



SCRUTINY BOARD (CHILDREN AND FAMILIES)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Thursday, 14th December, 2017 at 9.45 am

(A pre-meeting will take place for ALL Members of the Board at 9.15 a.m.)

MEMBERSHIP

Councillors

J Akhtar	Hyde Park and Woodhouse;
S Bentley (Chair)	Weetwood;
D Cohen	Alwoodley;
N Dawson	Morley South;
J Elliott	Morley South;
Whips nominee	Labour Group
C Gruen	Bramley and Stanningley;
M Iqbal	City and Hunslet;
P Latty	Guiseley and Rawdon;
K Renshaw	Ardsley and Robin Hood;
B Selby	Killingbeck and Seacroft;

Co-opted Members (Voting)

Mr E A Britten	- Church Representative (Catholic)
Mr A Graham	- Church Representative (Church of England)
Vacancy	- Parent Governor Representative (Primary)
Ms J Ward	- Parent Governor Representative (Secondary)
Ms J Hazelgrave	- Parent Governor Representative (Special)

Co-opted Members (Non-Voting)

Ms C Foote	- Teacher Representative
Ms M Owen	- Teacher Representative
Mrs S Hutchinson	- Early Years Representative
Ms C Hopkins	- Young Lives Leeds
Ms C Bewsher	- Looked After Children and Care Leavers

Principal Scrutiny Adviser:
Sandra Pentelow
Tel: (0113) 37 88655

Produced on Recycled Paper

A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <ol style="list-style-type: none"> 1. To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report. 2. To consider whether or not to accept the officers recommendation in respect of the above information. 3. If so, to formally pass the following resolution:- <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p>No exempt items have been identified.</p>	

3

LATE ITEMS

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.

5

APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

To receive any apologies for absence and notification of substitutes.

6

MINUTES - 16 NOVEMBER 2017

1 - 6

To approve as a correct record the minutes of the meeting held on 16 November 2017.

7

SCRUTINY INQUIRY - THE IMPACT OF CHILD POVERTY ON ATTAINMENT, ACHIEVEMENT AND ATTENDANCE

7 - 38

To consider the report of the Head of Governance and Scrutiny Support and the report of the Director of Children and Families which provides the information relating to the fifth session of the inquiry.

8		<p>FINANCIAL HEALTH MONITORING AND BUDGET PROPOSALS FOR 2018/19 - CHILDREN'S SERVICES</p> <p>To consider a report from the Head of Governance and Scrutiny Support which provides information with regard to the financial health of Children's Services for period 7, the outline budget proposals for 2018/19, with additional detail regarding Children's Centre budget provision in response to recommendations 6 & 7 of the Children's Centre Inquiry Report.</p>	39 - 118
9		<p>PERFORMANCE UPDATE - APRIL 2017 - SEPTEMBER 2017</p> <p>To receive a report from the Director of Children and Families providing a summary of performance information relating to outcomes for Leeds children and young people.</p>	119 - 150
10		<p>BEST COUNCIL PLAN REFRESH FOR 2018/19 - 2020/21 – INITIAL PROPOSALS</p> <p>To receive the Best Council Plan Refresh for 2018/19 – 2020/21 initial proposals which will be presented to Executive Board 13 December 2017 and is due to be referred to Scrutiny for consideration in accordance with the Councils Budget & Policy Framework.</p>	151 - 166
11		<p>WORK SCHEDULE</p> <p>To consider the Scrutiny Board's work schedule for the 2017/18 municipal year.</p>	167 - 184
12		<p>DATE AND TIME OF NEXT MEETING</p> <p>Thursday 25 January 2018 at 9:45am (pre-meeting for all Board Members at 9:15am)</p>	

THIRD PARTY RECORDING

Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda.

Use of Recordings by Third Parties – code of practice

- a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.
- b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.

This page is intentionally left blank

SCRUTINY BOARD (CHILDREN AND FAMILIES)

THURSDAY, 16TH NOVEMBER, 2017

PRESENT: Councillor S Bentley in the Chair

Councillors J Akhtar, D Cohen, J Elliott,
C Gruen, P Latty, D Ragan, K Renshaw
and B Selby

CO-OPTED MEMBERS (VOTING)

Mr E A Britten – Church Representative (Catholic)

Ms J Hazelgrave – Parent Governor Representative (Special)

CO-OPTED MEMBERS (NON-VOTING)

Ms C Foote – Teacher Representative

Ms M Owen – Teacher Representative

Mrs S Hutchinson – Early Years Representative

Ms C Bewsher – Looked After Children and Care Leavers

39 Late Items

There were no late items.

40 Declaration of Disclosable Pecuniary Interests

There were no disclosable pecuniary interests declared to the meeting, however the following matters were brought to the attention of the Scrutiny Board for information:

- Councillor D Ragan advised that she had previous experience as a foster carer and was currently involved with the Leeds St Anne's Shared Lives Scheme.

Councillor D Ragan remained present for the duration of the meeting.

41 Apologies for Absence and Notification of Substitutes

Apologies for absence were submitted by Councillor N Dawson and Co-opted Members, Mr A Graham, Ms C Hopkins and Ms J Ward.

Notification had been received that Councillor D Ragan was to substitute for Councillor N Dawson.

42 Minutes - 19 October 2017

RESOLVED – That the minutes of the meeting held on 19 October 2017 be approved as a correct record.

43 Making Corporate Parenting Everybody's Business

The Head of the Virtual School submitted a report which provided the Board with an update on the progress made by the Corporate Parenting Board.

The following information was appended to the report:

- Department for Education – Applying corporate parenting principles to care and pathway planning – Statutory guidance for local authorities
- Children and Families Scrutiny Board Review into Corporate Parenting – Initial recommendations and update (October 2017)
- Children and Families – ‘Our promises to looked after children in Leeds’
- Briefing Note on Transport Issues for Care Leavers (29 March 2017).

The following were in attendance:

- Councillor Jonathan Pryor, Deputy Executive Member, Children and Families
- Councillor Helen Hayden, Chair of Corporate Parenting Board
- Andrew Eastwood, Chief Officer, Learning Improvement
- Jancis Andrew, Head Teacher Virtual School (LA Children).

The key areas of discussion were:

- Confirmation that Joel Hanna had recently been appointed Head of Service (Children Looked After) at Leeds City Council. Board Members were advised that Joel was due to start in the New Year.
- An update on apprenticeships, training, education and employment opportunities for care leavers.
- The different levels of higher education support for care leavers in different parts of the country. The Board was advised that this was to be raised with Joel Hanna once in post.
- Clarification sought regarding the ring fencing of apprenticeships for care leavers in the Council, the provision of holiday accommodation for care leavers in higher education and attainment data for children in care and care leavers.
- Transport support for care leavers and current concession in West Yorkshire and the limited support this provided for care leavers that studied outside West Yorkshire.
- The support available to kinship carers.
- Developing work with governing bodies in relation to looked after children and kinship care arrangements.
- Training and development for Elected Members. The Board was advised of the requirement for Member Management Committee to consider requests for the introduction of mandatory training for Elected Members. Members requested early notification of training and inclusion in the Council diary.
- Perceived differences regarding the support for looked after children and young people with disabilities, particularly young people accessing

education and learning settings outside of the Leeds area and the role of personal advisers in supporting children and young people with disabilities. Councillor Helen Hayden as the Chair of the Corporate Parenting Board undertook to look into these matters further at the next Corporate Parenting Board meeting and provide a response.

- The voice and influence of children looked after.
- The recommendation that short updates be provided to Community Committees six monthly and that the reports stipulated the level of attendance of elected members at Corporate Parenting Board.

RESOLVED – The Scrutiny Board (Children and Families)

- (a) Noted the contents of the report and appendices.
- (b) Requested that information regarding the ring fencing of apprenticeships for care leavers in the Council, the provision of holiday accommodation for care leavers in higher education and attainment data for children in care and care leavers be provided as requested.
- (c) Requested a further corporate parenting report in approximately 12 months' time.
- (d) That all Scrutiny recommendations in appendix 2 to the report also be reviewed at this time.

44 Scrutiny Inquiry - The Impact of Child Poverty on Attainment, Achievement and Attendance

The Head of Governance and Scrutiny Support and the Director of Children and Families submitted a report which presented information as part of the Board's inquiry into 'The Impact of Child Poverty on Attainment, Achievement and Attendance'.

The following information was appended to the report:

- National context
- Analysis of primary schools by pupil poverty levels
- Child Poverty and Learning Outcomes: Key Stage Analysis
- Demographics.

The following were in attendance:

- Councillor Jonathan Pryor, Deputy Executive Member, Children and Families
- Andrew Eastwood, Chief Officer, Learning Improvement
- Peter Storrie, Head of Service, Performance Management and Improvement
- Becky Lawrence, Performance Programme Manager.

The key areas of discussion were:

- The correlation between eligibility for free school meals and low attainment, and the integration of factors such as very high percentages EAL in some schools.
- Clarification sought about the conclusions that officers had drawn from the data collated regarding cause and effect. The Board was advised that it was difficult to draw conclusions and that a one size fits all solution would not fix the problem. The Board was also advised about the merits of an individualised approach, however it was understood that this required high levels of resource.
- The difficulties comparing schools due to the varying characteristics and mass of overlapping issues within each school, which required an individualised approach.
- Concern regarding the expectations of Ofsted for schools that were making considerable effort to support disadvantaged children and the challenges associated with transition from maintained school to academy status, and the impact on attainment on children during that change.
- Concern about the accelerated widening of the gap at KS2 and the lack of progress made in relation to closing the gap between pupils eligible for free school meals and their peers, particularly for those who were persistently disadvantaged. The Board was advised of the changes in national educational policy over the years regarding tracking and monitoring, which may affect the data from KS2 cohorts.
- The role of Clusters in supporting schools and communities in areas of high deprivation, and the funding structures.
- The need to share good practice with statistical neighbours and core cities, to identify and learn from their successes in closing the gap for vulnerable learners.
- The use of resources for wider informal experiences outside of school.
- Accountability of pupil premium funding. The Board was advised that information and data about pupil premium funding was contained on each schools' website.

RESOLVED – That the issues raised as part of the Board's inquiry into the impact of child poverty on attainment, achievement and attendance, be noted

(Mrs S Hutchinson left the meeting at 11.10am, Mr T Britten at 11.55am, Ms C Bewsher at 12.10pm and Councillor J Akhtar at 12.15pm, during the consideration of this item.)

45 Leeds School Status Overview

The Director of Children and Families submitted a report which provided an overview of the current status of schools across the city according to their governance arrangements.

The following were in attendance:

- Councillor Jonathan Pryor, Deputy Executive Member, Children and Families

Draft minutes to be approved at the meeting
to be held on Thursday, 14th December, 2017

- Andrew Eastwood, Chief Officer, Learning Improvement.

The Board requested further information regarding the total capacity of places at free schools across Leeds and the number of pupils that attended for each year group.

RESOLVED – That the above request for information be provided.

(Councillor D Ragan left the meeting at 12.25pm during the consideration of this item.)

46 Work Schedule

The Head of Governance and Scrutiny Support submitted a report which invited Members to consider the Board's work schedule for the 2017/18 municipal year.

In relation to the recent working group meeting regarding Moor Allerton Primary School and Allerton Grange High School Expansion, the Board was made aware of the Ofsted inspection that had taken place after consultation had started.

The key areas of discussion were:

- Clarification sought regarding the public engagement process to follow after this stage of the consultation. The Board was advised that this stage of the consultation was informal consultation and, subject to further consideration by Executive Board, further formal public consultation may follow.
- Clarification was also sought regarding the communication of the Ofsted inspection report to Executive Board. The Board was advised that the outcome of the Ofsted inspection would be communicated to the Executive Board in their report along with views expressed as a result of the informal consultation.
- In addition, clarification regarding the likelihood of the Ofsted inspection being known before the conclusion of the informal consultation period. The Board was advised that the date for publication of the Ofsted report could not be determined.

In response to concerns raised regarding the public being aware of the full circumstances when submitting their consultation response, it was requested the Director of Children and Families considers extending the current consultation period, as specified below. However, it was acknowledged that a further period of formal consultation in the future would potentially provide concerned parties with further opportunity to submit their views regarding any future proposal for school expansion.

RESOLVED –

- (a) That subject to any on-going discussions and scheduling decisions, the Board's outline work schedule be approved.
- (b) That the Director of Children and Families considers extending the consultation period, currently in progress, for the Moor Allerton Hall Primary School and Allerton Grange High School Expansion, until one week after the publication of the Ofsted inspection report for Allerton Grange High School.

(Councillor B Selby and Ms M Cox left the meeting at 12.35pm during the consideration of this item.)

47 Date and Time of Next Meeting

Thursday, 14 December 2017 at 9.45am (pre-meeting for all Board Members at 9.15am)

(The meeting concluded at 12.50pm)



Report author: Sandra Pentelow and Harriett Speight Tel: 37 88655

Report of the Head of Governance and Scrutiny Support

Report to Scrutiny Board (Children and Families)

Date: 14 December 2017

Subject: Scrutiny Inquiry– The impact of Child Poverty on Attainment, Achievement and Attendance

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of Main Issues

1. At its meeting on the 15 of June 2017, the Scrutiny Board considered potential sources of work for the 2017/18 municipal year. Following discussion with representatives from Children’s Services the Board expressed a desire to undertake an inquiry which would consider the effect of child poverty on educational attainment, achievement and school attendance. The Scrutiny Board expressed a desire to understand how the impact of child poverty on a child’s education is being challenged, strategically and practically, and also how the impact is managed in order to improve educational outcomes for children, particularly those who are vulnerable, in order to narrow the attainment/achievement gap and improve school attendance.
2. The Scrutiny Board agreed the terms of reference and conducted the first part of the inquiry on the 20 July 2017. This meeting is the 5th inquiry session and provides an opportunity for Scrutiny Board Members to provide feedback from the visits to schools and the Inner East Cluster Partnership, which were conducted on the 23rd, 24th and 29th of November.
3. **Poverty Proofing the School Day**
Early in the inquiry the Board sought to identify the positive steps that are being proactively taken in other areas of the country to reduce the impact of poverty on the education of children, so that Leeds could identify good and learn from good practice. ‘Poverty Proofing the School Day’ is a project developed by the charity Children North East, with the North East Child Poverty Commission. The project provides a toolkit to reduce stigma and remove barriers to learning, and to assist

schools in exploring the most effective way to spend pupil premium allocation. 'Poverty Proofing the School Day' consists of an audit for each individual school, questioning pupils, staff, parents and governors. The result is an action plan tailored to each individual school to address any stigmatising policies or practices.

The project was first piloted in four North East schools (both primary and secondary schools) in 2013-14. Peer researchers were used in the pilot secondary schools, a team of young people in each year group were trained to carry out the audit and support the school in implementing actions. Following completion of the pilot, Newcastle University evaluated the impact of the project, and reported best practice. This evaluation is attached as appendix 1. The programme is still in its early stages so there are no longitudinal data about the longer term impacts. However, the evaluation report suggests the project has 'significant benefits' for schools, particularly in regard to a shift in whole school ethos, and notes early evidence for improved attainment and attendance of disadvantaged pupils. The report suggests that a whole-school buy in of the project with is crucial to its success, with Local Authority support.

Since the development of 'Poverty Proofing the School Day', Children North East have worked with a number of local authorities to provide audits in schools. The project launched in North Lincolnshire in 2014, with support from Children North East, and has been running in at least 6 schools, with 18 staff that the local authority trained to complete the audit process. There is a waiting list of at least 30 schools.

In 2015, the Child Poverty Action Group (CPAG), in partnership with Glasgow City Council Education Services, and supported by Children North East, conducted research based on 'Poverty Proofing the School Day' with children, young people and school staff members to produce a research report, with a toolkit, called 'The Cost of the School Day'. The report included recommendations for schools, local authority services, Education Scotland, national government and other stakeholders. 'The Cost of The School Day' project has so far been facilitated in 8 Glasgow schools, with 339 young people and 111 staff.

In October 2017, Manchester City Council launched the 'Manchester Family Poverty Strategy 2017-22' despite the removal of their statutory duty to do so by the Welfare Reform and Work Act 2016. The strategy outlines Manchester City Council's intention to produce their own poverty proofing toolkit to reduce the impact of child poverty on educational outcomes, with evidence taken from the 'Poverty Proofing the School Day' project. The toolkit will also be adaptable for different uses and different organisations, including health and the Voluntary and Community Sector, and will use a strengths-based approach and learning in line with the 'Our Manchester' ethos. The toolkit will be co-developed with the support of partners and key stakeholders as well as with residents, to ensure that it reflects what is important to residents and best meets their needs.

Following engagement by the Scrutiny Unit with Children North East a representative has offered to meet with members of the Scrutiny Board to provide further information regarding the poverty proofing initiative and its impact.

4. School Places

At the October session the Board raised concerns about the impact of school placement and in year school moves on families. Particularly in circumstances where siblings are not placed at the same school or a child has to move schools due to difficult circumstances such as fleeing domestic violence. The Board resolved to invite Viv Buckland to the December meeting to discuss how school placement can impact on or alleviate poverty and supports school attendance.

5. Commissioning

The terms of reference sets out the Scrutiny Boards wish to identify how child poverty strategies & plans in Leeds inform Children's Services commissioning and resources allocation for children and families in poverty, to support attainment, achievement and attendance. The report from the Director of Children's Services responds to the request for this information.

6. Mitigating the impact of Child Poverty on Attainment, Achievement and Attendance

At the October session of the inquiry the Scrutiny Board received a report which stated that 'the commitment to tackling child poverty has been seen as implicit across all directorates of the council'. The Scrutiny Chair has again extended the opportunity for Children's Services to provide a clear and coherent overview of the delivery and impact of Leeds City Councils implied approach to child poverty reduction. In response to this a presentation to the Scrutiny Board is planned for delivery at the meeting on the 14th December 2017.

7. Recommendations

The Scrutiny Board (Children and Families) is recommended to:

- a) Note the information contained within this report, and the information provided by the Director of Children and Families.
- b) Note the verbal information presented at the meeting
- c) Consider if the Board wish to discuss poverty proofing the school day further with Children North East.
- d) Make recommendations as deemed appropriate.

This page is intentionally left blank

**Poverty Proofing
the School Day:**
Evaluation and Development
Report

Laura Mazzoli Smith and Liz Todd
February 2016



Poverty Proofing the School Day: Evaluation and Development Report

Contents

Summary	3
Background	5
What is distinctive about the <i>Poverty Proofing</i> approach?	6
What has the <i>Poverty Proofing</i> initiative revealed?	6
What are the benefits for schools?	8
What are schools doing in response to the action plans?	9
Influence of <i>Poverty Proofing</i> outside of the North East	10
Impacts of <i>Poverty Proofing</i>	10
Cost of <i>Poverty Proofing</i> to schools	12
Barriers to engaging with <i>Poverty Proofing</i>	12
Conclusions and recommendations	13
Critical Issues	16
References and Bibliography	18

Thanks

The authors would like to thank all the staff, parents, governors and children that agreed to talk to us. We also give many thanks to Sara Bryson of Children North East for her assistance in enabling this research to go ahead and to several generous readers of the draft report who offered their comments.

To cite this publication: Mazzoli Smith, L. and Todd, L. (2016) *Poverty Proofing the School Day: Evaluation and Development Report*. Research Centre for Learning and Teaching, Newcastle University.

Summary

Aims

The aim of *Poverty Proofing the School Day* is to remove barriers to learning which exist because of the impacts of living in poverty. The *Poverty Proofing* audit consists of a whole-school evaluation, a written report and action plan and training for staff and governors. It is aimed at uncovering institutional and cultural practices which stigmatise pupils who live in poverty.

Action plans

Most of the issues raised in the action plans were generic across the schools. These included extensive issues around ability/behaviour and setting, bullying, uniform, exams, extra-curricular activities, support for parents and families, food, homework, resources, transport, tutor groups/support for pupils, and school leadership and governance.

Immediate benefits of the *Poverty Proofing* process

Going through the process afforded schools an opportunity to reflect on the fact that *children living in poverty were being unwittingly stigmatised multiple times during the school day*. Benefits also included schools getting access to student and parent voice, having an external viewpoint of the school, a better understanding of issues around poverty, and support on pupil premium spending.

Changes made

Schools could make some changes quickly and relatively easily in relation to the action plans, such as reorganising the administration of free school meals, or setting up breakfast clubs and providing more access to IT facilities for instance. Children North East were available to provide ongoing support with respect to making changes.

Impacts of *Poverty Proofing*

There is evidence of impacts in relation to the programme aims in many of the schools, including improved attendance and attainment, greater take up of free school meals, more effective use of pupil premium funding, a less costly school day, and an increase in the uptake of school trips and music tuition by the most disadvantaged pupils.

Barriers and Recommendations

The programme was thought of very highly by most of the schools that have completed it so far. Not all schools remained engaged with the programme however and it was found to be very challenging at times even for those that did. This highlights both the difficulty in meeting the challenges of reducing stigmatization around poverty but also the fact that schools are part of a wider society in which the impacts of living in poverty on everyday life are profound. Ways in which the programme can be adapted to ensure greater buy-in, but also the wider societal context are considered.

Evaluation

This report is the result of an evaluation of the *Poverty Proofing the School Day* audit process run by Children North East. This evaluation was carried out by Laura Mazzoli Smith and Liz Todd and

was funded by Newcastle University Institute for Social Renewal. It was based on analysis of poverty proofing actions plans, observations of the process, and interviews with a range of practitioners.

Critical Issues

Whilst the programme has shown that it can be successful in meeting its aims and in highlighting the extent of the stigmatization that occurs during the school day for pupils living in poverty, as well as the increasing costs of the school day, it also raises a number of larger issues. The action plans provide schools with recommendations to reduce stigma and cost within their school, however a number of the issues covered are arguably issues that local authorities, government and also society must address. They are issues which go beyond the school gate and which schools cannot therefore be expected to address alone. This report includes an examination of these broader challenges and considers the issues arising in school action plans in wider societal context.

Key Findings of the evaluation of *Poverty Proofing the School Day*

- There is evidence of and real concern in schools about the rising costs of the school day.
- This is a high impact programme, which has revealed a huge array of generic issues that are routinely, if unintentionally, stigmatising children living in poverty and contributing to the increasing cost of the school day.
- The audit is challenging but highly effective, delivering to the school a rare opportunity to give voice to its most disadvantaged pupils and their families and see their practices through the eyes of all pupils, parents and staff.
- There are numerous benefits for the school as a result of going through this process, including a shift in whole school ethos and culture and the opportunity to make changes in response to the action plan, with maximum impact on pupils.
- There is early evidence of increased attendance and attainment of disadvantaged pupils as a result of removing barriers to learning.
- The audit provides a constructive opportunity to review pupil premium spending and through this and other actions, reduce the cost of the school day for pupils in real terms.
- These impacts are dependent on the third party nature of the audit. Whilst it is very important to share good practice in this area, it is unlikely that the same benefits will be derived if a school reviews these issues in isolation through a self-evaluation process.
- Whole school buy in, including senior leadership and Academy Trust or LA as appropriate, is crucial.
- The fee is good value for money given the array of benefits the school derives from this programme, the whole school learning and shift in school culture which result, and the likely long-term impacts.

Background

Poverty Proofing the School Day developed from a project run by Children North East in 2011, in which children living in poverty said what they most wanted was an end to discrimination at school. This is within a wider context of concern about the rising cost of the school day, such as from The Teachers' Union NASUWT report *The Cost of Education* and a recent analysis by the Children's Society which has shown that education-related costs make up a large proportion of the family budget (Holloway et al 2014). It is also within a context where the Institute for Fiscal Studies has predicted that child poverty will increase in the years to come (Joyce 2014) and that the impact of the cost of the school day on poorer students will get worse (Bragg et al 2015).

Poverty Proofing the School Day is an audit for schools, developed by the charity Children North East with the North East Child Poverty Commission. The aim of the programme is to remove barriers to learning which exist because of the impacts of living in poverty:

Poverty Proofing Website
www.povertyproofing.co.uk

Poverty Proofing the School Day will support schools to identify and overcome the barriers to learning that children and young people from families with less financial resources face. It will enable schools to develop an action plan to reduce the stigma and discrimination pupils experience.

There was a pilot in four North East schools (both primary and secondary schools) in 2013-14 and from this the kinds of questions now asked in the audit were developed. Peer researchers were used in the pilot secondary schools, a team of young people in each year group trained to carry out the audit and support the school in implementing actions.

In 2014-15 13 schools signed up for the audit at a developmental fee. The process consists of:

- an external evaluator speaking to all pupils in the school in small groups;
- an online questionnaire available for all parents, staff and governors;
- face to face interviews with parents, staff and governors in situations where they request this and/or this is beneficial;
- a written report and action plan based on responses to the questions posed;
- a training session for staff and a training session for governors;
- ongoing support from Children North East to implement the action plan.

Going forward Children North East hopes to develop a sustainable national model with regional delivery partners and they are developing accreditation for those schools that have completed the audit through a quality mark. They would then join an online community of good practice in which they will continue to receive support and be able to share best practice with other schools.

This evaluation was carried out by Laura Mazzoli Smith and Liz Todd within the Centre for Learning and Teaching of Newcastle University and funded by Newcastle Institute for Social Renewal. It is based on the following:

- observations of the process of working with young people in two schools;
- interviews with two Head teachers and two Deputy Head teachers in three schools;
- interview with a Chair of Governors;
- interview with Children North East staff;
- interview with the Local Authority Advisor in North Lincolnshire;
- observation of a staff training session;
- attendance at a Schools North East dissemination event;
- analysis of all parental, staff and governor questionnaire data;
- analysis of all school action plans.

This allowed the evaluation team direct access to the process and/or the views of staff in six of the 13 schools that have participated so far and indirect access to data from all. Of the six schools where primary data was gathered, the proportion of pupils eligible for pupil premium ranged from 27% to 80%.

What is distinctive about the *Poverty Proofing* approach?

Most distinctive about this approach is that *all* pupils in a school are interviewed in focus group sessions, which do not shy away from dealing with the difficult issues around poverty. All parents, staff and governors are invited to fill out questionnaires, paper and/or online and all the staff and governors receive a training session run by Children North East on poverty. The audit is therefore based on a whole-school consultation and as is explored further below, hearing directly from children living in poverty about their experiences is unusual.

Whilst this may sound onerous, particularly for a large school, the process is managed well, with pupils being taken out of lessons in small groups for a short focus group, over a number of days, so that at any one point there is little impact on school life. Schools did not state that they found the process onerous or disruptive, rather the opposite, stating that they valued this rare opportunity to hear from the whole school community.

The audit is explicitly values-led and unflinching in its exploration of all aspects of poverty, based on a well evidenced and strongly articulated set of arguments around the negative impacts of poverty on learning (see the Critical Issues section at the end of this report). It is aimed not at finding individuals who discriminate against pupils living in poverty, but at the institutional and cultural practices which do this and as such the focus is on whole-school impact at the level of practices and behaviours, but also beliefs and ethos.

The process is also distinctive in that in some schools, particularly in the pilot phase, it has trained and supported pupils to go into partner schools and carry out part of the audit as peer researchers.

What has the *Poverty Proofing* initiative revealed?

The action plans available from participating schools have detailed a range of areas in which action points emerged. Each action plan detailed on average in excess of 30 issues/barriers to learning and whilst

some issues were pertinent to particular schools, most were generic across all the schools. Many are school processes and practices which appear to be minor and which could therefore be easy to change, but the negative impact on pupils was shown to be great. Most of the changes advised in the action plan can be carried out with no, or little, financial implications for the school. The areas raised in the action plans covered elements of much of school life, including:

- setting
- bullying
- uniform
- examinations
- extra-curricular activities
- school support for parents and families
- staff relationships with/ support for pupils
- food
- homework
- resources
- transport
- school leadership/governors.

Particularly significant issues and therefore areas of greatest concern, as detailed in the case studies below, involved uniform, the administration of free school meals (FSM) and the cost of extra-curricular trips and activities. Table 1 below contains some case studies of the kinds of issues raised in these areas, along with examples of what schools are doing to address them.

The list of issues that were picked up in the action plans can appear to be daunting, as so many areas of school life are implicated, but as this report will highlight, many issues can be easily addressed. It is important to note that the range of areas addressed in the school action plans highlights how many ways there are for a child living in poverty to feel further marginalised at school and how easy it clearly is for schools to overlook some of the practices and processes which can lead to stigmatization. It was notable that schools regularly commented on the fact that they had not been aware of the impact of some school practices on pupils living in poverty and they were often surprised to find out that pupils and parents had a different perspective on these. This disparity between school perceptions and pupil/parent perceptions is clearly very significant.

It was notable that in many of the schools actions could be taken quickly and relatively easily to address some of the key areas of concern arising in the action

POVERTY PROOFING THE SCHOOL DAY: EVALUATION AND DEVELOPMENT REPORT

plans. It could be argued therefore that there is an inverse relationship between the level of stigma a child feels as a result of some school practices and the relative ease with which these practices can be changed. It must also be said that many of the items in the action plans were areas that staff had already given consideration to. An example of this was the administration of FSM. Yet in some of these areas staff were also unaware that stigma continued to be experienced and taking action would involve a degree of problem solving on the part of the staff. Later in this report some of these issues are also contextualized in the light of what wider society can do, as not everything picked up in the *Poverty Proofing* action plans can - or should - necessarily be dealt with solely by schools.



Table 1: Case studies demonstrating impacts of Poverty Proofing the School Day

<p>Uniform</p> <p><i>One of the schools using young people as peer researchers heard from pupils at a neighbouring school that the cost of their school uniform was too high. As a result it was brought down. The school has also become more proactive about discretely giving pupils uniform when they clearly do not possess it, rather than resorting to punishment. They even take their pupils to the local shoe shop to replace their shoes and have an account at the school uniform supplier to buy items for pupils whenever these are needed.</i></p> <p><i>One of the schools noticed for the first time, as a result of Poverty Proofing, that some of their pupils had never attended school on charity dress-up days, so the number of these has been cut and</i></p>
--

other ways to raise money for charity found. This school has also started a second-hand uniform shop at school.

However attempts to change uniform policy are not easy. In one of the participating schools for instance, the action plan highlighted the fact that pupils were routinely spending £100 on trainers and those who could not afford this felt stigmatized. The Head teacher therefore decided to buy standard school trainers for all pupils, but this was very unpopular, even with the pupils and their families who could least afford expensive trainers. The school has now moved to a policy that all pupils must wear black shoes, avoiding trainers altogether.

Extra-curricular activities

Concern was felt in one school about the fact that parents were often worried about a letter potentially coming home any day asking for money for a trip. This was exacerbated with siblings in school and challenging as these costs could not be planned for. As a result this school has instigated an audit of all the trips for which money is being requested, as they realised there was no central information held. They are responding by reconsidering the value of all their trips and looking into a way of notifying parents at the start of a school year about what trips are due to take place, giving them a longer timeframe in which to pay.

It was highlighted to another school that they had been charging pupils for a fieldtrip which is a compulsory part of coursework and this is illegal.

Pupils in another school had also talked about how lists of those still owing money for trips was routinely read out in class, stating that the trips could not happen without payment, yet this does not accord with the voluntary nature of the contribution. This school will no longer publically discuss payment for trips and is looking at more proactive ways of supporting parents who find these payments difficult and also of subsidising trips.

Food

In one school the administration of school lunches clearly marked out the children on FSM through a list of highlighted names in the dinner hall and classrooms. These children, when paying for their

lunch, also lost any change that they were owed, as they were unable to carry this forward like children not on FSM. The audit pointed out that this was discriminatory and changing this could enable children to purchase extra snacks at break-time or breakfast at the low cost breakfast club.

Another school reorganised the administration of their lunches, moving to a cashless, anonymous system. They immediately stopped selling bottled water at break-times and are more proactive about encouraging eligible children to claim FSM, recognising that family circumstances can frequently change.

A further school has collected a range of different lunch boxes which they now put FSM in for taking on trips, to replace the stigmatizing paper bags which had been the norm. Lunch-time has been lengthened to ensure pupils have adequate time to eat a hot meal and the school council has been involved in improving the dining experience and tackling some of the myths that were held about the school meals, which deterred children eligible for FSM from claiming them.

- gaining extensive student, staff and parental voice;
- an external viewpoint of the school not from Ofsted;
- a more nuanced understanding of the impacts of poverty which they believed would continue beyond the action plan i.e. there was a shift in the school's ethos;
- the opportunity to discuss issues around poverty, which some staff had rarely had before;
- support with spending of pupil premium funds e.g. information about the Sutton Trust – Education Endowment Fund (EEF) Teaching and Learning Toolkit;
- changes in staff attitudes to parents in poverty (including reception staff, administrators, cleaners, dinner staff);
- focus on 'in-work poverty' as well as pupils on FSM;
- improved attendance and attainment in some schools as a result of this cultural shift (these impacts are explored further below);
- time and support to make changes which were not previously seen as priorities.

What are the benefits of the process for schools?

Negative impacts on children living in poverty were felt in almost all areas of school life. Many schools are aware of the effects of poverty on children and all had taken action within their schools already. However, the schools we spoke to were not aware of the extent of the effects of poverty on the school day. Therefore the greatest single benefit of going through the process was the opportunity to reflect on the fact that *children living in poverty were being stigmatised multiple times during the school day*. Far from schools deliberately maintaining stigmatising practices, they were often unaware of the impact of some of their practices on pupils living in poverty and were only too pleased to have these issues brought to the fore, even if it was a challenging process. Schools also reported significant additional benefits as a result of the process itself:

Particularly successful was the peer researcher aspect employed in some of the schools. One of the schools involved in this exchange of young people highlighted that it was only because of the expertise of Children North East that this was possible and that they would have struggled to manage anything like this on their own. It was the impact of hearing about their school from neighbouring pupils which they found particularly powerful, stating that what this gave to the school was 'invaluable' and could not have been learnt any other way.

**"Could someone help me with these?
I'm late for math class."**



**Headteacher/Chair of governor/LA
Adviser quotes about Poverty Proofing**

This has been one of the most impactful programmes we have ever been involved with.

The strengths of the audit are that every child, parent, teacher and governor gets spoken to and that views come primarily from pupils, not Ofsted. A positive is that you have help from Children North East to implement the action plan, including online resources.

It was worth every penny and good value compared to other things that have been paid for in the past.

It is not a package, it is a process leading to a shift of ethos.

This is the best thing I've heard in 40 years!

What are schools doing in response to the action plans?

There were many 'quick wins' in response to the action plans, with other issues being harder to tackle. In fact some of the changes to school processes and practices which were instigated happened before the schools even received their action plans. The conversations and external focus were themselves a significant spur to change some things and the speed with which some of the schools made changes reflects how importantly they viewed the evidence of stigmatization, but also how relatively easy it was to effect change in some areas.

Actions which schools were able to implement relatively quickly included:

- instigating a self-audit of all trips being run in school to find out how much money was being asked for in each year;
- reorganising the administration of FSM;
- implementing free breakfast clubs/setting up homework clubs using pupil premium funds to subsidise places;
- providing a free snack and drink to all pupils before examinations;
- reviewing the numbers of non-uniform days being held and replacing some of these with alternative fund-raising activities in school;
- reviewing what resources were needed from home to complete projects or homework and ensuring that homework largely did not rely on the acquisition of other resources;
- improving IT access in and after school and removing rewards for completing tasks online;
- distributing free uniform and PE kits/ changing the manner of distribution of uniform and other resources;
- not discussing any costs or debts with pupils publically or sending debt letters home with pupils;
- challenging staff over whether asking pupils to write about their holidays or presents was appropriate and fair to all.

There are also more challenging, long-term issues which schools are grappling with, as follows.

- A perceived increase in the number and cost of school trips. Several schools are considering an annual statement to parents who can then budget and/or pay in advance and are also re-examining the educational rationale for some of their trips.
- Changes to uniform. Schools have not always found it easy to reduce the burden of school uniform costs. Some changes to uniform have been controversial, even with parents who are most likely to benefit from cheaper uniform. There are also questions about uniform changes which are arguably wider than just single-school decisions. If some individual schools decide to 'level-down' the costs of their uniforms so these are all available from a supermarket, whilst others do not, what does this mean in terms of between-school equality for pupils if some

school uniforms are obviously far cheaper than others?

- A reduction in internet-based homework/ access to phones or other technology in school. Again if some schools 'level-down' their expectation of pupils to use the internet for instance, does this disadvantage these pupils in comparison with pupils from other schools that are not doing this or who are actively increasing expectations on pupils to access technology and the internet in their work?

The influence of *Poverty Proofing* outside of the North East

In North Lincolnshire the challenge for many schools is the small number of pupils on FSM and despite good results overall, the lower attainment of these children. The view from the Local Authority Advisor was that 'on paper North Lincolnshire doesn't need Poverty Proofing, but morally it does,' as conversations about poverty were not part of conversations about closing the attainment gap. *Poverty Proofing* has therefore made these pupils visible, as well as those living in in-work poverty.

In North Lincolnshire there is now a licensed delivery partner for the Children North East poverty proofing audit process. The audit is carried out by two adults, with the aim of preventing bias or misinterpretation. To date, six schools have taken part in the pilot. Eighteen staff at the LA have been trained to do the audit and there is a waiting list of 30 schools, but since LA staff fit this in alongside their roles, there is a lack of capacity at the moment to meet demand. As a result, generic aspects of good practice and top tips are available on the LA website and schools are being given an hour's 'taster' to keep them interested and also to give them ideas about things they can start to do while they are on the waiting list.

The impact of *Poverty Proofing* in North Lincolnshire has been considerable, with schools keen to take part and excellent feedback from those who have. In order to secure senior leadership buy-in, schools sign a contract agreeing to complete and act on the audit. The impact in North Lincolnshire shows that the

programme is just as effective and important with schools that have fewer numbers of children living in poverty.

Poverty Proofing is mentioned in Sunderland's Child and Family Poverty Joint Strategic Needs Assessment as something that should be promoted more widely. *Cost of the School Day* is a Glasgow Poverty Leadership Panel project which ran during 2014-15, inspired by the success of *Poverty Proofing the School Day*. It has so far been run in eight Glasgow schools with 339 young people and 111 staff.

Head Teacher, Glasgow, involved in *Cost of the School Day*

The main impact of the project in our school is a change of mind-set. Rather than going ahead and doing things, we're really thinking carefully about costs and financial impact on our children and families - the phrase 'cost of the school day' comes up constantly now in our planning and discussions. It's not just an initiative or project where we go back to normal after it's finished, there's been a real shift in our thinking.

Impacts of *Poverty Proofing*

The programme is still in its early stages so there are no longitudinal data about the longer term impacts and cumulative evidence over a number of years will be important to collect. However as noted above, there are already significant benefits for schools, which come purely from taking part in the programme, even before they have made significant changes as a result of the action plan.

In carrying out this evaluation it is clear that for many of the schools that have taken part, this has been a transformative experience which they cannot praise highly enough, whilst also being a very challenging process as well. One school told the evaluators that they had previously 'put things out without necessarily being aware of what the impact on

POVERTY PROOFING THE SCHOOL DAY: EVALUATION AND DEVELOPMENT REPORT

disadvantaged pupils would be’ but after the programme, they ‘now consider the impact first.’

There is some evidence of specific impacts in line with the programme aims as set out in Table 2 below. Much of this is hard to evidence causally. However, for some of the actions a theory of change from actions to attainment can be argued in those situations where actions lead to a noticeable increase in school attendance. For example, in one school a child’s lack of money for the bus fare meant she was attending only 2 days a week. The school bought her a bus pass and attendance is now almost 100% and she is able to attend many after school activities.

A causal theory of change is less easy to demonstrate when the impacts are seen in response to a cultural shift in the school and as a result of numerous actions. The point here is that the process itself initiates a culture in which these actions are taken. So whilst it is difficult to argue as yet that there is a causal link between *Poverty Proofing the School Day* and increased attainment for the most disadvantaged pupils for instance (not least because of all the other initiatives going on in school), there is good evidence to demonstrate that the programme makes possible a culture in which the right actions can be taken to enable this to happen.

Several of the schools that have taken part state that they have seen improved attendance and attainment of their most disadvantaged pupils in response to this cultural shift and the multiple actions that have been taken. As one Head teacher said about the school culture in relation to poverty ‘the attainment gap shrinks when we get it right’.

In one of the pilot schools the impact of changes made in response to the action plan could also be seen at departmental level as a result of a very strong infrastructure, with each faculty and department having someone responsible for pupil premium and the *Poverty Proofing* action plan linked to this, as well as overall at senior management level. The staff said that the impact was being felt at departmental level because they could clearly see the structure and they knew who they were answerable to.

Table 2: Evidence of the impacts of *Poverty Proofing the School Day*

Impact on pupils and families living in poverty	Evidence to date
Improved pupil attendance	In one school, a 5% rise in attendance overall and a 7% rise for pupils on FSM (almost 50% of the school cohort). In the 6 North Lincolnshire schools absence of pupils on FSM fell in every school but one after the initiative, whilst the absence of the other pupils rose in every school but one.
Improved attainment	Evidence from 7 North Lincolnshire schools of greater increases in the attainment levels of pupils on FSM at KS1, KS2 and KS4 than all other pupils overall.
Improved take up of FSM	In one school take up of FSM is now almost 100% since changes were made to its administration, far in excess of anything the school has known previously.
More effective use of pupil premium spending	Staff training sessions were opportunities for schools to learn about and scrutinise their pupil premium spending. Some schools changed their priorities for these funds as a result. Some schools were introduced to useful tools such as the EEF Toolkit for the first time.
Improved knowledge of pupil/parent issues	The difference between what pupils/parents said and what staff said revealed areas of ‘blindness’ where schools were not aware of issues, directly leading to changes being made for the most disadvantaged learners.
Less costly school day	Some schools have provided evidence of where they have written to parents saying that they do not need to buy resources, PE kit or pay for activities that they would

	previously have had to pay for, as these will now be subsidised or removed, having a direct impact on the cost of the school day.
Increase in pupils on FSM attending school trips and extra-curricular activities	In one school, as a result of changing the payment process, there has been an increase in the number of pupils on FSM attending the Y5 and Y6 residential trips. Several schools have set up free/50p breakfast clubs and/or homework clubs with increases in pupils on FSM attending.
Increased access to musical instrument tuition	One school is funding 3 terms of free musical instrument tuition for all pupils (most of which are on FSM) as this is one of the activities pupils from poorer families are least likely to benefit from.
Removing the ceiling on attainment in the curriculum	In several schools better resources were enabling pupils to score more highly in coursework (e.g. DT). On removing the requirement to bring in resources from home, all pupils have the same possibility of achieving.

proofing process but we did find evidence that spending efforts were more appropriately and effectively directed.

Many schools already subsidise trips and after school activities although others would like to do so but lack an adequate budget. For some the poverty proofing process was able to inform ways that subsidies were operated and provide a further opportunity to discuss the extent of subsidy needed.

There are examples of pupil premium funding being used to pay for a breakfast club for the year in one school for instance and clothing in another. Before *Poverty Proofing* some schools stated that it was harder to argue that these kinds of support were needed to close the attainment gap as there was little evidence of a direct link to learning, but since the initiative, they are being justified by schools on the grounds of ‘removing barriers to learning’, with the specific aim of improving the attendance and therefore attainment of their most disadvantaged pupils.

In some cases changes are beneficial in terms of cost. One school in North Lincolnshire has made changes to a charity fund-raising day, which led to double the funds usually raised by this event. By not specifying how much money children should bring in, those with little or nothing were not under pressure, whilst those willing and able to bring in more clearly did. Another school set up a second hand uniform shop in response to their action plan, from which some pupils get to take free uniforms and others donate money and/or their uniform on leaving the school.

Cost of *Poverty Proofing* to schools

Other than the initial spending on the initiative, costs to schools to implement changes as a result of the action plan have been low or negligible. Where activities or clubs are being subsidised or fully funded, this is often due to reprioritising pupil premium funding and pupil premium funds have been used in response to the action plans in all the schools.

Many schools already spend funding, in some cases of significant amounts, on school uniform including shoes and sports ware. We found no evidence that such spending increased as a result of the poverty

Barriers to engaging with *Poverty Proofing*

Although most of the schools that signed up for the *Poverty Proofing* process were fully engaged one school did not complete it and another did but did not follow up on the action plan. A range of stakeholders were asked about the barriers to engaging with this programme and the following issues and suggestions about possible changes to the programme as it develops arose.

- The lack of personal experience of poverty of many staff/governors in the school was said

to have made the audit process harder in several schools.

- Having worked hard to do well against Ofsted criteria, several schools were not receptive to yet more scrutiny. One Chair of Governors said about *Poverty Proofing* in relation to Ofsted: 'This process and the demands on the school for self-evaluation and reflection were quite different'.
- Some staff felt the questions posed to pupils and parents during the audit were leading and they disengaged as a result. However, Children North East state that the impacts of poverty are often difficult to speak about and therefore explicit opportunities have to be provided for pupils to speak up which may make people feel uncomfortable. The delivery method in North Lincolnshire uses two adults to run the focus groups in order to avoid this.
- Some staff found it difficult to accept the conclusion of unwitting stigmatization as it felt judgemental and they disengaged as a result. Yet there is no doubt that it is and largely has to be a challenging process in order to reveal problematic practices.
- Some staff could not see a connection to learning and felt they were being asked to do yet more to support areas that were not directly connected with learning (although this tended not to be the case with senior leaders and Headteachers who were receptive to the benefits to learning in the main).
- In the case of Academies, one issue identified was the fact that some decisions needed to be taken at Academy level and as such, were out of the hands of the senior leadership team or Principal.
- Lack of senior leadership buy in and support was a real problem, as staff needed to be supported throughout the process - where this was not led by the Head teacher in one school, the programme was not completed.
- Some schools feel they are highly aware of the poverty experienced by their pupils and that they already take all the action that is possible given the demands on their time and their available budget. This was stated particularly by a school for which the majority of pupils were eligible for FSM.

