improvement on our 3 year average of 4% for 2012-15 and evidences how the adoption and frontline teams are working hard to ensure that, where it is appropriate, adoption is being supported for older children.

4.7 Caseloads

4.7.1 As with some of the other data within this report the caseload data is not complete as, due to operational changes, not all teams have been included. Allocations are checked on a weekly basis and any anomalies, particularly around very high caseloads are discussed with team managers and/or Heads of Social Work. Caseloads still tend to be high for some workers within assessment teams and team managers need to ensure they are supporting those workers to manage this and close those cases which have had assessments and need no further social care involvement.

* Eligible care leavers are young people aged 16 or 17 who are currently looked after

** Relevant care leavers are young people aged 16 or 17 who have been **eligible** care leavers

*** Former relevant care leavers are Young People aged 18-21 who have been **eligible** and/or **relevant** care leavers

5. Financial Implications

- 5.1 This report provides the initial performance and financial forecast outturn information for the 2017-18 financial year to Children's Services committee.
- 5.2 The report sets out the financial outturn data for the period ending 31 March 2018 as at the end of August 2017 (period 5).
- 5.3 The report sets out the variations between the approved budget for 2017/18 and the forecast spending during the year, as well as the variations between the forecast outturn information as at period 5 compared to period 4. These are described in paragraphs 5.6 and 5.7 below. The overall financial position covers the Revenue Budget, School Balances, Reserves and Provisions, and the Capital Budget for Children's Services.
- 5.4 The main financial points within the paper are:
- 5.4.1 The Children's Services revenue budget shows a projected overspend of £3.311m for the 2017-18 financial year;
- 5.4.2 The Schools' revenue budget shows a projected overspend of £5.093m for the 2017-18 financial year;
- 5.4.3 The projected level of Locally Maintained School balances as at 31 March 2018 is £12.155m;
- 5.4.4 The expected level of unused reserves and provisions as at 31 March 2018 is £8.379m, which is a combination of £3.682m for Schools and £4.697m for Children's Services;
- 5.4.5 The Children's Services capital budget is £67.982m following re-profiling to future years and other changes.
- 5.4.6 Management action is being taken to reduce the projected level of overspend against both the Children's Services revenue budget and the Schools' revenue budget;
- 5.4.7 Any overspend against the Schools' revenue budget will be funded through a loan from Locally Maintained Schools balances that will need to be repaid in future years, with proposals taken to the Schools Forum.
- 5.5 Revenue – Prior Period Forecast Position**
- 5.5.1 The initial financial outturn forecast for 2017-18, as at the end of July 2017 (period 4), was provided to Children's Services committee in September. This report forecast an overspend of £1.778m against the Children's Services revenue budget and an overspend of £0.732m against the Schools' revenue budget.
- 5.5.2 In addition, it was reported that it was anticipated that the following additional in-year costs would be offset through the utilisation of one-off monies (the source of which is being investigated by officers and to be confirmed):
- two Children's Services savings that have been rated as RED in respect of 2017-18, representing a savings shortfall of £1.182m. Delivery of savings from changes in the Education Service have been delayed due to the extended general election purdah period, and the Troubled Families grant from Government is forecast to be lower than originally expected.

- there is an expected overspend relating to the contract costs of specialist intervention and support for children with behavioural and mental health needs, and their families. A change in commissioning strategy has meant we are continuing with the contract and need to identify new funding.

5.6 Revenue – Local Authority Budget

5.6.1 The following summary table shows, by type of budget, the forecast spend for the year where there is a variance to the 2017-18 budget. The table shows the variance both in terms of a cash sum and as a percentage of the approved budget, and the main reasons for the variances.

| Division of service | Approved budget £m | Outturn £m | +Over/- Underspend £m | +Over/ - Underspend as % of budget | Movement since last report £m | Reasons for variance from budget | Reasons for variance from budget |
|--|-----------------------|---------------|-----------------------------|---|--|--|--|
| Forecast Overspends | | | | | | | |
| Looked After Children - Agency Fostering | 15.091 | 16.371 | 1.280 | 8 | 0.355 | There has been a significant increase in number of children currently supported compared to the 16-17 average and since the start of 17-18. The costs have increased as a result of both the full year effect of a contract changes during 16/17 and the additional numbers of children. Part of the £9m one-off investment was allocated alongside the inflationary increase in the budget, but the allocation was based upon the assumption that Independent Fostering Agency usage would remain at 2016-17 levels | New placements exceeded ceased placements both in volume and in average cost |
| Looked After Children - Agency Residential | 11.632 | 11.913 | 0.281 | 2 | 0.746 | There has been an increase in the number of children currently supported compared to 16-17 average. Overall expenditure is forecast to be in excess of £1m higher than 16-17. Part of the £9m one-off investment was allocated alongside the inflationary increase in the budget | New placements (including those for planned admissions from September onwards) exceed ceased placements both in volume and in average cost, and the cost reduction of reviewed placements. There is a £0.267m budget movement from the agency residential budget to fund increased management capacity and reduced team sizes within the social work teams - these changes are expected to bring about reductions to spend on Looked After Children in the medium term |

