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DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR YOUNG PEOPLE

2 March 2021

**Joint Report of the Executive Director of Children's Services and the
Director of Finance & ICT**

**PERFORMANCE AND BUDGET MONITORING/FORECAST OUTTURN
2020/2021 AS AT QUARTER 3**

(Young People)

1. Purpose of the Report

To provide the Cabinet Member with an update of the Council Plan performance position and the revenue budget position of the Young People portfolio for 2020/2021 up to the end of December 2020 (Quarter 3).

2. Information and Analysis

2.1 Integrated Reporting

This report presents both financial and Council Plan performance data. The performance summary sets out progress on the Council Plan deliverables and measures led by the Young People portfolio. The remainder of the report gives a summary and detail on the revenue budget position for the portfolio.

As an overview, the report shows that progress is "good" for the majority of the Council Plan deliverables led by the portfolio, however the deliverables Review care and support offer, Council run residential children's homes and Schools which are 'Good' or 'Outstanding' have been flagged as "requiring review" however as OFSTED inspections are currently suspended any changes to this position are unachievable, assurance visits have been undertaken of some of the homes however

these are not graded events therefore do not change the overall picture. After the use of additional Covid-19 funding, the budget forecast position for 2020/2021 is an overspend of £4.244m. It is forecast that £1.207m of savings will have been achieved by the year end. This compares to target savings of £3.179m and the value of savings initiatives, which have been identified for implementation in the current year, of £2.350m.

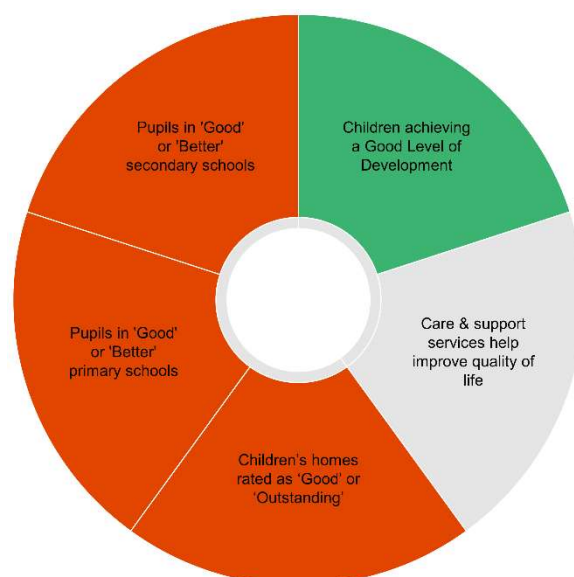
2.2 Performance Summary

The following shows an overview for Quarter 3 of progress on the Council Plan deliverables and measures relating directly to Young People.

Deliverable Progress



Performance Measures Against Target



Performance Measures Against Target

	2018/2019	2019/2020	2020/2021	Target	Performance
Percentage of Clients agreeing that care and support services help improve their quality of life	94.1%	94.6%			
Percentage of children achieving at least a Good Level of Development (EYFS)	70.8%	70.8%			
Percentage of Council run children's homes rated as 'Good' or 'Outstanding' by Ofsted	100.0%	81.8%	81.8%	100.0%	🔴
Percentage of pupils in good or better primary schools	77.7%	80.7%	81.2%	91.0%	🔴
Percentage of pupils in good or better secondary schools	59.9%	54.9%	55.0%	81.0%	🔴

Key 🟦 Strong 🟢 Good 🟡 Review 🔴 Action 🟡 Data not available/Target not set

Progress is "good" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- Improvements in children's social care – demand levels into social care have returned to pre-Covid-19 levels. Services continue to be responsive and are delivering improved performance through a strong

and resilient workforce. A steady increase has been seen in the number of children in local authority care and commissioning arrangements continue to be reviewed to ensure cost efficiency of high quality placements.