Arguably schools engaging with and paying for the audit are already fairly forward thinking with regards to wanting to tackle discrimination around poverty. Even for some of these schools however the process was demanding. There is therefore a significant challenge in getting schools which are not open to the idea of exploring the impact they have on pupils living in poverty to get involved.

Schools that have been through *Poverty Proofing* appear to be the best advocates, as was seen at an event organised by Schools North East, which attracted around 100 schools in the region to hear from those who had been 'poverty proofed' and get ideas about what they could do to improve their own practice.



Conclusions and recommendations

Overall the programme is clearly very impactful. There is evidence of significant impacts on school culture and ethos and some evidence of direct impacts on pupils and their families. The *Poverty Proofing* initiative suggests that small but widespread changes, viewing all practices through the lens of poverty, does play an important part in eradicating barriers to learning for pupils that are economically poor.

There now needs to be longitudinal analysis of the impact of the initiative over time, as this evaluation is carried out at an early stage, where schools are still implementing aspects of the action plan, so it is too

early to argue for long-term, sustained benefits. However it is clear that the process itself is central to the benefits and impacts discussed here and a number of schools talked explicitly about how it was the fact that it was third party led that made the difference (see quote in box below).

Assistant Head Teacher and Head of Department, participating school

Even now, although we obviously have more expertise, I think we would value someone coming in who could work with students and who wasn't one of us because they [pupils] could say things to her [Poverty Proofing auditor] which they couldn't say to us. They're more open with someone from outside and that's what we wanted...and it wasn't a problem for us because we wanted to engage with that.

They [pupils] do speak the most amazing amount of common sense and that's what we need to hear.

A key conclusion of this evaluation is therefore that it is not necessarily enough for a school to adopt a self-audit of these issues. Whilst this may be an important step towards preparing for the *Poverty Proofing* audit, in order to begin to raise an awareness of the impacts of a school's practices on pupils living in poverty, the defining feature of this programme is the third party collating of whole school voice.

Given the evidence already accruing of benefits to schools and impacts on pupils, their families and school staff, it therefore seems desirable for schools to be encouraged to take part in the programme. Children North East plans to make this programme available nationally through regional delivery partners. At the same time it is important to develop the programme in such a way as to increase uptake by schools, particularly those least likely to bring the challenges of poverty and learning to the fore and ensure their likely completion of the programme.

Messages for other delivery partners

As it stands the programme has had impact and was well received by most of the schools that have participated so far. However as stated several schools did not fully complete the programme and/or expressed some concerns about it. During the course of the evaluation, suggestions therefore arose for ways in which the programme could be made easier to engage with without loss of impact. These suggestions are outlined here, but it should be noted that they are possible ways to expand the programme based on feedback from some schools only.

- Use of a team of two people to carry out the audit to avoid concerns raised in several schools about leading questions or other bias.
- Delivery of the action plan through a familiar member of staff alongside the delivery partner and through a focus on areas of good practice alongside areas of concern, so as not to alienate staff or governors.
- Our observations of the programme led us to believe that conversations about poverty were sensitive to the likelihood that children and indeed adults living in poverty would be part of the discussions. Many children spoke openly of their experiences of poverty and this was handled well. One school however felt that the process should avoid discussing some of the harsh realities of living in poverty with primary aged pupils in particular, such as reduced life expectancy.
- Ensuring Local Authority and/or Multi-Academy Trust and/or Head teacher/senior management buy-in e.g. through a signed contract at the outset (in North Lincolnshire the programme had greater credibility because it was linked to pupil premium funding and so it was viewed more as a school improvement initiative than a social/pastoral one, but this was in the context of a proactive and supportive LA).
- Continued use of student peer researchers working between schools, as in the North East pilot, as this was particularly well received by the schools who took part in it.
- Involvement of the school council in the implementation of the action plan, particularly where widespread myths are being picked up about particular school practices or school meals for instance.

- Immediate access to other schools who have taken part to share good practice as soon as the school action plan is received, for instance through an online forum, so that schools do not feel overwhelmed by how much there is to change or isolated without readily accessible examples of good practice to draw on.
- Greater access by all schools to the generic issues raised, which should act as a lever to encourage greater numbers of schools to buy into the programme and to prepare them for taking part.
- Acknowledgement of where issues may be more appropriate to address at local or national level and therefore where schools could work with other schools or local authority/regional networks/government to implement changes (e.g. in regards to school uniform policy and school trips, as discussed below).

What can schools do now?

Poverty Proofing the School Day Top Tips www.povertyproofing.co.uk

Ensure all activity and planned activity in schools does not identify, exclude, treat differently or make assumptions about those children whose household income or resources are lower than others.

Given that so many of the issues raised were generic to all the schools, sharing good practice is not only important for the schools who engage, but also for other schools to begin to consider. This evaluation highlights how going through the process conferred added benefits however, particularly in engaging the whole school staff in a cultural shift. There are good reasons therefore to continue to expand the programme as a whole school audit across the country so that schools can buy into it.

Meanwhile it is important for schools to begin to consider some of the generic issues emerging. As discussed, an issue frequently raised was the number of school trips for which parents need to contribute. There was a perception in some schools that trips

were becoming more common and/or destinations more expensive and that overall schools were unclear when and how much parents were being asked for. In addition there were examples of children being singled out in class to pay their contribution, yet this is and should be voluntary.

There was also evidence from the children interviewed in several of the schools that they would sometimes not pass their parent/s a letter about a school trip requesting a financial contribution in the knowledge that this would cause stress and anxiety. This has been documented elsewhere (Ridge, 2002) and is important for schools to be cognisant of with respect to the way in which funding for trips is requested.

This is part of a wider awareness of children's coping strategies to manage and negate the impacts of poverty on their lives that schools should be aware of (Hooper et al 2007). This is particularly the case where these strategies can be misconstrued and punished as something else e.g. forgetfulness, truancy, poor academic performance. It is therefore not only the practices of schools in relation to lessening the stigma of poverty which should be widely shared, but also those of pupils too, as highlighted by the *Poverty Proofing* audit. Children are necessarily active and resourceful in mediating the effects of poverty (Ridge 2011).

Another area of concern was the increased number of non-uniform days, either for charity fund-raising, or for specific events such as World Book Day. Pupils are routinely asked to dress up on World Book Day for instance, but the fact that supermarkets now sell costumes of popular children's characters points to the commercialization of this and other events. In this instance it is somewhat ironic given that World Book Day is ostensibly about literacy and literature, but dominant in the minds of some families is the commercialization of the event and the pressure to spend money. Schools can remain cognisant of this by asking whether these more costly activities genuinely contribute to learning, or whether, as in this example, commercialization might even detract from the central focus of the event.

A further key area of concern is the increasing cost of uniform in some schools and the requirement to use a particular supplier for instance. The recommendations in the *Poverty Proofing* action plans that schools reduce uniform costs and enable parents to purchase uniform at a supermarket mirror those made elsewhere, such as in the Children's

Commission on Poverty report *At What Cost? Exposing the Impact of Poverty on School Life* as well as the Department for Education guidance on cost effective uniform. Schools do indeed need to reflect on uniform costs, but this is arguably a wider issue than one just for a single school to grapple with. If some schools, particularly those with large numbers of pupils living in poverty, 'level down' uniform costs, this may improve equal access to the same uniform within these schools, whilst creating more inequality between schools, if other schools continue to require their pupils to wear bespoke blazers and logoed uniform. Is this then an issue which is important to tackle nationally so that guidance to schools effects a levelling across schools and not only within them?

There may be a consensus amongst school leaders and other stakeholders that it is important for schools to expect their pupils to wear high quality uniform, arguably particularly for the most disadvantaged children, but if this is the case, then there must also be appropriate subsidy. A pupil has to eat during the school day and a subsidised meal for the poorest is the appropriate policy response. If a child is also expected to wear a high quality, expensive uniform with no choice in the matter, or the risk of bullying or punishment for incorrect uniform, then a subsidised uniform for the most disadvantaged children is arguably also the appropriate policy response here.

This is another reason why issues such as these must be taken up on a larger platform than just individual school level, or well-meaning actions taken by individual schools, such as these in relation to school uniform, could create additional inequalities.

Critical Issues

The discussion above points to the fact that poverty cannot be tackled by schools alone. There has been a long-running debate in education about how far schools can compensate for society, in the sometimes misrepresented words of Basil Bernstein (1970) and the issues raised by *Poverty Proofing the School Day* are at the sharp end of this debate.

Poverty clearly needs to be tackled by structural changes that lead to improvements for example in skills, jobs, incomes and housing. Most people would agree that schools are only part of such a structural solution (Cummings et al 2011; Raffo et al 2007), but

this evaluation has highlighted that teachers have differing perspectives on how far schools are or can be part of this. Yet given the wider context, it is vital that this remains a priority area for schools.

The wider context is that child poverty in the UK is increasing as a result of such policies as the 'bedroom tax' (Moffatt et al 2015) and because of higher inflation rates faced by poorer households (Joyce 2014) within a post-recession era. This is also in a context where children living in disadvantaged households are more likely to have additional household responsibilities (Wikely et al 2007) and where there is a growing prominence of in-work poverty.

Given that publicly funded education is supposed to be free, it appears that we are witnessing the impact of the creeping increase in the cost of state education. In 2012-13 the proportion of children in poverty living with a working parent in the UK was 61% (Joyce 2014). Poverty is not an easy subject to talk about anyway as it exists in an atmosphere of denial and moral condemnation (Shildrek and MacDonald 2013). Add to this the perceptions of some working families, highlighted by the *Poverty Proofing* audit, who feel invisible as a result of being in in-work poverty with little associated support and it is clear that the question of what schools can do to support pupils living in poverty is particularly pressing.

Yet this question has not been investigated in detail and the fact that most of the negative impacts of the school day on pupils living in poverty were as a result of stigmatization which schools were largely unaware of, highlights further the way in which these problems can too easily remain hidden. This is not easy to do something about yet this evaluation demonstrates that it is possible, though not easy, to create a programme which brings these issues to light and finds out what schools can do in terms of the costs of the school day.

This report demonstrates, crucially, that in tackling the impact of poverty there are very real effects on pupils' ability to learn. It highlights that the tendency to create a divide between schools working towards educational ends and social/pastoral ends is a false one. Of key importance therefore is how *Poverty Proofing the School Day* demonstrates that what schools can sometimes designate as social or pastoral support *directly impacts on ability to learn*. The issues raised here are very real barriers to learning and should be dealt with by schools as such, but in

addition, they should be seen as impacts of living in poverty that are also widely stigmatized at a societal and cultural level.

Of key significance about *Poverty Proofing the School Day* is that children are asked to talk about their experiences of living in poverty directly. This is very unusual, yet as stated in a review of research exploring the lives of children living in poverty (2011):

the reality of how a child living in poverty experiences the school day in twenty-first century Britain.

Professor Tess Ridge, Department of Social and Policy Sciences, University of Bath

Without a good understanding of how poverty and disadvantage are experienced, interpreted and mediated by disadvantaged children, there is the possibility that policies will falter or fail to constructively address the social, material and personal impacts of poverty in childhood. It is therefore vital to engage with low-income children and take account of their views in the development of policies and the commissioning of services.

The pervasive effects of poverty within school meant that children's secure social integration within school was threatened, and children's narratives of school life were often infused with anxiety, uncertainty and a sense of unfairness.

Schools cannot be viewed in isolation of course and attempts to reduce the cost of the school day should be considered in wider context. A difficult balancing act for schools is therefore to situate any actions they take in the wider context of other schools and this will inevitably mean difficult conversations about what pupils should fund and what schools should subsidise.

Yet there is ample evidence about the comprehensive ways in which poverty can structure and restrict everyday childhood experiences leading to anxiety, unhappiness and insecurity (Ridge, 2011). Inevitably therefore this will include children's experiences of being in school as is evidenced in this report. It is to be hoped that *Poverty Proofing the School Day*, in-depth and child-oriented in its processes and practical and applied in its recommendations, signals a sea-change in how schools understand and engage with

References

- Bernstein, B. (1970) 'A Critique of the Concept of 'Compensatory Education'' in D. Rubinstein, C. Stoneman (Eds.), *Education for Democracy*, Harmondsworth: Penguin Books.
- Bragg, J., Burman, E., Greenstein, A., Hanley, T., Kalamouka, A., Lupton, R., McCoy, L., Sapin K. and Winter, L. A. (2015) *The Impacts of the 'Bedroom Tax' on Children and Their Education. A Study in the City of Manchester*. University of Manchester.
- Cummings, C., A. Dyson and L. Todd. (2011). *Beyond the School Gates: Can Full Service and Extended Schools Overcome Disadvantage?* London: Routledge.
- Department for Education (2013) School Uniform: Guidance for governing bodies, school leaders, school staff and local authorities. DFE-00198-2013 <https://www.gov.uk/government/publications/school-uniform>
- Holloway, E., Mahony, S., Royston S. and Mueller, D. (2014). *At What Cost? Exposing the Impact of Poverty on School Life. Children's Commission on Poverty*, <http://bit.ly/1qe8xzu> (Accessed: 28 February 2016). London: The Children's Society.
- Hooper, C. A., Gorin, S., Cabral, C. and Dyson, C. (2007) *Living with Hardship 24/7: The diverse experiences of families in poverty in England*. NSPCC/The Frank Buttle Trust: London.
- Jocye, R. (2014). *Child Poverty in Britain: recent trends and future prospects*. London: Institute for Fiscal Studies, IFS Working Paper W15/07.
- Moffatt, S., Lawson, S., Patterson, R., Holding, E., Dennison, A., Sowden S. and Brown, J. (2015). A Qualitative Study of the Impact of the UK 'Bedroom Tax'. *Journal of Public Health*:fdv031.
- NASUWT (2014) *The Cost of Education*. http://www.nasuw.org.uk/consum/groups/public/@education/documents/nas_download/nasuw_01_3630.pdf
- Raffo, C., Dyson, A., Gunter, H., Hall, D., Jones L. and Kalamouka, A. (2007). *Education and Poverty: A Critical Review of Theory, Policy and Practice*. York: Joseph Rowntree Foundation.
- Ridge, T. (2002) *Childhood Poverty and Social Exclusion: From a Child's Perspective*. Policy Press: Bristol.
- Ridge, T. (2011) The Everyday Cost of Poverty in Childhood: A review of qualitative research exploring the lives and experiences of low-income children in the UK. *Children and Society*, 25(1): 73-84.
- Shildrick, T. and MacDonald, R. (2013). Poverty Talk: How People Experiencing Poverty Deny Their Poverty and Why They Blame 'the Poor'. *The Sociological Review* 61(2):285-303.
- The Children's Commission on Poverty (2014) *At What Cost? Exposing the impact of poverty on school life*. London: The Children's Society.
- Wikeley, F., et al (2007). *Educational relationships outside school*. York: Joseph Rowntree Foundation.

Biographical Details

Laura Mazzoli Smith and Liz Todd are members of the [Research Centre for Learning and Teaching](#) (CfLaT), based in Newcastle University School of Education, Communication and Language Sciences. They have expertise in evaluation, research and project management on a local, national and international basis. Laura Mazzoli Smith is a researcher in CfLaT and her most recent publication with Liz Todd and Karen Laing is a chapter entitled 'Educating urban youth: fair or foul?' in S. Davoudi and D. Bell (Eds) *Justice and Fairness in the City* published by Policy Press. Liz Todd is Professor of Educational inclusion and her most recent book is *Beyond the School Gates*, published by Routledge with C. Cummings and A. Dyson. CfLaT has a strong orientation towards applied research and impact, developed through a range of work exploring a variety of innovations, and is widely recognised as an effective University partner in developing research-led practice.



Research Centre for Learning and Teaching
School of Education, Communication and Language Sciences
Room 2.50
King George VI Building
Queen Victoria Road
Newcastle University
Newcastle upon Tyne
NE1 7RU
ENGLAND



Report of: Director of Children and Families

Report to: Scrutiny Board (Children and Families)



Date: 14th December 2017

Subject: Scrutiny Inquiry- The Impact of Child Poverty on Attainment, Achievement and Attendance

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 checked="" type="checkbox"/> Yes	<input 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

1. Summary of main issues

There are disparities in the measure, definition and effects of child poverty. It is not possible to claim that childhood poverty has a causal link with poorer outcomes. We do know, however, that poverty is a statistically significant factor when analysing gaps in educational attainment, physical and mental health, longevity, wellbeing, economic and employment outcomes. Poorer outcomes and experiences are not guaranteed, and a child who could be defined as experiencing poverty could have a happy and supported childhood, with good educational attainment and progress and a bright future. Equally, a child who does not fall into one of the definitions of poverty could experience a difficult home life, inadequate housing and personal space, poor educational outcomes and health problems.

It is, therefore, fundamentally important that the focus of Leeds is on supporting all children and young people, but especially those who are vulnerable. Children and Families has established a holistic, whole directorate, approach; working in partnership with a wide variety of educational settings and partners to develop expertise and share knowledge and best practice. This joint approach is crucial in advantaging the disadvantaged. Supporting vulnerable and less advantaged learners is something that is held closely at the core of all the work of Children and Families directorate, but there is always more that can be done.

2. Recommendations

2.1. Members are recommended to:

- Consider and comment on the information provided.
- Identify the information they may require at future meetings.

3. Purpose of this report

3.1. This report supports Children's and Families scrutiny inquiry into the impact of poverty on children's learning, with a focus on the national and local context, and the approaches taken by admissions, cluster and commissioning services.

4. Background information

4.1. This report:

- Examines the strategic approach to reducing the effects of child poverty, with reference to the statutory requirements of local authorities
- Provides an overview of the approaches taken by admissions, cluster and commissioning services with reference to childhood poverty

5. Main issues

5.1. National and local context approach to child poverty

5.2. The Child Poverty Act 2010 introduced a requirement for government and every local authority to produce a child poverty strategy. Eradicating child poverty by 2020 was the original aim. The percentage of children in families earning below 60% of median income was the most commonly used measure arising from the 2010 act.

5.3. The Welfare Reform and Work Act 2016 passed into law on 16th March 2016. An earlier version of the Bill proposed to remove the requirement to publish four income-based measures of child poverty (relative poverty, material deprivation, absolute poverty and persistent poverty). However this was overturned following strong opposition from organisations including campaign groups, charities and academics. The Government will now continue to publish data on children living in low-income households, but these figures will not be presented to Parliament and no longer form part of any statutory targets to reduce child poverty.

5.4. The Act repealed key sections of the Child Poverty Act, effectively abolishing all legal targets to reduce child poverty. The Act removes the requirement for the Government to produce a child poverty strategy. It also removes all Local Duties for local authorities to produce child poverty strategies and needs assessments.

5.5. The legislative changes to child poverty have removed the need for a child poverty strategy. That is not to say, however, that Leeds City Council do not focus on child poverty, in terms of its impact on health, housing, employment, education, fuel poverty, and wellbeing. Local and national initiatives, such as troubled families, pupil premium, Education Endowment Foundation research, learning alliances and seconded headteachers have shifted the focus so that the commitment to child poverty has been seen as implicit in all work.

5.6. Within Children & Families directorate, strategies and performance updates focus on improving the lives and outcomes for vulnerable and disadvantaged children, including

children and young people who experience poverty. The Best City for Learning Strategy, 2016-2020, is a strategy to improve education across Leeds. It was developed with intelligence gathered from a series of debates, entitled Leeds: The Big Education Debate. These events were held in 2015, and attended by a wide variety of educationalists and professionals across Leeds. Within the debates a key area of focus was expressed as improving the experiences and outcomes of vulnerable and disadvantaged learners

- 5.7. Seven priorities, borne of the knowledge from the debates, were identified and together they create the Best City for Learning Strategy. One of these priorities is 'High expectations for all', in which the emphasis is placed on identifying 'Creative and innovative approaches needed to be used to address the gaps which prevent children from achieving their potential'. This priority addresses the gap between the less and more advantaged, and discusses the importance of providing equity of education.
- 5.8. The Annual Standards Report's, 2013-2014, 2014-2015 & 2015-2016 have all focussed on child poverty and its impact on educational attainment in terms of pupil premium and free school meal measures. The Annual Standards Report of 2015-2016 provides an update on the priorities highlighted in the Best City for Learning Strategy. Children and Families is also looking at creating partnerships across the city that will use impact boards to create interventions that aim to improve specific effects of child poverty, which are then researched to evaluate the impact of these interventions.
- 5.9. Childhood poverty is multi-faceted, and therefore cannot sit in isolation in any one area, but it needs to be embraced as a priority for all organisations and services that work with children and families in Leeds. A city region approach is being utilised to take forwards the complex task of improving the outcomes and experiences, and reducing the number, of children experiencing poverty in Leeds. To support this work, it could be advantageous to have an overview of all of the specific and general work that is conducted across the council and city. The most appropriate option for this work is for an overview to be provided by each individual directorate within the scope of a specific inquiry on mapping child poverty provision and strategies.

6. Clusters and child poverty

6.1. Families First

One of the key protective factors within the Families First programme is supporting families on the journey to work. For some families this can be a route out of poverty but equally as important is the impact on positive outcomes for children and communities. To progress this key outcome, Families First works closely with Department of Work and Pensions, having two Department of Work & Pensions co-ordinators on the team with several Community Work Coaches at their disposal. As well as delivering intensive and targeted support for Families First employment flagged individuals the Department of Work & Pensions team members:

- Build and maintain relationships with all relevant partners including Children's Centres
- Work with employers to identify suitable employment opportunities
- Improve employability and encourage steps towards employment, taking account of skills

6.2. On the expanded programme we have worked with a broad range of families who may be affected by poverty.

To date 3275 families have been attached to the programme with an identified employment issue and of those, 550 achieved employment outcomes (a relevant individual has achieved 6+ months employment for JSA or 3+ months for ESA/IS) and 850 achieved sustained outcomes (relevant individual's progress to work and other criteria have shown significant improvement)

6.3. Individual Clusters and schools

6.4. When the top slice arrangement was in place, schools forum agreed that money would be re-distributed to clusters through a needs based formula – thus helping to ensure that the cluster with the greatest need had the greatest level of resource. This was inherently anti-poverty. The end of the top slice arrangement means this is no longer the case, although it is worth noting that the cluster update report to October scrutiny identified that there was still at least £4.5m of the previous £5.2m being put aside by schools to support clusters undertaking targeted early intervention work with children and families.

6.5. Although each individual cluster and school have the autonomy to make individual provision based on the need within their locality, it is possible to identify many activities that do take place across the city. Some of the cluster activities which are aimed at alleviating the effects of poverty can be seen below.

Clusters support education and learning through working in partnership with schools:

- Promotion of Free School Meals
- Grants provided for a range of extra support, such as breakfast clubs in schools, uniform funds, equipment, attendance support and support for the most disadvantaged children
- Employing/ funding extra staff to improve the support for vulnerable children, including behaviour support workers and Educational Psychologists
- Access to specialist provisions/ support, such as Social, Emotional and Mental Health provision and free access to training and learning with crèche provision
- Travel fund for children to access alternative provisions where parents cannot afford to transport them
- A range of subsidised/ free out of school trips, outings, resources and activities, including subsidised access to swimming for 0-5 year olds, free access to holiday activities for families of 0-7 year olds, subsidised access to summer camps for 7-14 year olds, Positive Futures Fit and Fed school holiday camps with food from Fareshare & free access to out of school and school holiday activities

Clusters support families through:

- Christmas toy appeal Cash for Kids
- Funds to support and assist families, including for interpretation services, electricity/ gas, emergency funding and support with essential household items
- Family Support Workers and Parent Support Workers to help families around budget/ finance
- Family Fund for disabled children
- Clusters provide access to Leeds advice and guidance around debt/finance/benefits, including referrals to services to claiming benefits
- Cluster services work alongside Housing to provide support around rent arrears, and support to access appropriate housing based on needs of the family
- Referrals to services to support adult learning opportunities to support families back to work, including cluster community volunteering programme to support families back to work
- Enabling access for families to Legal Aid

Clusters also work in partnership with a range of organisations to provide food/ provisions, advice, support and assistance such as:

- St Vincents- specific debt advice
- Trussell Trust which provides vouchers for families
- One Stop Centre/ St Vincents/ St George's Crypt- Food parcels

- Haven – a church based charity
- Frank Buttle Trust
- CAP: Christians Against Poverty
- Moortown furniture store
- Sydney Bridge furniture
- Seagull paint
- Domestic Violence Charities- Furniture Stores and initiative
- Fairshare breakfast cereals and sanitary products for girls
- Access to charities for white goods/carpets and furnishings
- CAP - Citizens Against Poverty

7. Role of Commissioning in Addressing Child Poverty

7.1. Children and Families commission a broad range of services which focus on achieving the outcomes set out in the Leeds Children and Young People's plan and offer an important tool for the Council to address Child Poverty. Key to achieving these outcomes are the quality of providers in Leeds and the robust commissioning and contract management processes.

7.2. The Council holds a broad range of contracts with providers which make a contribution to reducing child poverty. These include services commissioned directly by Children and Families which aim to prevent family breakdown, improve learning outcomes, or access to education and employment. They also include contracts managed by Adults and Health which look to address issues like substance misuse, domestic violence, and housing support. Together these areas of commissioning form part of a wider programme of 'people's commissioning' activity overseen by the Corporate Strategic Commissioning Group. Opportunities exist to consider in more detail how these services can develop a greater focus on tackling child poverty.

7.3. When services are re-commissioned we undertake a service review which involves looking at data to help determine how best to target resources in the future. As part of this we consider the impact of neighbourhood deprivation on outcomes for children, young people and families. So our commissioned services are designed to take account of a range of needs and do consider poverty as part of a wider set of indices. The Voice and Influence Team support commissioning engagement activity which seeks the views of young people, carers and parents when we are designing new services and evaluating bids and tenders by providers. These processes enable us to be certain that we have the right contracts with the right providers and enable us to objectively verify the benefits of services are being achieved.

7.4. Going forward the Council could seek to identify child poverty as one of a small set of cross-cutting priorities that could be included in a wide range of service specifications as part of the Council's Social Value Framework. We could introduce a standard performance measure for relevant contracts and identify how they are collectively impacting on child poverty. This would help offer a clear view on how our commissioned services are contributing to this priority.

7.5. Leeds is very well served by a diverse range of very capable and innovative Third Sector organisations whose charitable objectives align well to improving child poverty outcomes. These organisations benefit from an organised approach to supporting third sector infrastructure in the city. The development of a Child Poverty Strategy in collaboration with our third sector partners would offer a framework which could support commissioning activity but it would also help to release the potential that these organisations have to use their own initiative to access resources unavailable to the Council

8. Admissions and child poverty

- 8.1. The Leeds City Council admission policy offers the highest possibly priority to children with a sibling already in the school, after priority has been given to those who have the school named in an education health and care plan, those who are looked after, and those who have a particular medical need which can only be met at the school, as outlined in the statutory School Admissions Code (2014). This has a significant positive impact on ensuring that children are offered a school place in the same school as their siblings in the normal admissions rounds.
- 8.2. This policy applies to all Community and Voluntary Controlled Schools in the city, which includes 6 Secondary schools and 125 Primary schools. Almost all of the 135 own admitting authority schools who are responsible for determining their own admission arrangements also offer the highest possible priority for children with siblings already in the school.
- 8.3. As such, for admissions in the normal round (those children admitted to Reception and Year 7 in September) where a parent follows the process to request a place within the specified timeframe, all siblings are prioritised for a place at the school where their sibling attends. We are not aware of any schools who have been unable to offer a place to a sibling of a child already attending the school where the family have completed the application correctly.
- 8.4. Where parents do not request a place on time or do not highlight that their application should receive sibling priority, and places have all been allocated to those who did apply on time, there are occasions when we are required to make an offer of a school place which is not where the child's siblings attend. These children are added to the waiting lists at their preferred schools, and the admissions policy continues to prioritise their admission for whenever a place becomes available, as these waiting lists are held in order of the published admissions priorities meaning that siblings are mostly the highest applicants on waiting lists.
- 8.5. Parents also have the right to appeal against the refusal to offer a place at any school, and the independent appeal panel takes into account the parent's reasons for needing a place at the school (such as having siblings there). The admissions policy therefore supports the admission of sibling groups to schools as far as it possibly can.
- 8.6. In order to support families and reduce the chances of siblings being offered a place at a difference school, each year following the deadline for application submission, the Admissions Service proactively contacts families, nurseries, childcare settings and schools to chase up missing applications. As a result approximately 700 missing secondary and 900 missing primary applications are received in time to be considered in the first allocation round, reducing the risk of families being unable to secure a place at the same school for their children.
- 8.7. Any family who moves into the city during the school year and requests a school place is considered as an 'In-year' application. These applications are considered under the same priorities published in the admissions policy, with applications for siblings prioritised above those with no sibling. Academies, Free Schools, Foundation Schools and Voluntary Aided schools are all responsible for allocating places in-year. The Local Authority also delegated responsibility for in-year allocations to Community and Voluntary Aided schools in 2013. The guidance given to all schools by the Admissions Service is that wherever possible, sibling groups should be admitted together, with the expectation that schools will consider admitting over their published admission number in order to do this. This is in line with our

Child Friendly approach and to support families to not have to travel with children to more than one school.

- 8.8. The Admissions Service works with schools to ensure that this approach is followed wherever possible. Class size legislation applies to those classes in foundation and key stage one (Reception, Year 1 and Year 2) where class size is limited to 30 children per qualified teacher. There are only limited exceptions to this class size legislation, and admitting a sibling does not qualify as a legal exemption. Therefore, where families have a sibling group which includes a child(ren) in key stage one, we advise them to apply to a school which has vacancies in the relevant KS1 class, as schools are more able to admit over their published admission number in higher year groups to accommodate older siblings.
- 8.9. Admitting Authorities are required by law to offer any available places to any applicant who requests one, therefore it is not possible to 'hold' vacancies to meet the needs of children who may move into an area during the academic year. Due to the pressure on school places, particularly in primary schools, it is often a challenge to secure offers of places in all the year groups a family requires. In these cases, the admissions service works with the families and schools, to secure the best possible offer – either a school further away where the siblings can all be accommodated together, or schools closer to the home address where the children would need to attend different schools. This is seen as a short term option with the admissions policy supporting the future admission of siblings as where a place becomes available, the child is prioritised on the waiting list as a sibling and would be most likely to be offered a place.
- 8.10. Secondary schools are generally more able to admit above their published admission number to accommodate siblings than primary schools, due to class and curriculum arrangements meaning that the impact on the teaching and other students is less in Secondary schools than primaries.
- 8.11. In Primary schools, there are currently 199 pupils on waiting lists for a school place with sibling priority, where they are currently attending another school.
- 8.12. This is most concentrated in areas of high population, high mobility and as a result, schools are all full and in many cases, already over their published admission number in many year groups, meaning that accommodating sibling groups who move into the area is a challenge (such as Burmantofts, Holbeck and Harehills) The admissions arrangements and published policy do all they possibly can to prioritise siblings, however where schools are full, there is often no alternative to different schools being offered, as it is rare to have places available in multiple year groups to meet family's needs. We are acutely aware of the impact that this has on families and their arrangements for ensuring attendance at school, and wherever possible we advise parents of support available through before and after school clubs, which in some areas are available free of charge, to support families with their multiple drop offs.

9. Corporate considerations

9.1. Consultation and engagement

9.1.□1. This is an information report, which mitigates the requirement of public consultation. The information in this report is available to the public through the Leeds Data Observatory, LCC report, DFE performance tables and DFE statistical releases. Some content FFT may not be directly available but equivalent information is.

9.2. Equality and diversity/cohesion and integration

9.2.□1. This report is focused on childhood poverty and internal and external services that work to reduce child poverty. Some young people are statistically more likely to have relatively poor outcomes, for example those with learning difficulties and disabilities; those from some ethnic minority backgrounds; those with English as an additional language (EAL); those living in deprived areas; poor school attenders; and those involved in the social care system.

9.3. Council policies and city priorities

9.3.□1. This report provides context on a key city regional and national challenge. Improving learning outcomes is a priority in the Children and Young People's plan, raising attainment for all while closing the gaps that exist. This priority is reflected in all city strategies contributing to the strong economy compassionate city including the Best Council Plan 2015-20, the Best City for Learning Strategy and the Joint Health and Well Being Plan. Learning is central to improving future outcome for citizens and the city.

9.4. Resources and value for money

9.4.□1. There are no specific resource implications from this report.

9.5. Legal implications, access to information and call in

9.5.□1. All performance and school population information is publicly available. This report is an information update providing Scrutiny with a summary of performance for the strategic priorities within its remit and as such is not subject to call in.

9.6. Risk management

9.6.□1. The report is an information report to support a scrutiny inquiry into the impact of poverty on learning outcomes. It is aimed at helping the city manage this risk.

10. Conclusions

10.1. This report provides a summary of the national and local context to childhood poverty, and discusses childhood poverty in relation to the admissions process, clusters and commissioning processes.

11. Recommendations

11.1. Members are recommended to:

- Consider and comment on the information provided.
 - Using the recommendations provided to agree school visits.
 - Identifying the information they require at future meetings.

12. Background documents

None

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Children and Families)

Date: 14 December 2017

Subject: Financial Health Monitoring Children’s Services

- 1) Budget Update Period 7 2017/18**
- 2) Budget Proposals for 2018/19**
- 3) Children’s Centre Budget response to recommendations 6&7**

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 and Families) resolved to consider the budget of Children’s Services at appropriate intervals. This is reflected in the work programme of the Scrutiny Board 2017/18. 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). Period 7 information will be considered at the Executive Board on the 13 December 2017.
2. Initial budget proposals for 2018/19 are also due to be considered at the Executive Board meeting on 13 December 2017, when the Board is expected to refer the proposals to Scrutiny in accordance with the Budget and Policy Framework of the Council. This report is attached (appendix B).
3. The appended budget reports contain a full overview of the complete corporate budget to provide context, however the focus of Scrutiny Board (Children and Families) is in relation to the budget delegated to the Director of Children’s Services.
4. 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 and Families) will be fed back to Executive Board prior to full Council. Each Scrutiny Board will be undertaking a similar level of focus for their defined areas.

5. In October 2017 the Scrutiny Board agreed its inquiry report into Childrens Centres. This report made a number of recommendations, two of which specifically relate to Childrens Centre budgets as follows:

Recommendation 6 Desired Outcome – To secure the future financial sustainability of all Children’s Centres in Leeds.

Recommendation 6 – That the Director of Children and Families explores how further funding reductions can be prevented in order to support the continued sustainability and prosperity of all Leeds Children’s Centres by:

- a) working in collaboration with partner organisations to secure sufficient funding which will support continued integrated practice.
- b) working in collaboration with the Director of Resources and Housing to attain sufficient Local Authority funding in accordance with the Council’s Budget and Policy Framework
- c) bringing a detailed report regarding Children’s Centre funding proposals for 2018/19 to the Scrutiny Board in December 2017.

Recommendation 7 Desired Outcome – To promote financial planning, the building of aspirations and delivery of longer term programmes.

Recommendation 7 – That the Director of Children and Families provides additional stability by supporting the planning of services in the longer term and by investigating the feasibility of budget allocation to all Children’s Centres that extends beyond the current 12 month annual settlement. The outcome of this investigation to be reported to this Scrutiny Board in December 2017.

6. The Director response to these specific recommendations will be provided after agenda publication and will follow as late supplementary information.
7. The Director of Children and Families and the directorate’s Head of Finance has been invited to present the budget information and address any further questions from the Board.

Recommendations

8. Members are asked to:
 - a. note the financial position of Children’s Services for period 7 2016/17
 - b. consider the initial 2017/18 budget proposals relevant to the Scrutiny Board’s portfolio and provide relevant comment and recommendations.
 - c. Consider the response of the Director of Children and Families to recommendations 6 and 7 of the Children’s Centre Scrutiny Inquiry Report and make further recommendations as deemed appropriate.

Background documents - None¹

¹ 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.

Report of the Chief Officer Financial Services

Appendix A

Report to Executive Board

Date: 13th December 2017

Subject: Financial Health Monitoring 2017/18 – Month 7

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 checked="" type="checkbox"/> Yes	<input 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 purpose of this report is to inform the Executive Board of the financial health of the authority in respect of both the revenue budget and the Housing Revenue Account as at month 7 of the financial year.
2. The 2017/18 financial year is the second year covered by the 2015 Spending Review and again presents significant financial challenges to the Council. The Council to date has managed to achieve considerable savings since 2010 and the budget for 2017/18 requires the Council to deliver a further £64m of savings.
3. The current and future financial climate for local government represents a significant risk to the Council's priorities and ambitions. Whilst the Council continues to make every effort possible to protect the front line delivery of services, it is clear that the position remains challenging and the projected overspend reflects this challenge.
4. Executive Board will recall that the 2017/18 general fund revenue budget, as approved by Council provides for a variety of actions to reduce net spend through the delivery of £64m of budget action plans by March 2018. At this stage of the financial year, it is clear that the majority of these actions are on track to be delivered, and where there are variations, compensating savings have been identified.

5. At month 7, there is a no projected variation on the General Fund and the Housing Revenue Account is projected to break even.

Recommendation

6. (i) Note the projected financial position of the authority as at month 7.

1. Purpose of this report

- 1.1. This report sets out for the Executive Board the Council's projected financial health position for 2017/18 at month 7.
- 1.2. Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations after the first two months of the year.

2. Background information

- 2.1. Executive Board will recall that the net budget for the general fund for 2017/18 was set at £492.7m.
- 2.2. Following the closure of the 2016/17 accounts the Council's general fund reserve was £20.1m which was £2.6m higher than the amount assumed when the 2017/18 budget was approved. A sum of £1.4m has been released into the Children and Families budget for 2017/18 which has subsequently reduced the level of general reserve to £18.7m. The 2017/18 budget does not assume any further use of or contribution to this reserve during this financial year.
- 2.3. Financial monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc. This has again been reinforced through specific project management based support and reporting around the achievement of the key budget actions plans.

3. Main Issues

3.1. At month 7 no variation on the general fund budget is currently projected.

3.2. *Table 1*

Summary Position - Financial Year 2017/18 Period 7

Reporting Period October 2017

Directorate	Director	Projected (Under) / Over spend for the current period				Month 6 Position
		Staffing	Total Expenditure	Income	Total (under) /overspend	
		£000	£000	£000	£000	£000
Adult & Health	Cath Roff	(1,205)	6,902	(6,902)	0	0
Children and Families	Steve Walker	897	3,088	(3,088)	0	0
City Development	Martin Farrington	(1,271)	468	(468)	0	0
Resources & Housing	Neil Evans	(2,718)	(1,319)	1,319	0	0
Communities & Environment	James Rogers	1,516	1,924	(1,924)	0	0
Strategic	Doug Meeson	(230)	238	(238)	0	0
Total Current Month		(3,011)	11,301	(11,301)	0	0
Previous month (under)/over spend		(3,454)	5,338	(5,338)	0	0

3.3. The major variations within Directorates are outlined below with additional detail provided on the Directorate dashboards which are included as appendix 1 to this report;

3.4. Adults and Health

- 3.4.1. Adults and Health are currently projecting a balanced budget position. Though it should be highlighted that there are potential pressures building, related to fees paid for care homes and home care and the impact of recent case law on the payments for sleep-ins, that may impact on this and future years finances. It is currently assumed £0.6m of earmarked reserves are used to balance the budget.
- 3.4.2. Community care packages (demand led budgets) are projected to cost an additional £2m, mainly as a result of proposed care home and agreed home care fees.
- 3.4.3. Staffing costs are forecast to be £1.2m below budget, principally in commissioning services.
- 3.4.4. The report assumes that £8.0m of the additional £14.7m additional grant will be used to offset an income target set against Leeds CCG's. Post the budget setting it has become apparent that both local and national pressures within the NHS mean that this target is no longer realistically achievable. Income from client contributions. The remainder of the £14.7m Spring budget monies is

being used to protect the care market, sustain care packages and reduce social care related pressures in the health service.

3.4.5. Other net income is projected to be £0.2m above budget.

3.5. Children and Families

3.5.1. Children and Families are projecting a balanced position at Period 7, although there are a number of variations within the directorate. Given the demand led pressures within services in the Directorate these budgets will continue to be closely monitored throughout the rest of the year.

3.5.2. There has been an increase in the demand for External Residential (ER) and IFA (Independent Fostering Agents) placements during September and October which means that the projected year end spend has been increased. Overall CLA numbers have also increased. Based on current numbers, a net variance of around £1.2m is projected.

3.5.3. There has also been an adverse movement in projected staffing costs. It is projected that the action plan to deliver savings from the review of vacant posts, agency and overtime will not achieve all of the targeted savings previously reported; this results in a further £0.5m pressure. The directorate will continue to review recruitment and agency spend to try and reduce this pressure.

3.5.4. In order to offset these increased pressures the Directorate is looking to utilise an additional £1.7m of the DfE Partners in Practice funding earlier than profiled and also maximise external income and has identified an additional £1m that will help to offset the CLA and staffing pressures..

3.6. The Dedicated Schools Grant is also facing a number of budget pressures in 2017/18. As in 2016/17 these are mainly on the High Needs Block in relation to top-up payments and outside placements and some additional costs in relation to the new Social Emotional and Mental Health provision, partly offset by savings in the Early Years Block. Whilst a number of savings proposals have been actioned in the High Needs Block budget including transferring £2m of funding from the Schools Block it is currently forecast that there will be an overall overspend in 2017/18 of £0.86m. The deficit reserve from 2016/17 of £3.6m has also been brought forward to 2017/18. The directorate is undertaking a review of the High Needs Block with the aim of identifying options to bring spend in line with the available resources and to repay the deficit balance over the next few years

3.7. City Development

3.7.1. The directorate are projecting a balanced budget position at the year-end; however, there are income pressures totalling £1.4m within Asset Management and Economic Development. This is largely offset by an additional £1.2m of Sport VAT income following the EU ruling on Sports admissions. The balance of £0.2m will be found from line by lines and reviews of other balances.

3.8. Communities and Environment

- 3.8.1. The Directorate continue to project a balanced position, although there are variations within services. The main variations are outlined below.
- 3.8.2. There is a projected shortfall in housing benefit overpayment income of £0.5m, against a budget of £8.4m, following a projected reduction in the number and average value of housing benefit overpayments.
- 3.8.3. Within Customer Access an overspend of £0.7m, mainly in respect of staffing, is forecast due to the delivery of the Community Hub programme and additional security arrangements at sites.
- 3.8.4. Within Waste Management, the Refuse service is projecting an overspend of £0.8m due to slippage on the Refuse collection route efficiency programme. Additional pressures of £0.1m, mainly relating to the deferral of implementing inert building waste charges are offset by business rates savings of £0.5m at the RERF. In addition, £0.6m savings in respect of disposal costs and additional recycling income are projected, together with a further £0.4m of one-off savings identified across the Waste Management service, contributing to an overall underspend of £0.6m.
- 3.8.5. The planned introduction of charging for inert building waste at Household Waste Sites was deferred following DEFRA's announcement in April 2017 that they would issue revised guidance around charges for the disposal of such waste, and potentially revise the legislation governing them. Many Councils have historically implemented charges and the Council's view is that charging is permitted under current legislation. The financial projections currently assume charges will be implemented on 1st February 2018, although this is subject to further announcements and guidance from DEFRA.
- 3.8.6. The directorate will identify further actions of £0.2m to bring the budget back into balance.

3.9. Resources and Housing

- 3.9.1. No material variations are currently forecast and the Directorate is projecting a balanced position.

3.10. Strategic and Central Accounts.

- 3.10.1. Based on 16/17 savings from additional capitalisation and saving on the levy payment to the business rates pool will help to offset pressures on S278 (income from developers) and new homes bonus income.

4. Other Financial Performance

4.1. Council Tax

- 4.1.1. The Council Tax in-year collection rate at the end of September was 63.85% which is in line with the performance in 2016/17. Forecasts show the 2017/18 in-year collection target of 96.1% collecting some £320.7m of income will be achieved.

4.2. Business Rates

- 4.2.1. The business rates collection rate at the end of Sept was 64.91% which is 0.5% ahead of the performance in 2016/17. The forecast is to achieve the 2017/18 in-year collection target of 97.7% collecting some £374.8m of income.
- 4.2.2. The opening total rateable value of business properties in Leeds was £915.54m at 1st April. This grew by £1.7m to £917.24m in mid-May, but, following a number of Valuation Office reductions, had fallen to £914.77m at 30th September. At 30th October the list has recovered the growth experienced in the early part of the year and stands at £917.32m
- 4.2.3. To calculate Leeds' actual income from business rates this total rateable value is multiplied by the national business rates multiplier (46.6p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (49%), West Yorkshire Fire Authority (1%) and Central Government (50%). Following deductions for the Business Rates tariff and to meet the business rates deficit brought forward, Leeds' actual business rates income is projected to be in the region of £136.7m, which is lower than the budget requirement of £142.9m and may impact further on the Collection Fund deficit. The position on the Collection Fund deficit is kept under constant review as deficits are carried forward and impact on the resources available in the following year.