| Division of service | Approved budget | Outturn | +Over/- Underspend | +Over/ - Underspend as % of budget | Movement since last report | Reasons for variance from budget | Reasons for variance from budget |
|--|-----------------|---------|--------------------|------------------------------------|----------------------------|---|--|
| Looked After Children - In-house Fostering | 8.767 | 9.780 | 1.013 | 12 | 0.000 | The forecast is higher than last year's outturn due to supporting additional children fostered in-house. This shift is in line with management action during 2017-18 to alter the placement mix towards in-house fostering. | |
| Looked After Children - In-house Residential | 4.980 | 5.180 | 0.200 | 4 | 0.200 | Additional costs due to high level of maternity and sickness | As per the budget variance explanation |
| Staying-put fostering | 0.000 | 0.265 | 0.265 | n/a | 0.017 | Additional net cost over and above the government grant received of £0.371m. This level of forecast spend is similar to last year for a similar number of young people supported. | |
| Adoption allowances | 0.491 | 0.664 | 0.173 | 35 | 0.000 | Similar forecast spend compared to 16-17 outturn | |
| Independent Reviewing Officers | 1.609 | 1.769 | 0.160 | 10 | 0.160 | Additional posts have been required over and above the agreed establishment due to the number of Looked After Children. Some have been funded as part of the £9m one-off investment. | As per the budget variance explanation |
| Children with Disabilities client costs | 1.412 | 2.053 | 0.641 | 45 | 0.115 | Additional costs for extensive nursing support (less health contribution) that were not anticipated when the budget was set | Revision of the anticipated costs |
| Sub Total of Forecast Overspends | | | 4.013 | | 1.593 | | |

| Division of service | Approved budget | Outturn | +Over/- Underspend | +Over/ - Underspend as % of budget | Movement since last report | Reasons for variance from budget | Reasons for variance from budget |
|---|-----------------|---------|--------------------|------------------------------------|----------------------------|---|----------------------------------|
| Forecast Underspends | | | | | | | |
| Children's Centres | 10.150 | 9.890 | -0.260 | -3 | -0.060 | Review of the current contract arrangements with all the providers has resulted in a small under-spend expected in-year due to the phasing of spend over the whole life of the contracts | |
| Early Help Support | 7.281 | 7.061 | -0.220 | -3 | 0.000 | Vacancies were held in the team in readiness for the New Direction service under the remit of Barnardos | |
| School / College redundancy / pension costs | 4.473 | 4.251 | -0.222 | -5 | 0.000 | Reduced school redundancy costs and reduced number of pension beneficiaries. Budget has been historically reduced on a yearly basis, and will be reviewed to identify further ongoing reductions (which can differ from in-year impact) | |
| Sub Total of Forecast Underspends | | | -0.702 | | -0.060 | | |
| Total NCC funded | | | 3.311 | | 1.533 | | |

5.6.2 Officers have identified a number of actions to be taken with the intention of reducing the in-year forecast overspend and the expected impact. These actions are summarised in the table below:

| Action to be taken | Expected Impact |
|---|---|
| Investigate the source of one-off monies | Offset the costs resulting from (i) delays in implementation of Education Services Review implementation; (ii) unfunded contract for specialist intervention and support for children with behavioural and mental health needs and their families contract; and (iii) under-recovery of Troubled Families income |
| Strengthen management arrangements in social work teams through (i) creation of locality panels; (ii) introducing different approaches to challenging practice; (iii) introducing a different approach to placements and channels into care proceedings; and (iv) looking to reduce unit cost as well as volumes | Reduce the volume of LAC placements increased scrutiny of practice and planning; reduced staff turnover resulting in improved retention of skills, knowledge and expertise; increase in effective casework that, in turn, should reduce the volume of LAC |
| Recruitment campaign to increase the number of local authority foster carers (including specialist foster carers) | Additional local authority foster carers will facilitate a shift in the placement mix for Looked After Children from residential to fostering, and from Independent Fostering Agencies to in-house fostering; improved matching that should reduce breakdowns and improve outcomes for children, which will result in reduced work associated with dealing with breakdowns and identifying alternative placements |
| Review of commissioning and placement arrangements to ensure appropriate resources and management oversight in place | Pro-active action to increase sufficiency in the market place to ensure that the right placements are available to meet the needs of the presenting children and young people |
| Review commissioned contracts and partnership arrangements | Identification of any in-year or ongoing reductions that can be agreed and / or clawbacks that are due |
| Engagement of support and scrutiny from the Local Government Association | 'Critical friend' approach to provide support, advice and constructive challenge to the leadership team to identify potential areas to reduce spend |
| Subject to agreement by Policy and Resources committee, and subsequently Children's Services committee, a transformational demand management programme will be developed (to begin in earnest from 2018) as part of the County Council's priorities. The potential to accelerate some of the measures to achieve early outcomes in 2017-18 will be examined | Utilisation of one-off investment to achieve improved outcomes for Children and Young People and recurring cost savings |

5.7 Revenue – Schools Budget

- 5.7.1 The Dedicated Schools Grant is a ring-fenced grant, made up of three blocks: the Schools Block, the High Needs Block and the Early Years Block that must be used in support of the Schools Budget. The Schools Budget has two main elements, the amounts delegated to schools and the amounts held centrally for pupil related spending.
- 5.7.2 The Dedicated Schools Grant must be accounted for separately to the other Children's Services spending and funding.
- 5.7.3 The following summary table shows by type of budget, the forecast spend for the year where there is a variance to the 2017-18 budget. The table shows the variance both in terms of a cash sum and as a percentage of the approved budget, and the main reasons for the variances.

[illegible]

| Division of service | Approved budget | Outturn | +Over/- Underspend | +Over/ - Underspend as % of budget | Movement since last report | Reasons for variance from budget | Reasons for movement in variance compared to previous report |
|--|-----------------|---------|--------------------|------------------------------------|----------------------------|--|--|
| Out of county recoupment | 0.750 | 0.491 | -0.259 | -35 | -0.259 | Lower than budgeted net expenditure relating to NCC children placed out of county in other Local Authority's maintained special schools, offset by income from other Local Authorities that have children placed in NCC maintained special schools | As per the budget variance explanation |
| School growth contingency | 0.950 | 0.785 | -0.165 | -17 | -0.165 | Lower than planned pupil number growth | As per the budget variance explanation |
| School contingency funds | 0.500 | 0.164 | -0.336 | -67 | -0.336 | Lower than budgeted call on contingency funds expected | As per the budget variance explanation |
| School staff suspensions | 0.267 | 0.050 | -0.217 | -81 | -0.217 | Costs of school staff suspensions expected to be lower than anticipated when the budget was set | As per the budget variance explanation |
| Sub Total of Forecast Underspends | | | -0.977 | | -0.977 | | |
| Total DSG funded | | | 5.093 | | 4.361 | | |

5.7.4 It is early in the academic year and commitments against the Dedicated Schools Grant can vary as changing trends become apparent and available provision changes. Any overspend in 2017-18 will need to be funded from a loan from Locally Maintained Schools balances, that will need to be repaid in future years. A plan to reduce the under-lying overspend and to repay the loan, whilst meeting the needs of Children and Young People, is being developed and proposals will be discussed at Schools' Forum. These will then be reported to future Committee meetings.

5.7.5 The Scheme for Financing Schools in Norfolk sets out the local framework within which delegated financial management is undertaken. In respect of budget plans the expectation is that schools submit budget plans at the end of the summer term, taking account, in particular, the actual level of balances held at the end of the previous financial year.

5.7.6 Based on budget information provided by schools, the projection of balances is as follows :

Projected School Balances as at 31 March 2018

| Title/description | Balance at 01-04-17 £m | Forecast balance at 31-03-18 £m | In year Variance £m | Schools becoming academies |
|-------------------|------------------------------|--|---------------------------|----------------------------------|
| Nursery schools | 0.054 | 0.041 | -0.013 | 0.000 |
| Primary schools | 13.304 | 9.348 | -2.160 | -1.796 |
| Secondary schools | 1.291 | 0.471 | -0.189 | -0.631 |
| Special schools | 1.225 | 1.449 | +0.224 | 0.000 |
| School Clusters | 1.693 | 0.846 | -0.847 | 0.000 |
| | | | | |
| Total | 17.567 | 12.155 | -2.985 | -2.427 |

