

Education, Children and Families Committee

10am, Tuesday, 1 March 2016

Children and Families Revenue Monitoring 2015/16 – month eight position

Item number	8.5
Report number	
Executive/routine	Executive
Wards	All

Executive summary

The report sets out the projected current year revenue budget monitoring position for Children and Families, and provides an update on the projected residual pressure incorporated in the month eight revenue monitoring report to the Finance and Resources Committee on 14 January 2016.

Service pressures continue to be managed, inclusive of a contribution of £2.025m towards financial pressures in Health and Social Care. Significant mitigating management action has already been taken and following confirmation and review of additional funding advised as part of finance settlement agreement in December, Children and Families are now forecasting a balanced budget position for 2015/16.

Links

Coalition pledges	P01 , P02 , P03 , P04 , P05 , P06 and P30
Council outcomes	CO1 , CO2 , CO3 , CO4 , CO5 , CO6 and CO25
Single Outcome Agreement	SO3

Children and Families Revenue Monitoring 2015/16 – month eight position

Recommendations

- 1.1 It is recommended that the Education, Children and Families Committee notes :
 - 1.1.1 the forecast balanced budget position for 2015/16;
 - 1.1.2 that approved savings in 2015/16 total £14.075m; the savings programme has been closely monitored during the year with action taken to address any highlighted risks of non delivery;
 - 1.1.3 that the reported position includes a contribution of £2.025m towards pressures within Health & Social Care.

Background

- 2.1 The total 2015/16 revised net budget for Children and Families is £396.1m.
- 2.2 This report sets out the projected overall position for the Children and Families revenue expenditure budget for 2015/16 at month eight.

Main report

- 3.1 Children and Families continue to manage significant levels of budget pressure in many areas of the service, including a number of challenges relating to the delivery of approved savings.
Service Specific Budget Pressures – (£7.5m) and Additional Savings Requirements (£2.5m)
- 3.2 To date unfunded budget pressures of £7.5m have arisen; the most significant being in out of council residential schools and secure units, fostering, adoption and kinship placements and demographic pressures within schools.
- 3.3 Children and Families also received an additional in year savings target of £2.025m to assist with financial pressures in Health & Social Care.
- 3.4 Management action has been identified to address pressures and additional savings requirements in full, resulting in a forecast balanced budget position. The range of measures includes the application of controls on vacancies and discretionary spend, delays in the implementation of increased flexibility for Early Learning & Childcare and the application of additional funding for maintaining teacher numbers.

Approved Budget Savings 2015/16 - £14.075m

- 3.5 The approved savings for Children and Families in 2015/16 total £14.075m. Progress in the delivery of the savings programme is reviewed regularly, with replacement savings identified where difficulties in delivery have been recognised.
- 3.6 A red, amber, green (RAG) analysis is regularly undertaken in consultation with Heads of Service. At month eight this indicated that £13.290 (94%) of savings were assessed as green and £0.185m (1%) being amber with savings emerging as the year progresses. A further £0.6m relating to projected pressures in the independent fostering budget and a partial shortfall in savings relating to outdoor centres income is assessed as red. A number of the green savings are being delivered through substitute arrangements.

Measures of success

- 4.1 The measure of success will be the achievement of a balanced revenue budget position for Children and Families for 2015/16.

Financial impact

- 5.1 There are no direct financial implications arising from this report.

Risk, policy, compliance and governance impact

- 6.1 The recommendations in this report do not impact on an existing policy of the Council and there are no governance, compliance or regulatory implications that elected members need to take into account when reaching their decision.
- 6.2 The delivery of a balanced budget position for the year is now forecast. The risks associated with cost pressures, increased demand and savings delivery targets are regularly monitored and reviewed and management action is taken as appropriate.

Equalities impact

- 7.1 There are no negative equality or human rights impacts arising from this report.

Sustainability impact

- 8.1 There are no impacts on carbon, adaptation to climate change or sustainable development arising from this report.

Consultation and engagement

- 9.1 As is the norm, there has been no external consultation or engagement in producing this report.

Background reading/external references

None

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Links

Coalition pledges	<p>P01 - Increase support for vulnerable children, including help for families so that fewer go into care</p> <p>P02 - Hold the maximum P1 class size at 25 and seek to reduce class sizes in line with Scottish Government recommendations</p> <p>P03 - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools</p> <p>P04 - Draw up a long-term strategic plan to tackle both over-crowding and under use in schools</p> <p>P05 - Seek to ensure the smooth introduction of the Curriculum for Excellence and that management structures within our schools support the new curriculum</p> <p>P06 - Establish city-wide childcare co-operatives for affordable childcare for working parents</p> <p>P30 - Continue to maintain a sound financial position including long-term financial planning</p>
Council outcomes	<p>CO1 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed</p> <p>CO2 - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities</p> <p>CO3 - Our children and young people at risk, or with a disability, have improved life chances</p> <p>CO4 - Our children and young people are physically and</p>

emotionally healthy

CO5 - Our children and young people are safe from harm or fear of harm, and do not harm others within their communities

CO6 - Our children and young people's outcomes are not undermined by poverty and inequality

CO25 - The Council has efficient and effective services that deliver on objectives

Single Outcome Agreement

SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential

Appendices

None