4.3. Business Rates Appeals

- 4.3.1. The opening appeals provisions for 2017/18 was £25.0m, made up of £23.0m relating to appeals received against the 2010 ratings list and £2m estimated costs in advance of appeals being received against the new 2017 ratings list. Under 50% Business Rates Retention, Leeds' budget is affected by 49% of any appeals provision.
- 4.3.2. On 1st April 2017, there were 5,337 appeals outstanding. By 1st October 2017, these had reduced to 3,876 appeals outstanding. During October 299 appeals have been settled, 226 of which have not resulted in changes to rateable values. 28 new appeals were received in October, the low number received reflecting that appeals are no longer accepted against the 2010 list except in very specific circumstances. No appeals have been received to date against the 2017 list.
- 4.3.3. At 31st October there are 3,605 outstanding appeals in Leeds, with 25.8% of the city's total rateable value currently subject to at least one appeal.

5. Housing Revenue Account (HRA)

- 5.1. At the end of month 7 the HRA is projecting a balanced position in 2017/18.

6. Corporate Considerations

6.1. Consultation and Engagement

This is a factual report and is not subject to consultation.

6.2. Equality and Diversity / Cohesion and Integration

The Council's revenue budget for 2017/18 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 22nd February 2017.

6.3. Council Policies and Best Council Plan

The 2017/18 budget targeted resources towards the Council's policies and priorities as set out in the Best Council Plan. This report comments on the financial performance against this budget, supporting the Best Council ambition to be an efficient and enterprising organisation.

6.4. Resources and Value for Money

This is a revenue financial report and as such all financial implications are detailed in the main body of the report.

6.5. Legal Implications, Access to Information and Call In

There are no legal implications arising from this report.

7. Recommendations

7.1. Executive Board are asked to

(i) Note the projected financial position of the authority as at month 7.

8. Background documents¹

None

¹ 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.

ADULTS AND HEALTH

Financial Dashboard - 2017/18 Financial Year

Month 7 (October 2017)

The directorate continues to project a balanced position for the year, though it should be noted that due to demand based pressures it is assumed that £0.6m of reserves will be used to balance the position.

The position for Adults and Health has been adjusted to include the monies announced in the Spring Budget. It should be noted that though detailed plans for the associated spend have now been agreed, the monies are yet to be allocated and therefore for the purposes of this report they are provisionally shown against the budgets for the procurement of care (Access and Care Delivery and Commissioning).

Budget action plans for demand based services are broadly on target to deliver but slippage in some areas is being monitored.

The main variations at Period 7 across the key expenditure types are as follows:

Staffing (-£1.2m – 2.4%)

Savings are evident across most areas but principally within Strategic Commissioning.

Community care packages (+£8.7m – 4.6%)

The variance on the budget is primarily represented by the 'holding' of £6.7m of the new monies announced as a part of the Spring Budget. There is a £2.0m net pressure on demand led budgets. This is primarily related to the impact of the latest proposed care home fees, an increase in the use of supported accommodation and slippage on savings plans, partially offset by an underspend on Direct Payments.

Income (-£6.9m – 5.4%)

Service user contributions, related to Community Support services, are projected to be lower than budgeted. Though investigations continue to determine the cause of this and to identify potential remedies, it appears that growth in the number of new clients is considerably lower than envisaged, which may be as a result of the strengths based initiative and increased use of preventative solutions including reablement. The grant income from the Spring Budget is recorded here along with an assumption that there will be an offsetting reduction in the funding targeted from Health partners in 2017/18.

Budget Management - net variations against the approved budget

				PROJECTED VARIANCES										Total (under) / overspend £'000	
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure		Income
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
Health Partnerships	485	(220)	265	48	0	17	(2)	0	0	0	0	0	63	(17)	46
Access & Care Delivery	250,843	(43,787)	207,056	(80)	29	(166)	(10)	(207)	6,094	(849)	0	0	4,810	(123)	4,687
Commissioning Services	30,335	(36,728)	(6,394)	(972)	21	(14)	(8)	197	3,405	0	0	(551)	2,078	(6,686)	(4,607)
Resources and Strategy	5,227	(637)	4,590	(85)	1	(16)	9	(79)	100	0	0	0	(70)	(56)	(126)
Public Health (Grant Funded)	46,036	(46,009)	27	(116)	(1)	14	(4)	36	(62)	0	0	154	21	(21)	0
Appropriation Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	332,926	(127,382)	205,544	(1,205)	50	(165)	(15)	(53)	9,536	(849)	0	(397)	6,902	(6,902)	0

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value	Forecast Variation against Plan/Budget
					£m	£m
A. Key Budget Action Plans						
1.	Older people's residential and day support	D Ramskill	Ongoing Better Lives programme	Blue	0.4	0.0
2.	Assessment and care management practice	S McFarlane	Delivering the most cost effective service for new customers based on the strengths based approach	Amber	0.5	0.0
3.	Review of care packages - mental health	M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Green	0.8	0.0
4.	Review of care packages - physical impairment	J Bootle	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Amber	0.5	0.2
5.	Review of care packages - learning disability	J Wright / M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Green	2.5	0.0
6.	Older people: reduction in the number of customers going into residential care	S McFarlane	Increased use of telecare, reablement and recovery service	Amber	1.3	0.9
7.	Legal Fees	S Hume	Reduction in in-house legal fees	Green	0.3	0.0
8.	Vacancy management	Various	Mainly non-frontline services	Green	0.6	0.0
9.	Fees and charges	S Hume	Improved income collection and income recovery from direct payment audit	Amber	0.7	0.3
10.	Review non-essential spend	Various	Review and top-slicing of non-essential spend	Green	0.3	0.0
11.	Public health	I Cameron	Review of commissioned services	Blue	2.9	0.0
12.	Community Support	D Ramskill	In-house community support service closure	Blue	0.9	0.0
B. Other Significant Variations						
1.	Staffing	All	Ongoing vacancy management			(1.2)
2.	Community care packages	Various	Relates principally to unallocated Spring Budget monies, impact of proposed care fees, increased use of supported accommodation			7.6
3.	General running costs	All				(0.1)
4.	Use of reserves	All				(0.4)
5.	Income	S Hume	Primarily Spring Budget monies (offset by non-deliverable Health income target)			(7.2)
Adults and Health Directorate - Forecast Variation						0.0

CHILDREN & FAMILIES 2017/18 FINANCIAL YEAR FINANCIAL DASHBOARD - Period 7

Overall Summary - At period 7 the Directorate is projecting a balanced position. There has been an increase in the demand for External Residential (ER) and IFA (Independent Fostering Agents) placements during September and October which means that the projected year end spend has been increased. Overall CLA numbers have also increased. The projection for Period 5 and 6 included an anticipated reduction in CLA numbers based on the work in the Directorate to look to bring a number of children out of ER placements, however, despite this the number of ER placements has continued to increase. There has also been an adverse movement in projected pay costs (which is detailed below). In order to offset these increased pressures the Directorate is looking to utilise £1.7m of the DfE Partners in Practice funding earlier than profiled and also maximise external income and has identified an additional £1m that will help to offset the CLA and staffing pressures. There are some risks within this position and these are mentioned below.

Children Looked After - Meeting the budgeted assumptions around the numbers of CLA is the most significant budget challenge that the Directorate faces in 2017/18; it is also the most difficult budget to set because numbers can fluctuate for a variety of reasons including demographic pressures. The 2017/18 budget now includes an increase to the CLA budget of £6.7m compared to 2016/17. Current level of Independent Fostering Agents (IFA) is 189 children whilst the level of External Residential (ER) is 60 children. There has been an increase in ER placements this month. There has also been an increase in the overall projected spend on adoption, Special Guardianship Orders (SGOs) and Residence Orders (RO). Section 17 spend (emergency payments for children in need) is also now shown under the demand led budget section. The period 7 projection assumes that the current level of CLA numbers is maintained to the end of the year (previous months projections assumed a reduction in CLA numbers). There is a risk that CLA numbers continue to rise.

Staffing - It is now projected that staffing will be overspent by £0.9m. This includes an additional £0.3m from capitalised pension costs as a result of prior year early retirements. It is projected that the action plan to deliver savings from the review of vacant posts, agency and overtime will not achieve the targeted savings previously reported; this results in a further £0.5m pressure. The directorate will continue to review recruitment and agency spend to try and reduce this pressure.

Transport - Period 7 is projecting to be overspent by £0.15m as a result of increased demand and increasing complexity of need. The 2017/18 budget included an increase to the Transport budget of £2.8m reflecting anticipated demand pressures. There is a risk that demand increases further during the year.

Trading and Commissioning - Period 7 projects a shortfall against the £1.2m additional trading target of £0.2m. This is mainly around the Activity Centres and it is recognised that the non- charged work they do means that they will not be able to achieve the budgeted breakeven point without stopping doing this important area of work. This shortfall is offset by an anticipated additional £0.7m of income resulting from the Kirklees Partner Improvement work. There is a pressure of £0.2m against the £1.1m commissioned service savings target.

Other Income - The new Innovations & Partners in Practice bid has now been approved and will provide additional funding to be spent over three years. A total of £7.3m was received in 2016/17 and all this funding has been carried forward to 2017/18; the projection assumes £1.95m additional in-year usage. The use of this grant in 17/18 will not impact on the future delivery of the programme. There is additional School Improvement Monitoring & Brokering Grant of £0.5m. A shortfall in income in children's centres of £0.95m is forecast reflecting non-achievement of the planned increase of fee paying nursery places. Also a shortfall of external income of £0.13m at Adel Beck is projected. At period 7 sources of external income have been identified to offset the growing CLA pressure. This includes additional draw down of Kirklees Improvement Partnership income of £0.7m; UASC grant income £0.3 m (Unaccompanied Asylum Seeking Children grant) ; and schools contribution to out of area External Residential placements of £0.3m.

Dedicated Schools Grant - There is a separate Dashboard for DSG.

Budget Management - net variations against the approved budget

				PROJECTED VARIANCES											Total (under) / overspend £'000		
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Demand Led Budgets:																	
In House Fostering	12,510	(2,810)	9,700	0	0	0	0	0	(446)	0	0	0	(446)	0	0	0	(446)
Internal Residential	3,605	0	3,605	106	49	0	0	0	0	0	0	0	155	0	0	0	155
Kinship Care	2,363	0	2,363	0	0	0	0	0	206	0	0	0	206	0	0	0	206
Family Placement & Place for Adoption	1,628	0	1,628	0	0	0	0	0	(70)	0	0	0	(70)	0	0	0	(70)
IFA	7,769	0	7,769	0	0	0	0	0	520	0	0	0	520	0	0	0	520
External Residential	11,016	0	11,016	0	0	0	0	0	283	0	0	0	283	0	0	0	283
Semi Independent Living <18 & Secure Justice/Welfare	2,575	0	2,575	0	0	0	0	0	(253)	0	0	0	(253)	0	0	0	(253)
Adoption, SGO and RO	6,568	0	6,568	2	0	4	0	0	755	0	0	0	761	(314)	0	0	447
Leaving Care	4,659	(1,469)	3,190	0	0	26	3	23	1,032	(334)	0	0	750	(374)	0	0	376
Section 17	444	0	444	0	0	0	0	0	326	0	0	0	326	0	0	0	326
SEN Outside Placements	4,857	(4,857)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	14,694	(453)	14,241	0	0	0	150	0	0	0	0	0	150	0	0	0	150
Sub total Demand Led Budgets	72,688	(9,589)	63,099	108	49	30	153	23	2,353	(334)	0	0	2,382	(688)	0	0	1,694
Other Budgets																	
Partnerships	21,961	(9,459)	12,502	2	1	158	(2)	74	149	(25)	0	(200)	157	(232)	0	0	(76)
Learning, Skills & Universal Services	70,988	(68,444)	2,544	(39)	0	0	0	(100)	0	(250)	0	0	(389)	7	0	0	(382)
Safeguarding, Targeted & Specialist Services	99,648	(60,636)	39,012	1,013	4	130	178	(49)	100	0	0	(250)	1,126	(1,675)	0	0	(550)
Central Overheads	9,554	(7,735)	1,819	(187)	0	0	0	0	0	0	0	0	(187)	(500)	0	0	(687)
Sub total Other Budgets	202,151	(146,274)	55,877	789	5	287	176	(75)	249	(275)	0	(450)	706	(2,400)	0	0	(1,694)
Total	274,839	(155,863)	118,976	897	54	317	329	(52)	2,602	(609)	0	(450)	3,088	(3,088)	0	0	0

<u>Key Budget Action Plans and Budget Variations:</u>		Lead Officer	Additional Comments		Action Plan Value	Forecast Variation
A. Significant Variations				RAG	£m	£m
	Children Looked After	Steve Walker	Pressure on CLA demand led budgets (External Residential placements and Independent Fostering Agencies). The current number of IFAs is 189 and ER is 60. The pressure of £1.54m assumes the current level of CLA numbers continues to the end of the year. There is a risk that numbers continue to increase due to demographic pressures .	R		1.54
	Passenger Transport	Sue Rumbold	Currently an overspend of £0.15m is projected. There is a risk that this may be exceeded.	R		0.15
	Staffing related costs	CSLT	Capitalised pension costs relating to former employees early retirement costs	R		0.30
	Income - ESG	CSLT	Additional School Improvement Monitoring and Brokering Grant against budgeted income.	G		(0.50)
	Net effect of all other minor variations	CSLT	There are a number of other minor variations within the directorate.	G		(0.19)
B. Key Budget Action plans (BAP's)						
E1	Remodel Social Work Practice	Sal Tariq	Reduced agency spend in Children's Social work service, and also reduce non-front line staffing in Children's Social work. A shortfall of £0.51m is currently projected against the saving target, primarily due to non-achievement of the Initial Budget Action Plan around Social Work staffing.	R	(0.93)	0.51
E2	Other staffing savings	CSLT	Net staff savings from ELI and through the management of vacant posts.	A	(0.98)	0.10
C2	ESG funded activities	Andrew Eastwood, Sue Rumbold	Proposed savings include running cost savings in information management & technology, learning improvement and information management, and staff savings across a number of services.	G	(0.97)	0.00
C3	Commissioned services	CSLT	Commissioned Services - A shortfall of £0.2m is currently projected against the budgeted savings.	A	(0.65)	0.20
A7	Increase traded income and reduced level of subsidy	CSLT	Additional resources have been committed to provide the capacity to develop a strategy and implement the proposals. Additional traded income has been included in the 17/18 budget for activity centres, complex needs, early years improvement, attendance strategy and a range of other services provided to schools. We are now reporting a pressure relating mainly to Activity Centres although this is offset by an additional traded income from the improvement work with Kirklees Council shown below.	A	(1.25)	0.20
C1	Children's Centre Family Services & Childcare	Andrea Richardson	Reshape of family services which will include a review of the core offer and additional services currently funded by partners.	G	(0.60)	0.00
A4	Additional DfE Innovations funding	Sal Tariq	New Innovations bid approved and £7.3m received in 2016/17. It is anticipated that £5.7m will be spent in 2017/18.	G	(2.50)	(1.95)
A2	Children's Centre Income	Andrea Richardson	Increases in Fees from January 2017 and September 2017 and additional income from the new Free Early Educational Entitlement (FEEE) hourly rates. A shortfall of £0.95m against the overall income target is projected. Planned changes to the Catering Service have been delayd resulting in a pressure of £0.1m. These pressures are partially offset by Family Services staffing savings of £0.55m.	R	(0.30)	0.50
A3	Additional income from top slice Free Early Education Entitlement (FEEE) payments.	Sue Rumbold	New ability to top slice 5% from FEEE payments to nursery providers. Schools Forum approval received.	G	(1.00)	0.01
	Various other budget savings (8)	CSLT	Including short breaks contract savings, additional income from Adel Beck and Children's Centre fees, additional public health and CCG funding, additional DCLG funding for troubled families, running cost savings etc.	A	(2.86)	0.13
C. Contingency Plans						
	Utilisation of External Income		Utilisation of additional Kirklees Improvement Partner income £0.7m ; anticipated additional schools funding contribution to area External Residential placements £0.3m.	A		(1.00)
Children and Families Directorate - Forecast Variation						0.000

CHILDREN & FAMILIES 2017/18 FINANCIAL YEAR

DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD PERIOD 7

Overall Summary - The Dedicated Schools Grant (DSG) is made up of 3 separate blocks - the Schools Block, Early Years Block and High Needs Block. At period 7, general DSG is projected to overspend by £984k and de-delegated services are expected to underspend by £125k as detailed below.

Schools Block - This is the largest element of the DSG and mostly consists of delegated funding to local authority maintained schools. From this, there are a number of "de-delegated" services where schools have agreed for the local authority to retain funding back to cover some costs centrally which otherwise would need to be charged to schools (such as maternity costs, trade unions costs, libraries and museums services). In addition, there is a central provision which covers costs such as growth fund, prudential borrowing repayment, equal pay costs and the admissions service. Following a number of school conversions to academy status, there is a reduction in expenditure which is matched by reduced grant income. De-delegated services are projected to be underspent by £125k, largely due to reduced claims against the contingency fund. Due to slippage in planned places, there is expected to be an underspend of £100k on the Growth Fund and along with a number of minor underspends on other central provision budgets, an underspend of £136k is projected.

Early Years Block - This element is concerned with provision to pre-school children. The final grant amount received is largely based on the January 2018 census and so will not be confirmed until later in the year. The projections at the moment are as follows:

- for 2 year olds, The January census has usually been the lowest of the year and in order to not overspend this budget, the amount paid to providers is £5.05 an hour while the funding is £5.20 per hour to compensate for this. However, the actual pupil numbers in 2016/17 and the projected pupil numbers for 2017/18 suggest that this will not be the case this year. This means that it is now expected that there will be £268k more income than expenditure resulting in a saving in 2017/18.
- for 3 and 4 year olds, there is a lot of uncertainty due to the increase in provision for working families to 30 hours per week from 15 hours per week. At this stage, based on the projected January 2018 pupil numbers, there is expected to be a small underspend, though the DSG income for this stream is projected to be significantly higher than the budget.
- the SEN Inclusion Fund has received fewer applications for funding than expected producing a projected underspend of £440k.
- Early Years pupil premium is projected to be underspent by £41k, though this is fully offset by reduced grant.

High Needs Block - This element is used to support provision for pupils and students with special educational needs and disabilities. This block is currently experiencing increasing costs due to high levels of demand and increasing complexity of cases. At period 7 there is projected to be an overspend of £4.038m in this area largely due to the following issues:-

- Following negotiations with Area Inclusion Partnerships, a reduced level of savings has been applied to their budgets resulting in a pressure of £929k. This is partly offset by the recovery of £300k of excess balances giving a total net pressure of £629k
- Agreement has been made to contribute a further £535k in 2017/18 for set-up costs in relation to the new SEMH provision.
- LCC has recently started to receive invoices from private hospitals for the provision of education to young people in mental health beds. Work is on-going with providers to establish the responsibilities around this provision, but it is estimated that there could be additional costs of up to £250k.
- When the budget was set, £300k was set aside for the projected deficit on North West SILC. Current projections based on a projected academy conversion date of February 2018 (though this might slip further) show that this deficit is now likely to be £1m which would result in an overspend of £700k.
- an increase in the number and complexity of children with SEN along with top-up funding at the new SEMH provision remaining at £20k per place and AIP's no longer contributing to the assessment costs of permanently excluded children, payments passported to other institutions are projected to overspend by £2,237k.
- These pressures are partly offset by a contribution from the Early Years block for SENIT and Portage. When the budget was produced, it was assumed that the full costs of the service would need to be borne by the High Needs Block. However, as detailed in the paper to Schools Forum in February, £600k of the centrally retained element of the Early Years Block has been set against these costs. There is also an underspend of £75k due to staff vacancies.

Transfers to / from reserves - When the budget was set, it was with a contribution to reserves of £769k. However due to the overspends listed above, this contribution will not now be made.

Grant Income - The initial DSG grant for 2017/18 year was announced in the previous December. However, during the year there have been a number of schools converting to academy status, which has resulted in less funding due to LCC. The early years funding is based on 5/12ths of pupil numbers in the January census and 7/12ths of the funding will be based on the census information in January 2018. Based on the expected pupil numbers provided by the service, the DSG income due is expected to be £820k higher than budgeted. However, the final grant amount for 2017/18 will not be confirmed until summer 2018. Within the high needs block, there have been some changes in respect of funding for dual registered pupils and an adjustment in respect of hospital funding resulting in a current projection of an additional £483k of income. Overall, the income received is expected to be £4,257k less than budgeted.

Budget Management - net variations against the approved budget

DSG Grant Reserves

	Budget £'000	Projection £'000	Variance £'000
Schools Block			
DSG Income	(324,708)	(319,148)	5,560
Individual Schools Budgets	311,863	306,302	(5,561)
De-delegated budgets	4,944	4,819	(125)
Central Provision	7,901	7,765	(136)
	0	(262)	(262)
Early Years Block			
DSG Income	(50,233)	(51,053)	(820)
FEEE 3 and 4 year olds	38,671	38,575	(96)
FEEE 2 year olds	8,265	7,997	(268)
Other early years provision	3,297	2,816	(481)
	0	(1,665)	(1,665)
High Needs Block			
DSG Income	(56,759)	(57,242)	(483)
Funding passported to institutions	49,305	54,000	4,695
Commissioned services	1,371	1,389	18
In house provision	5,314	4,639	(675)
Contribution to /from reserves	769	0	(769)
	0	2,786	2,786
Total	0	859	859

Latest Estimate

Balance b/fwd from 2016/17

Contribution to balances

Deficit c/fwd to 2018/19

Projected Outturn

Balance b/fwd from 2016/17

Contribution to/from balances

Deficit c/fwd to 2018/19

General £'000	De-delegated £'000	Total £'000
4,161	(528)	3,633
(769)		(769)
3,392	(528)	2,864
4,161	(528)	3,633
984	(125)	859
5,145	(653)	4,492

Key Budget Action Plans and Budget Variations:

	Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
A. Key Budget Action Plans					
Transfer funding from Schools Block to High Needs Block		Transfer of £2m from the schools block to the high needs block as detailed in report to Schools Forum in January 2017.	Blue	2.00	0.00
Savings to Area Inclusion Partnerships budgets		FYE of 2016/17 reduction (£310k) and realign PRU top-up funding from AIP allocations (£1.5m). Overspend is net of assumed recovery of excess balances.	Red	1.80	0.63
Reductions in additional mainstream places		Revision of the criteria and processes on Funding For Inclusion. Changes to calculations of the amount of the notional SEN budget available to fund the first £6,000 of support for pupils.	Green	1.50	0.00
B. Significant Variations					
Schools Block		Reduced spend due to academy conversions along with minor underspends on de-delegate services and central provision.			(5.82)
Early Years Block		Reduced expenditure on payments to providers.			(0.37)
Early Years Block		Underspends on centrally managed budgets.			(0.48)
High Needs Block		Increased in numbers and complexity of placements plus retaining top-ups at existing levels and contribution no longer being received from AIP's for assessment places.			2.48
High Needs Block		Further £535k in 2017/18 to Wellspring for set-up costs in relation to the new provision.			0.54
High Needs Block		Private hospital charges for education provision for mental health beds.			0.35
High Needs Block		Current projections show that the deficit on North West SILC to be around £1m, which is an overspend of £750k.			0.70
High Needs Block		Net effect of all other variances on the High Needs Block.			(0.06)
High Needs Block		Reduced demand on HNB following early years block contribution to costs of SENIT and Portage.			(0.60)
Contribution to / from reserves		Not making planned contribution to deficit reserve.			(0.77)
Grant income		Reduced grant following academy conversions.			4.26

Dedicated Schools Grant - Forecast Variation

0.86

CITY DEVELOPMENT 2017/18 BUDGET - PERIOD 7 FINANCIAL DASHBOARD - MONTH 7 (APRIL - OCTOBER)

The Period 7 Financial Dashboard Maintains a balanced position whilst recognising a number of significant budget pressures and the actions identified to mitigate them.

Planning and Sustainable Development is projecting a £168k pressure on expenditure due to anticipated Inspection and Planning Appeals costs. This is offset by the £313k additional projected income from Planning Fees and Building Control Fees and Charges, assuming current trends continue, and resulting in a £154k saving to support the overall Directorate position.

In Economic Development the position has deteriorated by £410k to a projected overspend of £707k, predominantly due to increasing income pressures at Kirkgate Market, in addition to the £224k pressure from granting a 6 month (01/07/17) - 31/12/17) 20% discount on rental charges to all Kirkgate Market traders (allowing them to invest in their businesses and, therefore, contribute to the market's long term viability). Income pressures of £170k, £146k and £56k relate to the indoor market, the new Covered Daily Market (CDM) and the new Events Space respectively, these are new target income streams following completion of the major capital refurbishment scheme. Whilst some of this is due to the lead in times required for developing and delivering new trading and events, it is acknowledged that some of the budgeted income targets are unrealistic and not achievable in the short to medium term, therefore the 2018/19 Budget Strategy includes some proposals to address this.

In the last 18 months Asset Management has acquired a number of significant A grade investment properties to add to the authority's portfolio and deliver new income streams. However a £1m pressure on net income (gross rental income - prudential borrowing annuity) against the budget action plan target is now anticipated. The investment policy requires that any investment and acquisition should contribute to and support the Council's ambitions and values, and be financially robust. Market activity and contractual lead times indicate that it is unlikely any further significant investments will be completed in 2017/18. However a review of borrowing costs has identified a £600k saving due to the difference in the assumed and real cost of borrowing, resulting in a net pressure of £400k. Additional ad-hoc income of £169k mitigates this to £231k. The £518k pressure on Advertising income, which assumes all current sites will be fully utilised, remains unchanged. Options are currently being evaluated to address this pressure in 2018/19.

Via careful vacancy management Employment and Skills are projecting an underspend of £104k to assist in offsetting other Directorate pressures.

Highways and Transportation has increased its projected underspend by £207k to £286k reflecting a 5% increase in the capitalisation target to support the Directorates overall financial position. Large, yet offsetting, variations on staffing, supplies and services, and income reflect the constantly fluctuating allocation of works (internal or external to strategic partners WSP) and ongoing recruitment requirements.

Sport and Active Lifestyles has pressures of £217k due to Public Health funding reductions, the failure of the Aquatics Centre moveable pool floor, and the net impact of part closure, refurbishment, and contractor delays at Aireborough Leisure Centre. A further pressure of £228k is due to the notable downturn in income at John Smeaton Leisure Centre due to 2 new budget gyms opening in close proximity. Savings of £71k have been identified at period 7 across the service to mitigate this budget pressure.

To address the Directorate's budget pressures an action plan saving of £1.44m is required and included in the projected outturn position which will be met by the £1.2m in-year income windfall arising from the European Court of Justice Ruling on VAT re: sport admission charges and £240k use of other balances.

Budget Management - net variations against the approved budget

	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Planning & Sustainable Development	8,696	(6,320)	2,376	9	(30)	124	(6)	62	0	0	0	0	159	(313)	(154)
Economic Development	5,318	(4,666)	652	17	12	31	2	20	0	0	0	0	82	625	707
Asset Management & Regeneration	13,781	(15,485)	(1,704)	(44)	119	51	(3)	(580)	0	0	0	0	(457)	1,206	749
Employment & Skills	3,957	(2,208)	1,749	(91)	0	0	0	0	0	0	0	0	(91)	(13)	(104)
Highways & Transportation	58,290	(41,459)	16,831	(1,055)	(47)	1,369	605	(15)	0	0	0	0	857	(1,143)	(286)
Arts & Heritage	17,817	(8,317)	9,500	21	(90)	190	9	20	23	0	0	0	173	7	180
Sport & Active Lifestyles	24,274	(18,946)	5,328	(69)	(33)	(88)	2	4	(45)	0	0	0	(229)	603	374
Resources & Strategy	1,047	(124)	923	(59)	0	73	0	(40)	0	0	0	0	(26)	(1,440)	(1,466)
Total	133,180	(97,525)	35,655	(1,271)	(69)	1,750	609	(529)	(22)	0	0	0	468	(468)	0

Key Budget Action Plans and Budget Variations:

				RAG	Action Plan Value	Forecast Variation against Plan/Budget
					£'000	£'000
		Lead Officer	Additional Comments			
A. Budget Action Plans						
1.	Planning and Sustainable Development	Tim Hill	Reduction in the net cost of service via increased income generation.		Green	(154)
2.	Economic Development	Tom Bridges	Increased income and running cost savings		Amber	52
3.	Asset Management and Regeneration	Tom Bridges	Strategic Investment Income and additional fee income.		Red	231
4.	Highways and Transportation	Gary Bartlett	Additional income from fees and developers.		Green	(286)
5.	Arts and Heritage	Cluny MacPherson	Savings via increased income opportunities, not hosting the Tour de Yorkshire in 2017, and minor restructure.		Amber	40
6.	Employment and Skills	Sue Wynne	Staffing and commissioning savings.		Green	(104)
7.	Sport and Active Lifestyles	Cluny MacPherson	Reduction in the net cost of service via efficiency savings, staffing savings and increased income generation.		Red	157
8.	Resources and Strategy	Ed Mylan	Directorate wide additional savings requirement.		Green	0
Total Budget Action Plan Savings						6,940
B. Other Significant Variations						
1.	Asset Management	Tom Bridges	Shortfall in Advertising income.			618
2.	Economic Development	Tom Bridges	Kirkgate Market income pressures - 6 month 20% rent discount for all traders (£224k), Covered Daily Market (£146k), George Street shops (59k), and Event Space (£56k).			655
3.	Sport and Active Lifestyles	Cluny Macpherson	Income pressures from reduced Public Health funding, JCCS pool floor failure, and Aireborough refurbishment.			217
4.	Resources and Strategy	Ed Mylan	General savings across the Service.			(126)
5.	City Development	All	Use of Sport VAT ruling and balances to mitigate in year pressures.			(1,440)
6.	Arts and Venues	Cluny Macpherson	Carnival and Reggae overspend.			140
City Development Directorate - Forecast Variation						0

RESOURCES AND HOUSING

FINANCIAL DASHBOARD - 2017/18 FINANCIAL YEAR

MONTH 7

Overall

A balanced position is projected at period 7 although there are risks around timely implementation of savings incorporated as part of the 2017/18 budget strategy leading to variations within services.

Resources

For month 7 it is assumed that, overall, support services will achieve the £5m savings which formed part of the Support Services review. However, other risks are also emerging within service areas. Shared Services are forecast to underspend by £797k, primarily as a result of savings against the staffing budget due to vacant posts. In addition, the HR budget is forecast to underspend by £72k mainly as a result of savings on staffing partially offset by the loss of school income. These savings are offset by a £150k overspend against the PPU budget (savings against staffing more than offset by a projected shortfall in income) and a £498k overspend on Finance mainly due to a £396k shortfall against court fees income. A £205k DIS pressure has emerged following the recent cyber attacks on the NHS; this spend is to enable remedial work to be undertaken to mobile devices, the network, patch and configuration and to strengthen access control so that the Council can qualify for the Public Services Network certificate.

Leeds Building Services

A balanced position is projected for LBS through Directorate actions plans to be identified. With the current projection in relation to the delivery of the planned £1.8m savings, required in the budget strategy, indicating a shortfall of £600k at period 7. This variation is due to slippage in the implementation of both the revised staffing structure and the IT infrastructure. A reduction in budgeted overheads combined with anticipated increases in turnover will largely offset this pressure.

Housing and Property Services

Housing and Property Services are expected to achieve the £700k of budgeted savings in this financial year. The savings target of £117k for Housing Support and Partnership is forecast to be achieved through the natural turnover of staff across the service. Within CPM a pressure of £123k is forecast against the responsive repairs budget which is partially offset by £25k savings on the staffing budget. In terms of managing the pressure moving forward, work has begun to look at increasing the level of capital spend and the positive impact this may have to offset the revenue pressure. Work is also underway to ensure that in year pressures against the responsive repairs budget are contained as far as possible to enable the service of being close to a balanced position as possible at the year end. The Supporting People contracts savings target of £350k has been achieved through the renegotiation and reprocurement of 3 sets of contracts. In addition to this, the revision of smaller contracts is expected to achieve a further saving of £53k.

Civic Enterprise Leeds

A balanced position is currently forecast through Directorate action plans to be identified. As a result of the marginal financial impact of the reduced number of feeding days in 2017/18 and inflationary pressure on food costs there's likely to be a £400k pressure for the Catering service, partially offset by savings/actions within the rest of the division to leave a net £200k pressure. There is also likely to be a financial impact of Merrion House re-opening in this financial year. The Facilities Management element of the CEL budget is expected to balance and achieve the £100k budgeted savings for the year.

Budget Management - net variations against the approved budget

	Expenditure Budget	Income Budget	Latest Estimate	PROJECTED VARIANCES											Total (under) / overspend
				Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Resources	98,470	(38,174)	60,296	(2,466)	30	138	(24)	63	0	0	0	(24)	(2,283)	2,236	(47)
LBS	46,947	(55,327)	(8,380)	(177)	164	624	(75)	(20)	0	0	0	0	516	(516)	0
Housing & Property	26,195	(12,402)	13,793	(436)	138	4	0	(235)	43	0	0	235	(251)	298	47
CEL	71,090	(63,551)	7,539	361	40	293	62	(57)	0	0	0	0	699	(699)	0
Total	242,702	(169,454)	73,248	(2,718)	372	1,059	(37)	(249)	43	0	0	211	(1,319)	1,319	0

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
A. Key Budget Action Plans						
Efficiencies						
1	Specialist Admin	Helena Phillips	Further efficiencies by consolidating "specialist" admin staff under one professional lead	G	1.00	-0.80
2	ICT, IM & T & Intelligence	Dylan Roberts	Introduce a new operating model to deliver staffing efficiencies.	G	0.90	0.00
3	ICT, IM & T & Intelligence	Mariana Pexton	Introduce a new operating model to deliver staffing efficiencies.	G	0.20	0.00
4	Workforce Development	Lorraine Hallam	Consolidation of training budgets.	A	0.30	0.00
5	PPPU	David Outram	Identify savings through a portfolio approach including development of prioritisation model	A	0.30	0.20
6	Financial Services	Doug Messon	Savings to be delivered through staffing efficiencies.	G	0.90	0.00
7	Human Resources	Lorraine Hallam	Staff savings through continuing to implement new ways of working.	G	0.30	-0.10
8	Strategy & Improvement	Marianna Pexton	Further staff savings and efficiencies within Communications, Marketing and Emergency Planning.	G	0.10	0.00
9	Financial Services	Doug Messon	Additional traded income.	G	0.20	0.00
10	Legal & Democratic Services	Catherine Witham	Staffing efficiencies to fund cost of pay award.	G	0.10	0.00
11	LBS - Consolidation of Construction/Property Maintenance	Simon Costigan	Savings through staffing, both management and support functions and a targeted reduction in running costs. Roll out of Total Mobile software will deliver efficiencies which will result in the reduction in use of sub contractors.	A	1.80	0.60
12	Strategic Housing - integration of functions	Jill Wildman	Closer working arrangements within the different functions will facilitate a reduction in the number of budgeted posts.	G	0.10	0.00
13	Housing related support - reduction in contract payments	Jill Wildman	Savings to be realised through ongoing review and retendering of contracts.	G	0.40	0.00
14	Strategic Housing - review of charging arrangements	Jill Wildman	Adaptations review charges to both the capital programme and Housing Leeds.	G	0.20	0.00
15	Cleaning Savings	Sarah Martin	Efficiencies to be realised through expanding mobile cleaning, changing times and frequency of cleaning resulting in a reduction of the number of staff required.	G	0.50	0.00
16	Management Staff reductions	Sarah Martin	Reduction in level of JNC management support, delivered through a reconfiguration of roles and responsibilities.	G	0.20	0.00
17	Facilities Management Savings	Sarah Martin	Planned realignment of the service to be delivered through a restructure.	G	0.10	0.00
18	Fleet	Sarah Martin	Combination of maximising existing external income streams whilst developing new ones together with the aim of reducing costs.	G	0.10	0.00
19	Commercial Catering	Sarah Martin	Based on internalising commercial catering for some of the services within the Civic Quarter and expanding retail offer.	G	0.10	0.00
B. Other Significant Variations						
1	Financial Services	Doug Meeson	Shortfall against court fees income.	A		0.50
2	CEL	Sarah Martin	Shortfall against Catering income	A		0.20
3	Directorate action plan.		Actions to be identified so that the Directorate can achieve a balanced position.			-0.60
Strategy and Resources Directorate - Forecast Variation						0.00

COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY

FINANCIAL DASHBOARD - 2017/18 FINANCIAL YEAR

Period 7 (October 2017)

Overall Position (nil variance)

Communities (nil variance)

The service is projecting a nil variance against its budget at period 7.

Customer Access (+£653k over budget)

The main area of potential overspend is staffing in Community Hubs where current staff in post are projected to exceed the budget by £650k. This is largely due to delivery of the Community Hub programme which has required additional resource and management/supervision to be put in place. However, the service is anticipating that a number of staff will leave under the ELI scheme and this is expected to reduce the staffing overspend to around £510k. The cost of providing static guards at a number of sites due to safety concerns is likely to cost an additional £145k. These pressures along with an expected shortfall in libraries income of £50k, are offset by additional income (net £199k) in the Interpreting and Translation Team from providing translation services to the NHS

Elections, Licensing and Registration (nil variance)

The service is currently projecting a nil variation, although there are some concerns around income within births, deaths and marriages and this will continue to be closely monitored. Costs in respect of the general election are expected to be met by government grant.

Welfare & Benefits (+£425k over budget)

The main area of risk is around the achievement of the budgeted level of Housing Benefit overpayment income (£8.4m) which has reduced in line with the overall reduction in HB overpayments along with the average value of the overpayments. Current indications are that overmaking a provision for doubtful debts, there could be a net shortfall of income of around £460k at the year end. In other areas a small underspend of £35k is currently projected, mainly due to staffing savings, partially offset by the cost of additional off-site processing, and additional grant income.

Parks & Countryside (nil variance)

The service is projecting an overall variance at Cafe/Retail and Attractions of +£179k, which at this stage of the year includes a projected shortfall in income at both Lotherton Hall and Tropical World. The service is increasing marketing activities to offset these shortfalls and an assumption has been made that this will offset the projected shortfall in income. In addition there is a projected reduction in income from Golf of £74k, although other savings within the service, mainly income from land searches within PROW (Public Rights Of Way), are expected to offset this.

Environmental Action:

Car Parking (-£169k below budget)

Staffing is projected to be under budget by (£64k) due to delays in ongoing recruitment. Income trends net (£105k) indicate shortfalls in both on-street income and Bus Lane offences throughout the city, although these are offset by additional off-street and PCN income.

Cleaner Neighbourhoods Teams (+£19k over budget)

The projected overspend mainly relates to the hire costs of using additional sweepers. Savings from delayed recruitment to the new structure are projected to be largely offset by additional overtime costs.

City Centre (-£10k under budget)

The projected variance is mainly due to staffing savings whilst recruitment is ongoing to fill the recently approved structure, partially offset by the ongoing usage of overtime and covering City Centre events.

Environmental Health (-£83k below budget)

The projected variance is due to savings from delayed recruitment (£101k). These positions are projected to be all filled by January. Variations in Pest control expenditure and income are projected at £35k.

Waste Management:

Refuse (+£789k over budget)

Within the Refuse Service it is currently anticipated that there will be slippage of 10 months in respect of the planned collection route efficiency programme as the staff consultation process continues, and this is forecast to result in a pressure of +£858k. Additional staffing expenditure in relation to backup/sickness cover and union support to the route collection programme is projected to be offset by one-off savings within the service.

HWSS & Infrastructure (+£181k over budget)

There is a projected shortfall in budgeted income of +£113k, mainly due to the deferral of the introduction of inert building waste charges at Household Waste sites until February 2018. Additional expenditure in respect of HWSS overtime/sickness cover and HWSS Plant Operator training is projected to be partially offset by one-off savings.

Waste Strategy & Disposal (-£1,510k under budget)

The projected underspend includes a saving of £470k in respect of the rateable value of the Recycling and Energy Recovery Facility (RERF), £339k disposal savings at Household Waste Sites reflecting volume and price variations, £194k savings in respect of SORT disposal costs, £112k additional recycling income (paper/card/scrap metal) and one off savings of £395k identified within the service.

Community Safety (-£86k below budget)

The projected underspend mainly reflects staffing savings of £80k due to vacant posts within CCTV, LABST and delays in recruiting to the new Domestic Violence structure.

Directorate Wide (action plan savings -£209k)

The directorate will work towards identifying and implementing appropriate actions to balance the overall projected overspend of £247k.

Budget Management - net variations against the approved budget:

Summary By Service

				Period 7 Projected variances											Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Communities	16,051	(10,716)	5,335	0	0	0	0	0	0	0	0	0	0	0	0
Customer Access	22,486	(3,269)	19,217	711	156	73	(5)	25	0	0	0	0	960	(306)	654
Elections, Licensing And Registration	4,676	(4,926)	(250)	497	177	560	(2)	6	0	0	0	0	1,238	(1,238)	0
Welfare And Benefits	268,070	(266,116)	1,954	(127)	2	110	3	(19)	0	0	0	0	(31)	456	425
Car Parking Services	4,895	(13,374)	(8,479)	(64)	5	(47)	8	0	0	0	0	0	(98)	(71)	(169)
Community Safety	8,105	(6,526)	1,579	(156)	0	(42)	(9)	(31)	0	0	0	0	(238)	152	(86)
Waste Management	40,379	(7,368)	33,011	1,018	(4)	(1,008)	4	(90)	0	0	0	0	(80)	(461)	(541)
Parks And Countryside	29,587	(23,098)	6,489	(12)	19	392	(74)	164	0	0	0	0	489	(489)	0
Environmental Action (City Centre)	1,999	(462)	1,537	3	2	15	14	(1)	0	0	0	0	33	(43)	(10)
Environmental Health	2,107	(565)	1,542	(101)	(4)	21	(4)	(7)	0	0	0	0	(95)	12	(83)
Cleaner Neighbourhood Teams	12,305	(4,518)	7,787	(44)	11	(82)	69	1	0	0	0	0	(45)	64	19
Directorate Action Plan				(209)									(209)		(209)
Total	410,660	(340,938)	69,722	1,516	364	(8)	4	48	0	0	0	0	1,924	(1,924)	0

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
A. Key Budget Action Plans						
1.	Re-design Refuse collection rounds	Tom Smith	Net saving of £1.6m budgeted (£1.38m in the directorate, £0.25m in strategic debt budget)	A	(1.38)	0.86
2.	Implement charging for replacement wheeled bins	Andrew Lingham	Implementation date May 2017	G	(0.24)	0.00
3.	Implement charging for inert building waste	Andrew Lingham	Implementation deferred for 2017/18		(0.14)	0.10
4.	Environmental Action staffing savings	Helen Freeman	Restructure now agreed	G	(0.71)	0.00
5.	Implement charging for Bulky Waste	Helen Freeman	Implementation date May 2017	G	(0.15)	0.00
6.	Car Parking - review of tariffs	Helen Freeman	includes on street, Sun/Eve, Bank Holiday and Woodhouse Lane	G	(0.50)	0.00
7.	Undertake works for Housing Leeds, assumed to be within environmental action	All COs	Not restricted to environmental action, works may be undertaken by other services	G	(0.30)	0.00
8.	Reduce front line horticultural staff	Sean Flesher	Service to identify posts to be held vacant	G	(0.40)	0.00
9.	Development of visitor attractions/increase admission prices	Sean Flesher	1st phase of Tropical World complete, DCRs required for other sites	G	(0.33)	0.00
10.	Increase Bereavement charges to eliminate subsidy	Sean Flesher	To be increased by 2% above inflation.	G	(0.12)	0.00
11.	Stretched income target across Parks & Countryside	Sean Flesher	To be achieved across all income generating areas	G	(0.16)	0.00
12.	Reduction in Community Safety area co-ordinators	Sam Millar	Achieved through redeployment	G	(0.18)	0.00
13.	Generate CCTV/Security income of £2.1m	Sam Millar	Estimated £200k of unsecured income	G	(0.20)	0.00
14.	Community Safety - secure £1.1m income from WYPCC	Sam Millar	WYPCC agreed to fund PCSOs in Leeds	G	(1.10)	0.00
15.	Communities Teams savings	Shaid Mahmood	Review Management & Leadership, review grants & contributions to 3rd sector	G	(0.20)	0.00
16.	Communities Well Being	Shaid Mahmood	Further reductions to Community Cttees	G	(0.18)	0.00
17.	Community Centres - restrict free lets	Shaid Mahmood	Target to restrict to 75% of present level	G	(0.08)	0.00
18.	Contact Centre staffing savings	Lee Hemsworth	Includes channel shift savings, reducing service failure and reviewing out of hours service	G	(0.53)	0.00
19.	Customer Services Business Support staffing savings	Lee Hemsworth	Includes reducing helpdesk function and merging support and development functions	G	(0.25)	0.00
20.	Libraries efficiencies	Lee Hemsworth	Savings from staffing/running costs/income	G	(0.40)	0.00
21.	Reprovision of mobile library service	Lee Hemsworth	Subject to Executive Board report	G	(0.12)	0.00
22.	Welfare and Benefits - reduction in off-site processing	Andy Cameron	Introduction of e-claims	G	(0.20)	0.10
23.	Local Welfare Support Scheme	Andy Cameron	Reduce scheme by 30%	G	(0.30)	0.00
24.	Welfare and Benefits - additional grant income	Andy Cameron	FERIS, New Burdens. Additional £540k budgeted for in 17/18 on top of £290k in base	G	(0.54)	(0.02)
25.	Registrars	Steve Coupe	Charging /income proposals	G	(0.08)	0.00
B. Other Significant Variations						
1.	Waste Disposal Costs	Andrew Lingham	Net Budget £15.8m incl. £10.7m RERF. Projected saving incl Business Rates saving at RERF	G		(1.55)
2	Community Hubs	Lee Hemsworth	Staffing overspend projected - see comments above	A		0.71
3	Housing Benefits	Lee Hemsworth	Projected shortfall in overpayments income	A		0.47
4	All other services		All other variations	G		(0.45)
5	Directorate Action Plan		Actions identified			(0.21)

Page 59

Communities & Environment - Forecast Variation 0.00

STRATEGIC & CENTRAL ACCOUNTS - 2017/18 FINANCIAL YEAR
FINANCIAL DASHBOARD - PERIOD 07

Overall :

At month 7 the strategic & central budgets are projected to balance.

