

**Report of Head of Scrutiny and Member Development**

**Report to Scrutiny Board (Children's Services)**

**Date: 17 December 2015**

**Subject: Financial Health Monitoring Children's Services- Budget Update Period 7 2015/16, Cluster Funding and Budget Proposals for 2016/17 Consultation**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Scrutiny Board (Children's Services) resolved to consider the budget of Children's Services at appropriate intervals. This is reflected in the work programme of the Scrutiny Board 2015/16. The purpose of this report is to provide Board Members with information with regard to the financial health of Children's Services for period 7 (appendix A). Updated information for period 7 will be considered at the Executive Board on the 16 December 2015.
2. Initial budget proposals for 2015/16 are also due to be considered at the Executive Board meeting on 16 December 2015, when the Board is expected to refer the proposals to Scrutiny. The sections of the report relevant to this Scrutiny Board's portfolio are attached (appendix B).
3. The Scrutiny Board will have the opportunity at its meeting to raise any specific questions with regard to budget proposals that fall within its portfolio area. Any conclusions, observations and recommendations that are made by Scrutiny Board (Children's Services) will be fed back to Executive Board prior to full Council.
4. In October 2015 the DfE confirmed that Leeds will be able to continue to top slice the Dedicated Schools Grant for clusters for one further year in 2016-17. Specifically the DfE's recommendation said:

*'Leeds may continue to retain centrally £5.2m of DSG to support the children and families trust board locality working 'cluster' model. This is conditional on the authority developing a plan to delegate as much as possible through the formula in the future so that schools are able to pool budgets to purchase the service through individual agreement rather than top slicing DSG from the next financial year'.*

Further work is required to develop a new sustainable funding model. Children's Services will with Schools Forum produce proposals for schools and governors about how we can continue to develop and fund the cluster working model.

5. The directorate's Head of Finance have been invited to present the budget information and address any further questions from the Board.

### **Recommendations**

6. Members are asked to:
  - a. note the financial position of Children's Services for period 7 2015/16 and Cluster funding arrangements.
  - b. consider the initial 2016/17 budget proposals relevant to the Scrutiny Board's portfolio and provide relevant comment and recommendations.

### **Background documents**

7. None<sup>1</sup>

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.