- Embedding the newly designed Early help offer – teams continue to develop and use creative approaches for engaging with individual children and families, for group work and for advice and support, however the group work in particular has not been possible to implement due to Covid 19 constraints. Discussions have progressed in relation to the scope of the evaluation of early help and this will be a key project area into 2021.
- Pause Project – the Pause Derbyshire team continues despite challenges as a result of the pandemic and service restrictions. Feedback from women about Pause continues to be positive and progress is encouraging. The referral process for the second cohort of women has been initiated in this quarter. The project remains on track.

Key areas for consideration are:

- Reviewing the Council's care and support offer for children with special educational needs and disabilities and adults - The Achieving Great Futures (AGF) work stream is paused pending a final decision on what future work will take place as a result of the Children's Service Diagnostic. Work on the SEND Strategic Action Plan Theme 6 (Preparation for Adulthood) continues which will help support improving the outcomes of children and adults with SEND.

Key areas to note are:

- The “requiring review” rating for Council run children's homes being ‘Good’ or ‘Outstanding’ and for increasing the percentage of children in schools which are ‘Good’ or ‘Outstanding’ are both reflecting the position back in March 2020. The suspension of Ofsted inspections means that these will not change until graded inspections re-start.

Further information on the portfolio's Council Plan performance are included at Appendix A.

2.3 Budget Forecast Summary

The net controllable budget for the Young People portfolio is £120.833m. An additional £9.599m Covid-19 funding will be added to the budget to give a total of £130.432m.

The Revenue Budget Monitoring Statement prepared for quarter 3 indicates that there is a forecast year-end overspend of £13.843m.

This overspend will be supported by the use of £9.599m of additional Covid-19 funding which has been allocated to the Council to support the costs incurred as a result of the pandemic. After the use of this funding the forecast position is an overspend of £4.244m.

In addition to any use of earmarked reserves, the forecast outturn position includes the following significant items of one-off income:
















£1.390m - Dedicated Schools Grant income transferred to contribute to costs incurred within Children's Services supporting Early Help services and children with additional needs.

Forecast outturn against target budget

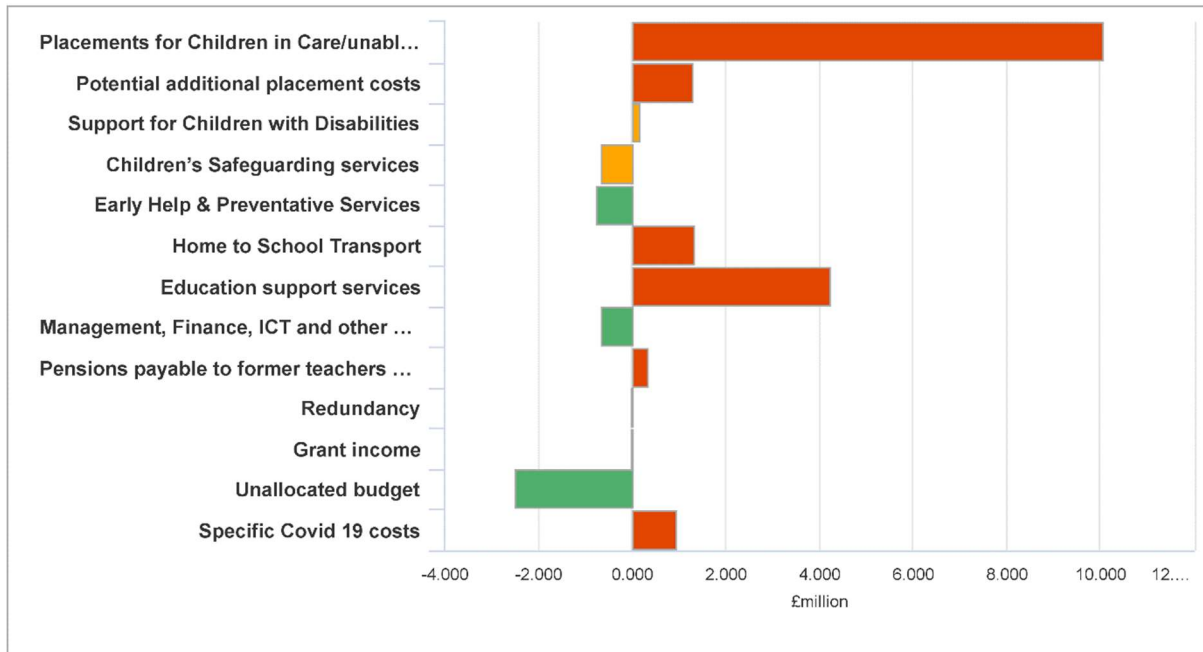


The significant areas which make up this forecast are shown in the following table and graph below:

Young People Budget Items

	Controllable Budget £m	Full Year Forecast £m	Forecast Under (-)/ Over Spend £m	Percentage Under (-)/ Over Spend	Budget Performance
Placements for Children in Care/unable to remain at home	37.875	47.937	10.062	26.6%	
Potential additional placement costs	0.000	1.300	1.300	100.0%	
Support for Children with Disabilities	5.716	5.867	0.151	2.6%	
Children's Safeguarding services	37.976	37.319	-0.657	-1.7%	
Early Help & Preventative Services	6.885	6.142	-0.743	-10.8%	
Home to School Transport	15.491	16.830	1.339	8.6%	
Education support services	4.420	8.666	4.246	96.1%	
Management, Finance, ICT and other support services	8.261	7.627	-0.634	-7.7%	
Pensions payable to former teachers and other staff	4.538	4.873	0.335	7.4%	
Redundancy	0.033	0.033	0.000	0.0%	
Grant income	-3.795	-3.796	-0.001	0.0%	
Unallocated budget	2.562	0.077	-2.485	-97.0%	
Specific Covid 19 costs	0.871	1.801	0.930	106.8%	
Total	120.833	134.676	13.843	11.5%	
Covid-19 Funding	9.599				
Total after use of additional funding	130.432	134.676	4.244	3.3%	

Forecast Under (-)/Over Spend



2.4 Key Variances

2.4.1 Placements for Children in Care/Unable to remain at home, overspend £11.362m

The overspend is due to a greater number of placements required than can be met from the current allocated budget. Placement numbers have continued to rise steadily during the year in line with increases in the number of children in care and the rate of increase has been greater between April and July 2020.

There has been a net decrease in the number of external residential placements since August 2020 bringing the total used as a base for this projection to 107 by the end of March 2021, down from 117 at end March 2021 used in the Quarter 2 projection.

There has been a net increase of 40 in external fostering placements which were 306 as at the end of November 2020 and are projected to increase to 325 by March 2021. This is higher than the 312 projected at Quarter 2.

A planned introduction of a specialist fostering service for children with disabilities has been deferred for one year to 1 April 2021 due to the original tender closing date coinciding with the start of the Covid-19 pandemic, resulting in no tenders to provide this service.

2.4.2 Support for children with disabilities, overspend £0.151m

The increased demand for support and the complex needs of some individual children has led to the costs exceeding the allocated budget

2.4.3 Children's Safeguarding services, underspend £0.657m

The department is underspending on admin and clerical support to social workers and within internal fostering and child protection teams where there have been reductions in travel expenditure due to staff working from home and undertaking many aspects of their roles virtually.

Spend to support families in need and to prevent children coming into care is showing a reduction in the financial year to end quarter 3 compared to the previous year. Offsetting this, expenditure on legal expenses associated with care proceedings is now expected to be higher compared to the previous year and there is an overspend on Starting Point where the service is operating with 2 to 3 additional Social Workers as well as a number of Business Services posts which are above the approved establishment budget in response to service pressures.

2.4.4 Early Help and Preventative services, underspend £0.743m

The underspend is due to vacant posts in the earlier part of the year in Early Help teams and Children's Centres. There was a delay in filling posts initially due to adjusting to changed processes from the Covid 19 pandemic however normal recruitment is now taking place as posts become vacant.