The key variations are;

- Section 278 income - a potential **£1.6m** risk due to lower levels of development activity
- Additional debt costs of **£0.3m** are forecast, switching to a **£0.2m** underspend after accounting for income from prudential borrowing charges
- Savings of **£0.8m** on the levy contribution to the business rates pool
- Reduction in New Homes Bonus of **£1.7m**
- Additional **£1.6m** of S31 grant income for business rates reliefs, primarily **£1.0m** of reliefs announced after the budget was set. (This is to offset the loss of

Budget Management - net variations against the approved budget

	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES										Total (under) / overspend £'000		
				Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000		Income £'000	
Strategic Accounts	(12,277)	(37,944)	(50,221)			(627)								(627)	950	323
Debt	20,135	(920)	19,215			275						61		336	(41)	295
Govt Grants	1,739	(22,399)	(20,660)											(829)	74	(755)
Joint Committees	37,100	0	37,100						105					105		105
Miscellaneous	6,243	(1,088)	5,155	(230)		1								(229)	261	32
Insurance	8,410	(9,438)	(1,028)			1,034		(62)					510	1,482	(1,482)	0
Total	61,350	(71,789)	(10,439)	(230)	0	683	0	(62)	105	(829)	61	510	238	(238)	0	0

STRATEGIC & CENTRAL ACCOUNTS - 2017/18 FINANCIAL YEAR

Key Budget Action Plans and Budget Variations:

			RAG	Budget	Forecast Variation against Budget	
				£m	£m	
Lead Officer			Additional Comments			
A. Major Budget Issues						
1.	Debt Costs and External Income	Doug Meeson	£300k brokerage; £360k external interest costs (offset £619k additional borrowing income see B3)	A	18.2	0.3
2.	Minimum Revenue Provision	Doug Meeson	No variation is anticipated for 2017/18	G	1.0	0.0
3.	New Homes Bonus	Doug Meeson	Impact of change to NHB announced in budget	R	(13.3)	1.7
4.	Business Rates (S31 Grants, Tariff adjustment & EZ)	Doug Meeson	New S31 grant announced after budget was set	G	(9.6)	(1.6)
5.	S278 Contributions	Doug Meeson	Projection from Capital team is £3.0m, therefore there is a risk of a £1.6m shortfall, dependent on progress in capital spend on the relevant schemes during the year.	R	(4.9)	1.6
6.	General capitalisation target	Doug Meeson	Capitalisation of eligible spend in directorate/service revenue budgets.	G	(3.5)	(0.4)
7.	Schools capitalisation target	Doug Meeson	Capitalisation of eligible spend in school revenue budgets.	G	(3.5)	(0.5)
8.	PFI Procurement savings	Doug Meeson	Use of £1m income from 2016/17 Street Lighting PFI negotiated settlement	G	(1.0)	0.0
9.	Joint Committee - Coroners Services	Doug Meeson	Likely overspend in 17/18 due to one off tribunal costs and staff restructuring to generate future savings.	G	1.3	0.1
B. Other Significant Budgets						
1.	Insurance	Doug Meeson	Potential for some savings on projected cost of insurance claims for this financial year.	G	0.0	0.0
2.	Business Rates Levy	Doug Meeson	Projections indicate a potential reduction in the levy due.	G	1.7	(0.8)
3.	Prudential Borrowing Recharges	Doug Meeson	Projections suggest a slight increase in recharge income - offset debt costs above	G	(14.7)	(0.5)
4.	Earmarked Reserves	Doug Meeson	Use of capital and other earmarked reserves.	G	(2.4)	0.0
5.	Miscellaneous	Doug Meeson	No significant variation anticipated at this stage.	G	5.2	0.0
6.	Apprenticeship levy	Doug Meeson	To be allocated to directorates as training credits are used.	G	0.0	0.0
7.	CRCs	Doug Meeson	£300k projected additional cost above budget - to be allocated to directorates	A	0.0	0.3
8.	PPPU income	Doug Meeson	£275k projected shortfall against PPPU HRA income	A	0.0	0.4
9.	Homeless grant income	Doug Meeson	Anticipated additional homeless grant income - to be allocated	A	0.0	(0.6)
Strategic & Central Accounts - Forecast Variation					0.0	

Housing Revenue Account - Period 7

Financial Dashboard - 2017/18 Financial Year

Summary of projected over / (under) spends (Housing Revenue Account)

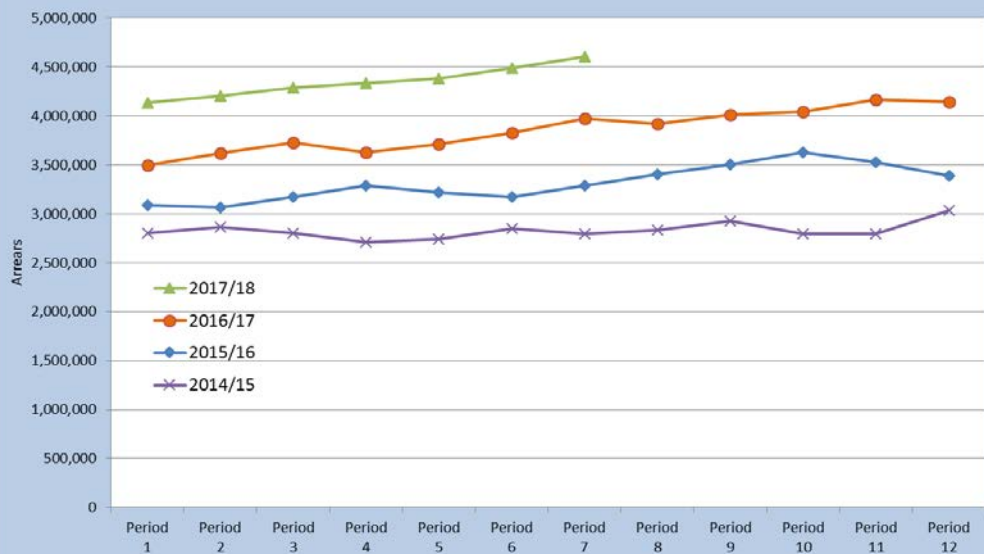
Directorate	Current Budget	Projected Spend	Variance to budget	Comments	Previous period variance
	£000	£000	£000		£000
Income					
Rents	(215,352)	(215,058)	294	Rent lower than budget due to lower stock numbers from increased RTB sales. The void level is under the target at 0.79%	367
Service Charges	(6,968)	(6,860)	108	Service charge income £27k, Community Links furniture offset by saving in supplies and services £81k	72
Other Income	(29,356)	(29,615)	(259)	Increased fee income from projected RTB sales (£233k), KPI income (£88k), Wharfedale View catering income (£36k) (offset by an increase in internal charges), PFI Pass Through Costs (£106k). Underachieved income on budgeted capitalised salary costs £191k (offset by savings on salaries), Other variances to budget £13k.	(268)
Total Income	(251,676)	(251,532)	143		172
Expenditure					
Disrepair Provision	1,000	1,503	503	Disrepair compensation and fees	449
Repairs to Dwellings	43,548	43,548	-		-
Council Tax on Voids	754	754	-		-
Employees	26,262	25,452	(810)	Savings due to vacant posts and temporary staff secondments (£1070k). This saving is offset by Disrepair agency staff £224k and other smaller variances £36k.	(804)
Premises	7,362	7,308	(54)	Utilities savings (£50k), other savings (£4k)	(9)
Supplies & Services	4,377	4,114	(263)	Community Links furniture savings balanced by reduction in service charge income (£82k), Savings following a review of printing requirements (£110k), Annual Support Grant (£20k), ICT project savings (£50k).	(255)
Internal Services	40,604	40,960	356	Additional Fire Safety work £321k, Additional out of hours service £65k, Savings in other internal charges (£209k), Disrepair legal locums £131k, Increased costs of RTB due to high number of sales £48k	329
Capital Programme	71,000	71,000	-		-
Unitary Charge PFI	8,860	8,796	(64)	PFI Scheme Adjustments: Unitary Charge £61k, Insurance refund (£247k), Pass Through Costs £157k. Other adjustments (£35k).	(64)
Capital Charges	45,106	45,131	25	Interest payable to GF	21
Other Expenditure	6,976	6,946	(30)	LTF saving (£22k), Transport savings (£8k)	(32)
Total Expenditure	255,848	255,512	(337)		(365)
Net Position	4,173	3,979	(193)		(193)
Appropriation: Sinking funds	(3,139)	(2,946)	193	Unitary Charge on PFI funded by sinking fund	193
Appropriation: Reserves	(1,034)	(1,034)	-		-
(Surplus)/Deficit	0	(0)	(0)		0
Proposed New Reserves			-		-
Transfer to Capital Reserve			-		-
Total Current Month	0	(0)	(0)		0

Housing Revenue Account - Period 7 Financial Dashboard - 2017/18 Financial Year

Comparison of Current Tenant Arrears by Financial Year



Comparison of Former Tenant Arrears by Financial Year



Change in Stock	Budget	Projection
Right to Buy sales*	350	530
New Build (PFI)	0	0
New Build (Council House Growth)	(101)	(101)
Total	249	429

* actual sales as at the end of Period 7: 324

Right to Buy Receipts	2016/17 Actual	2017/18 Projection
Total Value of sales (£000s)	25,983	27,506
Average Selling Price per unit (£000s)	50.4	51.9
Number of Sales*	516	530
Number of Live Applications	1,165	1,254

Arrears	2016/17	2017/18	Variance
	£000	£000	£000
Dwelling rents & charges	2017/18 Week 31		
Current Tenants	6,813	6,641	(172)
Former Tenants	3,974	4,604	630
	10,787 #	11,245	458
Under occupation	2017/18 Week 26		
Volume of Accounts	4,655	4,312	(343)
Volume in Arrears	2,155	2,023	(132)
% in Arrears	46%	47%	1%
Value of Arrears	576	521	(55)
Collection Rates	2017/18 Week 26		
Dwelling rents	97.43%	96.55%	-0.88%
Target	97.50%	97.75%	
Variance to Target	-0.07%	-1.20%	

Housing Revenue Account - Period 7 Financial Dashboard - 2017/18 Financial Year

Projected Financial Position on Reserves	Reserves b/f	Use of Reserves	Contribution to Reserves	Closing reserves
	£000	£000	£000	£000
HRA General Reserve	(6,631)	100	(0)	(6,531)
Earmarked Reserves				
Environmental Works	(1,668)	963		(705)
Insurance - large claims	(137)			(137)
Welfare Change	(1,782)	564		(1,218)
Housing Advisory Panels	(699)	459		(240)
Sheltered Housing (Committed in capital programme)	(3,238)			(3,238)
Holdsworth Place - land purchase	(64)			(64)
Early Leavers' Initiative	(408)			(408)
Changing the Workplace	(353)	353		(0)
eFiles Box-It Project	(262)	262		(0)
	(8,610)	2,601	0	(6,009)
PFI Reserves				
Swarcliffe PFI Sinking Fund	(10,343)	2,900	0	(7,443)
LLBH&H PFI Sinking Fund	(2,515)	46	0	(2,469)
	(12,858)	2,946	0	(9,912)
Capital Reserve				
MRR (General)	(14,960)	55,190	(71,000)	(30,770)
MRR (New Build)	(12,540)	9,350	0	(3,190)
MRR (HRA RCCOs)	(3,003)			(3,003)
	(30,502)	64,540	(71,000)	(36,963)
Total	(58,601)	70,187	(71,000)	(59,416)

**Report of the Chief Officer – Financial Services
Report to Executive Board
Date: 13th December 2017**

Appendix B

Subject: Initial Budget Proposals for 2018/19

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In? Recommendation 15.2 is eligible for call in; 15.1 is not eligible.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to set out the initial budget proposals for 2018/19.
2. These budget proposals support the Council's Best City/Best Council ambitions, policies and priorities aimed at tackling inequalities (please refer to the Best Council Plan 2018/19 refresh report which is on today's agenda).
3. These budget proposals are set within the context of the 2018/19 – 2020/21 medium term financial strategy which was approved by the Executive Board in July 2017 and the implications of the Chancellor's Autumn budget statement on 22nd November 2017.
4. Whilst the government's multi-year funding settlement 2016/17 to 2019/20 provides some certainty, there are still a number of assumptions within the budget proposals that will not be known until the provisional local government finance settlement is announced, which is likely to be mid-December 2017.
5. The financial climate for local government continues to present significant risks to the Council's priorities and ambitions. The Council continues to make every effort possible to protect the front line delivery of services, and whilst we have been able to balance the budget each year since 2010, have continued to deliver a broad range of services despite declining income, and have avoided large scale compulsory redundancies, it is clear that the position is becoming increasingly challenging to manage and looking ahead over the medium term it will be increasingly difficult to maintain current levels of service provision without significant changes in the way the Council operates.

6. The headlines from the 2018/19 initial budget proposals, when compared to the 2017/18 budget, are as follows:
- A reduction in revenue support grant from government of £18.5m (28.5%)
 - A reduction in the settlement funding assessment of £14.0m (6.6%)
 - An increase in council tax of 1.99% together with a further 3% in respect of the Adult Social Care precept and an increase in the council tax base, generating an additional £17.5m of local funding
 - A combination of reduced core funding and cost pressures means that the Council will need to deliver £38.2m of savings by March 2019.
 - An increase in the Council's net revenue budget of £13.5m to £506.2m
7. In respect of the Housing Revenue Account, whilst there are proposals to increase service charges, the continued implementation of the Government's rent cap, introduced from April 2016, will mean that the majority of tenants, excluding those properties that have benefited through PFI investment, will again see reductions of 1% from April 2018.
8. Further, this report explains that Government has invited applications from local authorities to pilot 100% Business Rates Retention in 2018/19, and that the Leeds City Region Business Rates Pool, of which Leeds is a member, has submitted an application. The opportunity to pilot 100% retention appears to offer the prospect of significant financial benefits for the Leeds City Region, with minimal risk to the constituent authorities. However, funding for pilot schemes is limited and it is anticipated that not all applications will be successful. Successful applications will be announced before or alongside the publication of the draft local government finance settlement in December 2017. As such, these initial budget proposals do not reflect the application to pilot 100% retention.

Recommendations

9. Executive Board is asked to agree the initial budget proposals and for them to be submitted to Scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders.
10. Executive Board is asked to agree that, should the application to pilot 100% business rates retention succeed, Leeds should continue as a member of that designated Business Rates Pool and should act as lead authority for it. Notwithstanding this decision, the continuation of the Pool will be dependent upon none of the other member authorities choosing to withdraw within the statutory period after designation.

1. Purpose of report

- 1.1 In line with the Council's constitution, the Executive Board is required to publish initial budget proposals two months before approval of the budget by

Full Council, scheduled for the 21st February 2018. This report sets out the initial budget proposals for 2018/19, set within the context of the medium term financial strategy approved by Executive Board in July 2017, the implications of the Chancellor's Autumn Budget statement in November 2017 and further savings proposals to bridge the revised estimated budget gap.

- 1.2 Subject to the approval of the Executive Board, these initial budget proposals will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 7th February 2018. These budget proposals will also be made available to other stakeholders as part of a wider and continuing process of engagement and consultation. Further, at the meeting of the board in February 2018, it is proposed to provide an update of the medium-term financial strategy approved by the board at its July 2017 meeting.
- 1.3 In accordance with the Council's budget and policy framework, decisions as to the council's budget are reserved to full council. As such, the recommendation in paragraph 15.1 is not subject to call in as the budget is a matter that will ultimately be determined by full council.
- 1.4 However, the recommendation in paragraph 15.2, regarding the Council's participation in the 2018/19 100% business rates retention pilot scheme, the potential impact of which is not currently reflected in these initial budget proposals, is a decision of the Executive Board and as such is subject to call-in.

2. The national context and Autumn budget

- 2.1. The economic context in which public spending must be considered is very much dominated by the debate concerning the impact of the EU referendum and the strength and resilience of the national economy. Further, the fiscal rules approved by Parliament in January 2017 commit the Government to reducing the cyclically-adjusted deficit to below 2% of GDP by 2020/21 and having debt as a share of GDP falling in 2020/21. In its November 2017 "Economic and Fiscal outlook" the Office of Budget Responsibility (OBR) expects that the government will meet both fiscal targets, and that borrowing will reach its lowest level since 2001/02 by the end of the forecast period. Debt as a share of GDP is forecast to fall in 2018/19 and in every year of the forecast.
- 2.2. Within its economic forecast the OBR notes that economic growth has been stable but modest so far in 2017 on the back of a slowdown in consumer spending, but also that GDP growth has been slowing in contrast with many other advanced economies. The OBR projects that GDP growth will be 1.4% and 1.3% in 2018 and 2019 respectively, down from the 1.6% and 1.7% forecast at the March Budget, whilst CPI inflation is forecast at 2.4% and 1.9% respectively over the same period. Whilst the unemployment rate is projected to be 4.4% and 4.3% during 2018 and 2019 respectively, lower

than the March forecast of 5.1% and 5.2%, earnings growth has also been revised down in line with a weaker outlook for productivity. It is within this economic context that the initial budget proposals for 2018/19 need to be considered.

2.3. **Autumn Budget 2017**

2.3.1. On the 22nd November 2017, the Chancellor delivered his first Autumn Budget.

2.3.2. The key announcements in the 2017 Autumn Budget were:

- The Budget sets aside a further £3 billion over two years to prepare for EU exit;
- Government will lend local authorities in England up to £1 billion at a new discounted interest rate, the 'Local Infrastructure Rate', accessible for three years to support infrastructure projects that are high value for money. Details of the bidding process will be published in December;
- A £1.7 billion Transforming Cities Fund to support intra-city transport, targeting projects which drive productivity. Half will be allocated via competition for transport projects in cities and the other half on a per capita basis to the six combined authorities with elected mayors;
- A range of measures to increase housing supply, including lifting the Housing Revenue Account borrowing caps for councils in areas of high affordability pressure (£1 billion), so they can build more council homes, the introduction of planning reforms to ensure more land is available for housing, £204 million to fund innovation and skills in the construction sector and raising the stamp duty threshold to £300,000 for first time buyers;
- A power for local authorities to increase the council tax premium on empty homes from 50% to 100%, a measure intended to encourage owners to bring empty properties back into use rather than to increase local authority funding;
- A £220 million Clean Air Fund to allow local authorities to help individuals and businesses adapt as measures to improve air quality are implemented, funded by a Vehicle Excise Duty supplement on some diesel cars first registered from 1 April 2018 and a rise in the existing Company Car Tax diesel supplement;
- £6.3 billion of additional funding for the NHS: £3.5 billion of capital investment in estates transformation and improvement and efficiency schemes and £2.8 billion in resource funding, of which £335 million will be provided in 2017/18 to address winter pressures;
- A commitment to fund pay awards as part of a pay deal for NHS staff on the Agenda for Change contract;
- £42 million of additional Disabled Facilities Grant in 2017/8;

- Following the recommendations of the Low Pay Commission (LPC) the National Living Wage (NLW) will increase by 4.4% from £7.50 to £7.83 from April 2018. The Government has also accepted the LPC's recommendations for the other National Minimum Wage rates;
- A £1.5 billion package to address concerns regarding the delivery of Universal Credit, including removal of the seven-day waiting period for entitlement, enabling claimants who need it to access up to a month's worth of Universal Credit within five days as an interest-free advance and, from April 2018, new claimants already in receipt of housing benefit will continue to receive it for two weeks. Also, Government will make it easier for claimants to have the housing element of their award paid directly to their landlord;
- A number of changes to business rates, including bringing forward the switch in business rates indexation from RPI to CPI to 2018/19 and continuing the £1,000 business rate discount for public houses introduced in 2017/18 for a further year, all of which will be fully compensated by Government. The frequency of business rate revaluations will increase from five years to three following the next revaluation, currently due in 2022;
- Fuel and alcohol duties have been frozen for 2018/19.

3. Developing the 2018/19 budget and medium term financial strategy with the refreshed 2017/18 Best Council Plan.

- 3.1. Between the 2010/11 and 2017/18 budgets, the Council's core funding from Government has reduced by around £239m. Additionally the Council has faced significant demand-led cost pressures, especially within Adult Social Care and Children's Services. To date, the Council has responded successfully to the challenge since 2010 through a combination of stimulating good economic growth, creatively managing demand for services, increasing traded and commercial income, growing council tax from new properties and a significant programme of organisational efficiencies, including reducing staffing levels by over 3,200 FTEs.
- 3.2. Through targeting resources into preventative services the Council has ensured that the implications of demand and demographic pressures, that have resulted in significant cost pressures in other local authorities, have been contained within Leeds. Specifically within Housing Services Leeds only has 33 households registered in temporary accommodation and no one in Bed & Breakfast accommodation. In comparison Birmingham had 1,740 households in temporary accommodation of which 379 are in Bed & Breakfast. In respect of the Bed & Breakfast this equates to an annual cost to Birmingham of £9m whereas Leeds spends nothing. Similarly since 2010 the rate per 10,000 of children looked after has reduced by 18% whilst the national average has risen by around 3.4%

- 3.3. In February 2017, Council approved the 2017/18 Best Council Plan and the supporting budget. The Best Council Plan is the Council's strategic planning document and sets the context and policy direction against which the budget and medium-term financial strategy are developed. The policy direction is clearly explained in the 2017/18 Best Council Plan: that the Council's 'Best City' and 'Best Council' ambitions remain - articulated around Leeds having a strong economy and being a compassionate city and the Council being an efficient and enterprising organisation – with a focus on reducing poverty and tackling the range of interlinked inequalities that persist across the city.
- 3.4. Inevitably, managing the large reduction in government funding and increasing cost pressures has meant that the Council has had to make some difficult decisions around the level and quality of services. However, as signposted in the 2017/18 Best Council Plan and 2017/18 budget reports to Council in February 2017, it will become increasingly difficult over the coming years to identify further financial savings without significant changes in what the Council does and how it does it. This will have significant implications for the services provided directly and those commissioned by the local authority, impacting upon staff, partners and service users. In order to deliver the Council's ambitions of tackling poverty and reducing inequalities, consideration may have to be given to stopping, delivering differently or charging for those services that are no longer affordable and are a lesser priority than others. This will be achieved through a continuing process of policy and service reviews across the Council's functions and ongoing consultation and engagement.
4. **Estimating the net revenue budget for 2018/19**
- 4.1. **Settlement funding assessment – reduction of £14.0m**
- 4.1.1. Settlement funding assessment is essentially the aggregate of government grant and business rate baseline funding for a local authority. As part of the 2016/17 financial settlement, Government offered councils a 4-year funding settlement for the period 2016/17 to 2019/20, which Executive Board agreed to accept in September 2016.
- 4.1.2. 2018/19 represents the third year of the four year funding offer, approved by Executive Board in September 2016 and confirmed by DCLG in November 2016. The Council continues to expect to receive the amounts published as part of that offer, barring any exceptional circumstances and subject to the normal statutory consultation process for the local government finance settlement.
- 4.1.3. Table 1 below sets out the council's settlement funding assessment for 2018/19 which is in line with the multi-year settlement. For 2018/19, this represents a reduction of £14.0m compared to 2017/18 which is equivalent to a 6.6% reduction.

Table 1 – Settlement Funding Assessment

	2017/18	2018/19	Change	
	£m	£m	£m	%
Revenue Support Grant	65.0	46.5	(18.5)	-28.5
Business Rates Baseline Funding	148.0	152.4	4.5	3.0
Settlement Funding Assessment	213.0	198.9	(14.0)	-6.6

4.1.4. The business rates element of the settlement funding assessment is determined by taking the 2017/18 baseline business rates amount of £148.0m and uplifting it by inflation. Following the decision in the Autumn Budget to bring forward the switch in business rates indexation from RPI to CPI, this uplift for inflation, based on the September 2017 Consumer Price Index, is 3.0%. In 2018/19 the calculated baseline business rates has then been adjusted by £0.1m, the difference between the estimated business rates tariffs for 2017/18 and 2018/19 before and after the impact of the 2017 Revaluation was known. The business rates element of settlement funding assessment is therefore £152.4m, net of the estimated 2018/19 tariff adjustment of £13.7m.

4.1.5. In addition to formula grant, there are a number of other funding streams that notionally comprise the settlement funding assessment. These are outlined in table 2 below and include early intervention, homelessness prevention, lead local flood authorities and learning disability & health reform funding.

Table 2 - Breakdown of the Settlement Funding Assessment

	2017/18	2018/19	Change
	£m	£m	£m
Formula Grant	167.65	154.51	(13.14)
Council tax freeze grant 2011/12	6.64	6.64	0.00
Council tax freeze grant 2013/14	2.77	2.77	0.00
Early intervention grant	16.34	15.05	(1.29)
Preventing homelessness	0.86	0.86	0.00
Lead local flood authority grant	0.23	0.24	0.01
Learning disability & health reform grant	11.03	11.27	0.24
Local welfare provision	2.59	2.59	0.00
Care act funding	4.84	4.98	0.14
Sustainable drainage systems	0.02	0.02	0.00
Carbon monoxide & fire alarm grant	0.00	0.00	0.00
Settlement Funding Assessment	212.97	198.93	(14.04)

4.2. Business rates retention

4.2.1. Leeds has the most diverse economy of all the UK's main employment centres and has seen the fastest rate of private sector jobs growth of any UK city in recent years. Yet this apparent growth in the economy has not

translated into business rates growth; in fact the income from business rates available to the Council declined from 2014/15 to 2016/17, and is only expected to return to 2014/15 levels in 2018/19.

- 4.2.2. The total projected rateable value of businesses in Leeds is £918.7m which would generate gross business rates income of £440m. Further business rates growth is anticipated in 2018/19 increasing gross business rates collected to £453m. However, as shown in Table 3, the impact of a range of business rate reliefs (see paragraph 4.3 below) and statutory adjustments reduces this to a net income figure of £375.5m.
- 4.2.3. Under the current business rates retention (BRR) scheme, Leeds City Council's share of this income is £184m (49%). The Authority then pays a tariff of £13.7m to Government as Leeds is assessed to generate more business rates income than it needs and must also meet its share of the business rates deficit created in 2017/18, a further £12.9m. This leaves net income of £157.4m which contributes to the Council's net revenue budget.

Table 3 – Rateable Value in Leeds and Business Rates Income Generated

	£m
Rateable Value in Leeds projected to 31 December 2017	918.7
multiplied by business rates multiplier	0.479
Gross business rates based on projected rateable value	440.1
Estimated Growth	12.5
equals gross business rates to be collected in Leeds	452.6
less: -	
Uprated Mandatory Reliefs	-65.7
Uprated Discretionary Reliefs	-2.5
Transitional Adjustments (year 2)	15.8
equals net business rates paid by ratepayers	400.1
less adjustments for: -	
Bad debts and appeals	-5.9
Cost of collection	-1.2
Projected Enterprise Zone and renewable energy projects yield	-1.7
Transitional Adjustments repaid to Government	-15.8
equals non-domestic rating income in Leeds	375.5
Split into shares: -	
Leeds City Council (49%)	184.0
<i>West Yorkshire Fire Authority (1%)</i>	<i>3.8</i>
<i>Central Government (50%)</i>	<i>187.8</i>
less deductions from operation of business rates retention scheme: -	
Leeds City Council's tariff from Local Government Finance Settlement	-13.7
Leeds City Council's share of deficit from 2017-18	-12.9
Leeds City Council 's 2018-19 income from business rates	157.4

- 4.2.4. As shown above, business rates income is shared between local and central government. Local authorities experiencing business rates growth are able to retain 49% of that growth locally, but also bear 49% of the risk if business rates fall or fail to keep pace with inflation, although a safety-net mechanism is in place to limit losses in year.

- 4.2.5. In particular, BRR exposes local authorities to risk from reductions in rateable values. The system allows appeals if ratepayers think rateable values have been wrongly assessed or that local circumstances have changed. One major issue is that successful appeals are usually backdated to the start of the relevant valuation list, which means that for every £1 of rateable value lost on the 2010 list growth of £6 would be necessary to fund the cost. At the end of October 2017 there were around 3,600 outstanding appeals against the 2010 ratings list in Leeds.
- 4.2.6. A new rating list, primarily based on rental values in 2015, was introduced on 1st April 2017. This ratings list should be more accurate than the previous 2010 list which was based on rental values in 2008, just before the 'financial & economic crisis'. Further, appeals submitted against this new list can only be backdated to 1st April 2017. This, together with the impact of the new 'check, challenge, appeal' appeals process also introduced on 1st April 2017, should reduce business rate appeals and volatility going forward. At the end of October 2017, the Council has received only 70 checks and challenges against the 2017 ratings list, with only 17 of these remaining outstanding. No appeals have been received as yet.
- 4.2.7. Since 2013/14 the total amount repaid by way of business rate appeals is in the order of £125m, with a cost to the Council of £61m. The provision for business rate appeals within the collection fund has been reviewed and recalculated to recognise new appeals and the settlement of existing appeals, and the 2018/19 initial budget proposals provide for an additional £13.5m contribution from the general fund to fund this provision.
- 4.3. **Small Business Rates Relief and other mandatory reliefs**
- 4.3.1. From April 2017, Government increased the rateable value threshold for small businesses from £6,000 to £12,000. As a result an additional 3,300 small businesses in Leeds now pay no business rates at all and in total in the current year around 11,500 or 40% of business properties in Leeds pay no business rates. Whilst Small Business Rates Relief reduces the business rates income available to Leeds, the authority recovers 50% of this income through government grant and a further proportion through other ratepayers who pay rates based on a slightly higher business rate multiplier. The proportion any individual authority recovers depends on the mix of large and small businesses in that area.
- 4.3.2. Unlike Small Business Rates Relief, local authorities do bear 50% of the cost of other mandatory business rate reliefs such as mandatory charity relief and empty rate relief, but have no control over entitlement and no powers to deal with their use in business rates avoidance. Costs of mandatory reliefs have increased significantly since the introduction of BRR, further reducing Leeds' retained business rates income: mandatory charity relief alone has increased by over 48%, from approximately £18.5m in 2012/13 to £27.5m in 2017/18, costing the council an estimated £4.4m more in lost income in 2017/18.
- 4.3.3. At the March 2017 Budget, the Chancellor announced three additional measures to support businesses affected by the 2017 Revaluation: support

for small businesses, a business rate discount for public houses and £300 million of funding over four years for local authorities to establish local discretionary relief schemes 'to deliver targeted support to the most hard-pressed ratepayers'. The discount for public houses was initially for one year only but has been extended for a further year in the Autumn Budget, whereas the other two reliefs will be provided for four years. These reliefs reduce business rates income by £590k in 2018/19 but the Council will be fully compensated through government grant.

4.4. Business rates Retention and the Initial Budget Proposals

4.4.1. In terms of the initial budget proposals, it is estimated that the local share of business rates funding in 2018/19 will be £184.0m, as set out in table 3 above. This includes an estimated £8.0m for a national appeals adjustment which relates to the potential future appeals against the 2017 business rates list. As per table 4 below, the initial budget proposals recognise business rate growth above the baseline of £17.86m, an increase of £1.14m (6.8%) from the 2017/18 budget.

Table 4 – Business Rates, Estimated Growth above the Baseline

	2017/18	2018/19	Change
	£m	£m	£m
Business rates local share	178.07	184.00	5.93
Less: business rates baseline	161.35	166.13	4.79
Growth above baseline	16.72	17.86	1.14

4.4.2. The £184.0m local share of business rates funding is then reduced by the £13.7m tariff payment and the £12.9m deficit on the collection fund to give the £157.4m estimated business rates funding shown in table 5 below.

Table 5 – Business Rates Retention 2017/18 & 2018/19

	2017/18 £m	2018/19 £m
Business rates baseline (including tariff)	148.0	152.4
Projected growth above the baseline to March	13.6	11.9
Estimated growth in the year	3.2	5.9
Total estimated growth	16.7	17.9
Estimated provision for appeals	(22.4)	(13.5)
Additional cost of transitional arrangements and provision for bad debts	0.6	0.7
Estimated year-end Collection Fund deficit (Leeds Share)	(21.8)	(12.9)
Estimated Business Rates Funding	142.9	157.4
Increase/(reduction) against the Business Rates baseline	(5.0)	5.0
Business Rates Retention - Additional General Fund Income		10.0

- 4.4.3. Comparing the £157.4m of business rates funding against the £152.4m business rates baseline produces a surplus of £5.0m which is a £10.0m improvement against the budgeted shortfall in the 2017/18 financial year. Contained within this £10m improvement is an £8.9m improvement in the budgeted deficit (£12.9m in 2018/19 and £21.8m in 2017/18), releasing additional funding for frontline services.
- 4.4.4. The council is a member of the Leeds City Region Business Rates Pool along with the other four West Yorkshire Authorities, Harrogate and York. The benefit of the current pooling arrangement is that the levy income generated by Leeds, Harrogate and York is retained in the region rather than being paid over to the Government. The initial budget proposals assume that this arrangement will continue in 2018/19. Based on the estimated growth in business rates above the baseline, the estimated levy payment from Leeds to the Pool in 2018/19 is £2.0m.
- 4.5. **Application to Pilot 100% Business Rate Retention**
- 4.5.1. In September 2017, Government invited applications from local authorities to pilot 100% Business Rates Retention in 2018/19. This is an expansion of the existing 100% pilot programme and is intended to help Government and the local government sector to explore options for the design of future increased business rate retention.
- 4.5.2. These pilot schemes are for one year only and would allow participating authorities to retain all additional growth in business rates above the business rate baseline determined by Government, whereas currently 50% of that growth is remitted to Government. Government wants to see this additional growth income being used to promote financial stability and sustainability in pooled areas and being invested to encourage further growth. Successful applicants will be given a 'no detriment' guarantee so that no pool of authorities will be worse off as a result of piloting 100% retention: thus removing the increased risks associated with 100% business rate retention whereby losses would no longer be shared 50/50 with Government.
- 4.5.3. The Leeds City Region Business Rates Pool has submitted an application to pilot 100% retention. The additional growth which could be retained regionally if the Pool's application succeeds is estimated to be in excess of £30m. The business plan submitted to Government proposes that member authorities would be allocated 50% of this additional growth income to improve financial stability within their authorities, with the Pool itself retaining 50% to continue to support and enable regional economic growth. Given the 'no detriment guarantee', the opportunity to pilot 100% retention appears to offer the prospect of significant financial benefits for the Leeds City Region, with minimal risk to the constituent authorities.
- 4.5.4. However, funding for pilot schemes is limited and it is anticipated that not all applications will be successful. Successful applications are expected to be announced before or alongside the publication of the draft local government

finance settlement in December 2017. At this stage these initial budget proposals do not reflect the application to pilot 100% retention.

- 4.5.5. The application itself is not binding. Should the application be successful, any member of the proposed pilot Pool will still be able to withdraw during the statutory 28 day window after Government designates the new 100% pilot Pool, as set out in the Local Government Finance Act. It must be noted that, should any member withdraw, not only would the pilot Pool be revoked but there would be no opportunity to fall back on the existing pooling arrangements.
- 4.5.6. This report asks Executive Board to agree that, should the application to pilot succeed, Leeds should continue as a member of that designated Business Rates Pool and should act as lead authority for the Pool. Notwithstanding this decision, the continuation of the Pool will be dependent upon none of the other member authorities choosing to withdraw within the statutory period after designation.

4.6. **Council Tax**

- 4.6.1. The 2017/18 budget was supported by a 4.99% increase in the level of council tax, 3% of which was attributable to the adult social care precept. Leeds council tax remains the 2nd lowest of the English core cities and mid-point of the West Yorkshire districts, as detailed in table 6 below.

Table 6 – 2017/18 Council Tax Levels (Figures include Police and Fire Precepts)

Core Cities	Band D £:p	West Yorkshire	
		Districts	Band D £:p
Nottingham	1,851.74	Kirklees	1,594.80
Bristol	1,799.75	Calderdale	1,575.89
Liverpool	1,751.92	Leeds	1,488.05
Newcastle	1,682.34	Wakefield	1,479.89
Sheffield	1,655.48	Bradford	1,469.71
Manchester	1,502.12		
Leeds	1,488.05		
Birmingham	1,438.45		

- 4.6.2. Government provided funding for the on-going effect of previous council tax freezes up to 2015/16. The council accepted council tax freeze grant for the years 2011/12 to 2013/14. As a result government funding of £9.4m was built into the council's 2015/16 settlement (the grant for freezing council tax in 2012/13 was for one year only).
- 4.6.3. The 2018/19 initial budget proposals recognise £4.9m of additional income from increases to the Council Tax base (3,773 band D equivalent properties) but also a decrease in the contribution from the collection fund of £1.7m (a budgeted £1.5m collection fund surplus in 2017/18 decreasing to an

estimated deficit on the collection fund of £0.2m in 2018/19).

- 4.6.4. In previous years Government has set a limit of up to but not including 2% for council tax increases above which a Local Authority must seek approval through a local referendum. The referendum ceiling for 2018/19 has yet to be announced; once known the council will need to make a decision about the proposed council tax increase. However, subject to an announcement, it is proposed that the standard council tax is increased by 1.99%.
- 4.6.5. In the 2017/18 provisional local government settlement, the Secretary of State announced additional flexibility, permitting local authorities to increase council tax by up to an additional 3% each year between 2017/18 and 2019/20 specifically to fund adult social care services, with the maximum total increase in these three years not exceeding 6%. This flexibility recognised demographic changes leading to growing demand for adult social care, and increased pressure on council budgets.
- 4.6.6. Table 7 below sets out the estimated total council tax income in 2018/19, recognising the estimated increase in the council tax base and the £0.2m estimated deficit on the collection fund together with £8.6m of additional income generated from the Adult Social Care precept and the general increase in the council tax rate.

Table 7 – Estimated Council Tax Income in 2018/19

	2017/18 Baseline £m	2018/19 Forecast £m
Previous year council tax funding	267.1	284.8
Change in tax base - increase / (decrease)	4.5	4.9
Increase in council tax level (1.99%)	5.4	5.6
Adult Social Care precept (3%)	8.1	8.6
Council Tax Funding before surplus/(deficit)	285.1	303.9
Surplus/(Deficit) 2016/17	1.8	
Surplus/(Deficit) 2017/18	1.5	1.5
Surplus/(Deficit) 2018/19		(0.2)
Change in collection fund contribution - increase/(decrease)	(0.3)	(1.7)
Total - Council Tax Funding	284.8	302.3
Increase from previous year		17.5

- 4.6.7. The settlement funding assessment includes an element to compensate parish and town councils for losses to their council tax bases arising as a result of local council tax support (LCTS). As this amount is not separately identifiable it is proposed, as in previous years, that LCTS grant should be reduced in line with the assumptions for Leeds's overall reduction in the settlement funding assessment, a reduction of 6.6% for 2018/19 from £75k to £70k.

4.7. **Adult Social Care Precept and Grant Income**

- 4.7.1. The initial budget proposals for 2018/19 also reflect additional grant monies made available by Government specifically for adult social care. Together the precept and the grant will be utilised to fund a range of adult social care pressures and priorities with the use of the balance of the “Spring Budget “ money for which bids were invited from both internal and external partners, having now been agreed by NHS England
- 4.7.2. As discussed above in para 4.6.6, it is proposed that the Leeds element of the council tax is again increased by a 3% adult social care precept in 2018/19.
- 4.7.3. In applying the precept the Government require Councils to demonstrate that adult social care budgets, (when compared to changes in other non-ring fenced services), are not reduced by a greater proportion than those non-ring fenced services. Based on the equivalent return made to Government in 2017, the 2018/19 initial budget proposals for Adults and Health are consistent with this requirement.
- 4.7.4. Collectively the Spring Budget monies, announced in the March 2017 budget, and the improved Better Care Fund total approximately £51m over the period 2017 to 2020. The ‘Spring Budget’ money was to be included within the improved Better Care Fund and was targeted at three areas: sustaining the care market, provision of social care and to ease the pressures on local health services.
- 4.7.5. The Council has agreed the planned spend with health partners and this has also been approved by the Health and Wellbeing Board for the three years of funding and by NHS England for 2017/18 and 2018/19 (being the current two year cycle of approval).
- 4.7.6. A summary of the use of the additional funding made available through the iBCF and the Spring Budget is as follows:
- Prevention/Self Care/Self-Management £5.5m
 - Reducing Pressures on the NHS £7.6m
 - Stability of the Provider Market £1.0m
 - Provision for Leeds Health & Care Plan £2.0m
 - Demand and Demographic Pressures in Social Care £22.7m
 - Reducing/Reversing planned reductions in Social Care £15.3m
- 4.7.7. The above priorities total £54.1m, however it is expected that this level of overprogramming can be managed within the overall allocation of £51m over the next three years.
- 4.7.8. Table 8 below outlines how the additional funding provided by the Better Care Fund, the “Spring Budget” grant announcement and the proposed adult social care council tax precept all combine to increase the spending power

within adult social care.

4.7.9. **Table 8 Adult Social Care “Spending Power”**

	2017/18	2018/19	2019/20
	£m	£m	£m
Base Budget	205.6	220.3	225.2
Spring Grant 17/18	14.7	(14.7)	
Spring Grant 18/19		9.4	(9.4)
Spring Grant 19/20			4.8
Improved Better Care Fund		11.1	10.1
ASC Support Grant		(3.3)	
ASC Precept		8.6	
ASC 3% Savings target		(6.2)	
	220.3	225.2	230.7

4.7.10. Members should note that the increased “spending power” figures reflected in the table above will not necessarily translate into how the Council’s Adults and Health managed budget for 2018/19 and beyond will look. This is because the grant income and the associated expenditure will net each other off in budget terms in each year that the grant is received.

4.8. **The net revenue budget 2018/19**

4.8.1. After taking into account the anticipated changes to the settlement funding assessment, business rates and council tax, the council’s overall net revenue budget is anticipated to increase by £13.5m or 2.7% from £492.7m to £506.2m, as detailed in table 9 below and at Appendix 1.

Table 9 – Estimated Net Revenue Budget 2018/19 Compared to the 2017/18 Net Revenue Budget

	2017/18	2018/19	Change
	£m	£m	£m
Revenue Support Grant	65.0	46.5	(18.5)
Business Rates Baseline	148.0	152.4	4.5
Settlement Funding Assessment	213.0	198.9	(14.0)
Business Rates Growth	8.9	9.9	1.0
National Appeals Adjustment	7.9	8.0	0.1
Business Rates Deficit	(21.8)	(12.9)	8.9
Council Tax (incl. Adult Social Care Precept)	283.2	302.4	19.2
Council Tax surplus/(deficit)	1.5	(0.2)	(1.7)
Net Revenue Budget	492.7	506.2	13.5

- 4.8.2. Table 10 below analyses the £13.5m estimated increase in the net revenue budget between the settlement funding assessment and locally determined funding sources.

Table 10 – Increase in the Funding Envelope

Funding Envelope	2018/19 £m
Government Funding	
Settlement Funding Assessment	(14.0)
Sub-total Government Funding	(14.0)
Locally Determined Funding	
Council Tax (incl tax base growth)	17.5
Business Rates	10.0
Sub-total Locally Determined Funding	27.5
Increase/(decrease) in the Net Revenue Budget	13.5

5. Initial budget proposals 2018/19

- 5.1. This section provides an overview of the changes in funding, primarily specific grants (paragraphs 5.3 to 5.4), and cost increases (paragraphs 6.1 to 6.19) which the council is facing in 2018/19 and concludes with the savings proposals (paragraphs 7.1 to 7.11) to balance the 2018/19 budget to the estimated available resources.
- 5.2. Table 11 provides a high level of summary of these changes:

Table 11 Summary of Changes in Funding, Cost Increases and Savings Proposals

	2018/19
	£m
Funding	
Additional Net Revenue Charge	(13.5)
Increases in Specific Grant	(13.1)
Fall out of one off funding	5.8
	<u>(20.9)</u>
Pressures	
Pressures - Inflation	10.9
Pressures - Other	48.2
	<u>59.1</u>
Funding and Cost Pressures	38.2
Solutions	
	£m
Efficiencies	(22.2)
Changes to services	(1.0)
Income - fees & charges	(6.3)
Income - traded services, partner & other income	(1.5)
Grant & Other income	(3.4)
Proposal to Use Capital Receipts / S106 balances	(3.9)
	<u>(38.2)</u>

5.3. Decreases/(Increases) in Funding

5.3.1. Changes in both the Settlement Funding Assessment (SFA) of £14.0m and local funding (£27.5m) are detailed in sections 4.1.3, 4.4.3 and 4.6.6 respectively.