5.8 Reserves and Provisions

5.8.1 A number of Reserves and Provisions exist within Children's Services. The following table sets out the balances on the reserves and provisions in the Children's Services accounts at 1 April 2017 and the projected balances at 31 March 2018. The table has been divided between those reserves and provisions relating to Schools and those that are General Children's Services reserves and provisions

5.8.2 There has been no movement in the expected usage in 2017-18 since the period 4 (July) report

| Title/description | Balance at 01-04-17 £m | Balance at 31-03-18 £m | Variance £m | Reason for variance |
|---------------------------------------|------------------------------|------------------------------|----------------|--|
| | | | | |
| Dedicated Schools Grant (DSG) reserve | 0.000 | 0.000 | +0.000 | |
| Schools | | | | |
| Schools Non-Teaching Activities | 0.733 | 0.733 | +0.000 | These are school funds held on behalf of schools |
| Building Maintenance Partnership Pool | 2.001 | 2.001 | +0.000 | These are school funds held on behalf of schools |

| | | | | |
|--|--------------|--------------|---------------|--|
| School Playing surface sinking fund | 0.106 | 0.045 | -0.061 | These are school funds held on behalf of schools |
| Non BMPP Building Maintenance Fund | 0.903 | 0.903 | +0.000 | These are school funds held on behalf of schools |
| | | | | |
| Schools total | 3.743 | 3.682 | -0.061 | |
| Children's Services | | | | |
| Transport Days Equalisation Fund | 0.101 | 0.494 | +0.393 | Due to the timing of school holidays, there is a reduced number of transport days in 2017-18 and more in 2018-19 |
| Education Provision for Holiday Pay | 0.015 | 0.015 | +0.000 | |
| Norfolk PFI Sinking Fund | 2.418 | 2.418 | +0.000 | |
| School Sickness Insurance Scheme | 0.102 | 0.052 | -0.050 | Children's Services contribution to additional in-year savings requested by P&R committee |
| IT Earmarked Reserves | 0.081 | 0.081 | +0.000 | |
| Repairs and Renewals Fund | 0.176 | 0.176 | +0.000 | |
| Grants and Contributions | 1.746 | 1.353 | -0.393 | Prior year unconditional grants and contributions expected to be spent in 2017-18 |
| Children's Services post Ofsted Improvement Fund | 0.108 | 0.108 | +0.000 | |
| | | | | |
| Children's Services total | 4.747 | 4.697 | -0.050 | |
| | | | | |
| Total | 8.490 | 8.379 | -0.111 | |

5.9 Capital

- 5.9.1 The approved Children's Services capital budget was £66.256m for 2017-18 and £74.727m for future years. Since the County Council set the budget in February, there have been some revisions to plans, with an element re-profiled to future years and some additional spend planned for 2017-18.
- 5.9.2 The table below shows the approved budget, amendments and the current capital budget for 2017-18 and future years.

Capital Programme 2017-21

| | Approved budget £m | Reprofiling £m | Other changes £m | Current Capital Budget £m |
|---------------|--------------------------|-------------------|---------------------|---------------------------------|
| 2017-18 | 66.256 | -2.576 | 4.302 | 67.982 |
| Future Years' | 74.727 | 2.576 | | 77.303 |
| Total | 140.983 | 0 | 4.302 | 145.285 |

5.9.3 Funding for the capital programme comes primarily from grants and contributions provided by central government. These are augmented by capital receipts, developer contributions, prudential borrowing, and contributions from revenue budgets and reserves. The following table shows the expected financing for the 2017-21 Children's Services capital programme. The sources of financing may be amended as the year progresses to ensure the most advantageous usage of funds for NCC, i.e. realised capital receipts may be utilised to offset the need for prudential borrowing.

Financing 2017-21

| Funding Stream | 2017-18 Programme £m | Future Years' Forecast £m |
|--------------------------|----------------------------|---------------------------------|
| Prudential Borrowing | 5.013 | 4.765 |
| Revenue & Reserves | 0.491 | |
| Grants and Contributions | | |
| DfE | 48.383 | 64.614 |
| Developer Contributions | 11.478 | 7.352 |
| Other | 2.619 | 0.572 |
| Total | 67.983 | 77.303 |

6. Issues, risks and innovation (Risk Register at Appendix 3)

6.1 Appendix 3 shows the list of children's services risks and mitigations.

6.2 These risks are regularly reviewed and updated as appropriate by the CS Leadership Team.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

Performance Officer Name: Don Evans: Tel: 223909
don.evans@norfolk.gov.uk



If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.