2.4.5 Home to School Transport, overspend £1.339m

The forecast includes the supplier relief support grants paid to providers covering the period between March 2020 and July 2020 when schools were closed and assumes that similar support will be provided from January 2021 where appropriate. There have been increases in the costs associated with transporting SEN pupils to school as a result of Covid-19 requirements and the Department for Education have provided grant funding to contribute to this increased cost. This additional cost is included within the row 'Specific Covid-19 costs' and is expected to be fully funded by a specific grant allocation from Central Government.

2.4.6 Education Support services, overspend £4.246m

The projected overspend has increased by £0.526m since that reported in the Quarter 2 projection. This deterioration is mainly within the projections of income for the Sport and Outdoor Residential Education service. The Quarter 2 projections assumed a resumption of provision of outdoor education experiences from January 2021 at White Hall and Lea Green which has been further postponed due to the continuation of disruption from Covid 19. The Catering service projection has also deteriorated slightly due the impact of the absence of a number of pupils from schools following the start of Covid 19 Tier 4 restrictions affecting Spring Term 2021.

2.4.7 Pensions payable to former teachers and other staff, overspend £0.335m

These costs represent pension obligations payable to teachers and other staff previously employed by the Authority. Most of the cost relates to staff who left under efficiency programmes during the early 1990s. Although the numbers of pensions being paid reduces year to year, the cost of the annual increase in respect of those pensions still in payment leads to this divergence from the allocated budget.

2.4.8 Unallocated budget, underspend £2.485m

This underspend comprises in-year grant funding of which the largest item is the allocation from the Dedicated Schools Grant of £1.390m. At the time of writing, no announcements had been made about the continuation of these funding streams beyond 31 March 2021 so these are being used to mitigate against current levels of spend.

2.5 Budget Savings

Budget reduction targets totalling £2.350m were allocated for the year. Further reductions allocated in prior years, totalling £0.829m, had not been achieved and were brought forward to the current year. This has resulted in total reduction targets to be achieved of £3.179m at the start of the year.

The value of the savings initiatives which have been identified for implementation in the current year is £2.350m.

The shortfall between the total targets and the identified savings initiatives is £0.829m.

Budget Savings



It is forecast that £1.207m of savings will have been achieved by the year-end. The table below shows performance against the target.

Budget Savings Initiatives

	Note	Budget Reduction Amount £m	Forecast to be Achieved by the end of 2020/21 £m	Shortfall (-)/ Additional Savings Achieved £m	
Care Leavers Employment project		0.162	0.162	0.000	✓
Donut Centre		0.081	0.081	0.000	✓
Early Help		0.167	0.167	0.000	✓
Outdoor Education	1	0.130	0.000	-0.130	✗
Education Psychology	1	0.039	0.000	-0.039	✗
PAUSE contract	2	0.143	0.143	0.000	✓
Local Children's Safeguarding Board		0.025	0.000	-0.025	✗
Remote & Mobile working		0.235	0.235	0.000	✓
Home to School Transport (3 initiatives)		0.160	0.000	-0.160	✗
Pensions		0.236	0.236	0.000	✓
Accommodation of Children in care		0.450	0.000	-0.450	✗
Finance		0.037	0.033	-0.004	✗
Business Services Support		0.150	0.150	0.000	✓
Information & ICT	1	0.035	0.000	-0.035	✗
Disability – Step Down	3	0.300	0.000	-0.300	✗
Total Position		2.350	1.207	-1.143	✗
Shortfall/(Surplus) of Identified Savings		0.829			
Budget Savings Target		3.179			
Prior Year B/f		0.829			
Current Year		2.350			

Notes

- Originally intended to be achieved by generating additional income from sales to schools and academies, plans affected by Covid-19.

- 2 The PAUSE contract will avoid future costs.
- 3 Tender deadline coincided with restrictions to prevent spread of Covid-19 and no responses achieved. New start date planned for 1 April 2021.

2.6 Growth Items and One-Off Funding

The portfolio received the following additional budget allocations in 2020/2021:

2.6.1 Social Worker recruitment - £1.300m ongoing, £1.300m one-off

This growth is part of a total allocation of £5.200m which is being added to Children's Services budgets over 4 years. The investment is being deployed to increase the number of social workers to ensure that caseloads for individual workers are at manageable levels for their experience.

2.6.2 Placement demand pressures - £11.000m ongoing

This allocation recognised the increase in costs experienced within children's social care as a result of both an increase in the quantity of placements required and the increased cost due to an increase in the complexity of the needs of children and young people. Costs have continued to increase during 2020-21 and there is concern over the wellbeing of children who have been less visible to school professionals during the first part of 2020-21.

2.6.3 Home to School Transport SEN - £1.000m ongoing, £0.971m one-off

The allocation recognised both the increased pressures of greater numbers of children and young people with SEN and an increased cost of journeys and an additional pressure of transporting children and young people to pupil resource units or alternative provision when they have been permanently or temporarily excluded from mainstream schools.

2.6.4 SEND assessment and planning - £0.600m ongoing

The increase was allocated to cover the staffing to assess and plan provision for children and young people with SEN. It is expected that this funding will not be fully spent in 2020-21 due to delays in recruitment.

2.6.5 Increase in Special Guardianship placements - £0.336m ongoing

This increase has ensured that the budget is in line with the current level of costs payable to family members and others who have taken parental responsibility for children under a special guardianship order.

2.6.6 Foster Carers - £0.100m ongoing

The allocation covered the cost of the inflation increase applied to foster care allowances from April 2020.

2.6.7 Care Leavers - £0.498m one-off

Legislation has been enacted which places additional statutory duties on the Authority for care leavers. There is a shortfall between the additional funding currently being received from central government and the costs being incurred by the Authority in meeting these additional duties.

2.6.8 Child Protection - £0.500m ongoing

The allocation is towards the costs of staff that are currently required to respond to the increased number of children on child protection plans.

2.6.9 Children in Care Legal Proceedings - £1.100m one-off

This allocation is for the expenditure associated with court proceedings which have increased due to not only increased numbers of proceedings but also an increased use of external legal firms to present cases which has increased average costs per case. It is expected that this will be fully spent during 2020-21.

2.6.10 Support to Achieving Great Futures - £0.108m one-off

To fund staff seconded to the project to review the pathways for people with disabilities and the services provided to them by the Authority. It is expected that this funding will not be spent in 2020-21 as the associated staffing costs are being met by the Adult Care portfolio following deployment of staff to the wider Better Lives programme. This funding is offsetting other overspending budgets in the portfolio.

2.6.11 Preventative Support to Families - £1.000m one-off

Expenditure supporting the children and families that the department works with has been increasing as the number of referrals and children identified as in need increases.

2.6.12 Elective Home Education - £0.207m one-off

The number of children who are educated at home by choice has been increasing leading to an increased need for staff to visit and assess the education provision to those children.

2.6.13 Service Transformation - £0.438m one-off

To identify opportunities to improve service quality and efficiency and work with managers to bring this change about. It is expected that this funding will not be fully spent in 2020-21 due to delays in recruitment.

2.6.14 Quality Assurance SEND & Fostering - £0.214m one-off

To introduce new processes that will enable managers to analyse the performance of the Fostering and SEND services. It is expected that this funding will not be fully spent in 2020-21 due to delays in recruitment, however approval has been given to contribute any remaining funding to an earmarked reserve at the end of the year to cover the continuation of expenditure in 2021-22.

2.7 Financial Risks

There is a risk that the following issues could negatively impact on the portfolio's forecast outturn position reported in the Forecast Summary above:

Financial Risks

Service	Risk	Sensitivity* £m	Likelihood 1 = Low, 5 = High
Placements	Increased number of children requiring placements.	1.300	4
Management, Finance, ICT and other support services	Ex gratia or other payments to close disputes.	0.020	1
All	Data security breach resulting in fine.	0.500	3

*Sensitivity represents the potential negative impact on the outturn position should the event occur.