5.3.2. **Specific Grant Funding Changes- Adults and Health (£16.1m).** In February 2017 the Government announced a total of £2.021bn as supplementary funding to the Improved Better Care Fund (Spring Budget money) which is required to be spent on social care. Of the £674m to be distributed in 2018/19 Leeds will receive £9.4m. This is in addition to the known increase of £11.1m in Improved Better Care Fund receivable by Leeds which had previously been announced. The one off Adult Social Care support grant of £3.3m, part funded by changes in New Homes Bonus, will fall out of the base budget in 2018/19.

5.3.3. In the 2015 spending review the Government indicated its intention to make savings on local authority public health spending and a further £1.2m reduction in the Public Health Grant has been included in these initial budget proposals for 2018/19.

5.3.4. **Specific Grant Funding Changes – Children and Families Directorate.** There will be a further reduction in the Education Services grant (ESG) receivable of £2.47m in 2018/19, meaning there is no ESG in the Council's base budget going forward. In 2018/19 £2.5m of Department for Education Innovations grant, which is supporting the base budget in 2017/18, will drop out with the balance of the grant being carried forward so that it can be

deployed to continue to invest in the Leeds children strategy through trialling new approaches to working with children and families and by investing in and reforming preventative services in order to manage demand.

- 5.3.5. **Specific Grant Funding Changes – Communities and Environment.** The Housing Benefits administration grant is expected to reduce by £0.25m, whilst the Fraud & Error Recovery Incentive Scheme grant has been replaced by the new Right Benefit Initiative grant and the bonus and maintenance elements of FERIS will no longer be paid with a consequent reduction in the level of grant receivable (£0.35m).
- 5.3.6. **Specific Grant Funding Changes – Flexible Homelessness Support Grant.** In February 2017 the Government announced details of the new Flexible Homelessness Support Grant (FHSG) which replaced the Temporary Accommodation Management Fee. Since FHSG is calculated on the basis of homelessness prevention outcomes and, as Leeds has achieved a high level of preventions, the allocation for Leeds in 2018/19 has been set at £1.794m.
- 5.3.7. **Specific Grant Funding Changes - Homelessness Reduction Act.** The Council has received £0.168m in 2018/19 to meet the new burdens associated with the Homelessness Reduction Act.
- 5.3.8. **Specific Grant Funding Changes - New Homes Bonus.** Government introduced the New Homes Bonus in 2011 to encourage housing growth: councils receive grant for a number of years for each net additional property added in each year. This grant is funded by top slicing revenue support grant. In 2016/17 Government made some changes, including reducing the number of years the bonus is receivable from six to four over two years and imposing a growth baseline before bonus is paid. The £1.5m pressure reflects the impact of these changes on the base budget and reduces the base budget in 2018/19 for NHB to £11.8m Government has recently consulted on further changes, to be announced in the Local Government Finance Settlement, that may impact upon future bonus payments.
- 5.3.9. **Grant Funding Changes – Section 31 grant.** An additional £2.2m of Section 31 grant is estimated in 2018/19. Approximately £1.7m of this income is compensation for losses to business rates income as a result of the change in business rate indexation (inflation) announced at the Autumn Budget, from RPI (3.9%) to CPI (3%). Most of the remainder of the S31 grant relate for reliefs granted to businesses following the 2017 revaluation, the majority of which have been awarded through the West Yorkshire Local Discount Scheme, approved by Executive Board in June 2017, providing targeted support to the small and medium sized local businesses most affected by the business rates revaluation.
- 5.4. **Contributions to/(from) Earmarked Reserves** – the reduction of £5.8m in the use of earmarked reserves to support the base budget reflects a

reduction in the contributions of £6.7m from the ELI reserve, the capital reserve and the Street Lighting reserves. These reductions are partially offset by contributions from the Insurance Reserve and the Wellbeing and Youth Activity Fund Reserve (£0.9m).

6. Projected Cost Increases

6.1. The table below summarises the projected cost increases in the 2018/19 initial budget proposals.

6.2. *Table 12 Cost Increases*

	2018/19
	£m
Inflation	10.9
Employer's LGPS contribution	0.9
Leeds CC minimum pay rate	0.6
National Living Wage - commissioned services	4.7
Fall-out of capitalised pension costs	(0.4)
Demand and demography - Children Looked After	3.0
Demand and demography - Adult Social Care	3.2
Demand and demography - Other	0.1
Adult Social Care - Client Contributions	1.4
Adult Social Care - Partner Income	8.0
Adult Social Care Spring Budget Spend	9.4
Homelessness Grant Spend	2.0
Income pressures (S278, Markets, Sport)	1.8
Cultural Legacy	0.4
Tour de Yorkshire	0.2
West Yorkshire Transport Fund	0.2
Elections - after fallow year	1.1
Expansion of Brown Bin Collections	0.4
Housing Benefit Overpayment income	1.2
Other Pressures	6.2
Debt - external interest / Minimum Revenue Provision	4.0
Projected Cost Increases	59.1

6.3. **Inflation** - the budget proposals include allowance for £10.9m of net inflation in 2018/19. This includes provision of £4m for a 1% pay award for those staff not impacted by the Council's minimum pay rate (see paragraph 6.5 below). The budget proposals allow for inflation where there is a contractual commitment, but anticipate that the majority of other spending budgets are cash-limited. An anticipated 3% general rise in fees and charges has also been built into the budget proposals where they can be borne by the market, although there are instances where individual fees and charges will increase more than this.

- 6.4. **Local government pensions** - the most recent actuarial valuation took place in December 2016 and, in line with the agreed phased increase, the employer's contribution will rise from the 15.6% contribution in 2017/18 to 15.9% by 2018/19. This increase creates a pressure of £0.9m which has been incorporated into these initial budget proposals for 2018/19.
- 6.5. **Leeds City Council minimum pay rate**– at its September 2015 meeting Executive Board agreed that the Council would move towards becoming a real Living Wage employer. In November 2015 the Living Wage Foundation announced a living wage of £8.25 per hour (outside London) and this was implemented by the Council in January 2017. The initial budget submission provides £0.6m for further increases in the Leeds City Council minimum wage which assumes a rise from the current £8.25 to £8.45 in 2018/19.
- 6.6. **National Living Wage for commissioned services** - in respect of services commissioned from external providers by both Adults and Health and Children and Families directorates, provision of £4.7m has been included and this is consistent with the national minimum wage assumptions for 2018/19.
- 6.7. **Fall out of capitalised pension costs** – the fall out of capitalised pension costs associated with staff who have left the Council under the Early Leaver's Initiative (ELI) will save an estimated £0.4m.
- 6.8. **Demand and Demography** – the initial budget proposals recognise the increasing demography and consequential demand pressures for services in Adults and Health and Children and Families. Within Adults and Health the population growth forecast assumes a steady increase from 2017 in the number of people aged 85-89 during 2018 (1.87%). This will result in additional costs of £0.8m for domiciliary care and placements and increasing cash personal budgets. The learning disability demography is expected to grow by £0.5m per annum, which includes an anticipated growth in numbers of 0.6% (based on ONS data) over the period; but noting that the high cost increase is primarily a combination of increasingly complex (and costly) packages for those entering adult care, as well as meeting the costs of the increasing need for existing clients whose packages may last a lifetime. The demography for clients with a Mental Health need and those with a Physical Impairment are expected to grow by 2.6% and 2.1% respectively incurring a combination of £0.3m of support. In addition, demand over that anticipated in 2017/18 is calculated to add £1.6m to package costs across all client groups in 2018/19.
- 6.9. Children and Families directorate continues to face demographic and demand pressures and £3m has been included to address this in the 2018/19 initial budget proposals. These pressures reflect relatively high birth rates (particularly within the most deprived clusters within the city), increasing inward migration into the city (particularly from BME groups from outside the UK), the increasing population of children & young people with special and very complex needs, greater awareness of the risks of child sexual exploitation, growing expectations of families and carers in terms of

- services offered and changes in government legislation, including ‘staying put’ arrangements that enable young people to remain with their carers up to the age of 21.
- 6.10. The initial budget proposals also provides £0.1m for demand and demography within the Waste Management function.
 - 6.11. **Within Adults and Health**, the Adult Social Care precept and the grant will be utilised to fund a range of pressures, identified at paragraph 4.7 above. These include demand and demography, the minimum wage in commissioned services, further reductions in the public health grant and the loss of targeted income from partners.
 - 6.12. The receipt of the **Homelessness Grant** represents a significant windfall to the Council and it will be used to achieve further increases in homelessness prevention outcomes, further reductions in temporary accommodation placements and to best assist entrenched rough sleepers with drug and alcohol dependency issues. Additional resources have been provided to fund costs associated with the new duties arising from the Homelessness Reduction Act.
 - 6.13. **Income variations** - the level of Section 278 grant (Highways Act 1980) receivable to support the 2018/19 budget is anticipated to reduce by £1m. In addition income receivable from rents at Kirkgate Market is anticipated to reduce by £0.58m whilst income receivable at the Council’s Leisure Centres is also projected to reduce by £0.2m.
 - 6.14. **Cultural legacy** - in October 2017 Executive Board agreed that the city’s bid to be European Capital of Culture in 2023 be submitted. Despite the recent EU announcement that UK cities will be not be allowed to bid, the Council remains committed to creating a cultural legacy for the city. An amount of £0.38m has been incorporated into the 2018/19 budget to help deliver these outcomes and this amount will be held in an earmarked reserve pending further updates.
 - 6.15. **Tour de Yorkshire** – in order for the Council to host one of the stages of the Tour de Yorkshire a resource of £0.2m is required to be reinstated into City Development’s budget. This budget was removed in 2017/18, a year in which Leeds did not host a start/finish stage of the race.
 - 6.16. **West Yorkshire Transport Fund** – from the 1st April 2015 the West Yorkshire Combined Authority began operations overseeing strategies for growing the economy, creating jobs, developing new affordable homes and improving the transport network. The initial forecast for council levies indicates an increase of £0.2m in 2018/19 and contributes towards the aspiration to deliver a regional £1.4bn transport fund.
 - 6.17. **Expansion of Brown Bin Collections** - in order to cover the remainder of suitable properties across the city an additional three garden waste routes are estimated to be required. The annual net cost of these routes, based on

15,000 properties per route and including disposal, is around £360k.

6.18. **Debt (external interest)** – the Council forecasts an additional borrowing requirement of £108m to support the 2018/19 capital programme of £325m. The additional revenue cost of this borrowing is forecast at £4m. This increase comprises £2.4m relating to funding new capital programme spend, £0.5m additional cost of switching some short term funding to long term funding, £0.3m additional costs of premiums as a result of previous restructuring of debt and the remainder due to the impact of use of capital receipts to fund PFI liabilities, £0.3m brokerage fees and movements in other income streams

6.19. **Other Pressures** - other budget pressures of £8.5m have been identified for 2018/19. These pressures include:

- A £1.2m net reduction in income receivable from Housing Benefits overpayment;
- £1.1m is required to reinstate the Elections budget after a fallow year;
- A net £1.4m is required to reinstate the budget associated with the re-occupation of the refurbished Merrion House, most of which relates to the business rates payable;
- £0.5m increased maintenance requirement for the Council's buildings;
- £1.7m of pressures with Children and Family directorate;
- £0.3m of pressures in Adults and Health directorate;
- £1.1m of pressures within Resources & Housing directorate;
- £0.4m of pressures within Communities & Environment directorate; and
- £0.8m of pressures within the Council's Strategic Accounts.

7. **The Budget Gap – Savings Options - £38.2m**

7.1. After taking into account the impact of the anticipated changes in funding of £20.9m and cost pressures of £59.1m outlined above, it is forecast that the council will need to generate savings, efficiencies and additional income to the order of £38.2m in 2018/19 to balance to the anticipated level of resources available.

7.2. Table 13 below summarises the proposed savings to balance the 2018/19 budget with additional detail in the sections below and in Appendix 2.

7.3. **Table 13 Proposals to Balance**

Solutions	£m
Efficiencies	(22.2)
Changes to services	(1.0)
Income - fees & charges	(6.3)
Income - traded services, partner & other income	(1.5)
Grant & Other income	(3.4)
Proposal to Use Capital Receipts / S106 balances	<u>(3.9)</u>
	(38.2)

7.4. In order to both manage the reductions required for the period 2017/18 to 2019/20, and protect front line services, the Council embarked on an ongoing process of review across a range of services and policy areas in 2016. The outcome of these reviews were incorporated into the Council's 2017/18 budget and they have also been included in these initial budget proposals for 2018/19. These service and policy reviews have been, and will continue to be, updated as part of an iterative approach to developing the Council's strategic plan and aligned medium term financial strategy and annual budgets. All services are within scope though the Council remains committed to protecting front line services as far as possible especially those that provide support to the most vulnerable.

7.5. **Efficiencies – savings of £22.2m**

7.5.1. In terms of efficiencies, the council has taken quite a distinctive approach. The focus has been on efficiencies realised through stimulating good economic growth and creatively managing demand for services. This whole city approach drives ambitious plans despite austerity. It is born from our vision for Leeds to be the best city in the UK: one that is compassionate with a strong economy that can tackle poverty and reduce inequalities. This approach, coupled with a significant programme of more traditional efficiencies, has enabled the council to make the level of savings required since 2010 whilst simultaneously creating the conditions for a thriving and sustainable city where people's lives are better.

7.5.2. Efficiency of the council's own operations remains important and we have reduced budgets in all areas of the council and will continue to do so, whilst protecting frontline services and those for the most vulnerable. At the centre of this work is a whole organisation cultural change programme coupled with modernisation of the work environment creating the necessary conditions for fundamental organisational change and efficiency improvements.

7.5.3. Appendix 2 provides the detail of a range of proposed efficiency savings across all directorates which total some £22.2m in 2018/19. These savings are across a number of initiatives around:

- Organisational design;
- Continuing demand management through investment in prevention and early intervention, particularly in Adult Social Care and Children's Services;
- Savings across the range of support service functions;
- Ongoing recruitment and retention management;
- Reviewing leadership and management;
- Realising savings by cash-limiting and reducing non-essential budgets;
- Ongoing procurement and purchasing savings.

7.6. **Changes to Services – savings of £1.0m**

- 7.6.1. By necessity, managing the reductions in government funding in addition to a range of cost increases means that the council will have to make some difficult decisions around the level and quality of services that it provides and whether these services should be increasingly targeted toward need.
- 7.6.2. Appendix 2 sets out these detailed service change proposals, which together target savings of £1.0m by March 2019.

7.7. **Fees & Charges – additional income of £6.3m**

- 7.7.1. At its February 2016 meeting, Executive Board approved the recommendations from Scrutiny Board (Strategy & Resources) on fees and charges which included agreement that all fees would be reviewed annually and increased by at least the rate of inflation, that officers should benchmark their charging frameworks each year and that full-cost recovery in line with CIPFA guidance should apply as part of the annual budget setting process.
- 7.7.2. The initial budget proposals reflect these principles and assume a general increase in fees and charges of 3%, and Appendix 2 sets out detailed proposals around a number of fees, charges and subsidised services. If approved, these proposals would generate an additional net £6.3m of income in 2018/19.

7.8. **Traded Services, partner income & other income – additional income of £1.5m**

- 7.8.1. Appendix 2 provides details across directorates of a number of proposals that together would generate additional net income of £1.5m.

7.9. **Grants – additional income / reduction in grant related spend £3.4m**

- 7.9.1. A combination of reduced grant related spend and additional grant income will save a net £3.4m in Adults and Health and Children and Families directorates, details of which can be found in Appendix 2.

7.10. **Use of Section 106 balances.**

7.10.1. Planning obligations, also known as Section 106 agreements (based on that section of the 1990 Town & Country Planning Act) are private agreements made between Local Authorities and developers and can be attached to a planning permission. Through this mechanism contributions can be sought for the costs associated with providing community and social infrastructure the need for which has arisen as a result of a new development taking place.

7.10.2. At 31st March 2017 the Council had £32.1m of Section 106 earmarked reserves on its balance sheet. Subject to satisfying any legal requirements contained in the Section 106 agreement e.g. clawback, it is proposed that the balances held by the Council be used to support the 2018/19 revenue budget. If the balances are used in this way it needs to be recognised that this creates an obligation in future years as the Council will be required to identify the resources to meet expenditure commitments that would previously have been funded through Section 106 balances.

7.11. **Flexible use of Capital Receipts.**

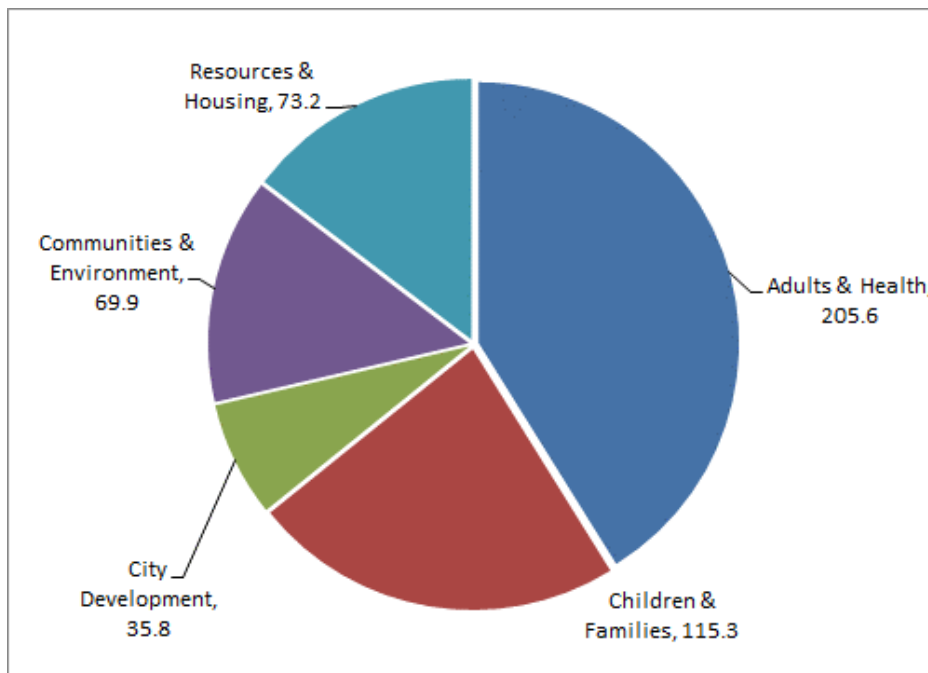
7.11.1. In March 2016 the Secretary of State for Communities and Local Government issued guidance, which allowed Local Authorities to use capital receipts to support the delivery of more efficient and sustainable services by extending the use of capital receipts to finance costs of efficiency initiatives that deliver significant savings. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. The Strategy, received at Council on February 22nd 2017, agreed the use of capital receipts to fund the severance/redundancy costs associated with the transformation of the council implemented through the policy and service programme and with members of staff seeking to exit the Authority through the Early Leaver's Initiative. These initial budget proposals assume that capital receipts are set aside to resource similar transformational expenditure in 2018/19 and 2019/20.

7.11.2. In using capital receipts in the manner described above this will increase the estimated budget gap for 2020/21 since the pressure of £26.2m, identified in Medium Term Financial Strategy that was received at July's Executive Board, assumed the full use of capital receipts to contribute towards offsetting the pressure associated with the required increase in the Council's Minimum Revenue Provision (MRP).

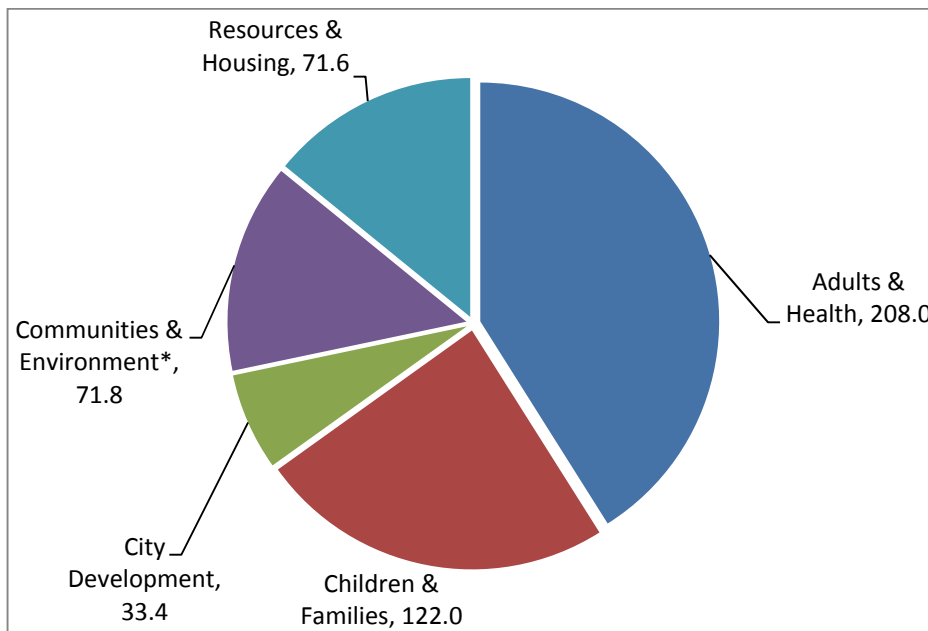
7.12. **Summary Budget By Directorate**

7.12.1. The pie charts below show the share of the council's net managed expenditure between directorates for 2017/18 and the proposed allocations for 2018/19 based on the initial budget proposals.

7.12.2. Net Managed Budget 17/18 OE £m (restated)



7.12.3. Net Managed Budget 18/19 OE £m (Proposed)



7.12.4. It should be noted that these resource allocations may be subject to amendments as we move through the budget setting process. Net managed expenditure represents the budgets under the control of individual directorates and excludes items such as capital charges

pensions adjustments and allocation of support costs in directorate budgets.

- 7.12.5. The initial budget proposals would mean that the council's spend on Children and Families and Adult Social Care will increase from 64.2% of service budgets in 2017/18 to 65.1% in 2018/19 which reflects the council's priorities around supporting the most vulnerable across the city and to prioritise spending in these areas.

8. Impact of proposals on employees

- 8.1. The council has operated a voluntary retirement and severance scheme since 2010/11 which has already contributed significantly to the reduction in the workforce of around 3,200 ftes to March 2017, generating savings of £60m per year.
- 8.2. The 2017/18 budget requires a reduction in staffing numbers of 484 FTEs. In July 2017 Executive Board received an update to the Medium Term Financial Strategy in which the budget gap over the next 3 years was forecast at around £44m.
- 8.3. The Council reissued a S188 notice on 3rd August 2017 which indicated that an estimated reduction of a further 415 FTEs would be required by 2020.
- 8.4. The council will continue to strive to avoid compulsory redundancies – through natural turnover, continuing the voluntary early leaver scheme, staff flexibility and continuing the positive working with the trade unions.
- 8.5. The initial budget proposals outlined in this report provide for an estimated net reduction of circa 53 full time equivalents by 31st March 2019.

9. General Reserve

- 9.1. Under the 2003 Local Government Act, the Council's Statutory Financial Officer is required to make a statement to Council on the adequacy of reserves as a part of the annual budget setting process. It is also good practice for the Authority to have a policy on the level of its general reserve and to ensure that it is monitored and maintained.
- 9.2. The purposes of the general reserve policy are to help longer-term financial stability and identify any future events or developments which may cause financial difficulty by allowing time to mitigate these.
- 9.3. The general reserve policy encompasses an assessment of financial risks both within the Medium Term Financial Strategy and also in the annual budget. These risks should include corporate/organisation wide risks and also specific risks within individual directorate and service budgets. This analysis of risks should identify areas of the budget which may be uncertain

and a quantification of each “at risk” element. This will represent the scale of any potential overspend or income shortfall and will not necessarily represent the whole of a particular budget heading. Each assessed risk will then be rated and scored in terms of impact and probability.

- 9.4. The initial budget proposals for 2018/19 do not assume any contribution from the general reserve and the level of general reserves at 31st March 2019, as set out in the table below, is projected to be £18.6m.

Table 14 - General Reserve

General Reserve	2017/18	2018/19
	£m	£m
Brought Forward 1st April	20.0	18.6
Budgeted contribution/(use) in-year	(1.4)	0.0
Carried Forward 31st March	18.6	18.6

- 9.5. Whilst the Council maintains a robust approach towards its management of risk and especially in the determination of the level of reserves that it maintains, it is recognised that our reserves are lower than those of other local authorities of a similar size. However KPMG’s External Audit report 2016/17 concluded that “the Authority have demonstrated they have managed the level of reserves effectively in recent years despite the budgetary pressures they face. Overall we consider the Authority to have adequate arrangements in place regarding the management of its financial risks and potential impact on resource deployment.”
- 9.6. Whilst the continued reductions in funding and the pressures faced by the Authority make the current financial climate challenging, we will continue to keep the level of the Council’s reserves under review to ensure that they are adequate to meet identified risks.

10. **Schools Budget**

- 10.1. The Dedicated Schools Grant (DSG) for 2018/19 will now be funded in four separate blocks for early years, high needs, schools and central schools services.
- 10.2. A new National Funding Formula (NFF) will be implemented from April 2018 for high needs, schools and central schools services. The schools formula will be “soft” in 2018/19 and 2019/20 which means that local authorities will continue to set local formulae for schools.
- 10.3. The early years block will fund 15 hours per week of free early education for 3 and 4 year olds and the early education of eligible vulnerable 2 year olds. From September 2017, there is an additional 15 hours per week provision for working families of 3 and 4 year old children. The per pupil

units of funding will be confirmed in later in 2017/18 and the grant received will continue to be based on participation. The actual grant received during 2018/19 depends on pupil numbers in the 2018 and 2019 January censuses. The early year's pupil premium is now included in this calculation and is payable to providers for eligible 3 and 4 year olds at the rate of £0.53 per child per hour. The pupil premium grant will continue and it is expected that the rates will be protected. The grant value shown below is based on the projected pupil numbers in January 2018.

- 10.4. The high needs block will support places and top-up funding in special schools, resourced provision in mainstream schools and alternative provision; top-up funding for early years, primary, secondary, post-16 and out of authority provision; central SEN support and hospital & home education. A draft allocation under the NFF calculation has been published, though the final allocation will not be issued until December 2017. The value in the table below is before any deductions are made by the Education and Skills Funding agency (ESFA) in respect of funding for academies, free schools and post 16 places. The high needs block is facing a number of financial pressures and although Leeds is a net gainer under the national funding formula the full benefit of the increase in funding will not be felt for a number of years as there is an annual cap on gains within the national funding formula. Children and Families directorate have led a review of the high needs block which has included consultation with partners on options to bring spend back in line with the available funding. These options include transferring funding from the schools block and the central schools services block which will be subject to a separate consultation with schools and to approval from Schools Forum.
- 10.5. The schools block funds the delegated budgets of primary and secondary schools for pupils in reception to year 11. The grant for 2018/19 will be based on pupil numbers (including those in academies and free schools) as at October 2017. The pupil numbers from this census are not yet available, but it is expected that there will be an increase. Schools have been consulted on options for the local formula in 2018/19. The results of the consultation will be presented to Schools Forum to enable further discussion with a final decision being made by the Director of Children and Families in early 2018
- 10.6. As part of the NFF, the central school services block (CSSB) has been created from the DSG funding that is held centrally by the local authority for central services. This includes the funding which was previously delivered through the retained duties element of the ESG along with previously reported ongoing responsibilities and historic commitments. A draft allocation under the NFF calculation has been published, though the final allocation will not be issued until December 2017.
- 10.7. Funding for post-16 provision is allocated by the ESFA and no changes to the formula are expected for 2018/19. Funding for 2018/19 will be based

on 2017/18 lagged student numbers

- 10.8. Pupil Premium grant is paid to schools and academies based on the number of eligible Reception to year 11 pupils on the schools roll in January each year. The rates for 2018/19 are expected to remain at: primary £1,320, secondary £935, for each pupil registered as eligible for free school meals (FSM) at any point in the last 6 years and £300 for children of service families. The pupil premium plus rate for children looked after and children who have ceased to be looked after by a local authority because of adoption, a special guardianship order, a child arrangements order or a residence order will increase from £1,900 to £2,300
- 10.9. The Primary PE grant will be paid in the 2017/18 academic year to all primary schools at a rate of £16,000 plus £10 per pupil.
- 10.10. For the Year 7 catch up grant in 2017/18, funding is allocated to schools on the basis that they receive the same overall amount of year 7 catch-up premium funding received in 2016/17. It will be adjusted to reflect the percentage change in the size of their year 7 cohort, based on the October 2017 census. It is assumed that the 2018/19 will be on the same basis and so dependent on the October 2018 census information.
- 10.11. A grant for the universal provision of free school meals for all pupils in reception, year 1 and year 2 was introduced in September 2014. Funding for the 2017/18 academic year is based on a rate of £2.30 per meal taken by eligible pupils, giving an annual value of £437. Data from the October and January censuses will be used to calculate the allocations for the academic year.
- 10.12. The Education Services Grant (ESG) ceased at the end of August 2017. ESG funding for retained duties has transferred to the DSG from April 2017. Schools Forum previously agreed that this funding could be passported to the Local Authority. Approval for this for 2018/19 will be sought later in 2017/18.
- 10.13. **Schools funding summary**
The grants before ESFA deductions (e.g. for payments to academies) for 2017/18 (latest estimate) and 2018/19 are shown in table 15 above. The amounts for 2018/19 are subject to final confirmation.

Table 15 – The Estimated Schools Budget

	2017/18	2018/19	Change
	£m	£m	%
DSG - Schools Block	482.07	486.59	4.52
DSG - Central Schools Services Block		5.08	5.08
DSG - High Needs Block	62.65	66.34	3.69
DSG - Early Years Block	50.88	55.42	4.54
ESFA Post 16 Funding	31.54	31.33	-0.21
Pupil Premium Grant	42.28	42.94	0.66
PE & Sports Grant	3.36	4.26	0.9
Year 7 Catch-up Grant	0.87	0.87	0
Universal Infant Free School Meals Grant	8.87	8.58	-0.29
	682.52	701.41	18.89

11. Housing Revenue Account

- 11.1. The Housing Revenue Account (HRA) includes all expenditure and income incurred in managing the Council's housing stock and, in accordance with Government legislation, operates as a ring fenced account. The key movements in 2018/19 are detailed in Table 16.
- 11.2. The 2016 Welfare Reform and Work Act introduced the requirement for all registered social housing providers to reduce social housing rents by 1% for the 4 years from 2016/17. This reduction was implemented by the council in 2016/17 with a subsequent loss of £2.1m in rental income. Reducing rents by a further 1% in each of the three years from 2017/18 to 2019/20 equates to an additional estimated loss of £18.5m in rental income over this period. When compared to the level of resources assumed in the financial plan (and assuming that from 2020/21 rent increases will revert back to the previous policy of CPI+1%) this equates to a loss of £283m of rental income over the 10 year period (2016/17 to 2024/25).
- 11.3. Whilst the 2016 Act requires that social rents have to reduce by 1% per annum until 2019/20, properties funded through PFI can be exempt from this requirement. An increase in accordance with the government's rent formula of CPI (1% as at September 2016) + 1% is therefore proposed. This overall 4% rise equates to approximately £0.46m in rental income.
- 11.4. The costs associated with servicing the HRA's borrowing have increased due to a combination of discounts that had previously been applied to the overall level of debt falling out and the planned increase in borrowing to support the Council's new build programme.
- 11.5. The rollout of universal credit in Leeds commenced in 2016 and once fully implemented it will require the council to collect rent directly from around 24,000 tenants who are in receipt of full or partial housing benefit. Although the financial impact of this is still difficult to quantify it is likely to have

implications for the level of rental income receivable since the level of arrears is anticipated to increase.

- 11.6. A reduction in the qualifying period after which tenants are able to submit an application to purchase a council house through the government's Right to Buy legislation continues to sustain an increase in the number of sales with a subsequent reduction in the amount of rent receivable.
- 11.7. The reduction in rental income will need to be managed in addition to other pay, price and service pressures. A combination of staffing efficiencies, a reduction in the budget for supplies and services and the use of some of the retained element from Right to Buy receipts which can be used to fund capital expenditure will contribute towards off-setting these pressures.
- 11.8. Further consideration will be given to increasing service charges to reflect more closely the costs associated with providing services. This will generate additional income which will contribute towards offsetting the reduction in rental income receivable as a result of the change in Government's rent policy.
- 11.9. Tenants in multi storey flats (MSFs) and in low/medium rise flats receive additional services such as cleaning of communal areas, staircase lighting and lifts and only pay a notional charge towards the cost of these services meaning other tenants are in effect subsidising the additional services received. It is proposed that an additional £2 per week increase on multi storey flats with an inflationary increase of £1 per week on low/medium rise flats in 2018/19 would generate an additional £687k compared to 2016/17.
- 11.10. Currently tenants in sheltered accommodation receiving a warden service are charged £13 per week for this service. This charge is eligible for Housing Benefit. In 2016/17 a nominal charge of £2 per week was introduced for those tenants who benefited from the service but did not pay. This was increased to £4 a week in 2017/18 and it is proposed to increase this charge by a further £2 per week in 2018/198.
- 11.11. An analysis of the impact on individual tenants of reducing rents by 1% and implementing the proposed charges as above has been undertaken. This analysis shows that should the proposals be agreed 82.2%% of tenants will pay 78p less per week less in overall terms in 2018/19 than in 2017/18. Of those paying more, 11.5% will pay up to £1.36 more per week, 2.8% will pay 2.97p per week more, with the remaining 3.5% paying between £1.33 and £4.34 per week. These increases will be funded through Housing Benefit for eligible tenants. Approximately 58% of tenants are in receipt of Housing Benefits.
- 11.12. Since all housing priorities are funded through the HRA any variations in the rental income stream will impact upon the level of resources that are available for the delivery of housing priorities. Resources will be directed towards key priority areas which include fulfilling the plan to improve the homes people live in, expanding and improving older person's housing and improving estates to ensure that they are safe and clean places to live. Additional resources will also be spent on further fire prevention.
- 11.13. The Council remains committed to prioritising resources to meet the capital investment strategy and to replace homes lost through Right to Buy by the

planned investment in new homes and the buying up of empty homes. The council aims to maintain a consistent level of capital expenditure with a view to improving the condition of the stock.

11.14. **Table 16 – Housing Revenue Account Pressures and Savings**

	£m
Income	
Reduced rental income due to 1% rent reduction and reduced stock	4.06
Rent increase (CPI + 1%) for housing stock in PFI areas	(0.46)
Increases in service charges	(0.69)
Other Income	(0.43)
Total	2.48
Expenditure	
Pay and price pressures	1.00
Supplies and Services	(0.32)
Provision for Bad Debts	0.08
Variation in the contribution to the PFI contractor	1.41
Reduction in the revenue contribution to capital which is being realised through the use of additional Right to Buy receipts (debt set aside)	(5.50)
Increase in Fire Prevention Works	0.46
Other pressures	0.39
Total	(2.48)

12. Capital Programme

- 12.1. Over the period 2017/18 to 2020/21 the existing capital programme includes investment plans which total £1.2bn. The programme is funded by external sources in the form of grants and contributions and also by the Council through borrowing and reserves. Where borrowing is used to fund the programme, the revenue costs of the borrowing will be included within the revenue budget. Our asset portfolio is valued in the Council's published accounts at £4.9bn, and the council's net debt, including PFI liabilities stands at £2.46bn.
- 12.2. The initial budget proposals provide for a £4.0m increase in the cost of debt and capital financing. This assumes that all borrowing is taken short term at 0.50% interest for the remainder of 2017/18 and 0.85% in 2018/19.
- 12.3. The strategy allows for capital investment in key annual programmes, major schemes that contribute to the Best Council Plan objectives and schemes that generate income or reduce costs. Capital investment will continue to be subject to robust business cases being reviewed and approved prior to schemes approval. Whilst the capital programme remains affordable, its

continued affordability will be monitored as part of the treasury management and financial health reporting.

- 12.4. A capital programme update report will be presented to the Executive Board in February 2018.

13. Corporate Considerations

13.1. Consultation and Engagement

- 13.1.1. The initial budget proposals have been informed through the wealth of consultation evidence gathered in recent years on residents' budget priorities. Since 2012 there has been only minor changes to those priorities and, in addition, residents and service users have had significant involvement in on-going service-led change projects. Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this Board on the 7th February 2018.

- 13.1.2. Consultation is an ongoing process and residents are consulted on many issues during the year. It is also proposed that this report is used for wider consultation with the public through the Leeds internet and with other stakeholders. Consultation is on-going with representatives from the Third Sector, and plans are in place to consult with the Business sector prior to finalisation of the budget.

13.2. Equality and Diversity / Cohesion and Integration

- 13.2.1. The council continues to have a clear approach to embedding equality in all aspects of its work and recognises the lead role we have in the city to promote equality and diversity. This includes putting equality into practice taking into account legislative requirements, the changing landscape in which we work and the current and future financial challenges that the city faces.

- 13.2.2. As an example of the commitment to equality, scrutiny will again play a strong role in challenging and ensuring equality is considered appropriately within the decision making processes.

- 13.2.3. The proposals within this report have been screened for relevance to equality, diversity, cohesion and integration (Appendix 3) and a full strategic analysis and assessment will be undertaken on the revenue budget and council tax 2018/19 which will be considered by Executive Board in February 2018. Specific equality impact assessments will also be undertaken on all budget decisions as identified as relevant to equality as they are considered during the decision-making processes in 2018/19.

13.3. **Council Policies and Best Council Plan**

- 13.3.1. The refreshed Best Council Plan 2018/19 will set out the council's priorities aligned with the medium-term financial strategy and annual budget. Developing and then implementing the Best Council Plan will continue to inform, and be informed by the council's funding envelope and staffing and other resources.

13.4. **Resources and Value for Money**

- 13.4.1. This is a revenue budget financial report and as such all financial implications are detailed in the main body of the report.

13.5. **Legal Implications, Access to Information and Call In**

- 13.5.1. This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the initial budget proposals, once approved by the board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2018 meeting of this Board at which proposals for the 2018/19 budget will be considered prior to submission to full Council on the 21st February 2018.
- 13.5.2. The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. The budget is a key element of the council's budget and policy framework, but many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and managed by individual directorates
- 13.5.3. In accordance with the council's budget and policy framework, decisions as to the council's budget are reserved to full council. As such, the recommendation at 15.1 is not subject to call in, as the budget is a matter that will ultimately be determined by full council, and this report is in compliance with the council's constitution as to the publication of initial budget proposals two months prior to adoption.
- 13.5.4. However, the recommendation in paragraph 15.2, regarding the Council's participation in the 2018/19 100% business rates retention pilot scheme, the potential impact of which is not currently reflected in these initial budget proposals, is a decision of the Executive Board and as such is subject to call-in.

13.6. **Risk Management**

- 13.6.1. The Council's current and future financial position is subject to a number of risk management processes. Failure to address medium-term financial pressures in a sustainable way is identified as one of the council's corporate risks, as is the council's financial position going into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the council's risk-based reserves policy. Both these risks are subject to regular review. In addition, financial

management and monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc. This risk-based approach has been reinforced with specific project management based support and reporting around the achievement of the key budget actions plans.

- 13.6.2. It is recognised that the proposed strategy carries a number of significant risks. Delivery of the annual budget savings and efficiencies proposed will be difficult, but failure to do so will inevitably require the council to start to consider even more difficult decisions which will have far greater impact upon the provision of front line services to the people of Leeds.
- 13.6.3. A full risk assessment will be undertaken of the council's financial plans as part of the normal budget process, but it is clear that there are a number of risks that could impact upon these plans put forward in this report; some of the more significant ones are set out below.
- The reductions in government grants are greater than anticipated. Specific grant figures for the council for 2018/19 will not be known until later in the budget planning period.
 - Demographic and demand pressures, particularly in Adult Social care and Children's services could be greater than anticipated.
 - The implementation of proposed savings and additional income realisation could be delayed or the savings/additional income is less than that assumed in the budget.
 - Inflation and pay awards could be greater than anticipated. The Consumer Prices Index (CPI) is now at its highest level since March 2012 and the Government's announcement in September 2017 that it is lifting the public sector pay cap could have implications for the 1% increase in pay assumed in these initial budget proposals. However, it should be noted that no additional funding was announced in the Chancellor's budget.
 - The level of funding from partners could be less than assumed in the budget.
 - Other sources of income and funding could continue to decline.
 - The increase in the council tax base could be less than anticipated.
 - The level of business rates appeals continues to be a risk. Whilst there is very little scope for new appeals against the 2010 list there are still a significant number of back dated appeals for which the Council has an appropriate provision. However there is very little information on which to assess appeals against the new 2017 list, therefore business rates income could be adversely affected which would have implications for the level of resources available to the Authority. In addition the position

on business rates retention, and specifically the impact of back-dated appeals, could deteriorate further.

- The initial budget proposals makes a number of assumptions about the costs associated with managing its debt. Currently the Council benefits from low interest rates but following the Monetary Policy Committee's decision on 2nd November there is now an upward movement in interest rates. If these are greater than increases assumed in the budget proposals then this this will lead to an further increase in the costs associated with financing the Council's debt portfolio.
- The Council and City's economic and fiscal position is clearly impacted upon by the wider national economic context. The UK's decision to exit the EU has undoubtedly fuelled economic and political uncertainty and the outcome of the negotiations between the UK and EU potentially, in the short term, could weaken the pound, increase inflation, reduce domestic and foreign direct investment and impact on borrowing costs. All of these have the potential to impact upon both not only the level of resources available to the Council but also the level of demand for the services that it provides.
- Following the introduction of the National Living Wage, national negotiations are underway to review the NJC spine structure and we are awaiting confirmation of these negotiations to understand the implications for the LCC pay structure to ensure an equal pay proof structure. These initial budget proposals do not reflect any implications of this review although it is recognised that pending the outcome of discussions it will be necessary to provide for this.

13.6.4. A full analysis of all budget risks in accordance will continue to be maintained and will be subject to monthly review as part of the in-year monitoring and management of the budget. Any significant and new risks and budget variations are contained in the in-year financial health reports submitted to the Executive Board.

14. Conclusions

- 14.1. This report has shown that the current financial position continues to be very challenging. The Council is committed to providing the best service possible for the citizens of Leeds and to achieving the ambition for the city of being the best in the UK with a firm focus on tackling inequalities. In order to achieve both the strategic aims and financial constraints, the council will need to work differently, helping people to look after themselves, others and the places they live and work by considering the respective responsibilities of the 'state' and the 'citizen' (the social contract). This approach underpins the medium-term financial strategy and the refreshed 2018/19 Best Council Plan.
- 14.2. Based on the government multi-year settlement there will be a further reduction in the settlement funding assessment for 2018/19 of £14.0m. This is offset by additional funding from business rates and council tax of £27.5m to give an increased net revenue budget of £506.2m (in 2018/19. However, the initial budget proposals for 2018/19 set out in this report,

subject to the finalisation of the detailed proposals in February 2018, will still require savings and additional income of £38.2m to produce a balanced budget.

- 14.3. Clearly savings of this magnitude will not be without risk and they also need to be seen in the context of the Council having undertaken a significant programme of budget reductions since 2010/11.

15. Recommendations

- 15.1. Executive Board is asked to agree the initial budget proposals and for them to be submitted to scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders
- 15.2. Executive Board is asked to agree that, should the application to pilot 100% business rates retention succeed, Leeds should continue as a member of that designated Business Rates Pool and should act as lead authority for it. Notwithstanding this decision, the continuation of the Pool will be dependent upon none of the other member authorities choosing to withdraw within the statutory period after designation.

16. Background documents¹

None.

¹ 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.

2018/19 SUBMISSION	Adults & Health	Children & Families	City Development	Communities & Environment	Resources & Housing	Strategic & Central	Total Net Revenue Budget
	£m	£m	£m	£m	£m	£m	£m
Net managed budget (2017/18) - RESTATED	205.59	115.30	35.81	69.93	73.16	(7.12)	492.68
Inflation	5.70	1.15	1.24	1.51	1.27		10.87
Employer's LGPS contribution	0.11	0.19	0.12	0.17	0.31		0.88
Leeds CC minimum pay rate	0.01	0.06	0.07	0.06	0.37		0.56
National Living Wage - commissioned services	4.10	0.59					4.69
Fall-out of capitalised pension costs						(0.40)	(0.40)
Demand and demography - CLA		3.00					3.00
Demand and demography - ASC	3.17						3.17
Demand and demography - other				0.08			0.08
New Homes Bonus						1.51	1.51
Public Health grant reduction	1.18						1.18
Public Health funding Directorate services		0.22	0.10				0.32
Adult Social Care - iBCF and Spring Budget Grants	(20.53)						(20.53)
Adult Social Care - Support Grant (one off in 17/18)	3.30						3.30
Adult Social Care Grant Spend - Spring Budget	9.43						9.43
Adult Social Care - Client contributions	1.37						1.37
Specific grants - fall out of funding		4.97		0.61	(1.96)	(2.22)	1.41
Homelessness grant spend					1.96		1.96
Partner funding income pressures	8.00						8.00
Cultural Legacy						0.38	0.38
Tour de Yorkshire			0.20				0.20
Changing the Workplace					1.38		1.38
West Yorkshire Transport Fund						0.20	0.20
Elections				1.12			1.12
S278 income						1.00	1.00
Debt - external interest						4.00	4.00
Housing Benefit overpayment income reductions				1.20			1.20
Markets income trends and rent relief			0.58				0.58
Sport income			0.20				0.20
Expansion of Brown Bin Collections				0.36			0.36
Other pressures/savings	0.25	1.50	0.04	0.38	1.60	0.75	4.51
Contribution to / (from) Earmarked / Other Reserve				(0.35)		4.17	3.82
Create an ELI reserve						2.00	2.00
Total - cost and funding changes	16.08	11.68	2.54	5.13	4.93	11.40	51.75
Budget savings proposals							
As per Appendix 2	(13.68)	(5.00)	(4.91)	(3.22)	(6.51)	(1.00)	(34.32)
Use of Capital Receipts / S106 balances						(3.92)	(3.92)
Total - Budget savings proposals	(13.68)	(5.00)	(4.91)	(3.22)	(6.51)	(4.92)	(38.24)
2018/19 Submission	208.00	121.98	33.44	71.84	71.58	(0.64)	506.17
Increase/(decrease) from 2017/18 £m	2.40	6.68	(2.37)	1.92	(1.58)	6.48	13.50
Increase/(decrease) from 2017/18 %	1.17%	5.79%	(6.61%)	2.74%	(2.17%)		2.74%
TOTAL FUNDING AVAILABLE (Forecast Net Revenue Charge)							506.17
GAP							0.00

A) Efficiencies

Savings Proposal	Comments	2018/19	2019/20	Is this relevant to Equality & Diversity?
		£m	£m	
No further contribution made to earmarked reserves	Fall out of one off Adult Social Care Support Grant	(3.3)	0.0	N
Demand: review Care Package costs, preventative and recovery services	Review care packages and impact of strengths based social work. Review increase in the use of reablement, telecare and the recovery service.	(3.5)	0.0	Y
Staffing - strengths based approach	Invest Spring Budget money for two years	(0.5)	0.0	N
Better Lives Phase 4	Defer plans and utilise Spring Budget money for two years	(0.4)	0.0	N
Equipment (for social care clients)	Utilise Spring Budget monies for two years	(0.3)	0.0	N
CIC bed, CBS savings and Better Lives Phase 3	Savings resulting from new contracts for the Community Beds and Intermediate Care Beds services and full year effect of Better Lives Phase III	(0.7)	0.0	N
Staffing savings	Set a universal 3% turnover factor across all services	(0.7)	0.0	N
Agency spend	Cessation of temporary change service	(0.1)	0.0	N
Direct Payment Audit - additional recovery		(0.4)	0.0	Y
Running Cost savings	Review and reduction of non-essential spend budgets	(0.3)	0.0	N
Other efficiency savings to be identified by the Directorate	One off funding sources e.g. use of earmarked reserves would be available, but Directorate to pursue efficiency savings that are sustainable solutions as a priority	(0.7)	0.0	N
Sub-Total Efficiencies		(10.8)	0.0	

Savings Proposal

Comments

2018/19 2019/20 Is this relevant
 fye to Equality &
 Diversity?
 £m £m

B) Changes to Service

Sub-Total Service Changes	0.0	0.00	
----------------------------------	------------	-------------	--

C) Additional Income - Fees and Charges

Income	Improved income collection from community care services	(1.0)	0.0	Y
--------	---	-------	-----	---

Sub-Total Additional Income (Fees & Charges)	(1.0)	0.0	
---	--------------	------------	--

D) Additional Income - Traded Services, Partner and Other Income

iBCF	Better Care Fund inflation	(0.5)	0.0	N
------	----------------------------	-------	-----	---

Sub-Total Additional Income (Traded Services, Partner and Other Income)	(0.5)	0.0	
--	--------------	------------	--

E) Grants & Other Income

Public Health grant	Public Health grant - £0.7m use Spring Budget money for 2 years; £0.3m budget to repay borrowed reserve no longer required & £0.1m reduction to Children centre funding (see pressure in Children services)	(1.2)	0.0	Y
---------------------	---	-------	-----	---

War Pensions Grant	New Grant for 2017/18	(0.1)	0.0	N
--------------------	-----------------------	-------	-----	---

Sub-Total Grants & Other Income	(1.3)	0.0	
--	--------------	------------	--

Sub-Total Revised Plans	(13.7)	0.0	
--------------------------------	---------------	------------	--

Children & Families - Savings options 2018/19

Savings Proposal	Comments	2018/19	2019/20	Is this relevant to Equality & Diversity?
		£m	£m	
A) Efficiencies				
Children & Family Services general efficiencies	The Service has commenced a series of reviews to realign staffing resources within the directorate to deliver services more efficiently. This also includes a reduction in directorate running costs and other running costs.	(1.3)		Y
Non-Staffing inflation	Reduce amount of allowable non-staffing inflation in the strategy.	(0.3)		N
Direct Payments and Independent Support Workers	Recovery of Direct Payments costs (new hub led by ASC audits) and reduction in the use of Independent Support Workers reflecting recent trend.	(0.3)		N
Family Services (Early Years)	Review of funding for Family Services provision within Early Years..	(0.3)		Y
Sub-Total Efficiencies		(2.1)	0.0	
B) Changes to Service				
Children & Family Services reviews	A review of core and traded activities to reduce net subsidies. This will include reviewing spend and income.	(0.4)		Y
Sub-Total Service Changes		(0.4)	0.0	
C) Additional Income - Fees and Charges				
Sub-Total Additional Income (Fees & Charges)		0.0	0.0	
D) Additional Income - Traded Services, Partner and Other Income				
Adel Beck	Additional income from price rises and demand for placements and also reviewing costs.	(0.4)		N
Safeguarding Protection Team	Additional income target	(0.1)		N
Sub-Total Additional Income (Traded Services, Partner and Other Income)		(0.5)	0.0	

E) Grants & Other Income

School Improvement Grant	Additional grant income reflecting Summer Term funding for 2017-18 academic year. Anticipated for one year only	(0.3)	0.3	N
Utilisation of Reserves and reduction in Provisions (Pfi & Bad Debt)	Review of Pfi Reserves & Bad Debt provision. Part one off impact.	(0.3)	0.2	N
Additional DSG funding for educational element of external residential placements and teachers severance costs.	Additional DSG contribution towards educational elements of external residential placements and costs associated with teachers severance costs.	(0.5)		N
Educational Support Grant (ESG)	Reduction of the net impact of loss of ESG in 2018-19.	(0.3)		N
Education programme for Teenage Pregnancy	To be funded by the DfE PiP grant	(0.2)		N
Unaccompanied Asylum Seekers Children Grant	Additional grant income (above 17/18 base budget)	(0.4)		N
Improvement Partner Income	Additional income from the DfE for the improvement partnership with Kirklees Council.	(0.1)		N
Sub-Total Grants & Other Income		(2.1)	0.5	
Total Savings Options - Children & Families		(5.0)	0.0	

City Development - Savings options 2018/19

Savings Proposal	Comments	2018/19	2019/20 fye	Is this relevant to Equality & Diversity?
		£m	£m	
A) Efficiencies				
Economic Dev't	Economic Development & Tourism - running cost savings and additional income	(0.10)		N
Highways	Extension of street lighting part-night switch off	(0.10)		N
Sport	Sport & Active Lifestyles - Increase income and operational cost reductions.	(0.10)		N
Sport	Sport & Active Lifestyles - additional income from sport VAT exemption (with HMRC following EU judgement in favour)	(1.20)		N
Arts	Events	(0.03)		N
Arts	Tour de Yorkshire - assumed income from the LCR Business Rates Pool funds stage hosting	(0.20)		N
Directorate Wide	Increased Vacancy Factor	(0.29)		N
Employment & Skills	Review of line by line expenditure	(0.02)		N
Sub-Total Efficiencies		(2.0)	0.0	
B) Changes to Service				
Sub-Total Service Changes		0.00	0.0	

City Development - Savings options 2018/19

Savings Proposal	Comments	2018/19	2019/20 fye	Is this relevant to Equality & Diversity?
		£m	£m	
C) Additional Income - Fees and Charges				
Asset Management	Strategic Investment - new rental income from the purchase of commercial assets	(1.00)		N
Asset Management	Commercial Property - additional fee income from capital sales and additional income from assets and activities	(0.27)		N
Asset Management	Additional Fee income	(0.15)		N
Asset Management	Additional fee recoveries	(0.05)		N
Economic Dev't	Additional income from events and licences	(0.04)		N
Economic Dev't	Markets - increased income from Street Trading & speciality markets	(0.03)		N
Highways	Fee Income from Highways Capital Schemes	(0.50)		N
Planning	Full year effect of income from street naming & numbering	(0.03)		N
Planning	Additional fees from premium services & savings from business process review	(0.10)		N
Planning	Additional income from volumes (not fee increases)	(0.25)		N
Sport	Increase income and operational cost reductions.	(0.28)		N
Arts	Museums - FYE of trends at Thwaite Mills	(0.03)		N
Arts	Breeze - increase income	(0.05)		N
Arts	Increased income opportunities and realignment of services	(0.04)		N
Arts	Museums -increase income opportunities	(0.05)		N
Sub-Total Additional Income (Fees & Charges)		(2.9)	0.0	
D) Additional Income - Traded Services, Partner and Other Income				
Planning	Building Control - additional income & savings from business process review	(0.02)		N
Sub-Total Additional Income (Traded Services, Partner and Other Income)		(0.02)	0.0	
Total Savings Options - City Development		(4.9)	0.0	

Resources & Housing - savings options 2018/19

Savings Proposal	Comments	2018/19	2019/20	Is this relevant to Equality & Diversity?
		£m	£m	
A) Efficiencies				
Shared Services	Staffing savings	(1.0)		Y
Shared Services	Review of Mail & Print (cross cutting)	(0.1)		N
LBS	Additional impact on bottom line of LBS from insourced work & efficiencies	(1.1)		N
Early Payment of Invoices	Target savings to be generated from agreeing discounts with suppliers for early payment of invoices	(0.6)		N
Directorate Wide	Additional staffing vacancy factor across the Directorate	(0.2)		Y
CEL	Review of Passenger transport costs - savings to accrue to Childrens Services	(0.2)		N
CEL	Facilities Management operations review	(0.1)		N
CEL	Fleet staffing restructure & operational savings	(0.1)		Y
Housing Related Support	Projected contract savings	(0.2)		N
Democratic Services / Legal Services	Review of staff and running costs	(0.1)		N
Strategy and Improvement	Targeted staffing and cost savings	(0.1)		Y
PPPU	Review of PPPU	(0.3)		N
HR	Targeted staffing and cost savings	(0.4)		Y
Finance	Targeted staffing and cost savings	(0.5)		Y
Sub-Total Efficiencies		(4.9)	0.0	
B) Changes to Service				
Sub-Total Service Changes		0.0	0.0	
C) Additional Income - Fees and Charges				
Strategy & Improvement	Potential communications support income from schools and savings target	(0.1)		N
CEL	Increased Cleaning income	(0.04)		N
Shared Services	Additional income target	(0.4)		N
HR	Schools HR service price increase & supply contract charges; apprenticeship levy income	(0.1)		N
DIS	Review of operational costs and charges to capital schemes	(1.0)		N
Strategic Housing Partnerships	Capitalisation of staff costs and efficiencies	(0.1)		N
Sub-Total Additional Income (Fees & Charges)		(1.6)	0.0	

Savings Proposal

Comments

2018/19	2019/20	Is this relevant to Equality & Diversity?
£m	£m	

D) Additional Income - Traded Services, Partner and Other Income

CEL	Efficiencies linked to capital investment & capital injection of annual equipment replacement programme.	(0.1)		N
Sub-Total Additional Income (Traded Services, Partner and Other Income)		(0.1)	0.0	
Total Savings Options - Resources & Housing		(6.5)	0.0	

Communities and Environment - Savings options 2018/19

Savings Proposal	Comments	2018/19	2019/20	Is this relevant to Equality & Diversity?
		£m	£m	
A) Efficiencies				
Waste Management	Savings in waste disposal budgets, reflects trends witnessed in 17/18	(0.2)	0.0	N
Waste Management	Review of line by line budgets including bin replacement financing costs, refuse plastic sacks, closed landfill site maintenance	(0.5)	(0.2)	N
Community Safety	Identify efficiencies in use of Community Safety Funding	(0.1)	0.0	N
Welfare & Benefits	Estimated savings from retendering in respect of Advice consortium	(0.1)	0.0	Y
Customer Access	Estimated savings from consolidating Library Management Systems contracts and retendering	(0.1)	0.0	N
Customer Access	Closer working between Council Tax Recovery and Contact Centre Teams	(0.03)	0.0	Y
Customer Access	Migration of Contact Centre telephone lines to new datalines	(0.1)	0.0	N
Customer Access	Council wide savings in respect of Compliments and Complaints service as part of Support Services review	(0.1)	0.0	Y
Communities	Community Centres: reduced Facilities Management costs/additional lettings income	(0.1)	0.0	Y
Communities	Review management & leadership arrangements	(0.1)	0.0	Y
Car Parking	Reduction in parking enforcement staff through deletion of vacant posts	(0.1)	0.0	Y
Elections/Licensing & Registrars	Savings on hire of porta cabins used for elections	(0.03)	0.0	N
All Services	Increased vacancy factors across the directorate	(0.2)	0.0	N
Sub-Total Efficiencies		(1.4)	(0.2)	
B) Changes to Service				
Welfare & Benefits	Local Welfare Support Scheme - reduction in scheme budget reflecting review of white goods and carpet replacements	(0.2)	0.0	Y
Customer Access	Home Library Service - transfer to voluntary sector	(0.03)	0.0	Y
Customer Access	Contact Centre Digital Centre of Excellence Proposals - Channel Shift/Channel Shove - involves switching off phone lines/using eforms/remove email option. Saving also includes full year effect of reduced service failure target from 2017/18.	(0.3)	0.0	Y
Customer Access	Use of Automated Switchboard in Contact Centre	(0.1)	0.0	Y
Communities	Targeted 10 % savings on third sector contracts	(0.03)	0.0	Y
Sub-Total Service Changes		(0.6)	0.0	

C) Additional Income - Fees and Charges

Waste Management	Implement previously approved decision to charge for Inert Building Waste, Plasterboard and Tyres at HWSS	(0.3)	0.0	Y
Waste Management	Additional weighbridge income - reflects trends witnessed in 2017/18	(0.1)	0.0	N
Parks & Countryside	Review of charges at Attractions (Tropical World, Lotherton Bird Garden and Temple Newsam Home Farm) following capital investment work	(0.1)	0.0	Y
Parks & Countryside	Bereavement charges - inflationary increase, net of costs for additional community engagement	(0.2)	0.0	Y
Parks & Countryside	Estimated additional net income from plant and other retail sales at the Arium	(0.1)	0.0	Y
Elections / Licensing & Registrars	Registrars: fee review in respect of non statutory charges	(0.05)	0.0	Y
Car Parking	Increase parking charges at Woodhouse Lane Multi Storey Car Park by 50p to £7.50 for a full day	(0.1)	0.0	Y

Sub-Total Additional Income (Fees & Charges)		(0.8)	0.0	
---	--	--------------	------------	--

D) Additional Income - Traded Services, Partner and Other Income

Waste Management	Review Medi-Waste service to eliminate current subsidy	(0.2)	0.0	Y
Welfare & Benefits	Introduce management fee for Free School Meals for Academies admin service	(0.01)	0.0	N
Community Safety	Additional CCTV income from Housing Leeds	(0.1)	0.1	N
Customer Access	Additional income from Interpreting Service	(0.1)	0.1	N

Sub-Total Additional Income (Traded Services, Partner and Other Income)		(0.4)	0.2	
--	--	--------------	------------	--

Total Savings Options - Communities and Environment		(3.2)	0.0	
--	--	--------------	------------	--

Strategic & Central 2018/19

Savings Proposal

Comments

2018/19

2019/20
fye

Is this
relevant to
Equality &
Diversity?

£m

£m

A) Efficiencies

Additional Capitalisation

Short term increase in additional capitalisation

(1.0)

0.0

N

Sub-Total Efficiencies

(1.0)

0.0

Total Savings Options - Strategic & Central

(1.0)

0.0

Equality, Diversity, Cohesion and Integration Screening

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

Directorate: Resources and Housing	Service area: Corporate Financial Management
Lead person: Doug Meeson	Contact number: 88540

1. Title: Initial Budget Proposals 2018/19

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

2. Please provide a brief description of what you are screening

The council is required to publish its initial budget proposals two months prior to approval of the budget by full council in February 2018. The initial budget proposals report for 2018/19 sets out the Executive's plans to deliver a balanced budget within the overall funding envelope. It should be noted that the budget represents a financial plan for the forthcoming year and individual decisions to implement these plans will be subject to equality impact assessments where appropriate.

--

3. Relevance to equality, diversity, cohesion and integration

All of the council's strategies/policies, services/functions affect service users, employees or the wider community – city-wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	X	
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	X X X	

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?**

(think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

The initial budget proposals identify a savings requirement of £34.3m due to a reduction in Government funding and unavoidable pressures such as inflation and demand/demography. Savings proposals to bridge this gap will affect all citizens of Leeds to some extent. The council has consulted on its priorities in recent years and has sought to protect the most vulnerable groups. However, the cumulative effect of successive annual government funding reductions, means that protecting vulnerable groups is becoming increasingly difficult. Further consultation regarding the specific proposals contained in this report will be carried out before the final budget for 2018/19 is agreed.

• Key findings

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

The budget proposals will impact on all communities but those who have been identified as being at the greatest potential risk include:

- Disabled people
- BME communities
- Older and younger people and
- Low socio-economic groups

The initial budget proposals have identified the need for significant staffing savings in all areas of the council which may impact on the workforce profile in terms of the at-risk groups. There will be some impact on our partners through commissioning and/or grant support which may have a knock on effect for our most vulnerable groups.

• Actions

(think about how you will promote positive impact and remove/ reduce negative impact)

A strategic equality impact assessment of the budget will be undertaken prior to its approval in February 2018.

There will also be further equality impact assessments on all key decisions as they go through the decision making process in 2018/19.

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.

Date to scope and plan your impact assessment:	
Date to complete your impact assessment	

Lead person for your impact assessment (Include name and job title)	
--	--

6. Governance, ownership and approval		
Please state here who has approved the actions and outcomes of the screening		
Name	Job title	Date
Doug Meeson	Chief Officer Financial Services	24/11/17
Date screening completed		24/11/17

7. Publishing	
<p>Though all key decisions are required to give due regard to equality the council only publishes those related to Executive Board, Full Council, Key Delegated Decisions or a Significant Operational Decision.</p> <p>A copy of this equality screening should be attached as an appendix to the decision making report:</p> <ul style="list-style-type: none"> • Governance Services will publish those relating to Executive Board and Full Council. • The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions. • A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record. <p>Complete the appropriate section below with the date the report and attached screening was sent:</p>	
For Executive Board or Full Council – sent to Governance Services	Date sent: 5/12/17
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent:



Report author: Peter Storrie / Chris Hudson

Tel: 07891 277 053 / 378 5515

Report of Director of Children and Families

Report to Scrutiny Board (Children and Families)

Date: 14 December 2017

Subject: Performance update for April to September 2017



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 checked="" type="checkbox"/> Yes	<input 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

1. Summary of main issues

1.1. This report provides a summary of performance information relating to outcomes for Leeds children and young people.

2. Recommendations

2.1. Members are recommended to:

- Consider and comment on the most recent performance information, including content they would like to see in the next update.
- Use the information in deciding on the areas for further scrutiny work to support improvement over the coming year.

3. Purpose of this report

3.1. This report is a bi-annual performance update to Scrutiny Board (Children and Families). It provides a broad and succinct summary in terms of what difference is being made in the delivery of the Children and Young People's Plan (CYPP) and the



Best Council Plan. The report summarises data and progress from a number of reports and dashboards used within Leeds City Council and in Leeds Children and Families Trust arrangements.

4. Background information

- 4.1. The CYPP is the strategic document that guides the work of Children and Families, through five outcomes, 14 priorities (including the three obsessions) and 20 key indicators. It is the shared vision for everyone working with children and young people in Leeds, setting out the vision for Leeds to be the best city in the UK for children and young people to grow up in, and to be a Child Friendly city. The CYPP is closely aligned to the Best Council Plan.
- 4.2. A refresh of the CYPP is currently underway. At the heart of the refresh is the expansion of the third obsession, from improve school attendance, to raising **attendance, achievement, and attainment**, to be known as the 'triple 'A' obsession'. This includes a disproportionate focus on 'vulnerable learners' so that all children and young people are able to realise their potential. Vulnerable learners includes children at risk of not receiving their learning entitlement and also at risk of not making the progress in learning they are capable of.
- 4.3. The refresh will also ensure the plan remains up to date and relevant. In addition to a changing education landscape, the role of adults in child outcomes and child poverty will be given greater focus in the new plan. A tidy up of measures will also be undertaken. A report on the draft plan will come to Scrutiny in January.
- 4.4. This report follows the previous versions to this scrutiny committee, based on:
- Progress against the CYPP 2015-19, including the three obsessions.
 - A commentary summary of the CYPP indicators (appendix one).
 - CYPP indicators at city and cluster level (appendices two (a) and (b)).
 - A summary of children's social work and related services performance.
 - An extract from the September 2017 specialist safeguarding and targeted services report (appendix three).
 - Supporting material.
 - The children and families settings inspections dashboard (appendix four).

5. Main issues

- 5.1. **Progress against the Children and Young People's Plan** (supporting data in appendices one and two)
- 5.2. The CYPP contains three obsessions - reduce the number of children looked after; reduce absence from school; and reduce the number of young people who are NEET or not known. All three obsessions have improved since 2011, with the following paragraphs providing an update based on the latest national data.



- There were 1,255 children looked after at 31 March 2017, 15 more than the same point in 2016. Given the continued rise in the under-18 population in Leeds (a one per cent rise between 2015 and 2016), the Leeds rate per 10,000 remains at 76. Comparator groups also recorded rises in children looked after numbers, but Leeds' modest 1.2 per cent increase is a smaller rise than experienced by all comparators. Since March 2011, looked after numbers in Leeds have reduced by nearly 13.5 per cent. Of Leeds' comparators, only the core cities have recorded a reduction in that period (less than a three per cent drop); the England figure has risen by 11 per cent.
- As at September there were 1,256 children looked after, similar to March, indicating stability within the context of demand growth. A renewed focus to ensure rigour in the application of our strategy based on turning the curve is being put in place. This will focus on permanence, placement, and prevention through effective intervention at the right time for children and families. The quality of support for children who are looked after continues to be a focus and a strength.
- The most recent national data covers half-terms 1-4 of the 2016/17 academic year. Primary school attendance in Leeds was 96.2 per cent; secondary attendance was 94.6 per cent. For primary schools this is a stable position over the last three years that remains slightly above the national rate for this phase of 96.0 per cent. For secondary schools again the attendance rate is largely stable, rising and falling only within 0.1 percentage point of this position over the last four years, although the attendance rate among secondary pupils remains below the national average of 94.8 per cent. Unauthorised and persistent absence at secondary schools remains too high, with much of this concentrated in a few schools, authorised absence compares well.
- In 2016 (the DfE uses data from December 2016 to February 2017 to calculate this; the time period also differs from that used under the previous indicator) the combined NEET and not known rate in Leeds was 6.0 per cent, or 870 young people. This places Leeds in line with national, and significantly below the core cities' average. This six per cent figure breaks down to 2.9 per cent NEET and 3.1 per cent not known.

5.3. Children and Families Trust Board receives a twice-yearly report covering the obsessions, priorities, and outcomes in the CYPP. Appendix one contains the performance summary table from the December report, covering the second quarter of 2017/18.

5.4. A change in the reporting process means that report cards are now presented on a rolling programme, with half (including the obsessions) at quarter two, and the other half (including the obsessions) at quarter four. The table in appendix one contains, therefore, some comments that have previously been shared with Scrutiny, alongside new comments for the quarter four reporting cycle.

5.5. Appendix two contains the most recent monthly data, which is presented through a dashboard made available across the children trust partnership. This shows



performance trends at a city level (appendix two (a)), and the most recent position at cluster level (appendix two (b)).

5.6. Other quarter two updates on the Children and Young People Plan include:

Impact

- **Do well in learning and have the skills for life:** Progress 8 captures the progress a pupil makes from the end of key stage 2 to the end of key stage 4, and can be considered a proxy for good teaching, and the efforts pupils make in school. Leeds' average Progress 8 result for 2016/17 (based on schools' Progress 8 results) is +0.06, which is better than all comparators (the national figure is -0.03), placing Leeds in the second quartile - the 40th best performing authority in the country.
- **Safe from harm:** 80 children were adopted during the 2016/17 financial year. Whilst this is lower than the previous 12 months, this represents 19 per cent of all children who ceased to be looked after. This is a higher percentage than all comparators, reflecting the ongoing efforts in Leeds to ensure permanence in stable and safe family units. 635 children have been adopted in Leeds since April 2010, at an average of 90 each year.
- **Have voice and influence:** 10,914 responses to the My Health My School survey were received, a 21 per cent increase on the previous year. The results are being analysed. 6,307 children voted in the Leeds Children's Mayor election, a 76 per cent increase from the previous election.

Effort

- **Safe from harm:** The One Adoption West Yorkshire adoption agency was successfully established in April, with staff transferring from Bradford, Calderdale, Kirklees and Wakefield to work for Leeds as part of the new agency. This was the first regional adoption agency in the country to be set up.
- **Safe from harm:** children and young people's views are central to child protection meetings; independent advocates supported 432 children and young people last year. This ensures that the family strengths and the risks are better understood which, in turn, enables the plans to be specific and child-focused.
- **Improve social, emotional, and mental health (SEMH) and wellbeing services:** The Future in Mind Leeds Strategy was launched in February 2017 and was co-produced with colleagues from the Clinical Commissioning Group within the NHS. At the end of its first year, MindMate SPA (Single Point of Access) had triaged 3,700 young people and identified appropriate support for them regarding their mental health needs.
- **Have voice and influence:** In July, members of the UK Youth Parliament deputised to Full Council about the national campaign Votes at 16, asking elected



members to publicly support Votes at 16. Cllr Judith Blake wrote to Chris Skidmore MP, Minister for the Constitution, to publicly note the Council's support for votes for 16 and 17 year-olds.

Areas for awareness and focus

- 5.7. 55 per cent of Leeds year 6 children achieved the expected standard in reading, writing and maths, compared to 61 per cent of children in state-funded schools nationally. Performance on all key stage 2 indicators has improved since 2016, but the gaps to national performance remain the same, with the exception of maths where the gap to national has increased. On the headline measure, Leeds is ranked =135 out of 150 local authorities. Provisional data indicate an increase in the number of Leeds schools below the floor standard compared to 2017. These issues at age 11 are also reflected at 7 and 5 and relate to the committee's current inquiry into the impact of poverty and disadvantage on learning.
- 5.8. It is projected that a further 1,500 year seven places will need to be created by 2021, based on the number of places available for academic year 2017/18. This will be met through: local authority-led permanent expansions; schools increasing their published admission number either temporarily or permanently; the creation of secondary free schools, including local authority-led free school presumptions; and changes to the organisation of post-16 provision within schools.
- 6. Supporting children and families, strengthening social care** (supporting data in appendix three)
- 6.1. Appendix three provides an overview of operational performance measures for children's social care. The number of children subject to a child protection plan continues to safely and appropriately reduce. At the same time, the proportion of children becoming subject to a child protection plan for a second or subsequent time within two years remains below 10 per cent, suggesting that plans are appropriately closed once sustainable actions have been implemented. Approximately nine in ten child protection, and child looked after, reviews were held within timescales in September 2017. Both figures remain high, but are subject to small, monthly fluctuations and continued focus.
- 6.2. As appendix three shows, we continue to closely monitor that the simple things, such as timeliness and contact, are being done well. The proportion of child and family assessments completed in 45 days at 74 per cent (financial year to date) and the length of time to complete those going over 45 days remain areas for improvement.
- 6.3. In addition to the monthly management information, national data are made available by the Department for Education with the publication of data from various statutory returns. These returns provide a wealth of data; listed below are just two examples from these statistical first releases.
- 6.4. Information on children looked after show that there were 1,255 children looked after at 31 March 2017, 15 more than the same point in 2016. Comparator groups

(core cities, statistical neighbours, Yorkshire and The Humber) also recorded rises in children looked after numbers, but Leeds' modest 1.2 per cent increase is a smaller rise than experienced by all comparators. Since March 2011, looked after numbers in Leeds have reduced by nearly 13.5 per cent. The year-end child protection figure of 515 is half the level seen at the start of the CYPP, in June 2011. Leeds' rate per ten thousand figure of 31.2 is significantly lower than comparator groups (more than 20 points lower than core cities, for example).

7. Reporting of children's outcomes in different ways

- 7.1. Sharing children's data and indicators helps build ownership of priorities and the understanding of need in a range of different ways. This is an evolving area that combine requests from elected members, senior leaders within Children and Families, and the greater availability of data and tools to present that information in different ways.
- 7.2. Nationally, more information is available including through the DfE: school performance tables; regular statistical first releases; and tools like the Local Authority Interactive Tool (LAIT)¹.
- 7.3. Locally, Children and Families continues to provide data and intelligence through a range of methods to different audiences. Community committees receive regular data profiles that include contextual data (the number of children and young people living in a community committee area; and the number of schools, children's centres, and children's homes) and performance data (the three obsessions, attainment, offending, and a summary of Ofsted ratings). A subset of the data is provided at ward level.
- 7.4. Following discussions with the Communities Team, the children's community committee profiles will continue, but will reduce to once a year in spring following finalised key stage data and based on calendar year for non-academic year data. The profiles will be supported by key stage maps, and will feed into existing community committee children's champions' briefings.

8. Corporate considerations

8.1. Consultation and engagement

- 8.1.□1. This is an information report and as such does not need to be consulted on with the public. However, all performance information is available to the public.

8.2. Equality and diversity/cohesion and integration

- 8.2.□1. This is an information report, rather than a decision report and so due regard is not relevant. However, this report does include an update on equality issues as they relate to the various priorities.

¹ <https://www.gov.uk/government/publications/local-authority-interactive-tool-lait>



8.2.□2. Some young people are statistically more likely to have relatively poor outcomes, for example those with learning difficulties and disabilities; those from some ethnic minority backgrounds; those with English as an additional language; those living in deprived areas; poor school attenders; and those involved in the social care system.

8.2.□3. The purpose of all the strategic and operational activity relating to this this area of work is to help all children and young people achieve their full potential. A central element of this is to ensure that the needs of vulnerable children, young people, and families who experience inequality of opportunity or outcomes are identified and responded to at the earliest possible opportunity.

8.3. Council policies and city priorities

8.3.□1. This report provides an update on progress in delivering the council and city priorities in line with the council's performance management framework. The CYPP supports, reflects, and complements the outcomes, priorities and indicators set out in the Best Council Plan 2015-20 and the Joint Health and Well Being Plan 2013-15 (which is currently being updated).

8.4. Resources and value for money

8.4.□1. There are no specific resource implications from this report.

8.5. Legal implications, access to information and call in

8.5.□1. All performance information is publicly available. This report is an information update providing Scrutiny with a summary of performance for the strategic priorities within its remit and as such is not subject to call in.

8.6. Risk management

8.6.□1. The six-monthly summary of CYPP report cards provided to Scrutiny includes an update of the key risks and challenges for each of the priorities. This is supported by a comprehensive risk management process in the council to monitor and manage key risks.

9. Conclusions

9.1. This report provides a summary of performance against the strategic priorities for the council relevant to Scrutiny Board (Children's Services).

10. Recommendations

10.1. Members are recommended to:

- Consider and comment on the most recent performance information, including content they would like to see in the next update.



- Use the information in deciding on the areas for further scrutiny work to support improvement over the coming year.

11. Background documents²





- 11.1. Other regular sources of information about performance in relation to children's services are contained in community committee reports; the annual standards report to Executive Board each February/March about education attainment; the annual reports to Executive Board of the fostering and adoption services each summer; and regular updates to Executive Board on proposals to increase school places as part of the basic need programme.


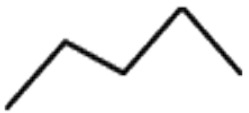
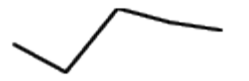
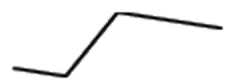
² The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.








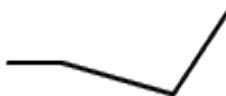
Appendix one: indicator performance for the CYPP indicators as at the end of September 2017



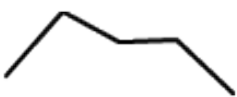

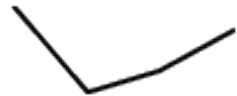
This shows a summary of the position for each priority, and an indication of the difference between performance reported at the end of September 2017 and September 2016. The cross/tick next to each direction of travel (DOT) arrow indicates if a rise or fall in performance is a positive or negative trend;




	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Safe from harm	Obsession Number of children looked after	Leeds' children looked after numbers rose by 1.2 per cent in the 12 months between April 2016 and March 2017. Over the same period national looked after numbers rose by 3.2 per cent. Since 2011, Leeds' looked after numbers have reduced by 13.4 per cent, whilst nationally there has been a 10.9 per cent rise. September's figure is 1,256 Children and Families Trust partners should: provide support and challenge around the Innovation Fund projects, to ensure that vulnerable children and young people are receiving the best possible support to improve their life chances	1,230 75.8 per 10,000 Sept 2016	1,256 76.2 per 10,000 Sept 2017	↑ ✘	
	Number of children subject to a child protection plan	The current number of children subject to a child protection plan is appropriate and safe, with plans lasting for the right length of time Children and Families Trust partners should: continue to support the multi-agency approach to ensure that child protection plans remain child-focused and have partner support to enable children, young people and their families to find sustainable solutions to the challenges they face	559 34.4 per 10,000 Sept 2016	519 31.5 per 10,000 Sept 2017	↓ ✓	
Do well in learning and have the skills for life	Key stage 2 assessment (Percentage reaching expected standard in RWM)	Pupils who are not disadvantaged tend to do as well (or sometimes better) in Leeds schools as in other parts of the country. Disadvantaged pupils' outcomes are significantly worse in Leeds than for the same groups nationally. Leeds outcomes remain below national and statistical neighbours Children and Families Trust partners should: reflect on when practitioners from your organisation are working with a family, especially where disadvantage is an issue, does their support include a conversation about learning?	47% 2015/16 academic year	55% 2016/17 academic year	↑ ✓	

	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Do well in learning and have the skills for life	Key stage 4 assessment (Percentage achieving a strong pass in English and maths)	Leeds' result is above core cities but below statistical neighbours, placing Leeds in the third quartile nationally (=102/151). Outcomes for disadvantaged pupils in Leeds against this headline attainment measure are much lower than those of non-disadvantaged pupils Children and Families Trust partners should: raise awareness across partner organisations and all services working with young people about curriculum and accountability reform in secondary schools	New measure for 2016/17 academic year - comparison not possible	38.7% 2016/17 academic year	n/a	New measure
	Level 3 qualifications at 19	In 2016, the gap between Leeds and national has increased to seven percentage points. Similarly, the gap between Leeds and statistical neighbours has increased to four percentage points. Leeds is now one percentage point behind the core cities average Children and Families Trust partners should: encourage secondary school governors to support and challenge schools to submit free school bids for sixth form centres, to create more viable post-16 provision and offer broader curriculum choices across Leeds	55% 2015	53% 2016	↓ x	
	Achievement gaps at 5, 11, 16, 19	2016 results comment: At all key stages in Leeds non-disadvantaged pupils perform either broadly in line with, or better than, the equivalent other group nationally, but the attainment of the disadvantaged group in Leeds lags far behind the other group nationally. Teachers know who pupil premium children are and take responsibility for accelerating their progress; support staff (particularly teaching assistants) are highly trained and understand their role in helping pupils to achieve Children and Families Trust partners should: help to promote the approach that diminishing the difference in learning outcomes for disadvantaged children is the responsibility of all practitioners throughout the children's partnership. Board members who are school governors can offer support and challenge to their schools over the impact of spending decisions about pupil premium funding				
	Obsession Primary and secondary attendance	Based on half-terms 1-4, attendance at both phases is largely stable for the last three years. Attendance at secondary schools in Leeds remains below national, with persistent and unauthorised absence too high in a small number of schools Children and Families Trust partners should: ensure that the focus on the 3As becomes a common approach, encourage staff to access the re-think formulation training and forums as they are rolled out across the city	96.2% Primary 2015/16 HT 1-4	96.2% Primary 2016/17 HT 1-4	↕	 HT1-6 (15/16 academic year)
		94.5% Secondary 2015/16 HT 1-4	94.6% Secondary 2016/17 HT 1-4	↕	 HT1-6 (15/16 academic year)	

	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Do well in learning and have the skills for life	Obsession Percentage of young people who are NEET or not known	In 2016 the combined NEET and not known rate in Leeds was 6.0 per cent (870 young people), which places Leeds in line with national. This breaks down as 2.9 per cent NEET and 3.1 per cent not known. Figures for August (the conclusion of 2016/17 academic year) show NEET at 5.2 per cent (793 young people) made up of 3.4 per cent NEET and 1.8 per cent not known Children and Families Trust partners should: <i>Support and promote the opportunities available for advice in locality job shops and promote the apprenticeship/next steps events</i>	n/a - new methodology from September 2016	6.0% Dec 2016 to Feb 2017 average	n/a	Not applicable
	Percentage of new school places in good or outstanding schools	Since 2009, over 1,700 reception class (primary school) places have been created as part of the Basic Need programme. Another 1,500 year seven places will be needed by 2021, based on the number of places available for academic year 2017/18. This will be met through local authority-led free school presumptions and changes to the organisation of post-16 provision within schools Children and Families Trust partners should: <i>support and attend stakeholder engagement events when appropriate, and raise awareness in communities of statutory admissions deadlines</i>	95% Sept 2016 - reception	77% Sept 2017 - reception	↓*	Not applicable
			n/a Sept 2017 - year seven	78% Sept 2017 - year seven	n/a	
Destinations of children and young people with SEND when they leave school	Attainment levels in Leeds are below the national average for all pupils, but especially for those pupils with SEND. 61 per cent of Leeds pupils with SEN achieved a level 2 qualification, two points fewer than the previous year. The gap to national is three percentage points. The gap at level 3 between pupils in Leeds with SEN and national pupils with SEN is six points Children and Families Trust partners should: <i>encourage schools to provide focused and appropriate careers information and guidance for young people with SEN. Consider how individual services and organisations can support young people with SEND develop the skills and confidence ready for the world of work by offering: work taster, work experience, and/or supported internships opportunities</i>	24% (Level 3 at 19 for SEN pupils) 2015	22% (Level 3 at 19 for SEN pupils) 2016	↓*		

	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Do well in learning and have the skills for life	Percentage with good level of development in Foundation Stage	<p>There has been a considerable increase in the proportion of children achieving GLD in Leeds, from 51 per cent in 2013, to 65 per cent in 2017. In 2013, Leeds was the poorest performing local authority on the low achievers gap measure. The gap to national has reduced in every year since 2013 and is now only 1.6 percentage points</p> <p>Children and Families Trust partners should: support practitioners who work with young families to promote activities such as reading, taking children to the library, singing songs/nursery rhymes with them</p>	63% 2015/16 academic year	65% 2016/17 academic year	↑✓	
	Number of fixed term exclusions from school	<p>The number of fixed-term exclusions in 2015/16 was largely static in terms of number of exclusions and numbers of pupils excluded. The total duration of exclusions has reduced by 4.7 per cent, length of exclusions in Leeds have been comparatively high</p> <p>Children and Families Trust partners should: encourage governors to ask whether appropriate support has been accessed for a young person with additional requirements to support safe transition to high school</p>	4,379 2014/15 academic year	4,355 2015/16 academic year	↓✓	
Healthy lifestyles	Obesity levels at age 11	<p>The proportion of Leeds children classed as obese has risen by over one percentage point since last year, the first increase in the last six years. The England and regional averages also rose, from 19.1 per cent to 19.8 per cent, and from 19.2 per cent to 20.3 per cent respectively. The new Leeds Child Healthy Weight Plan prioritises action to support families during pregnancy and during the first five years of life with early identification and targeted support for those children and families most at risk at the earliest opportunity</p> <p>Children and Families Trust partners should: be involved in the development of a more detailed implementation plan that will build on the existing broad programme of multi-agency work in the city</p>	19.3% 2014/15 academic year	20.4% 2015/16 academic year	↑✗	

	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Healthy lifestyles	Free school meal uptake at primary and secondary	FSM uptake across Leeds has slightly decreased, due to secondary uptake decreasing (although primary uptake has increased). UIFSM uptake has continued to rise, to 89.7 per cent in January 2017 Children and Families Trust partners should: continue to support FSM, UIFSM and overall school meals uptake, with a focus in secondary schools. Members should encourage key partners and representatives within the Council to join the FSM strategy group where relevant, and take an active responsibility to promote FSM	82.2% Primary 2016 school census	82.6% Primary 2017 school census	↑ ✓	
			77.4% Secondary 2016 school census	71.6% Secondary 2017 school census	↓ ✗	
	Teenage pregnancy rates	Leeds' rate (30.6) is above statistical neighbours' average (22.7) and has increased in the most recent statistical release. There were 90 conceptions in the quarter to June 2016 compared to 78 conceptions in the quarter to March 2016 Children and Families Trust partners should: await the results of the further work to understand the reasons for the recent upturn. The results of this will be presented to Trust Board in the future	27.3 Rate per thousand 2015	30.6 Rate per thousand 2016 (six months)	↑ ✗	
	Rates of under-18s alcohol-related hospital admissions	Locally calculated figures for Leeds show that female rates for alcohol-related admissions tend to run about a third higher than male rates. Evidence shows that children and young people who are looked after by social services have a high level of risk and needs around drugs, alcohol and tobacco misuse Children and Families Trust partners should: raise awareness of the cannabis misuse campaign and workforce training within Children's services and the wider partners. Encourage more clusters to embed actions in their cluster action plans	29.7 Rate per 100,000 2013/14 - 2015/16	32.6 Rate per 100,000 2014/15 - 2016/17	↑ ✗	
Have fun growing up	Children and young people have fun growing up	Consideration is needed between finding an appropriate focus and measure on which it is useful to report, or providing feedback in less formal ways of activity and children's views in/of Leeds				
	Improve social, emotional and mental health and well being	The Future in Mind Leeds Strategy was launched in February 2017 and was co-produced with colleagues from the Clinical Commissioning Group within the NHS. At the end of its first year, MindMate SPA (Single Point of Access) had triaged 3,700 young people and identified appropriate support for them regarding their mental health needs. Children and Families Trust partners should: Support and promote the work of the Future in Mind Leeds Strategy				Not applicable

	Indicator	Summary	Performance			Trend line
			Q2 2016/17	Q2 2017/18	DOT	
Voice and influence	Proportion of 10-17 year-olds offending	<p>Whilst the number of first time entrants has reduced by 74 per cent since the baseline year (2009), the reoffending rate continues to increase: young people who reoffended committed an average of 4.01 re-offences each, up from 3.45 in the previous 12 months</p> <p>Children and Families Trust partners should: support the ambition for the city to reduce the number of young people going into custody; work with the police to find alternatives to the current custody suite</p>	<p>0.8% January to December 2015</p>	<p>0.8% January to December 2016</p>	↕	
	Percentage of Children and young people who report influence in (a) school and (b) the community	<p>More schools, and more young people are participating in the My Health My School survey and the Leeds Children's Mayor voting. Young people continue to influence service design across the city</p> <p>Children and Families Trust partners should: note the activities taking place across the city and disseminate into their organisations to further increase the awareness take-up</p>	<p>9,013 Young people completing My Health My School survey 2015/16</p>	<p>10,914 Young people completing My Health My School survey 2016/17</p>	↑✓	

Appendix two (a): CYPP key indicator dashboard - city level: September 2017

	Measure	National	Stat neighbour	Result for same period last year	Result Jun 2017	Result Jul 2017	Result Aug 2017	Result Sept 2017	DOT	Data last updated	Timespan covered by month result	
Safe from harm	1	Number of children looked after	60/10,000 (2013/14 FY)	76/10,000 (2013/14 FY)	1232 (76.3/10,000)	1274 (78.4/10,000)	1260 (77.5/10,000)	1272 (78.2/10,000)	1259 (77.4/10,000)	▲	30/09/2017	Snapshot
	2	Number of children subject to Child Protection Plans	42.9/10,000 (2014/15 FY)	49.1/10,000 (2014/15 FY)	559 (34.6/10,000)	519 (31.9/10,000)	524 (32.2/10,000)	538 (33.0/10,000)	519 (31.9/10,000)	▼	30/09/2017	Snapshot
Do well in learning and have the skills for life	3	% with good achievement at the end of primary school	61% (2017 AY)	60% (2017 AY)	48% (2016 AY)	55% (2017 AY)			▲	Aug.17 SFR	AY	
	4	Average Progress 8 Score	-0.03 (2017 AY)	-0.12 (2017 AY)	N/A new measure	0.06 (2017 AY)			N/A	Sept. 17 SFR	AY	
	5	Level 3 qualifications at 19	60% (2016 AY)	57% (2016 AY)	55% (2015 AY)	53% (2016 AY)			▼	Mar.17 SFR	AY	
	6	Achievement gaps at 5, 11, 16, 19	Please click here to view data on Attainment Gaps									
	7a	Primary attendance	96.0% (HT1-4 2017/16)	96.0% (HT1-4 2016/17)	96.2% (HT 1-4 2015/16 AY)	96.2% (HT 1-4 2016/17 AY)			▶	Sep-17	HT.1-4	
	7b	Secondary attendance	94.8% (HT1-4 2016/17)	94.7% (HT1-4 2016/17)	94.7% (HT 1-4 2015/16 AY)	94.6% (HT 1-4 2016/17 AY)			▼	Sep-17	HT.1-4	
	8	Young people who are NEET or 'not known'	14.9%	7.6%	N/A new measure	5.0% (752)	5.2% (782)	1.8% (284)	Data not available	N/A	31/08/2017	1 month
	9	Number of school places created in good or outstanding schools	N/A Local indicator	N/A Local indicator	90%	90%			N/A	31/03/2016	Up to September 2016	
	10	Destinations of CYP with SEND - remaining in education, or employment or training.	91% (2014/15)	93.3% (2014/15)	90% 2013/14	88% 2014/15			▼	Jan. 17 SFR	AY	
	11	Early Years Foundation Stage good level of development	71% (2017 AY)	69% (2017 AY)	63% (2016)	65% 2017			▲	Oct 17 SFR	AY	
12a	Number of fixed-term school exclusions Primary	1.21 per 100 pupils (2016 AY)	1.07 per 100 pupils (2016 AY)	0.46 per 100 pupils (2015 AY)	0.64 per 100 pupils (2016 AY)			▲	July 17 SFR	AY		
12b	Number of fixed-term school exclusions Secondary	8.5 per 100 pupils (2016 AY)	9.3 per 100 pupils (2016 AY)	10.8 per 100 pupils (2015 AY)	12.9 per 100 pupils (2016 AY)			▲	July 17 SFR	AY		

		Measure	National	Stat neighbour	Result for same period last year	Result Jun 2017	Result Jul 2017	Result Aug 2017	Result Sept 2017	DOT	Data last updated	Timespan covered by month result	
Healthy lifestyles	13	Obesity levels at year 6 age 11	19.8% (2015/16 AY)	21.4% (2015/16 AY)	19.3% (2014/15 AY)	20.4% (2015/16 AY)				▼	Nov 16 SFR	AY	
	14a	Uptake of free school meals - primary	Local indicator	Local indicator	82.2% (2015/16)	82.7% 2016/17)				▲	Jan-17 School Census	Snapshot	
	14b	Uptake of free school meals - secondary	local indicator	Local indicator	82.1% (2015/16)	72.4% 2016/17)				▼	Jan-17 School Census	Snapshot	
	15	Teenage conceptions (rate per 1000)	19.8 (March 2016)	25.1 (March 2016)	29.9 (March 2015)	25.5 (March 2016)				▼	May-16	Quarterly	
	16	Alcohol-related hospital admissions for under-18s	Local indicator	Local indicator	57 (2012)	41				▼	2015	Calendar year	
Fun	17	Surveys of CYP perceptions	New CYPP indicator under development										
	18	CYP and parent satisfaction with mental health services	New CYPP indicator under development										
voice & influence	19	10 to 17 year-olds committing one or more offence	0.7% Jan - Dec 2015	0.9% Jan - Dec 2015	0.8% Jan - Dec 2015	0.8% Jan - Dec 2016				▶	Jun-17	Calendar year	
	20	Percentage of C&YP who report influence in a) school b) the community	New CYPP Indicator under development										

Key AY - academic year DOT - direction of travel FY - financial year HT - half term SFR - statistical first release (Department for Education / Department of Health data publication)

Direction of travel arrow is not applicable for comparing Early Years Foundation Stage outcomes from 2013 with earlier years; assessment in 2013 was against a new framework

Comparative national data for academic attainment indicators are the result for all state-maintained schools

Appendix two (b): CYPP key indicator dashboard - cluster level: September 2017

Date	Children looked after ^{2,4,5}		Child protection plans ^{2,4,5}		NEET and not known		% with good achievement at the end of primary school ³		Average Progress 8 Score ³	Level 3 quals at age 19 ^{3,6}	Primary attendance ³	Secondary attendance ³	Early Years Foundation Stage ³	Obesity levels at Year 6 ⁴	Primary uptake of FSM ³	Secondary uptake of FSM ³	Alcohol-related hospital admissions for under-18s ^{4,5}	10-17 yr old offenders ^{4,5}
	As at	30/09/2017	As at	30/09/2017	As at	31/08/2017	2016 AY	2016 AY	2015 AY	HT1-6 15/16	HT1-6 15/16	2016 AY	2014/15 AY	2016/17 FY	2016/17 FY	2015 FY	10/2016 - 12/2016	
Leeds	1259		519		1.8%		48%	-0.06	55%	96.0%	94.6%	63%	19.1%	82.7%	72.4%	41	0.2%	
Cluster	No.	RPTT	No.	RPTT	No.	%	%	No.	%	%	%	%	%	%	%	%	No.	RPT
ACES	65	123.6	31	58.9	19	4.1%	52.8%	-0.72	41.1%	96.5%	93.5%	50.0%	26.4%	88.7%	81.0%		5	2.60
Aireborough	26	36.1	8	-	3	0.4%	63.1%	0.03	69.4%	97.0%	95.1%	73.9%	11.8%	84.5%	81.6%		0	0.00
Ardley & Tingley	12	35.9	13	38.9	2	0.5%	49.8%	0.37	55.0%	96.4%	96.2%	67.4%	15.4%	86.0%	78.8%		<5	1.35
ARM ⁸	29	21.9	5	3.78	6	0.5%	57.9%	-0.01	68.8%	96.6%	94.8%	71.7%	-	73.3%	77.5%		<5	0.19
Beeston, Cottingley and Middleton	91	108.2	47	55.9	20	2.7%	38.7%	0.38	45.2%	96.2%	95.0%	48.3%	24.3%	86.9%	84.1%		7	2.26
Bramley	63	86.2	22	30.1	17	2.5%	31.4%	-0.37	42.1%	95.5%	93.6%	56.6%	25.8%	86.3%	76.3%		6	2.11
Brigshaw	17	33.7	5	9.9	4	0.8%	49.1%	0.02	52.2%	96.5%	94.9%	74.1%	15.1%	67.9%	unavailable		<5	0.94
EPOSS ¹	6	8.2	<5	-	3	0.6%	58.9%	-0.24	62.6%	96.9%	94.9%	75.6%	10.6%	84.8%	67.7%		<5	0.91
ESNW	17	35.8	16	33.7	7	1.6%	58.1%	0.12	60.1%	96.4%	93.3%	71.7%	17.6%	80.3%	65.6%		<5	0.51
Farnley	24	72.1	8	24.0	14	4.3%	38.4%	0.56	33.3%	95.8%	95.2%	55.5%	26.9%	88.1%	76.5%		0	0.00
Garforth	<5	-	<5	-	2	0.5%	44.7%	0.26	68.3%	96.6%	96.1%	63.3%	14.1%	81.0%	-		0	0.00
Horsforth	6	15.8	9	23.7	1	0.3%	66.0%	0.06	70.6%	97.3%	95.6%	73.9%	13.0%	54.0%	70.9%		0	0.00
Inner East	221	168.2	50	38.1	35	3.3%	32.3%	-0.17	44.9%	95.4%	94.1%	54.8%	25.4%	85.2%	58.3%		13	2.78
Inner NW Hub	34	53.8	33	52.2	8	1.6%	52.2%	-0.14	56.0%	96.3%	94.9%	67.9%	19.4%	84.0%	73.8%		7	2.86
J.E.S.S	184	175.8	63	60.2	38	4.4%	36.6%	-0.69	36.9%	95.9%	92.4%	48.9%	24.3%	82.8%	68.5%		0	0.00
Morley	48	57.6	38	45.6	9	1.2%	47.8%	0.25	59.8%	96.2%	95.2%	63.0%	16.8%	71.9%	72.6%		<5	0.91
OPEN XS	38	99.6	8	21.0	11	4.4%	33.1%	-0.36	52.1%	95.3%	92.7%	53.6%	17.9%	83.0%	97.4%		<5	0.78
Otley/Pool/Bramhope	5	12.3	5	12.3	3	0.7%	53.7%	0.22	65.6%	96.7%	94.3%	74.9%	16.4%	87.3%	73.2%		0	0.00
Pudsey	26	25.8	11	10.9	7	0.8%	51.5%	-0.20	54.6%	96.3%	94.6%	68.8%	13.7%	75.5%	68.8%		<5	0.52
Rothwell	9	13.8	18	27.6	4	0.7%	51.4%	0.19	54.7%	96.5%	95.0%	70.8%	16.5%	89.4%	71.0%		<5	0.75
Seacroft Manston	99	100.4	49	49.7	32	3.3%	52.4%	-0.51	37.3%	95.7%	91.4%	60.0%	21.9%	83.2%	66.4%		12	3.03
Temple Newsam Halton	39	71.5	21	38.5	6	1.0%	56.0%	-0.14	50.0%	96.2%	93.8%	63.7%	22.2%	90.5%	72.9%		<5	1.29
Zgether ⁷	111	92.7	34	28.4	31	2.7%	38.9%	0.13	-	95.2%	93.5%	54.0%	-	79.4%	-		13	2.76

Key: AY - academic year FSM - free school meals FY - financial year RPT - rate per thousand RPTT - rate per ten thousand

Notes

CYPP indicators reported at a cluster level are not comparable with citywide results, as the data used is not always from the same period.

1 - On 1 April 2013 Wigton Moor Primary moved from EPOSS to Alwoodley. As some data-sets pre-date this boundary change, data for some indicators is only available by the previous boundaries. This will be updated over time.

2 - Data by cluster for these indicators does not add up to the Leeds total, due to some children's records having a missing postcode, or an out of authority postcode. For children looked after the postcode used is where the child lived at the point of becoming looked after.

3 - Data for these indicators is by schools within the cluster, not by pupils living in the cluster area.

4 - Data for these indicators is by children and young people living in the cluster area, not attending schools in the cluster.

5 - Data suppressed for instances of fewer than 5.

6 - Data based on where the young person lived went to school three years previously when they were in Year 11, regardless of where they actually gained the Level 3 qualification.

7 - In September 2016 CHES5 and NETWORK5 merged to form a new cluster known as Zgether.

8 - During the summer of 2015 Alwoodley and the NEXT clusters merged to form the ARM cluster. Historical data for NEXT and Alwoodley will be removed as and when new data becomes available for the CYPP indicators.

Appendix three: Safeguarding specialist and targeted services September 2017 monthly practice improvement report

Incorporating children in need, children subject to a child protection plan and children looked after

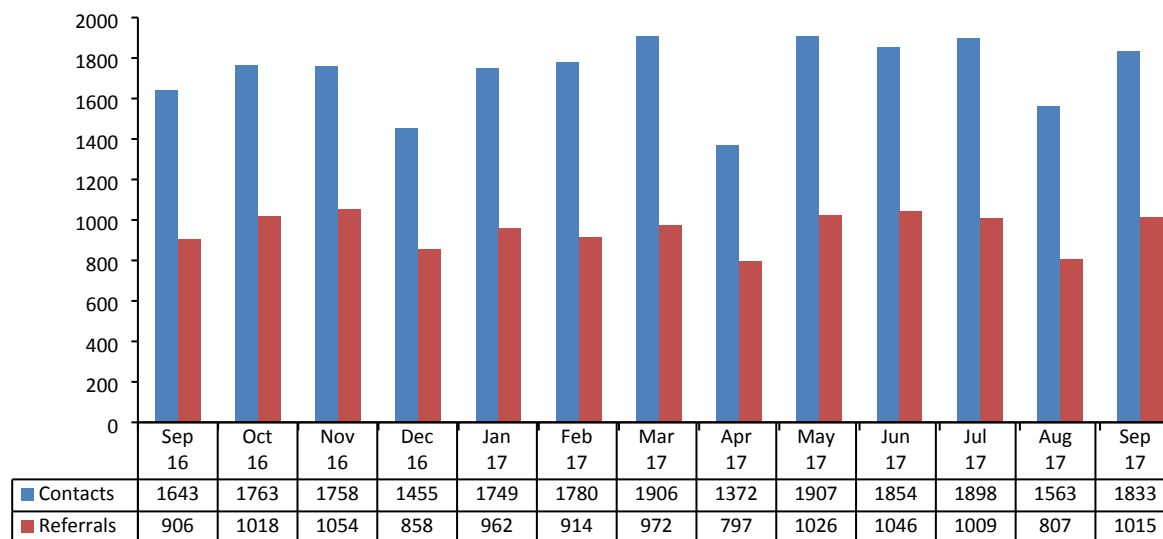
(March 2017 figures - last data reported to Scrutiny - in brackets where available.) Some data are new since the last report and are not comparable.

Performance summary: Child in need

How much did we do this month? (Last month in brackets)	How well did we do it?															
<ul style="list-style-type: none"> • 1833 (1906) contacts were received, of which 1015 (972) became referrals to Children's Social Work Service. • 256 (224) referrals this month were re-referrals within 12 months; this is 25.2% (26.4%) of all referrals this month. • 675 (878) Child and Family Assessments were completed. • 5639 (5469) open cases - without CHAD OT Team, 5993 (5863) cases open to Children's Social Work Services (with the CHAD OT Team) at the end of month. • Data quality issues <ul style="list-style-type: none"> • 541 (446) open cases had no ethnicity recorded • There are 51 (47) children who have a service user group of Disability who do not have a complex need or disability recorded under the health tab 	<ul style="list-style-type: none"> • 24.1% (23.5%) of referrals within a 12-month period (rolling 12 months) were re-referrals. • 66.5% (70.4%) Child and Family Assessments undertaken in the month were carried out within 45 working days. The year-to-date from April performance is 74.1% (77.2%). • 85 (101) days is the average time taken to complete Child and Family Assessments that took longer than 45 working days. This includes all Child and Family assessments which were outcomes from a referral (not just those with Child and Family assessment as a primary outcome). • Of Child and Family Assessments completed outside 45 working days (% of assessments outside 45 working days): <table border="1" data-bbox="1137 959 2072 1075" style="width: 100%; text-align: center;"> <thead> <tr> <th>46-49 days</th> <th>50-64 days</th> <th>65-79 days</th> <th>80+ days</th> </tr> </thead> <tbody> <tr> <td>11 (34)</td> <td>88 (68)</td> <td>47 (68)</td> <td>80 (85)</td> </tr> <tr> <td>5% (13%)</td> <td>39% (27%)</td> <td>21% (27%)</td> <td>35% (33%)</td> </tr> </tbody> </table> 				46-49 days	50-64 days	65-79 days	80+ days	11 (34)	88 (68)	47 (68)	80 (85)	5% (13%)	39% (27%)	21% (27%)	35% (33%)
46-49 days	50-64 days	65-79 days	80+ days													
11 (34)	88 (68)	47 (68)	80 (85)													
5% (13%)	39% (27%)	21% (27%)	35% (33%)													
What difference did we make and what do we want to improve?																
<ul style="list-style-type: none"> • The timeliness of 45 day assessments remains an area for improved consistency accepting the reduction in average time for those that took more than 45 days • Improve the recording of children's ethnicity on cases 																

Performance trends: Children in need

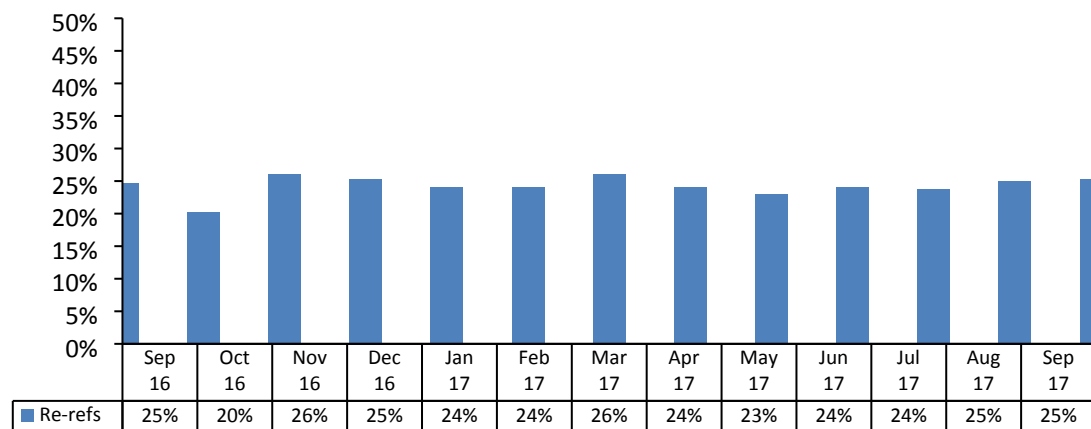
Total contact and referrals by month



Commentary

This graph shows total contacts received by the Children's Duty and Advice Team and the number of referrals accepted by the Children's Social Work Service.

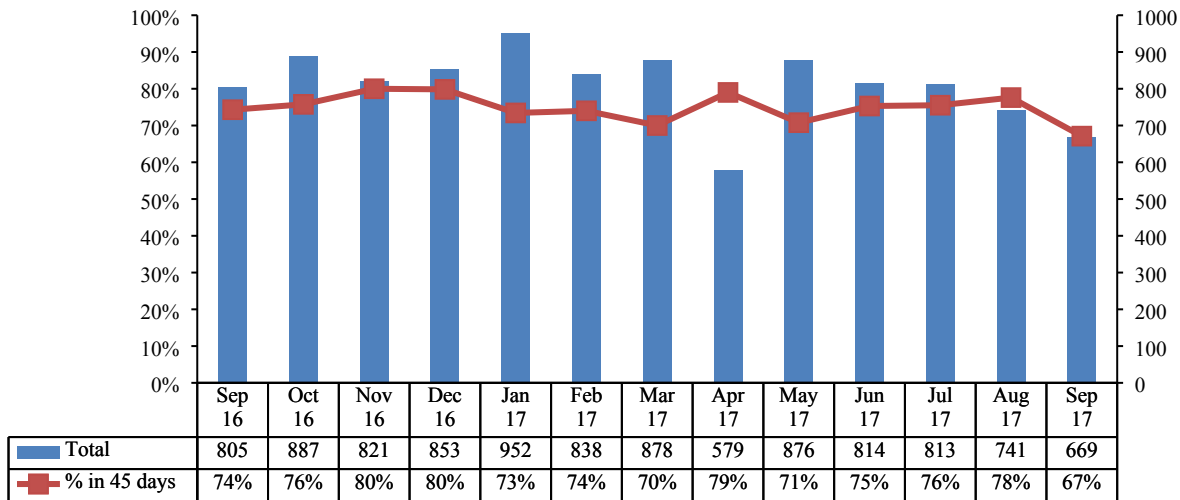
Percentage of referrals that are a re-referral within a 12-month period



Commentary

This graph shows what percentage of referrals in the month were re-referrals within 12 months of previous referral

Percentage of child and family assessments completed within 45 days



Commentary

This graph shows the total number of assessments completed in month and percentage completed within 45 days.

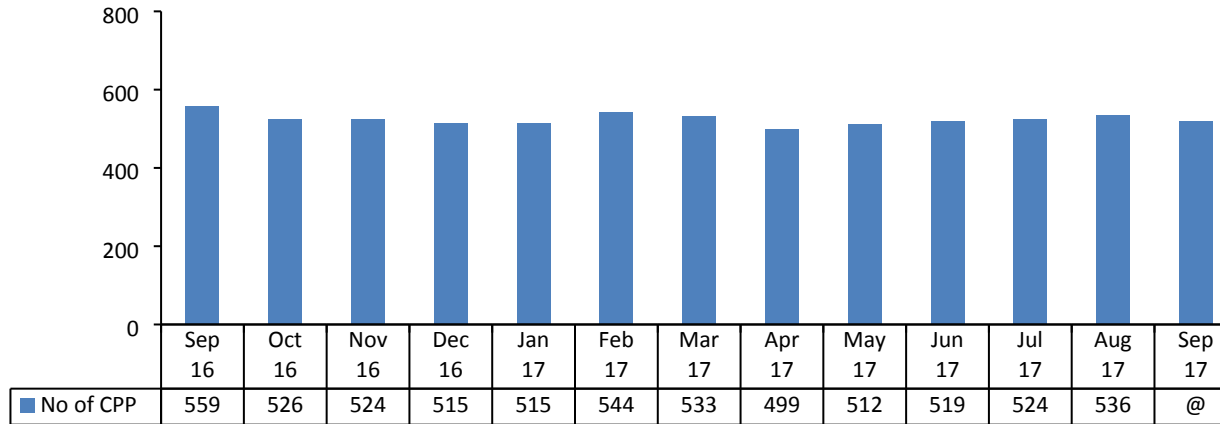


Performance summary: Child protection

How much did we do this month? (Last month in brackets)	How well did we do it?
<ul style="list-style-type: none"> • 519 (533) children and young people (CYP) subject to a child protection plan (CPP) • 137 (116) section 47 enquiries were completed • 36 (58) CYP had an initial child protection conference (ICPC) • 106 (62) CYP had a child protection review • 410 (385) CYP received a visit in the last 20 working days, as of the last day of the month 	<ul style="list-style-type: none"> • 98.5% (98.9%) of CYP subject to CPP were allocated to a qualified social worker. Those cases recorded as without a qualified social worker are reviewed and followed up with the service • 4 CYP from 2 families (5 CYP from 5 families) were subject to a CPP for more than two years • 9.7% (10.1%) of CYP becoming subject to CPP in the last 12 months were for a second or a subsequent time and within 2 years of their previous plan ending • 80.6% (77.6%) of ICPCs this month were held within statutory timescales • 89.6% (98.4%) of all child protection reviews this month were held within statutory timescale • 91.5% (79.4%) of CYP who have been subject to a CPP for at least 20 working days received their statutory visit, as of last day of the recording month
<p>What difference did we make and what do we want to improve?</p> <ul style="list-style-type: none"> • The number of visits held within timescales has improved for children on a child protection plan • Keep improving ICPC timeliness • High number of child protection reviews completed, with reasonable overall timeliness 	

Performance trends: Child protection

Children subject to a child protection plan

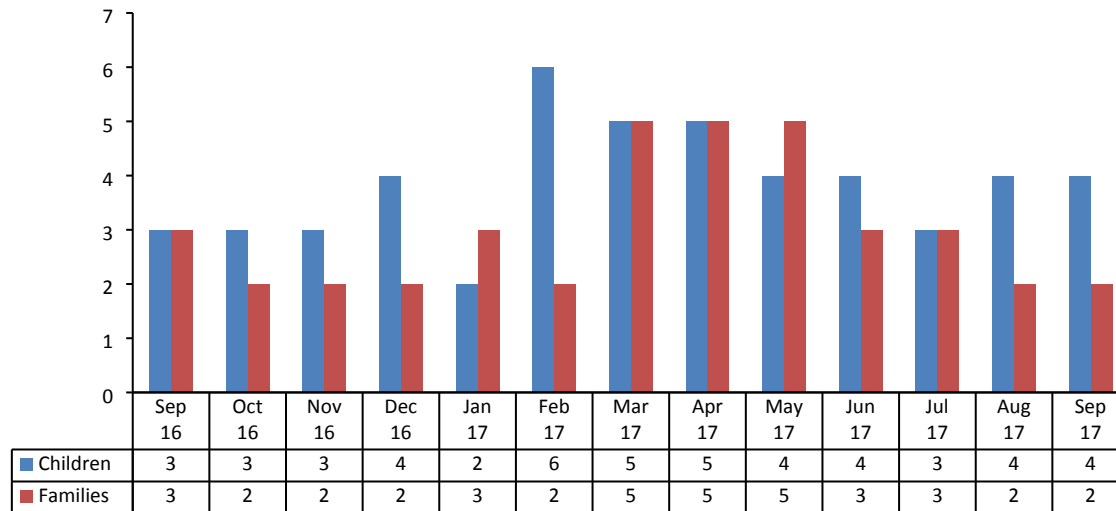


Commentary

The graph shows the number of children subject to CPPs at the month end. This month the rate per 10,000 is **31.5**, compared to **34.4** at the same time last year.

* Rate per 10,000 uses 164,806 child population (0-17) from the mid- 2016 population estimates released in June 2017 by ONS

CYP on CP plan for more than two years and number of families

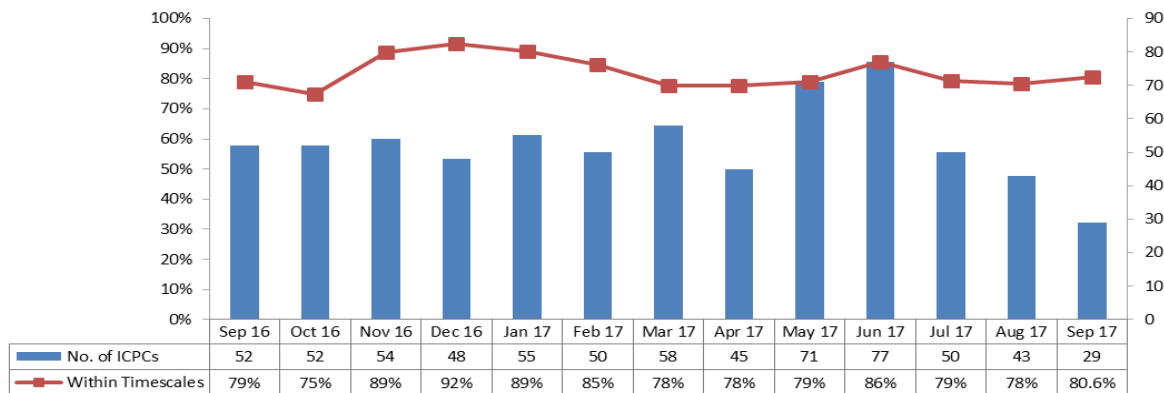


Commentary

This graph shows the number of children who have been on a CPP for 2 years or more at the month end and the number of sibling groups these children belong to.

Performance trends: Child protection

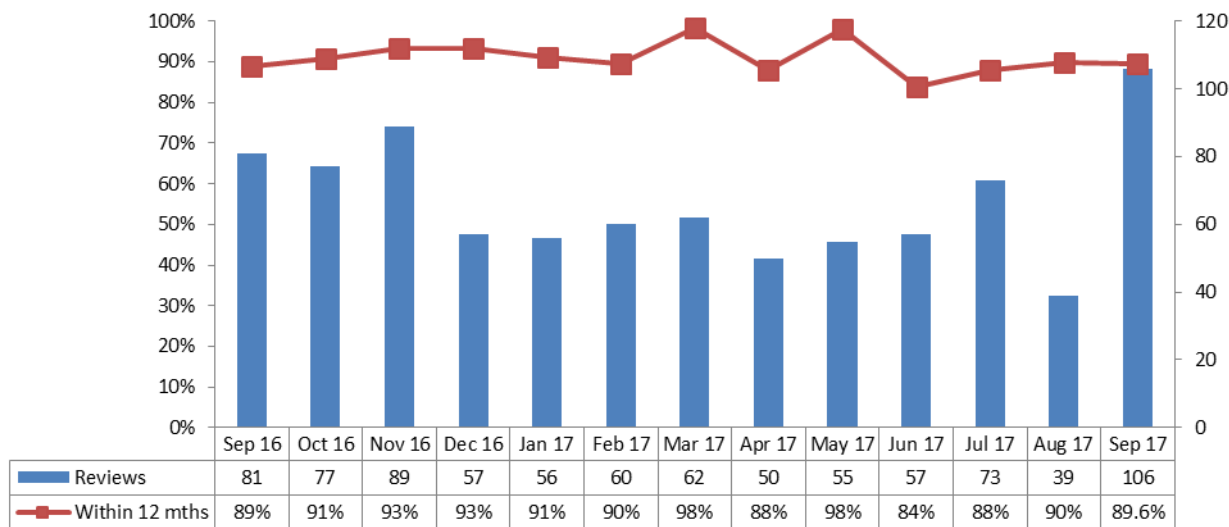
Initial child protection conferences monthly volume and percentage within statutory timescales



Commentary

The graph shows the number of children for whom ICPCs were held, together with the percentage held within 15 working days of the strategy discussion meeting.

Child protection reviews monthly volume passed and percentage within statutory timescale

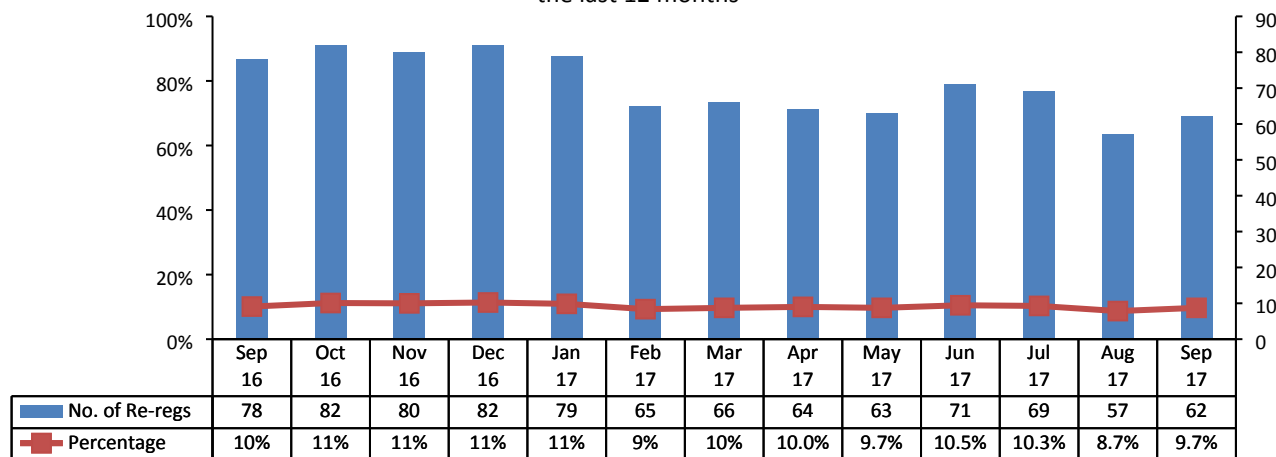


Commentary

The graph shows the number of children for whom child protection reviews were completed in month, together with the percentage held within statutory timescales.

Performance trends: Child protection

Child protection re-registrations within 2 years and percentage of re-regs who become subject to a plan within the last 12 months



Commentary

This graph shows children becoming subject to a CPP within 2 years of their previous plan ending and as a percentage of all children coming onto plan in the last 12 months

This month the rate per 10,000 is **3.8** (3.5).

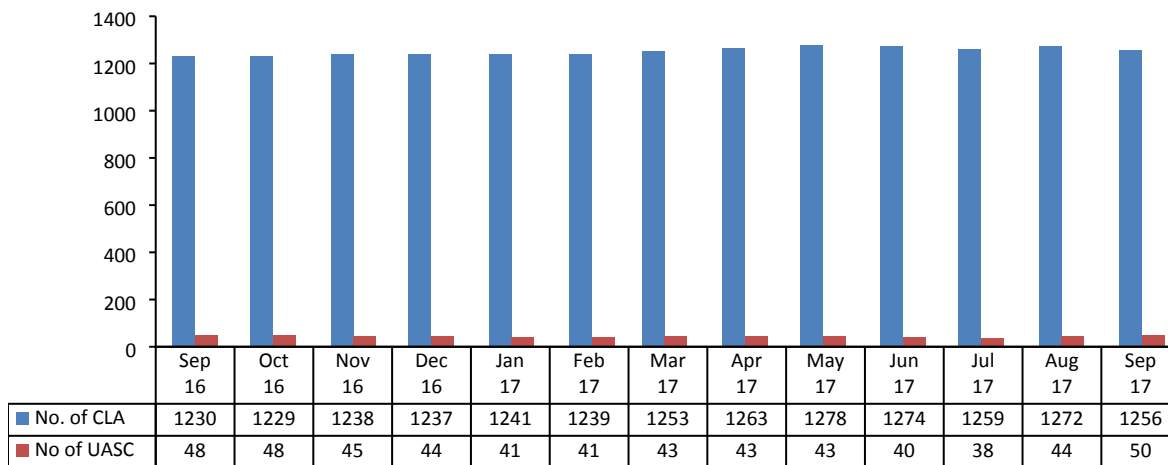
* Rate per 10,000 uses 164,806 child population (0-17) from the mid- 2016 population estimates released in June 2017 by ONS

Performance summary: Children Looked After

How much did we do this month? (Last month in	How well did we do it?
<ul style="list-style-type: none"> • 1256 (1253) children are looked after, 50 (43) children are UASC • 320 (321) children looked after had a looked after child review • Entry legal status of 22 (39) CYP who became looked after. 12 were for a single period of accommodation and 7 were interim care orders. • 36 (27) CYP ceased to be looked after 	<ul style="list-style-type: none"> • 98.9% (97.4%) of children looked after were allocated to a qualified social worker (QSW). These cases are reviewed and followed up with the service. • 91.8% (93.1%) of children looked after, who have been in care for at least a 12-month continuously, have an up to date HNA recording. • 85.1% (83.8%) of children looked after, who have been in care for at least a 12-month continuously, have an up-to-date dental checks (rolling 12 months). • 73.4% (72.8%) of children looked after aged 4-16 years, who have been looked after continuously for over a year had a “Strengths and Difficulties Questionnaire” (SDQ) completed for them. • 90.7% (85.5%) of children looked after have had a statutory visit within timescales. • 65.3% (77.1%) 604 (656) of school aged looked after children had an up to date PEP, 52 (17) have a PEP due. This indicator is inclusive of all PEPs. • 74 (52) children looked after have experienced three or more placements in the last 12 months. • 59.4% (89.8%) of care leavers were contacted within the previous 8 weeks. • 91.6% (94.3%) of all child looked after reviews held in month were within statutory timescales. • 97.3% (89.3%) of initial child looked after reviews held in month were within statutory timescales. • 24.2% (53.9%) of children who were adopted <i>ytd</i> were placed for adoption within 12 months of the child entering care. This is 8 of 33 children (41 of 76 children).
<p>What difference did we make and what do we want to improve?</p> <ul style="list-style-type: none"> • Looked After Children numbers stable • Large number of reviews completed with timeliness maintained. • Improve rates of contact with care leavers and as the academic year progresses the percentage with up to date PEPs. 	

Performance trends: Children Looked After

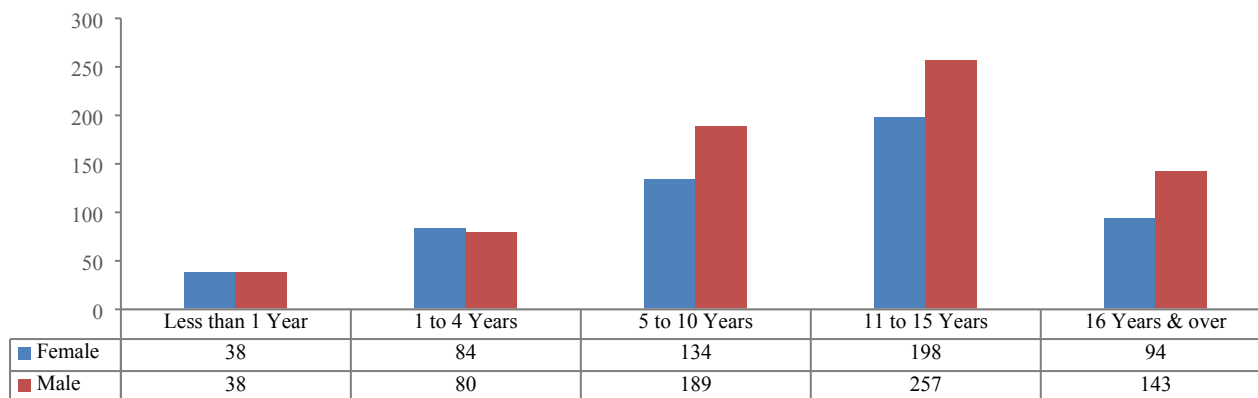
Children looked after and number of UASC



Commentary

This graph shows the number of looked after children (excluding any looked after children receiving only S20 short term breaks) alongside the number of unaccompanied asylum seeking children (UASC).

Children looked after age and gender breakdown



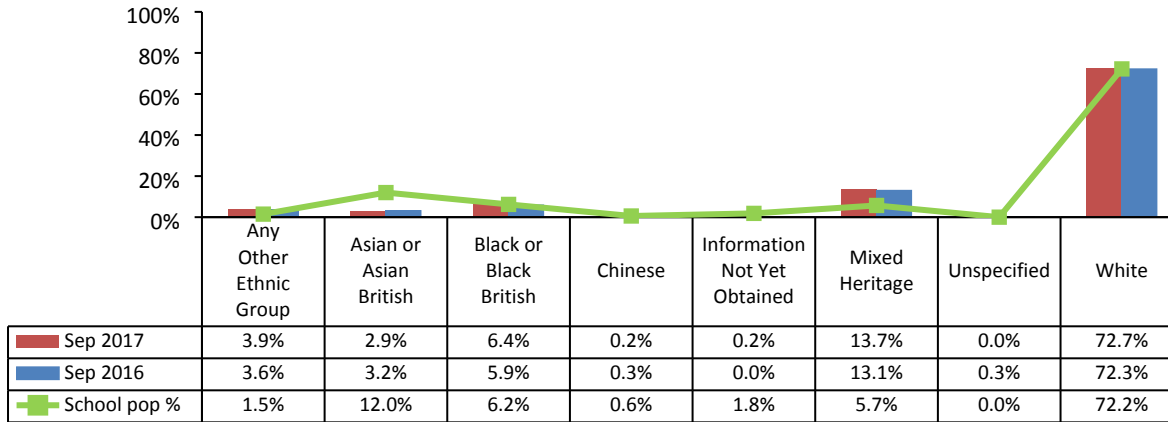
Commentary

This graph shows the breakdown by age and gender of the children in care.

The largest age group for girls is 11-15 years with **257** children and the largest age group for boys is 11-15 years with **198** children.

Performance trends: Children looked after

Ethnicity changes in children looked after



Commentary

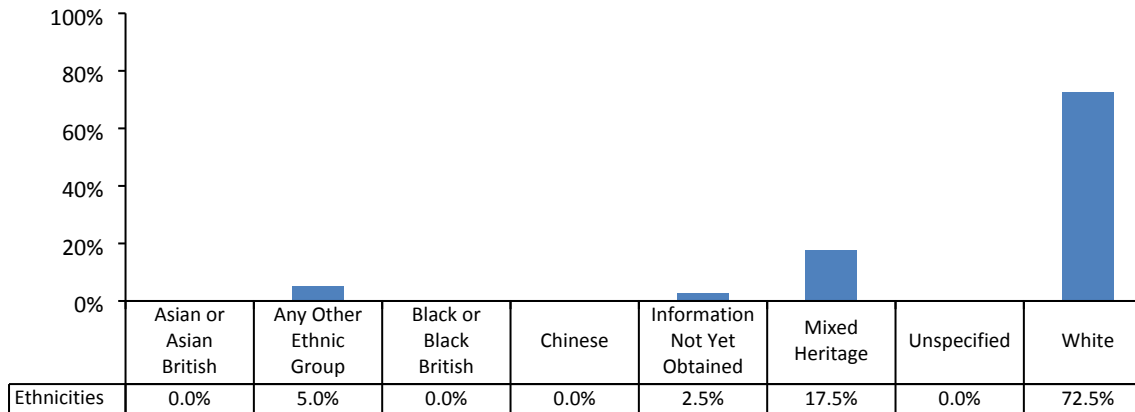
This graph shows the ethnic breakdown of the children looked after population over a 13 month period.

This is relatively stable throughout the period.

In total **30.4%** of the CLA population was BME, compared to 32.5% of the school roll (school census - Jan 2017).

The green line shows the percentage of each ethnicity of the school population.

Ethnicity of children being looked after this month



Commentary

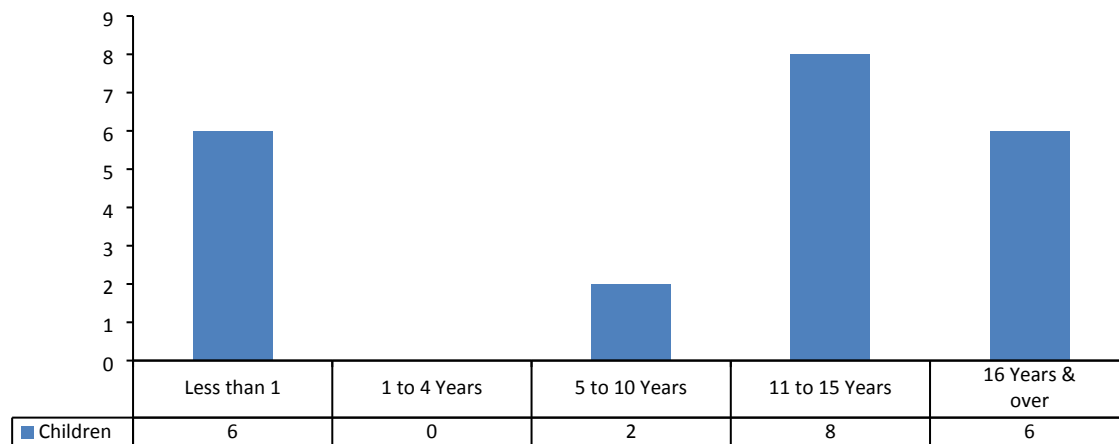
This graph shows the percentage breakdown by ethnicity of children entering care this month.

Taking into account the small numbers, this is consistent with overall ethnicity distribution.

Performance trends: Children looked after

Page 146

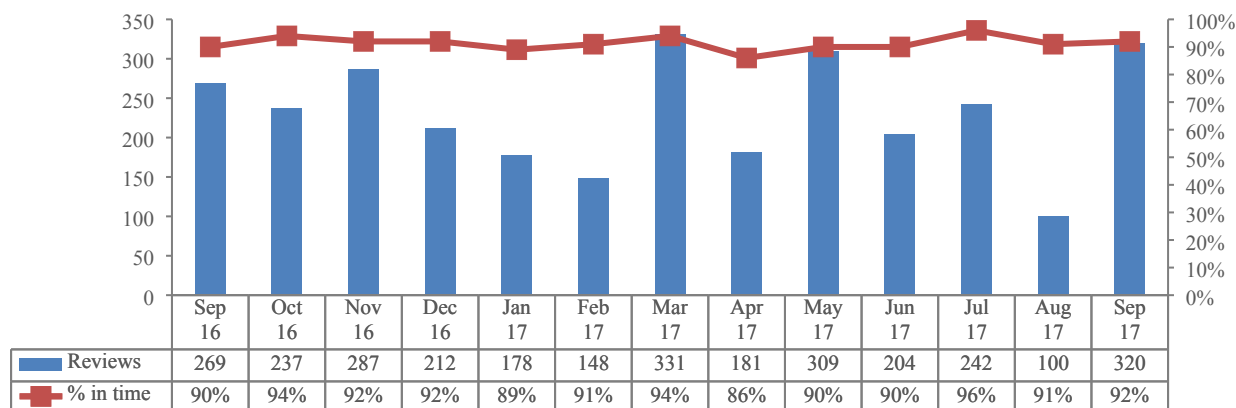
Age of starters in month



Commentary

This shows the number of children entering care this month broken down by age group.

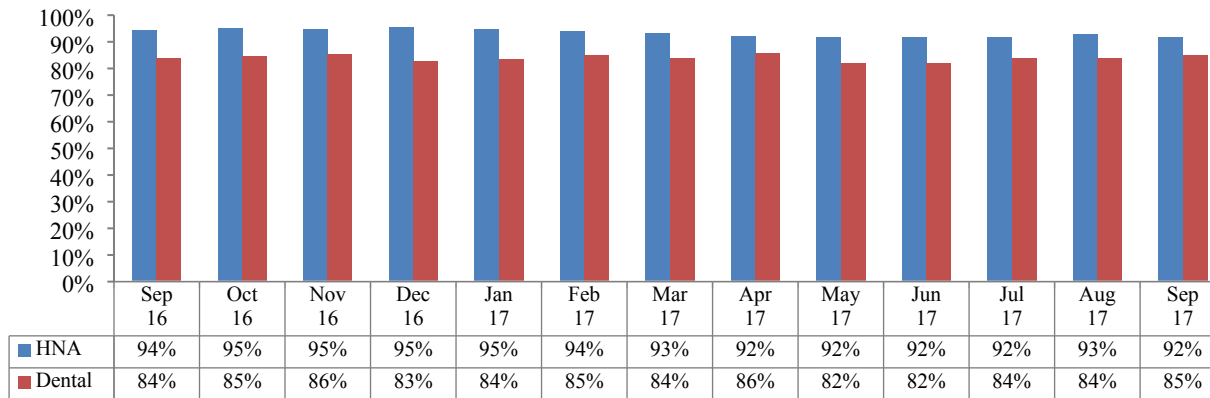
Percentage of looked after reviews within statutory timescales



Commentary

This graph shows the number of reviews held, for looked after children, in the month and the percentage completed within statutory timescales

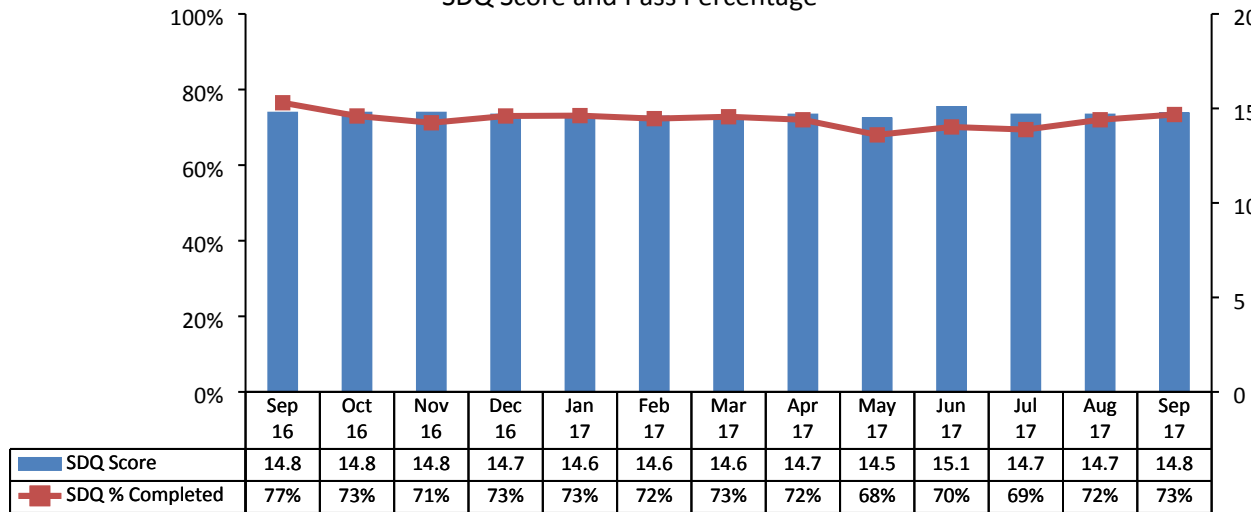
Percentage of CLA with up to date HNA and Dental



Commentary

This graph shows the percentage of children looked after who have an up to date health needs assessment and an up to date dental check.

SDQ Score and Pass Percentage



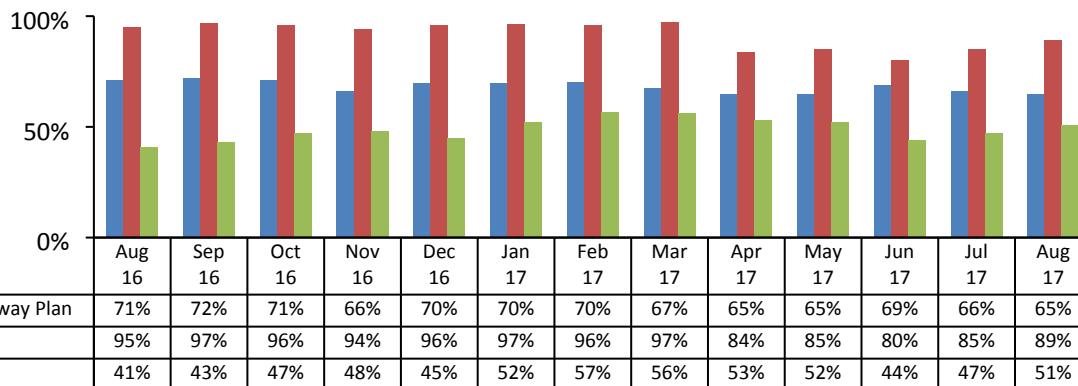
Commentary

Since April 2008, LA's have been required to provide information on the emotional and behavioural health of children and young people in their care. This information is collected through the Strength and Difficulties Questionnaire (SDQ) and is completed for each child/young person looked after, aged 4-16 years, who has been looked after continuously for over a year.



Performance trends: Care Leavers

Care Leaver Contact

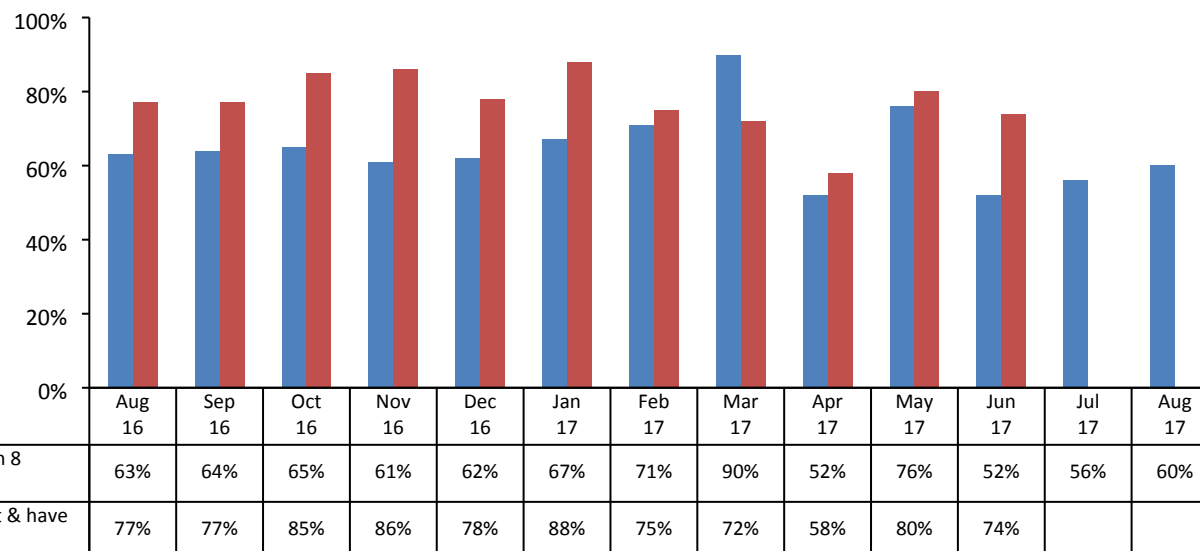


Commentary

This graph shows the number of care leavers with:

- an up to date Pathway Plan
- in suitable accommodation
- EET

Care Leaver Contact



Commentary

This graph shows the number of care leavers with:

- CLA contact in 8 weeks
- CLA requiring birthday contact (19 years, 20 years and 21 yrs. From April 2015 to include 17 years and 18 years)

Still within timescales to make birthday contact for July and August.

Appendix four: children and families settings inspection dashboard: September 2017

Children's services settings inspections dashboard - September 2017

Percentage of providers judged good or outstanding

Dark green > 80%	Light green 65-79%	Amber 50-64%	Red < 50%
---------------------	-----------------------	-----------------	--------------

Setting	National comparison	2016/17 FY	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Number inadequate ¹	Number inspected	RAG	DOT ⁶	Last inspection date
Childminder	89%	98%	98%	97%	98%	98%	99%	3	678	DG	▲	31/10/2017
Childcare - domestic	87%	75%	75%	83%	83%	75%	75%	0	5	DG	▶	30/06/2017
Childcare - non-domestic	95%	98%	98%	97%	96%	97%	97%	6	259	DG	▶	31/10/2017
Children's Centre Services	66%	77%	77%	77%	77%	77%	77%	0	52	LG	▶	18/10/2016
Primary school	90%	92%	91%	91%	91%	91%	91%	4	219	DG	▶	27/09/2017
Secondary school	78%	71%	69%	71%	71%	72%	72%	2	39	LG	▶	12/07/2017
College	76%	60%	60%	60%	60%	60%	60%	0	5	A	▶	03/03/2016
Maintained special	94%	60%	60%	60%	60%	60%	60%	2	6	A	▶	22/03/2017
Non-LA and independent special		100%	100%	100%	100%	100%	100%	0	1	DG	▶	29/02/2012
Residential special school	83%	100%	100%	100%	100%	100%	100%	0	1	DG	▶	17/10/2016
LA children's home	76%	90%	90%	80%	80%	80%	70%	0	10	LG	▼	31/08/2017

Key **DOT** - direction of travel **FY** - financial year **LA** - local authority **RAG** - red amber green traffic light

Footnotes

- Results are cumulative, i.e., the percentage of all settings that have an inspection judgement, not settings inspected within the month.
- Results are deemed to be confirmed when an inspection report is published on the Ofsted website, and are included in the dashboard at this point.
- Performance for primary and secondary schools from October 2014 onwards will be worked out by using the Ofsted calculation method, which only counts inspections for Sponsored Academies when they have been inspected under Sponsored Academy status any previous judgements will not be counted.
- The Children Centre Services category includes Children Centres that are managed by Leeds City Council and those that are not managed by the local authority.
- Inadequate provision - Childminder Ofsted references: EY482493 (LS11), EY489633 (LS27) and EY366290 (LS25).
Childcare non-domestic: The Fun Zone at Rothwell Primary School, Sunnybank Day Nursery, Garforth Pre-School, City And Holbeck Nursery, High Trees Nursery, Rothwell Children's Centre Daycare and The OK Club.
Primary: Christ the King Catholic Primary School, Pudsey Tjersal Primary School. Secondary: Swallow Hill Community College, Royds School and David Young Community Academy.
Maintained special: BESD SILC (serious weaknesses). LA children's home: SC033638
- Direction of travel is based on previous month's data, or the most recent inspection if not in the last month.
- In December 2016 the Sixth form college and General FE and tertiary categories have been merged in the dashboard. This change has been made to mirror Ofsted's method of grouping provision.

This page is intentionally left blank



Report author: Sandra Pentelow
Tel: 37 88655

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Children and Families)

Date: 14 December 2017

Subject: Services Best Council Plan Refresh for 2018/19-2020/21 – Initial Proposals

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. On 13 December 2017 the Executive Board is due to consider an approach for refreshing the Best Council Plan. The Budget and Policy Framework defines a process which includes referral to Scrutiny for consideration. The Executive Board report is appended which fully details the initial proposals.

2. The appended Best Council Plan initial proposal provides a full overview of the council’s priorities and ambitions to provide context, however the focus of Scrutiny Board (Children and Families) is in relation to the areas relating to Children and Families.

3. The Scrutiny Board will have the opportunity at its meeting to raise any specific area of concern or questions with regard to the initial proposals that fall within its portfolio area. Any conclusions, observations and recommendations that are made by Scrutiny Board (Children and Families) will be fed back to Executive Board prior to the revised Best Council Plan being referred to full Council. Each Scrutiny Board will be undertaking a similar level of focus for their defined areas of responsibility.

4. The Director of Children and Families and a representative from the Resources and Housing Directorate has been invited to present the Best Council Plan initial proposals and address any further questions from the Board.

Recommendations

The Scrutiny Board (Children and Families) is recommended to:

- a) Consider the appended report and the Best Council Plan initial proposals and provide input to help shape the emerging Best Council Plan.
- b) Make recommendations for consideration by Executive Board as deemed appropriate.

Background documents

None¹

¹ 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.

Report of the Director of Resources and Housing

Report to Executive Board

Date: 13 December 2017

Subject: Best Council Plan Refresh for 2018/19-2020/21 – Initial Proposals

Are specific electoral wards affected? If yes, 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 checked="" type="checkbox"/> Yes <input 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 Best Council Plan is the council's strategic plan, setting out the authority's ambitions and priorities for both the city (working in partnership) and the organisation. The current 2017/18 Best Council Plan was approved by Council in February 2017 and is now due to be refreshed for 2018/19.
2. This paper sets out an approach to doing this that maintains the clear, strategic message expressed for the last two years around Best City meaning a strong economy in a compassionate city, the Best Council Plan articulating what the council and its partners are doing to work towards this ambition, thereby tackling poverty and inequalities; our Best Council ambition of being an efficient and enterprising organisation supporting this. This approach, with its continued focus on tackling poverty and reducing inequalities, the council being both efficient and enterprising, underpins the Medium-Term Financial Strategy 2018/19–2020/21 approved by the Executive Board in July 2017 and the Initial Budget Proposals for 2018/19 on today's agenda.
3. It is therefore proposed that much of the current 2017/18 Best Council Plan is retained but with further refinement of the council's priorities and associated key performance indicators through consultation with elected members and staff. This refinement will be based on the latest socio-economic analysis of Leeds, understanding of government policy and its potential impacts locally, findings from the recent refresh of the Leeds-led Commission on the Future of Local Government and consideration of the most significant 'city' strategies and plans, most notably the

draft Leeds Inclusive Growth Strategy 2017-23 and the Leeds Health and Wellbeing Strategy 2016-21.

4. It is also proposed that the refreshed Best Council Plan covers the period 2018/19-2020/21 in line with the latest Medium-Term Financial Strategy with the Best Council Plan priorities and key performance indicators continuing to be reviewed and updated annually alongside the council's Budget.

Recommendations

Executive Board is asked to approve:

1. Engagement with Scrutiny Boards on the emerging Best Council Plan in accordance with the Budget & Policy Framework Procedure Rules.
2. The approach set out in the report to update the Best Council Plan for 2018/19 – 2020/21 that balances continuity of the Best City (Strong Economy and Compassionate City) / Best Council (Efficient and Enterprising Organisation) ambitions with further refinement of the council's priorities and key performance indicators.
3. That the Best Council Plan priorities and key performance indicators will be reviewed annually and updated as needed alongside the council's Budget.
4. That the Director of Resources and Housing will be responsible for developing the Best Council Plan for 2018/19 - 2020/21 for its consideration by this Board and Full Council in February 2018 alongside the supporting 2018/19 Budget.

1. Purpose of this report

- 1.1 This paper sets out an approach for Executive Board's consideration for refreshing the Best Council Plan for the period 2018/19 – 2020/21, aligned with the supporting Initial Budget Proposals for 2018/19 on today's agenda.

2. Background information

- 2.1 The Best Council Plan is Leeds City Council's strategic plan, bringing together the headline aspirations from a range of supporting council and partnership plans to set out the authority's overall ambitions, policy direction and priorities for both city and organisation. It informs the council's budget setting and financial strategies, helps our staff understand how the work they do makes a real difference to the people of Leeds and shows our partners how we contribute to city-wide issues.
- 2.2 The Best Council Plan currently consists of two parts: the first, a five-year 'strategic context' narrative that was last updated for the period 2015-20 and next due to be updated for 2021; the second a shorter document setting out the council's priorities for the year and so updated annually. Both parts are publicly available on the leeds.gov website [here](#).
- 2.3 In February 2017 this Board and Council approved bringing forward the next update of the 'strategic context' document from 2021 to 2018, taking account of the significant changes and uncertainties at national and local level and to incorporate the findings of a planned refresh of the Commission on the Future of Local Government.

3. Main issues

- 3.1 There is now the opportunity to merge the two parts of the Best Council Plan into a single document covering the period 2018/19 -2020/21 and therefore in line with the Medium-Term Financial Strategy approved by this Board in July 2017.
- 3.2 It is proposed that the refreshed Best Council Plan will feature an updated 'strategic context' introduction that brings in headlines from the Commission refresh and the latest socio-economic analysis; retains the Best City (Strong Economy and Compassionate City) / Best Council (Efficient and Enterprising) vision and ambitions that have been in place since 2016 and now widely communicated and understood; and presents a draft set of priorities and key performance indicators (KPIs) that will be further developed in the coming weeks through consultation ready for 2018/19.

Proposed Structure

- 3.3 The proposed structure for the Best Council Plan 2018/19 - 2020/21 document is as follows:
- (a) A Foreword, setting out our approach, underpinning principles and coverage of the Best Council Plan (i.e. the council's role and contribution in working in partnership towards city ambitions) with Inclusive Growth and Health and Wellbeing at the heart of our Strong Economy / Compassionate City approach.
 - (b) An analysis of the council's key policy (e.g. locality working, priority neighbourhoods) and financial drivers, linked to the council's 2018/19 Budget proposals and 2018/19 – 2020/21 Medium Term Financial Strategy; emerging findings from the Commission review¹; a consideration of key 'city' strategies and plans (most notably the draft Inclusive Growth Strategy and the Health and Wellbeing Strategy); and headline socio-economic analysis of Leeds. (This will also inform subsequent work on the next Joint Strategic Needs Assessment of Leeds, the JSNA².)
 - (c) Drawing on this analysis, a revised set of priorities will follow. For each priority there will be a summary of challenges and opportunities (using infographics), policy context, key actions pursuing the priority (including programmes and breakthrough projects), links to the main supporting plans and strategies and headline KPIs.
 - (d) The final section will outline our approach to performance management, both in assessing progress towards city outcomes and organisational performance and improvement. A key part of this will be a new Performance Management Framework which sets out key principles including transparency and accountability, together with the standardisation, sharing and use of data.
 - (e) This final section will also present the full set of KPIs, seeking to highlight accountability for those indicators which the council is responsible for / takes a lead on and those which are shared.

¹ This builds on the previous Leeds-led Commission in 2012 that brought together a range of experts from across public, private and voluntary sectors to consider how local government can help the UK meet its big social and economic challenges.

² The Joint Strategic Needs Assessment (JSNA) is a rolling programme of needs assessments and analysis with a primary focus on Health and Wellbeing. Its purpose is to influence priorities and inform commissioning strategies and plans. The last JSNA for Leeds was produced in 2015 and focused on population, deprivation, housing, mental health, potential years life lost and learning disabilities. The Health and Wellbeing Board will consider proposals in January 2018 for the next JSNA.

Draft Plan on a Page

- 3.4 The full draft document will be brought to Executive Board at its 7th February 2018 meeting prior to approval by Full Council on 21st February. In the interim, Annexe 1 presents a draft 'Plan on a Page' for the 2018/19 – 2020/21 Best Council Plan for Executive Board's initial consideration, depicting ambitions, outcomes, draft priorities and values. (Annexe 2 shows the current 2017/18 Plan on a Page for easy reference). It proposes a mixture of continuity of the council's strategic message with further refinement:

Continuity

- (a) No change to our **Best City** vision and ambition, 'Leeds ... A Strong Economy and Compassionate City': examples of a 'strong economy' including the exciting work around HS2, the South Bank and European Capital of Culture bid; 'compassionate city' encompassing the council's role in protecting the most vulnerable people in our city. A range of reports³ have been considered by this Board on the progress being made towards this ambition but also the ongoing challenges: significant inequalities persist in the city, requiring continued and long-term efforts to promote economic growth that benefits all our citizens with a focus on those people and areas most at need.
- (b) No change to our **Best Council** vision and ambition: 'Leeds City Council ... An Efficient and Enterprising Organisation'. In order to deliver the Best City vision and ambitions above within the context of a reduced financial envelope, the council must continue to change what it does and how it does it, reducing costs, generating income, considering different service provision models and targeting its resources to where they are most needed and will have the most impact.
- (c) No change to the 8 population **outcomes** (aspirations for everyone in Leeds to, for example, 'be safe and feel safe') agreed for the 2016/17 Best Council Plan. These remain current and aligned with the outcomes agreed across a range of supporting council and partnership plans and strategies. One possible exception may be a minor change to the wording of the current outcome for everyone to 'Do well at all levels of learning and have the skills they need for life' to reflect the wording in the refreshed Children and Young People's Plan (CYPP) 2018-23; at the time of writing, the CYPP is being drafted, due for consideration by this Board in March 2018 prior to Council approval.
- (d) No change to the values which continue to underpin what we do and how we work.

Refinement

- (e) Some updating to the Best City priorities to reflect our key, interconnected strategies, centred around the Draft Leeds Inclusive Growth Strategy 2017-23 and the Leeds Health and Wellbeing Strategy 2016-21 as shown in Figure 1 below. The priorities also incorporate the Citizens@Leeds propositions supporting communities and tackling poverty and an element of 'environmental sustainability' (for which we do not have a single key strategy).

³ These include the current 2017/18 Best Council Plan itself (8/2/17), the 'Best Council Plan Annual Performance Report 2016/17 (17/7/17), Leeds Inclusive Growth Strategy – Consultation Draft (17/7/17), Leeds Talent and Skills Plan – Consultation Draft (20/9/17), Citizens@Leeds – Tackling Poverty and Supporting Communities Update (20/9/17), 'Locality working – Tackling Poverty and Reducing Inequalities' (15/11/17) and the 'Medium Term Financial Strategy 2017/18 to 2019/20' (21/9/16).

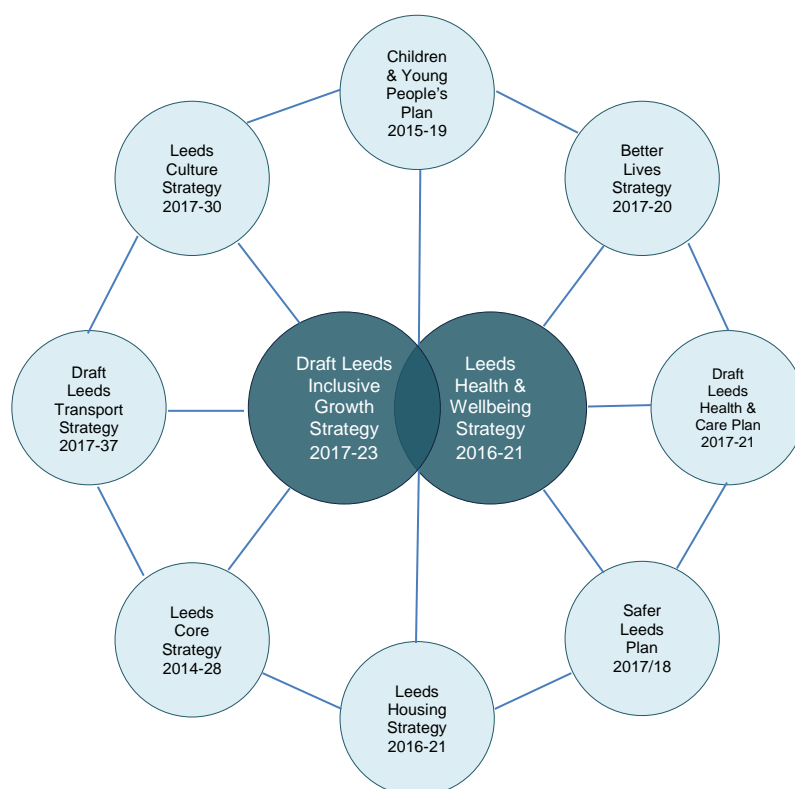


Figure 1

(f) As such, the Best City priorities proposed for 2018/19 – 2020/21 compared to the priorities in the current 2017/18 Best Council Plan are:

Draft 2018/19 – 2020/21 priorities	Current 17/18 priorities	Notes
Inclusive growth	Good growth	Propose a minor change to the wording in line with the draft Inclusive Growth Strategy
Health & wellbeing	Health & wellbeing	No change
Safe, strong communities	Resilient communities	Propose a minor change to the wording to better incorporate the Safer Leeds Plan and the council's safeguarding responsibilities
21st century infrastructure	Transport & infrastructure	Propose a change to wording in line with Inclusive Growth Strategy; also this better encompasses a range of infrastructure including green, blue, digital, social etc.
NEW: Housing	N/A	In the 2017/18 Best Council Plan, housing ran through the narrative of all the priorities which was explicit in the full document but less obvious on the plan on a page. Suggest more prominence needed.
NEW: Culture	N/A	To reflect the importance of the Culture Strategy which was still in development when the 2017/18 Best Council Plan was approved
NEW: Education & skills	N/A	Although referenced in the 2017/18 Best Council Plan priorities on child-friendly city and good growth, given the increased focus on attainment in the Children and Young People's Plan and the new draft Talent & Skills Plan, propose a new priority bringing these together.

Draft 2018/19 – 2020/21 priorities	Current 17/18 priorities	Notes
N/A	Child-friendly city	Suggest deleting as children are at the heart of all our plans and strategies, as will continue to be explicit in the Best Council Plan full narrative.
N/A	Better lives	Suggest deleting as 'Better Lives' is internal organisational terminology so makes less sense to many picking up the Best Council Plan; also, the key aims of the Better Lives Strategy are incorporated in Annexe 1 under the proposed Health & Wellbeing and Housing priorities.
N/A	Low carbon	Suggest deleting as the air quality aspect of the current Low carbon priority is incorporated in Annexe 1 under the proposed 21 st century infrastructure priority; the fuel poverty aspect through the proposed Housing priority.

- (g) Beneath each of the draft Best City priorities at Annexe 1 a number of specific areas of focus are proposed for the Board's consideration. These are all drawn from the key supporting strategies outlined above and the Citizens@Leeds propositions.
- (h) No 'Best Council' priorities are included at Annexe 1 as these are captured within the Values. The narrative in the full Best Council Plan document will be updated to reflect this, covering key themes including culture, people, processes, assets, technology and finances.

Draft key performance indicators

- 3.5 Annexe 3 presents an early draft set of key performance indicators for 2018/19 against each of the proposed Best City priorities and our 'Efficient and Enterprising' Best Council ambition. These draw heavily on the current 2017/18 Best Council Plan KPIs with some changes in line with the emerging priorities and new/updated supporting council and partnership strategies. Further development work will be carried out in the coming weeks to ensure the Best Council Plan indicators remain 'SMART' (specific, measurable, achievable, realistic and time-bound) and, where possible, facilitate benchmarking.
- 3.6 Through consultation and engagement with elected members and staff in the coming weeks, a draft 2018/19 – 2020/21 Best Council Plan will be developed based on this proposed approach and brought to the Executive Board in February, recommending its adoption by Council alongside the 2017/18 Budget. This will be a text version only, with a more visual 'design' version incorporating a strong graphical element to follow. The report will also include an assessment of any equality impacts at a strategic level.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The 2018/19 – 2020/21 Best Council Plan is being developed through engagement with members and staff and will be informed by other public consultation underway – notably on the 2018/19 Initial Budget Proposals. It will also draw on priorities set

out in existing council and partnership plans and strategies which themselves have been subject to extensive consultation and engagement.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 A strategic equality impact assessment (EIA) will be carried out in the coming weeks and presented to Executive Board in February with the final Best Council Plan 2018/19 – 2020/21 proposals. Additional EIAs have been carried out on key supporting plans and strategies, including the Joint Health and Wellbeing Strategy 2016-21, Children and Young People’s Plan 2015-19 and Core Strategy 2014-28.

4.3 Council policies and best council plan

- 4.3.1 This report presents initial proposals for refreshing the Best Council Plan for 2018/19 – 2020/21, continuing to provide a framework for the council’s approach to responding to the inequality challenges in Leeds through growing the economy while being a compassionate city.
- 4.3.2 The emerging Best Council Plan will be discussed with Scrutiny Boards in the coming weeks, prior to the final Best Council Plan and budget proposals being presented to Executive Board and Full Council in February. This process is in accordance with the council’s Budget and Policy Framework (Article 4 of the council’s Constitution) and the Budget and Policy Framework Procedure Rules (Part 4 Rules of Procedure).

4.4 Resources and value for money

- 4.4.1 The refreshed Best Council Plan 2018/19 – 2020/21 will set out the council’s priorities aligned with the medium-term financial strategy and annual budget. Developing and then implementing the Best Council Plan will continue to inform, and be informed by, the council’s funding envelope and staffing and other resources.

4.5 Legal implications, access to information, and call-in

- 4.5.1 There are no significant legal issues relating to this report and all information within this report is publicly available.
- 4.5.2 This report has been produced in compliance with the Council’s Budget and Policy Framework. In accordance with this framework, the initial Best Council Plan proposals, once approved by the Board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2018 meeting of this Board at which proposals for the 2018/19 – 2020/21 Best Council Plan will be considered prior to submission to full Council on 21 February 2018. As such, this report is not eligible for call-in in line with Executive & Decision Making Procedure Rule 5.1.2 which states that ‘the power to Call In decisions does not extend to decisions made in accordance with the Budget & Policy Framework Procedure Rules’.

4.6 Risk management

- 4.6.1 The council’s corporate and directorate risk registers will continue to be reviewed in light of changes to the Best Council Plan to ensure that the key risks that could impact upon new and evolving strategic objectives and priorities are appropriately identified, assessed and managed.
- 4.6.2 A full risk assessment will also be undertaken of the council’s financial plans - which support the delivery of the Best Council Plan - as part of the normal budget process

with some of the most significant potential risks to the council's budget and medium-term financial strategy outlined in today's 'Initial Budget Proposals' paper. These arrangements comply with the council's Risk Management Policy.

5. Conclusions

- 5.1 Executive Board has received a range of reports on the progress being made towards our Best City vision and ambition of Leeds having a strong economy and being a compassionate city, but also the ongoing challenges of persistent and significant inequalities. As the council's strategic plan that brings together a range of supporting council and partnership plans and strategies, it is therefore proposed that the updated Best Council Plan maintains its focus on addressing these challenges whilst retaining our ambitious programme to support economic growth.
- 5.2 At a time of continued financial pressures, it is also important that the council continues to play its part by becoming a more efficient and enterprising organisation, using its resources to support the Best City vision, and so it is proposed too that the update retains this 'Best Council' ambition.
- 5.3 This approach provides the framework for the Initial Budget Proposals for 2018/19 being considered today. Alongside the emerging budget, the 2018/19 – 2020/21 Best Council Plan will be developed further in the coming weeks through consultation with members and officers with final detailed proposals coming back to Executive Board in February recommending its adoption by Council.

6. Recommendations

- 6.1 Executive Board is asked to approve:
1. Engagement with Scrutiny Boards on the emerging Best Council Plan in accordance with the Budget & Policy Framework Procedure Rules.
 2. The approach set out in the report to update the Best Council Plan for 2018/19 – 2020/21 that balances continuity of the Best City (Strong Economy and Compassionate City) / Best Council (Efficient and Enterprising Organisation) ambitions with further refinement of the council's priorities and key performance indicators.
 3. That the Best Council Plan priorities and key performance indicators will be reviewed annually and updated as needed alongside the council's Budget.
 4. That the Director of Resources and Housing will be responsible for developing the Best Council Plan for 2018/19 - 2020/21 for its consideration by this Board and Full Council in February 2018 alongside the supporting 2018/19 Budget.

7. Background documents⁴

- 7.1 None

⁴ 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.

DRAFT Best Council Plan 2018/19 – 2020/21*Tackling poverty and reducing inequalities***LEEDS' BEST CITY AMBITION****Best City.....A Strong Economy in a Compassionate City****BEST CITY OUTCOMES****We want everyone in Leeds to...**

- Be safe and feel safe
- Enjoy happy, healthy, active lives
- Live in good quality, affordable homes within clean and well cared for places
- Do well at all levels of learning and have skills for life *[wording may change slightly in line with Children & Young People's Plan refresh]*
- Enjoy greater access to green spaces, leisure and the arts
- Earn enough to support themselves and their families
- Move around a well-planned city easily
- Live with dignity and stay independent for as long as possible

BEST CITY PRIORITIES

**What we and our partners are focusing on in 2018/19 to improve outcomes
with our Inclusive Growth and Health & Wellbeing Strategies as key drivers**

INCLUSIVE GROWTH

- Supporting growth and investment across the city, helping everyone benefit from the economy to their full potential
 - Targeting interventions to tackle poverty in priority neighbourhoods
 - Helping people into work
 - Tackling low pay

HEALTH & WELLBEING

- Giving children the best start in life, a child-friendly city
- Reducing health inequalities and improving the health of the poorest the fastest
 - Supporting healthy, active lifestyles
- Supporting self-care, with more people managing their own health conditions in the community
 - Enabling people with care and support needs to have choice and control

Examples of the areas that will be covered in the full Best Council Plan narrative and will inform the key performance indicators

SAFE, STRONG COMMUNITIES

- Keeping people safe from harm, protecting the most vulnerable
 - Helping people out of financial hardship
- Promoting community respect and resilience
 - Tackling crime and anti-social behaviour
- Being responsive to the needs of local communities

EDUCATION & SKILLS

- Improving educational attainment and closing achievement gaps for vulnerable learners
 - Helping ready students for the world of work
- Supporting businesses and people to improve skills and progress into better jobs

CULTURE

- Growing the cultural and creative sector
- Ensuring that culture can be created and experienced by anyone
 - Enhancing the image of Leeds through major events and attractions

HOUSING

- Housing of the right quality, type, tenure and affordability in the right places
 - Minimising homelessness through a greater focus on prevention
- Providing the right housing options to support older people and vulnerable residents to remain active and independent
 - Tackling fuel poverty

21st CENTURY INFRASTRUCTURE

- Improving transport connections, reliability and affordability
- Improving social, green and blue infrastructure, including flood protection
- Strengthening digital and data 'Smart City' infrastructure and increasing digital inclusion
 - Reducing consumption and promoting low carbon energy
 - Improving air quality, reducing noise and carbon emissions

LEEDS' BEST COUNCIL AMBITION**Best Council..... An Efficient and Enterprising Organisation****OUR VALUES****Underpinning what we do and how we work**

- Being open, honest and trusted
- Treating people fairly
- Spending money wisely
- Working as a team for Leeds
- Working with all communities



BEST COUNCIL PLAN 2017/18: Tackling poverty and reducing inequalities

AMBITIONS • Leeds... **A Strong Economy and a Compassionate City** • Leeds City Council... **An Efficient and Enterprising Organisation**



We want everyone in Leeds to...

- Be safe and feel safe
- Enjoy happy, healthy, active lives
- Live in good quality, affordable homes within clean and well cared for places
- Do well at all levels of learning and have the skills they need for life
- Enjoy greater access to green spaces, leisure and the arts
- Earn enough to support themselves and their families
- Move around a well-planned city easily
- Live with dignity and stay independent for as long as possible



LOW CARBON

Reducing emissions, tackling fuel poverty, delivering efficient and secure energy



GOOD GROWTH

Growing the economy, creating jobs, improving skills, promoting a vibrant city



HEALTH & WELLBEING

Supporting healthy lifestyles, improving mental health and wellbeing, integrating health and social care



RESILIENT COMMUNITIES

Building strong, cohesive communities, raising aspirations, reducing financial hardship

i What we and our partners are doing in 2017/18 to improve outcomes

2017/18 PRIORITIES



CHILD-FRIENDLY CITY

Keeping children safe, supporting families, raising aspirations and educational attainment



BETTER LIVES

Giving people with care and support needs the right care and support at the right time



TRANSPORT & INFRASTRUCTURE

Connecting people and places, improving air quality, meeting housing needs



BREAKTHROUGH PROJECTS – Helping deliver the Best Council Plan



Cutting carbon and improving air quality



World class events and a vibrant city centre that all can benefit from



More jobs, better jobs



Early intervention and reducing health inequalities



Strong communities benefiting from a strong city



Making Leeds the best place to grow old in



Housing growth and high standards in all sectors



Tackling domestic violence and abuse

OUR VALUES

Being open, honest and trusted • Treating people fairly • Spending money wisely • Working as a team for Leeds • Working with all communities



Underpinning what we do and how we work

Annexe 3: Best Council Plan 2018/19 – 2020/21 Key Performance Indicators

DRAFT work in progress at 1/12/17

The tables below presents an early working draft set of key performance indicators (KPIs) to help monitor progress and performance on the proposed Best Council Plan 2018/19 – 2020/21. The majority of these have been rolled forward from the current Best Council Plan 2017/18 as they remain relevant and provide continuity and year-on-year analysis. Some additions are suggested, many of which are taken from key supporting plans and strategies that have been recently updated (e.g. the Better Lives Strategy) or are the process of being refreshed (e.g. the Children and Young People’s Plan - CYPP).

Table 1 presents the KPIs against the Best City ambition and proposed priorities but it should be emphasised that the priorities are interlinked and therefore the KPIs should be read as a whole. Table 2 shows KPIs against the Best Council ambition. These will continue to be developed in the coming weeks through consultation.

Table 1 - Best City ambition: A strong economy in a compassionate city	
Best City proposed priority and draft KPIs	Current BCP KPI?
Health and Wellbeing	
Infant mortality rate	Yes
Obesity levels at age 11	Yes
Percentage of physically active adults	Yes
Percentage of adults who smoke	Yes
Avoidable years of life lost	Yes
Suicide rates	Yes
Percentage of pupils achieving a good level of development at the end of the Early Years Foundation Stage	No. In draft CYPP 2018-23
Under-18 conception rates	No. In draft CYPP 2018-23
Reduced rate of early death for people with a serious mental illness	No. In Joint Health & Wellbeing Strategy
Percentage of CQC registered care services in Leeds rated as ‘good’ or ‘outstanding’	Yes
Number of permanent admissions to residential and nursing care homes (a) for people aged 18-64 including 12 week disregards; (b) for people aged 65+ including 12 week disregards	Yes (but wording amended in line with Better Lives Strategy 2017-21)
Delayed discharges from hospital (report both total delayed discharges and those due to social care - per 100,000 population)	Yes
Percentage of new referrals for social care which were resolved at initial point of contact or through accessing universal services	Yes
Inclusive Growth	
Jobs growth in the Leeds economy (with additional quarterly proxy measures on employment rate and economic activity & inactivity)	Yes
Productivity forecast – GVA per head	Yes

Table 1 - Best City ambition: A strong economy in a compassionate city

Best City proposed priority and draft KPIs	Current BCP KPI?
Number of new business start-ups	Yes
Business rates growth	Yes
Increased earnings for the lowest paid 10% of working Leeds residents	Yes
<i>At the time of writing, additional KPIs to be considered in the coming weeks in conjunction in particular with Inclusive Growth Strategy</i>	
Education and Skills	
Percentage of pupils reaching the expected standard in reading, writing and maths at the end of Key Stage 2	No. In draft CYPP 2018-23
Progress 8 score for Leeds at the end of Key Stage 4	Yes (but wording amended in line with draft CYPP)
Percentage / number [<i>report both</i>] of young people who are not in employment, education or training or whose status is 'not known'	Yes
Percentage of working age Leeds residents with at least a Level 4 qualification	Yes
Number of people supported to improve their skills	Yes
Attendance at primary and secondary schools	Yes
KPI on Leeds as a destination for higher education leavers (<i>i.e. graduates</i>]	No – data available and measured through More Jobs Better Jobs breakthrough project already
21st century infrastructure	
Increase in city centre travel by sustainable transport (bus, train, cycling, walking)	Yes
Percentage of waste recycled	Yes
Carbon emissions across the city	Yes
Level of CO2 emissions from council buildings and operations	Yes
<i>At the time of writing, additional KPIs to be agreed in the coming weeks in line with key supporting strategies and action plans</i>	
Housing	
Growth in new homes in Leeds	Yes
Number of new units of extra care housing	No. In Better Lives Strategy 2017-21
Improved energy and thermal efficiency performance of houses	Yes
Number of homeless preventions	Yes
Percentage of housing adaptations completed within target timescale	No – but data already collected and reported to Scrutiny

Table 1 - Best City ambition: A strong economy in a compassionate city

Best City proposed priority and draft KPIs	Current BCP KPI?
Percentage of council housing repairs completed within target	No – but data already collected and reported to Scrutiny
Tenant satisfaction with the neighbourhood as a place to live	No – but data already collected and reported to Scrutiny
<i>At the time of writing, potential KPI on affordable homes to be considered</i>	
Safe, strong communities	
Number of children who need to be looked after	Yes (but wording amended in line with draft CYPP)
Number of children and young people subject to a child protection plan	No. In draft CYPP 2018-23
Percentage of people with a concluded safeguarding enquiry for whom their desired outcomes were fully or partially met	No. In Better Lives Strategy 2017-21
Increased self-reporting of domestic violence and abuse incidents	Yes
Number of people killed or seriously injured in road traffic accidents (<i>total number and number of children within this currently reported</i>)	Yes
Level of tenant satisfaction with the neighbourhood as a place to live	No – but data available and reported to Scrutiny
<i>At the time of writing, wording of new KPI to be agreed around 'how safe do you feel in your local area' (based on a perception survey carried out by the Office of the Policy & Crime Commissioner across West Yorkshire with results then broken down into the 5 districts by percentage)</i>	No – Safer Leeds
Proportion of households reporting repeated anti-social behaviour / nuisance concerns	Yes
Number of reported hate incidents	Yes
Claimant rate for Employment Support Allowance	Yes
Number of adults of working age affected by in-work poverty	Yes
Number of households in fuel poverty	Yes
Culture	
Number of visitors at a range of venues and events	Yes – includes LCC venues and others across the city, e.g. Arena, Grand Theatre etc.
<i>At the time of writing, additional KPIs to be agreed in the coming weeks in line with the Culture Strategy</i>	

Table 2 - Best Council ambition: An efficient and enterprising organisation

Draft KPIs	Current BCP KPI?
Workforce more representative of our communities	Yes
Number of apprentices employed by the council	Yes
Average staff sickness levels	Yes
Staff engagement (<i>Currently reported based on the overall staff survey engagement score, 'If a friend asked you to give a score from 1 to 10 working for Leeds City Council, what would it be? For 18/19, will also report on the number/percentage of online and offline responses to the survey.'</i>)	Yes
Percentage of staff appraisals and mid-year reviews completed	Yes
Level of over/ underspend for this financial year	Yes
Council tax collection rates	Yes
Business rates collection rates	No but data available and reported to Executive Board monthly within the financial health monitoring report
Council housing rental collection rates	No – but data available and reported to Scrutiny
Percentage of ICT service desk calls fixed at the first point of contact	Yes
Level of customer complaints	Yes
Proportion of customers using self-service when getting in touch with the council	Yes
Percentage of information requests received responded to within statutory timescales (<i>Relates to both Freedom of Information requests and Subject Access Requirement requests</i>)	No – but data already collected



Report author: S Pentelow

Tel: 37 88655

Report of the Head of Governance and Scrutiny Support

Report to Scrutiny Board (Children and Families)

Date: 14 December 2017

Subject: Work Schedule

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

1 Purpose of this report

1.1 The purpose of this report is to consider the Scrutiny Board's work schedule for the forthcoming municipal year.

2 Main Issues

2.1 A draft work schedule is attached as appendix 1. The work programme has been provisionally completed pending on going discussions with the Board.

2.2 When considering the draft work programme effort should be undertaken to:

- Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue
- Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
- Avoid pure "information items" except where that information is being received as part of a policy/scrutiny review
- Seek advice about available resources and relevant timings taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place
- Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year

2.3 Attached as appendix 2 is the minutes of Executive Board for 15 November 2017.

2.4 With reference to minute 46, meeting 16 November 2017, the following recommendation as made by the Scrutiny Board 'That the Director of Children and Families considers extending the consultation period, currently in progress, for the Moor Allerton Hall Primary School and Allerton Grange High School Expansion, until one week after the publication of the Ofsted inspection report for Allerton Grange High School.'

A response from the Director of Children and Families was provided on the 22nd of November and is as follows:

'Thank you and members of the Children and Families Scrutiny Board for this recommendation.

As always, I have considered this recommendation very carefully. In considering the request from Scrutiny Board the following points have been taken into account.

The consultation in question is known in statutory terms as the informal stage. It is the first part of the process whereby we meet with stakeholders to share and discuss the principles of the proposal before they are shaped into a formal proposal. As such many things may change as a consequence of the feedback.

The decision that Executive Board would potentially be asked to take is whether to progress to the formal stage of consultation. They would be provided with information on the consultation responses and any mitigation or changes to the initial proposal. If they were to agree to move to the next step, that step is a one of further consultation.

Even following any final decision on the education aspect of the proposal there will also be a further phase of consultation at the planning permission stage on the detail of the building project.

As the next step in this process could potentially be to simply move to a point of further consultation, and would be after the announcement of the OfSTED outcome, I do not consider it necessary to extend the current informal consultation period.'

To update the Scrutiny Board on the current position, the outcome of the consultation on the expansion proposal does not form part of the Executive Board agenda for 13 December 2017. The Ofsted report for Allerton Grange High School has also been published and can be accessed via the Ofsted website.¹

3. Recommendations

3.1 Members are asked to:

- a) Consider the draft work schedule and make amendments as appropriate.
- b) Consider the Executive Board minutes and determine if any matters require Scrutiny focus or action.

¹ <https://reports.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/ELS/108058>

4. **Background papers**² - None used

² 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.

This page is intentionally left blank

Draft Scrutiny Board (Children and Families) Work Schedule for 2017/2018 Municipal Year

Schedule of meetings/visits during 2017/18			
Area of review	15 June	July	August
Inquiries		Inquiry 1 – Terms of Reference and First Inquiry Session - Impact of Child Poverty on 3 A's	
Annual work programme setting - Board initiated pieces of Scrutiny work (if applicable)	Consider potential areas of review		
Budget	Budget Update 2017/18 outturn 2016/17		
Policy Review			
Recommendation Tracking			
Performance Monitoring	Performance Report	Universal Activity Funding – performance, consistency and delivery since the delegation of responsibility and budgets to Community Committees - review (or sept)	
Working Groups	Post 16 SEND School Transport 15 June 17 – Executive Board Statement		
Resource considerations		Report Writing	Report Writing

Page 171

*Prepared by S Pentelow

Key: SB – Scrutiny Board (Children’s Services) Meeting

WG – Working Group Meeting

Draft Scrutiny Board (Children and Families) Work Schedule for 2017/2018 Municipal Year

Schedule of meetings/visits during 2017/18			
Area of review	September	October	November
Inquiries	<u>Evidence Gathering</u> Session 2- Impact of Child Poverty on 3 A's	<u>Evidence Gathering</u> Session 3- Impact of Child Poverty on 3 A's (Ref EB report 20 Sept) <u>Agree Report</u> Children's Centres	<u>Evidence Gathering</u> Session 4 - Impact of Child Poverty on 3 A's –data analysis (deferred from Sept)
Recommendation Tracking	SEND Inquiry		
Policy Review		Cluster Position Update	Corporate Parenting (moved from October) Update on the picture of primary and secondary schools in Leeds. (from January)
Performance Monitoring	Ofsted improvement areas – progress update (2015 and SEND inspection)		
Working Groups			Visits – Impact of Child Poverty on 3 A's 23 rd ,24 th & 29 Nov Roundhay – School Expansion
Resource Considerations	Report Writing	Report Writing	

Page 172

Draft Scrutiny Board (Children and Families) Work Schedule for 2017/2018 Municipal Year

Schedule of meetings/visits during 2017/18

Area of review	December	January	February
Inquiries	<u>Evidence Gathering</u> Final Session 5? - Impact of Child Poverty on 3 A's	<u>Directors Response</u> