

CHILDREN & YOUNG PEOPLE SCRUTINY COMMITTEE BUDGET MONITORING PANEL NOTES – 6 October 2015

Panel Members in Attendance – Councillors Richard Cook (Chairperson), Chaundy, Derrick Morgan, Murphy and Thorne

The Panel held its first meeting on 6 October to review and evaluate the recently published month 4 budget monitoring Cabinet report and associated documents. The meeting was held in advance of the October Committee meetings to enable Members to identify any issues which they wish to scrutinise in detail and develop any lines of inquiry they may wish to report to Committee at its meeting on 13 October.

The Members were provided with copies of the Education and Lifelong Learning and Children's Service's financial information from the 2015/16 Budget Book, Month 4 Budget Monitoring Cabinet report including the update on 2015/16 budget savings, dated 17 September 2015. These papers enabled the Members to analysis the key areas of spending in Education and Children's Services, as well as their progress in achieving the savings agreed by Council in February. Members also discussed the comments added to the budget savings table explaining the Departments progress being made in achieving the agreed savings.

The Head of Performance, Resources and Services for Education was invited to expand on a number of issues highlighted in the Month 4 savings matrix, and expand on some of the comments that Finance had put into the budget matrix.

The Panel initially agreed that the focus of this meeting should be on those areas which were showing a projected overspend as at Month 4, and Members would review the papers to identify those areas that were showing projected overspends or underachievement of the agreed budget savings. The Panel highlighted the following budget saving areas, which they felt required further clarification, from the Cabinet Member and or Directors:

Corporate

Members expressed their concern that the projected budget showed a number of savings unlikely to be achieved, which seemed to indicate that a more robust assessment of achievability needed to be undertaken, prior to approval, to ensure that decisions are made on the correct information.

Members did not understand why the draw down of the contingency budget of £950,000, had already been included in the budget monitoring narrative. The Panel felt that the contingency budget should only be allocated and approved by Cabinet at the year end, should it be needed.

Education

The Panel questioned the deteriorating position in respect of delegated schools' balances, and the risk that it represented. Members sought assurance that appropriate actions have been put in place to ensure that all school deficits are addressed within a reasonable timescale. Members did however wish to receive further information on the actions being taken in respect of Cantonian High and Michaelston Community College and Glyn Derw High School "federated" in 2011.

Members also requested details of the discussions being undertaken to review Cardiff Council's contribution to the funding of the Central South Consortium in future budgets. Members were of the opinion that the Consortium should contribute to the savings required by the commissioning Councils.

Line 134 Staff Realignment and Restructure – Members expressed concern that the finance comments against this saving stated that “Whilst some savings have been achieved there is a level of uncertainty in respect of the full level of savings”. Members noted that this saving had been put on hold, due to the Estyn inspection, however the Panel considered that this saving must be fully achieved by the end of this financial year and requested details of how the full saving would be achieved.

Children's Services

Line 203 Payment by Results Looked after Children & Rehabilitation Project Year 1- Members requested further information on the barriers in achieving this saving, further details of the on going review of all out of county placements to identify other savings and plans to ensure that this budget saving is fully met.

Line 212 Business Support Review (Lean Review) - The Panel were concerned that it didn't seem to the Members that robust challenge of this proposal had been undertaken prior to it being included in the Budget proposals, as the Finance comment now indicated that this saving would not

be achieved. Members requested information on how the Department would be seeking alternative actions to ensure that this saving is fully achieved.

Line 217 Market and Demand Management of Commissioned Residential Services – Members expressed concern that the finance comment stated that there was some doubt as to whether the whole targeted savings will be achieved in 2015/16. Members requested further explanation on why they saving would not be achieved and what alternative actions were being developed to ensure that this saving is fully achieved.

Budget Realignment - The Panel expressed concern that Children's Services had consistently had budget realignments. In 2015/16 this amounted to £2.4M to meet on-going pressures on the budgets for external placements, leaving care support costs and adoption allowances. The Panel agreed to undertake a further investigation into these areas of consistent overspend at the next panel meeting.

Following consideration of all the information, the Panel agreed to recommend that the Committee:

- Hold another Panel meeting to investigate further the projected overspend in respect to external placements for looked after children, leaving care support costs and adoption allowances.
- Writes to the relevant Cabinet members with their concerns that the panel has around the Month 4 budget monitoring projections, as indicated above.

Martyn Hutchings
Principal Scrutiny Officer
7 October 2015