2.8 Earmarked Reserves

Earmarked reserves totalling £7.101m are currently held to support future expenditure. Details of these reserves are as follows:

Reserves		£m
Troubled Families	↑	3.612
Standards Fund (Schools)	=	0.726
Rates refunds (schools)	=	0.721
Children's Services ICT Improvements	↑	0.706
Other reserves	↑	1.336
Total Reserves	↑	7.101

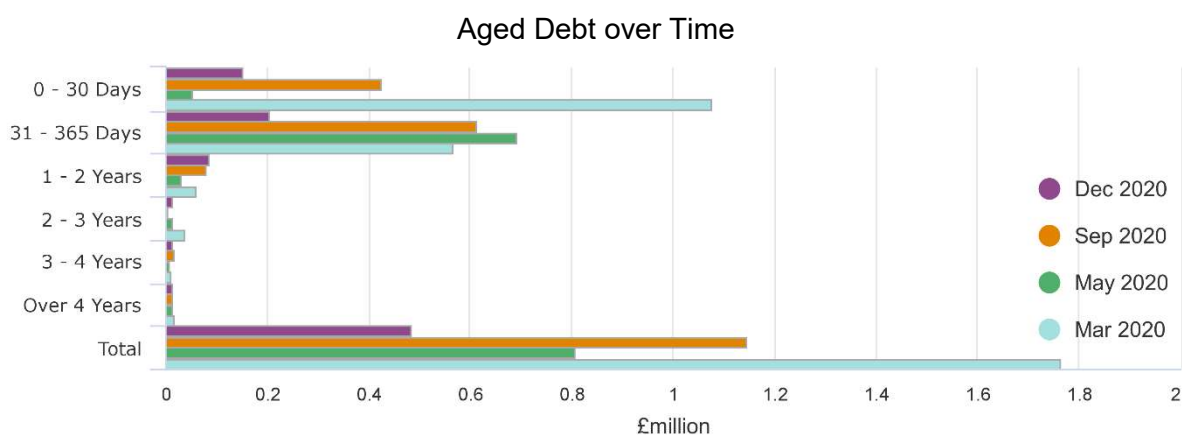
Key

- ↑ Reserve has increased over the quarter
- = Reserve is unchanged over the quarter
- ▼ Reserved has decreased over the quarter

2.9 Debt Position

The profile of the debt raised, relating to income receivable by services within the Children's Services department, is as follows:

0 - 30 Days	31 - 365 Days	1 - 2 Years	2 - 3 Years	3 - 4 Years	Over 4 Years	Total
£m	£m	£m	£m	£m	£m	£m
0.151	0.204	0.087	0.014	0.013	0.013	0.482
▼	▼	▲	▲	▼	=	▼
31.3%	42.3%	18.0%	2.9%	2.7%	2.7%	100.0%



In the year up to 31 December 2020 the value of debt that has been written off totals £0.035m.

3. Financial Considerations

As detailed in the report.

4. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, legal and human rights, equal opportunities, human resources, environmental, health and property and transport considerations.

5. Key Decision

No.

6. Call-In

Is it required that call-in be waived in respect of the decisions proposed in the report? No.

7. Background Papers

Held on file within the Children's Services Department. Officer contacts – Karen Gurney (finance), Sara Lewis (performance).

8. Officer Recommendations

That the Cabinet Member notes the report and considers whether there are any further actions that should be undertaken to improve the budget position moving forwards or to address performance, where it has not met the desired level.

**Jane Parfremment
Executive Director
Children's Services**

**Peter Handford
Director
Finance & ICT**

Young People Quarter 3 Performance Report 2020/2021

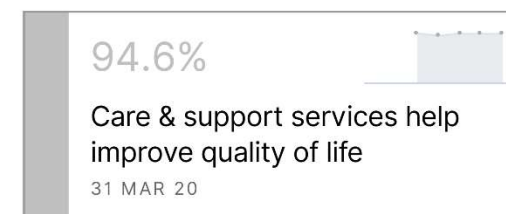
Progress on Council Plan deliverables and key measures

A focus on prevention and early intervention

Reviewed the Council's care and support offer for children with special educational needs and disabilities and adults to improve efficiency, value for money and customer outcomes

The Achieving Great Futures (AGF) workstream is still paused pending a final decision on what future work will take place as a result of the Children's Service Diagnostic work on identifying potential opportunities. Meanwhile work on the Special Educational Needs and Disabilities (SEND) Strategic Action Plan Theme 6 (Preparation for Adulthood) continues which will help support improving the outcomes of children and adults with SEND. The collation and mapping of post 14 pathways is nearly complete, and the overall strategic vision for transition to adult life for young people with SEND is under review. Key findings from the Achieving Great Futures work stream will be embedded within the process for capturing young peoples aspirations and planning the support that young people with SEND may need to make a successful transition to adult life.

The recently released 2019/20 survey figure of 94.6% is an increase of 0.5 percentage points from the 2018/19 figure. Derbyshire has increased its performance above the national average of 91.7% and is above the county average of 92.6% and East Midlands average of 92.7%

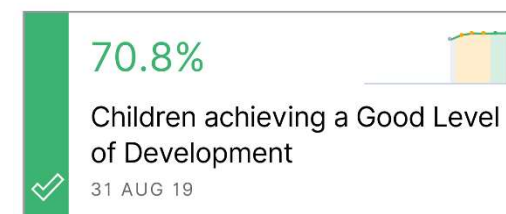


Embedded our newly redesigned universal and targeted 0-5s offer through Health Visiting services and Children's Centres in partnership with the NHS

The 0-5 service has completed a mop up exercise of the 6-8 week contact. The service is still undertaking work to mop up those who did not receive a 1 year and 2.5 year contact when this contact was suspended during the first lockdown following national guidance. The new pre-school contact at 3.5 years has not started yet as the staff involved with this contact have been involved with the mop up exercise, however as soon as this has been completed the service will look to implement the new pre-school contact. The pandemic did lead to the monitoring of the service specification in place with Children's Centres being suspended. However, the staff have worked creatively and flexibly to continue supporting children and families. Children's Centres across Derbyshire are supporting parents by delivering targeted virtual support to understand early childhood development and how they can support children's learning by understanding brain development, attachment, ages and stages of their child's development, play, stimulation and early language building.

Staff in Children's Centres are now trained to deliver the Solihull Parenting Programme – Covid-19 presented a number of barriers to this training being delivered (as it required face to face delivery) but agreements are now in place for this to be delivered remotely and a programme of delivery is currently being developed.

The Children's Centre staff maintain regular contact with all families by email, video calling, telephone, text messaging – and will visit families should the needs require this.



Whilst the Children's Centres do not offer universal services, the Facebook pages include information on virtual groups such as BEARS, First Steps, the Happy App, Mush and Baby Buddy. There are also very strong links with the Early Help Transition Team who have developed a Community Directory which is widely distributed across the partnership. This directory will be promoted to parents using the Children's Centres' Facebook pages in order that they can be signposted to support at the earliest opportunity.

Due to Covid-19 the Early Years Foundation Stage assessments didn't take place in 2020, therefore this data has not been updated.

✔ Embedded our newly redesigned Early Help Offer for Children, Young People and Families

Home visiting and face to face engagement with families has resumed to support those children with increased vulnerabilities. Group work continues to be limited although an online offer is available for parenting support in most localities. The parenting assessment and family time teams continue to provide assessment activity to support analysis of parenting capacity for cases in legal care proceedings and to offer regular virtual and direct family time for our children in care to spend time with their family members. Discussions have progressed in relation to the scope of the evaluation of early help and this will be a key project area into 2021 along with continuing to support families at the right time and with the right level of help they need.

✔ Embedded the "Pause Project", an innovative programme to address the needs of women who have had multiple children removed from their care and to prevent this cycle recurring

Pause Derbyshire team continues despite challenges as a result of the pandemic and service restrictions. Remote/digital delivery continues with additional creative solutions to engage this vulnerable group of women with focussed support around the Christmas period. 30 women engaged and quarterly feedback from women about Pause continues to be positive. The referral process for the second cohort of women has been initiated in this quarter - this includes named women in the first cohort who did not take up the opportunity and newly named women with high need within the Pause criteria. Access to long acting reversible contraception (LARC) is maintained through sexual health services. Pause team continue to develop contact across relevant partners to further address and sustain the specific needs presented by women. The project is on track.

High performing council services

🟡 Strived to ensure that all Council run children's homes are 'Good' or 'Outstanding'

Children's home inspections have been suspended since the end of March 2020 due to Covid-19. Derbyshire has now received two children's home assurance visits from Ofsted both of which have been positive in their findings. These are not graded judgements and therefore our percentage of homes judged good or better remains at 81.8% which was the position when inspections were suspended. Ofsted intend to recommence with graded judgements during 2021.

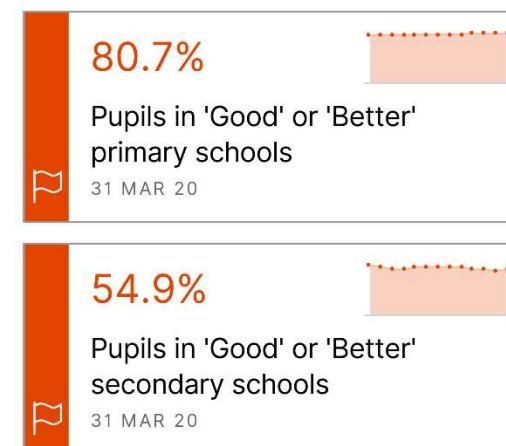
During the last Quarter our children's homes have continued to provide excellent care to our children despite challenges with Covid-19 infection for some children and workers. The workers have maintained a high focus on the emotional well-being of the children providing 'care bubbles' which have offered security and stability.



Worked with schools to ensure they increased the percentage of children in schools which are 'Good' or 'Outstanding', so that Derbyshire is in line with the national average

School inspections were suspended at the end of March due to Covid-19. Ofsted have started a phased return with visits to schools and settings during the autumn term. The intention was to resume full, graded inspections in January 2021 however this has now been put back until summer 2021. During this interim phase, Ofsted has prioritised visits to inadequate schools and a sample of schools across the other Ofsted grades (outstanding, good, requires improvement). Ofsted have been clear that these visits are not inspections, will not result in a graded judgement but are based around a series of professional conversations with senior and middle leaders.

At the point that school inspections were suspended, the percentage of pupils in Derbyshire attending primary schools that were judged to be good or outstanding was 80.7% with performance below the national average of 87.9%, with Derbyshire ranked 132 nationally. The percentage of secondary aged pupils attending schools judged to be good or better was 54.9% with performance significantly below the national average (79.5%) with Derbyshire ranked 138 nationally. There will be no opportunity to influence this indicator until full, graded inspections of schools resume.



Continued to drive improvements in the delivery of children's social care

Demand levels into social care have returned to pre-Covid levels and not all agencies are as yet referring at the same rate that they were prior to March 2020. Health referral levels remain lower than we would expect. Social care services have continued to be responsive, maintaining statutory expectations and continue to deliver improved performance through a strong and resilient workforce. Workers are conducting face to face visits to children and virtual engagement is supplementing direct work with children and families.

Social work is aided by reflective discussions between team colleagues and managers. Whilst such conversations are happening through virtual means, not being able to meet in reflective groups is impacting on analysis and confidence in practice. This is of particular concern for those newly qualified workers who are unable to regularly be with their colleagues who would usually provide practice modelling opportunities in how to deal with various aspects such as complex and challenging conversations. Identifying further opportunities to bring teams together to share, learn and grow in practice will be a focus into 2021.

There has been a steady increase in the numbers of children in local authority care in Derbyshire. Whilst this is no different to other areas in the country during these times, we are challenging ourselves about the care plans for children ensuring that these are appropriate and that admissions are of an essential nature with discharge planning continuing to progress for those children where it is appropriate to do so. In addition we are working on our commissioning arrangements to improve the cost efficiency and scrutiny of contracts/expectations on the providers of high quality placements at the best price.