

Recovery Plan 2019-20 : Children and Culture - General Fund



Service Area / Section	Officer Responsible	Causes / Drivers of Overspend (Brief description of causes)	Initial Forecast Overspend £m	New Pressures / (Mitigations Already Actioned)	New Pressures / (Mitigations) £m	Updated Low Risk Forecast Overspend £m	Further Actions Planned to Mitigate Overspend (including alternative strategies)	Further Planned Actions £m	Revised Position £m
Youth Services & Commissioning	Ronke Martins-Taylor	CH1003/17-18 £2.4m EY unachievable savings. The EY £2.4m saving which was based on a flawed business case and levied against the DSG is unachievable.	2.400			2.400			2.400
Youth Services & Commissioning	Ronke Martins-Taylor	Childrens Centres. Subject to further discussion the plan is to hold on the delivery of discretionary projects in IEYS. This result in the achievement in 2019/20 of £1.1m to offset the CSC LAC savings slippage.	(1.000)	This underspend has reduced to £0.5m due to LA nursery staff and building costs transferred to Overlands CC where the staff have been relocated.	0.360	(0.640)	Potential for another c.£270k charge for unallocated building works carried forward from 18/19 from children's centres. Potential impact on level of underspend.		(0.640)
Youth Services & Commissioning	Ronke Martins-Taylor	Early Help Transition	0.150	The Early Help phase two transformation will be undertaken during 2020-2021 with a business case developed for approval in the autumn. The restructure of the Early Help will incorporate the Early Help and Transition teams and will deliver the required saving.	(0.132)	0.018	The Early Help phase two transformation will be undertaken during 2020-2021 with a business case developed for approval in the autumn. The restructure of the Early Help will incorporate the Early Help and Transition teams and will deliver the required saving. Increased in P8 by £50k due to refund for 2018-19 PBRS.	(0.018)	-
Youth Services & Commissioning	Ronke Martins-Taylor	Youth Service			(0.030)	(0.030)			(0.030)
Youth Services & Commissioning	Ronke Martins-Taylor	PDC			0.068	0.068		(0.068)	-
Youth Services & Commissioning	Ronke Martins-Taylor	Youth Offending Service - Unfunded YOT Diversion Team	0.130	The YOT Diversion Team focuses on diverting young people who are at risk of involvement in crime or anti-social behaviour from the youth justice system. As a result as part of the Early Help phase two transformation the Diversion work will be restructured so that the unfunded work is absorbed into the new Early Help structure.	(0.130)	-			-
Youth Services & Commissioning	Ronke Martins-Taylor	Contract Services £1.9m (increased £0.3m from 18/19 outturn)	1.900	A Project Board, chaired by the Divisional Director for Youth and Commissioning, has been set up to monitor progress on reducing the deficit. The Board meets fortnightly. The Board is looking to deliver the recommendations in the February 2019 Cabinet report including: Divesting Contract Services of secondary school catering (currently making a predicted loss of c£0.9m) and school cleaning; introducing changes to Primary School service level agreements which will make a potential reduction of £0.14m; moving from SOIL Association Gold to Silver for catering which will make a potential reduction of £0.34m; and a review of Welfare Meals in partnership with Adult Services. In addition to this Contract Services will be restructured which will also achieve some cost reductions; /however, this is not expected to deliver results until 2020/21.	(0.250)	1.650	8 schools have advised that they will be leaving the contract.		1.650
			3.580		(0.114)	3.466		(0.086)	3.380
Sports, Leisure & Culture	Judith St John	Meia £0.17m	0.170	This is a corporate event and as such should be fully funded corporately. The service currently contributes £116k directly to the cost of the event and the balance of £170k was funded through the Mayor's programme. In the current year, this corporate funding has been withdrawn and therefore the full costs will have to be met by the service, despite it being a corporate event. The income generated by the AEG contract will be used to cover off this pressure in the current financial year. However, next year this will not be possible as there is an additional savings target of £350k to meet.		0.170	AEG income and backdated rental from Tideway will offset pressures within Sports Leisure & Culture		0.170

Sports, Leisure & Culture	Judith St John	Fireworks £0.06m	0.060	This is a corporate event and as such should be fully funded corporately. The service currently contributes £147k directly to the cost of the event and the balance of £60k was funded through the Mayor's programme. In the current year, this corporate funding has been withdrawn and therefore the full costs will have to be met by the service, despite it being a corporate event. The income generated by the AEG contract will be used to cover off this pressure in the current financial year. However, next year this will not be possible as there is an additional savings target of £350k to meet.	0.060	AEG income and backdated rental from Tideway will offset pressures within Sports Leisure & Culture	0.060	
Sports, Leisure & Culture	Judith St John	Community Language Service	0.045	-	0.045	Pressures on casual staff required for the service. AEG income and backdated rental from Tideway will offset these pressures within Community Language Service	0.045	
Sports, Leisure & Culture	Judith St John	Sports - GLL contract reduction not agreed £0.240m	0.240	This CLC savings target 2017/18 was never achievable as it depended on a contract negotiation with GLL in which they would waive their management overheads. This was never formally agreed by GLL and was not part of the final contract renegotiation. In the last financial year, the target was offset by additional Parks income. This year, the pressure will be met through the income generated by the AEG contract. However, next year this will not be possible as there is an additional savings target of £350k to meet. There will need to be a discussion around significant service redesign in order to meet this pressure in future years.	(0.078)	0.162	AEG income and backdated rental from Tideway will offset pressures within Sports Leisure & Culture	0.162
Arts Parks & Events	Judith St John	Events	(0.437)	-	(0.437)	AEG income and backdated rental from Tideway will offset pressures within Sports Leisure & Culture	(0.437)	
Children's Social Care	Richard Baldwin	Agency £1.1m	1.000	The work to reduce the overall reliance on Agency staff has continued since the summer. This has involved a number of staff converting to permanent posts, as well as releasing 14 agency staff from their posts, which is in accordance with the implementation plan of the Social Work Academy. This has meant a reduction in costs over period 3.	0.668	1.668	Management of agency staff currently being reviewed by CD and review panel	0.868
Children's Social Care	Richard Baldwin	Placements £1.8m	1.800	The IPOP will continue to scrutinise the use of, and effectiveness of placements to ensure maximum use of "in-house" resources. Re-commissioning of services is expected to reduce costs. The current per 10,000 figure for the rate of CLA, shows that currently Tower Hamlets already has fewer children in care than many statistical neighbours.	(0.900)	0.900	The IPOP will continue to scrutinise the use of, and effectiveness of placements to ensure maximum use of "in-house" resources. Re-commissioning of services is expected to reduce costs. The current per 10,000 figure for the rate of CLA, shows that currently Tower Hamlets already has fewer children in care than many statistical neighbours.	0.900
Children's Social Care	Richard Baldwin	Leaving Care £0.9m	0.900	The review of the Through care team is ensuring tighter controls on the commissioning of placements and accommodation, which is positively impacting on overall spend.	(0.160)	0.740	The review of the Through Care service is now underway and is scrutinising a new structure of the service which may be able to deliver a more efficient delivery of services as the number of care-leavers and former relevant young people will increase over the next few years. The service has started to see a reduction in costs	0.690
Children's Social Care	Richard Baldwin	CHI002/17-18 £1m savings (Better support for families through early help and a reduction in social care demand) slipped to 2020/21 & 2021/22	1.000	NOTE - this saving is badged against Youth & Commissioning in the savings tracker. The 2016 business case, states this is a LAC placement saving, therefore the savings target has been realigned within this recovery plan. The £1m saving will be achieved as part of the phase 2 Early Help transformation. Savings are due to come from multiple workstreams and a phase2 restructure of the team. The planning for this was delayed due to Ofsted; however, it will recommence from July 2019 with the intention to complete by 30th June 2020. 75% savings will be achieved in 2020/21.	1.000	1.000	Red rag status as savings to be achieved in 2020-21	1.000
Children's Social Care	Richard Baldwin	CWD -£0.4m	(0.800)	Hold vacancies to offset pressures within CSC. Forecast increased by £0.4m in P5 as some vacancies were recruited to. In addition short breaks and direct payments have increased. Balanced budget expected	0.782	(0.018)	-	(0.018)
			3.900		0.390	4.290	(0.850)	3.440

Education & Partnerships	Christine McInnes	CHI005/17-18 SEND unachievable savings £0.9m. The SEND saving of £0.9m which was based on a flawed business case and levied against the DSG is unachievable. Writing off this saving has been recommended by the Frontline Services Board.	0.900	0.900					0.900
Education & Partnerships	Christine McInnes	SEND Transport & Staffing £1.7m. This is an ongoing pressure that is likely to increase. Grant Thornton has been commissioned to undertake a deepdive in order to understand the reasons and to recommend actions to address. Their recent report highlights the service is underfunded as there is no annual review to take account of demand, but alongside this during 2018-19 a retendering process resulted in an additional circa £0.8 pressure rather than a saving. Initial recommendations from GT have been discussed with elected members prior to moving forward on the final action plan to reduce cost, which will involve possibly controversial policy changes. No cost reductions are expected this financial year.	1.700	0.200	1.900	DPS may reduce costs in Q4. This is currently being reviewed.			1.900
Education & Partnerships	Christine McInnes	EMA. Mayor 3 year funding (£370k p.a.) ended March 2019. Summer term (£123k) will be drawn down from reserves. Service has continued to process claims from April 2019, therefore pressure of £247k remains within this service.	0.370	(0.370)		Correction of 2018-19 applications - creditor revised for year end accounts			-
Education & Partnerships	Christine McInnes	All non statutory Education & Partnerships Services	0.200	0.200	0.200			(0.200)	-
			2.970	0.030	3.000			(0.200)	2.800
Children's Resources	Debbie Jones	Historical savings/budget adjustments prior to 2015/16. Ofsted £0.5m	1.000	(0.109)	0.891	£0.3m historical savings to be transferred to Business Support Services.		(0.300)	0.591
Children's Resources	Debbie Jones	Free School Meals - Mayor's Programme. Pressure in 18/19 £0.5m - new reimbursement system expected to achieve reduction in costs.	0.200	(0.400)	(0.200)	Free School Meals - Mayor's Programme. Pressure in 18/19 £0.5m - new reimbursement system expected to achieve reduction in costs.		(0.200)	(0.400)
Children's Resources	Debbie Jones	Buildings	1.200	(0.304)	0.896	Pressure on empty buildings - business rates & security		(0.500)	0.396
			12.120	(0.468)	11.652			(1.636)	10.016
Mitigating Factors (mitigating factors already included in the forecast outcome proposed reserve use)									
Draw Down of Reserve - EMA Funding		This has been agreed in principle. This is the balance of £4.2m of Ofsted funding spread over 2 years. It was agreed that the balance caused by project slippage would be used to alleviate other budget pressures in 2018/19 subject the unspent amount being drawn from reserves / contingencies in 2019/20.		0.120		No longer required as 2018-19 year end creditors corrected.			-
Draw Down of Reserve - Balance of Ofsted Funding		This has been agreed in principle. This is the balance of £4.2m of Ofsted funding spread over 2 years. It was agreed that the balance caused by project slippage would be used to alleviate other budget pressures in 2018/19 subject the unspent amount being drawn from reserves / contingencies in 2019/20.			(0.500)				(0.500)
			(0.620)	0.120	(0.500)			(0.500)	-
Total Savings / Revised Overspend Children and Culture			11.500	(0.348)	11.152			(1.636)	9.516

Recovery Plan 2019-20 : Children and Culture - Dedicated Schools Grant



Service Area / Section	Officer Responsible	Causes / Drivers of Overspend (Brief description of causes)	Initial Forecast Overspend £m	New Pressures / (Mitigations Already Actioned)	New Pressures / (Mitigations) £m	Updated Low Risk Forecast Overspend £m	Further Actions Planned to Mitigate Overspend (including alternative strategies)	Further Planned Actions £m	Revised Position £m
SEND - High Needs Block	Christine McInnes	Growth, increased prices to non maintained schools - neither of which have been funded from DSG for the past 4 years. Pressure includes £5.7m DSG deficit from 2018-19 and £7.8m for 2019-20.	13,500	Reduce pressure by £4.2m in 2019-20 based on DSG recovery plan submitted to DfE (pending School Forum agreement). (£1.1m savings target, £1.2m transfer of schools block to HN block, £1.9m estimated additional HN grant from DfE). Overall strategy To reduce budget pressures on the High Needs Funding Block (HNFB) and achieve financial balance over the period 2018 – 2022 through: - significantly reducing the funding retained by LBTH to deliver support services, - reducing the demand for centrally retained funding for Alternative Provision through a variety of measures, - reducing the rate of increase in EHC plan numbers - a reduction across all school top-up payments 1. Increase special school places. Informed by demographic and school place projections, there is a need to plan to fund more special school places in Tower Hamlets, responding to the anticipated increase in the numbers of children and young people requiring a specialist school. This work has been taken forward with increased place numbers in the LA special school for ASD and the primary PMILD provision. The secondary PMILD provision will also increase its place numbers from September 2019. 2. Review SEMH provision. A review of SEMH provision in Tower Hamlets took place in the Autumn term, 2018 and the recommendations of this review are being taken forward by a working group made up of council officers, senior school leaders and governors. Amongst the recommendations are increasing the number of specialist places in the LA to reduce the number of expensive placements in non-maintained special school provision. The review also found that SEMH special school offer is fragmented and current schools struggle to be cost effective. The LA is developing a more sustainable approach to SEMH provision in Tower Hamlets, with a mixed economy of increased training and professional development within mainstream schools, the development of a continuum of support through mainstream schools, via resource based provisions and the development of specialist provision to meet the needs of all children and young people with SEMH, including the LA's residential provision. 3. Review top-up payments for special schools and resource bases. a. Review the per pupil top-up funding figures for special schools and for specialist resource bases, to reduce anomalies between institutions. b. Informed by the place planning for SEND, review resource base designations to better fit with future SEND needs in Tower Hamlets; also give consideration to the process for a school to withdraw from offering a resource base or allows for a school (with high EHC plan levels) to apply for designation. For recommended changes to be implemented over a two year period. 4. Review the current banding system in Tower Hamlets The LA is currently working on updating the descriptors for the banding system to clarify what level of need falls within each band and which children are eligible for an EHCIP, however in the meantime the public consultation includes questions on making a reduction to top up funding to mainstream schools and greater transparency for parents of individual budgets. The revision of the current top-up payment bands for mainstream schools will incentivise inclusive practice encouraging all schools to provide places for children and young people with an EHC plan, leading to a more even distribution of these pupils across Tower Hamlets' mainstream schools. 5. Support for Alternative Provision The amount of the HNFB dedicated to AP in Tower Hamlets is high by comparison with other LAs as there has been a previous agreement with secondary headteachers that funding should be centrally retained rather than devolved to individual schools, which is the case in many LAs. The system is working well with London East Alternative Provision nationally recognised for its good practice. Although the outcomes for Tower Hamlets pupils in AP are positive, the recommendations arising from the Timpson Review on reducing school exclusions and managed moves, as well as budget pressures, mean that there is a need to make changes. This work is already underway. The reformed Behaviour and Attendance Support Service is an important delivery mechanism to support the 6. Review top-up funding for pupils at FE Colleges The funding of pupils in FE colleges is currently commissioned on a pupil by pupil basis. A review of the funding schedules for individual placements has raised some areas where savings can be found by renegotiating individual top-ups for young people, commissioning additional support for young people in FE Colleges using a place payment model, and ensuring that contributions to be made by health and social care are clearly outlined within funding schedules and followed up so that the HNFB is being used to support educational need. 7. Fund improved opportunities posts-16 The LA HNFB consultation is also asking for ideas on how to release additional funds from the HNFB to support an improvement of post-16 opportunities for all young people with an EHC plan, including increased access to supported work experience, supported internships, traineeships and personal budgets. 8. Reduce LBTH retained budgets. Significantly reducing the budgets retained by LBTH over the period 2019 – 2021 will ease some of the pressure on the HNFB. Reviewing the services funded by this grant to ensure they are fit for purpose and using the JSNA to ensure that the council is able to meet the needs of the current and future profile of children and young people with SEND, as well as improving the capability of mainstream schools to meet their inclusion requirements. Any reduction in the retained funding will remain within the SEND system, contributing to reducing the budget pressures and encouraging earlier and more rigorous intervention for those at SEND Support. 9. Bring SEND equipment budgets together through joint commissioning arrangements Streamline the equipment budgets for SEND and working with Health and Social Care come to joint commissioning arrangements for equipment currently purchased through the HNFB for use by individual pupils in their school setting. Spending on joint health, education and social care solutions will enable more timely and better value equipment purchases. 10. Revise the commissioning of special school outreach services. Outreach support for mainstream schools, provided by special schools within Tower Hamlets is a valued resource. The LA will commission the special school outreach contracts working with Tower Hamlets Education Partnership to develop a process to consider with mainstream headteachers, the priorities for outreach support and to then establish similar SLAs and reporting arrangements for any special schools commissioned to deliver outreach. An initial review of the special school outreach services will take place within the 2019-20 school year. Reduction in SLS Trained income & no reduction in SLS Training SLA to offset loss of income	9,300	9,300	£4.2m mitigations dependant on SEND recovery plan being fully actioned by 31.3.20	-	9,300
Support for Learning Service	Christine McInnes		13,500		0,350 (3,850)	0,350 9,650		0,350 9,650	
LA Day Nurseries	Ronke Martins-Taylor	Delay in implementation of service redesign in 2018-19 due to elections - staff & building costs to September 2019.	0,500		(0,500)	-		-	-
			0,500		(0,500)	-		-	-
Total Overspend Prior to Agreed Mitigation			14,000		(4,350)	9,650		-	9,650
Mitigating Factors (mitigating factors already included in the forecast outturn ie proposed reserve use)									
Total Savings / Revised Overspend Children and Culture DSG			14,000		(4,350)	9,650		-	9,650

Please note: The overspend position includes £5.7m relating to 2018-19 deficit to be repaid.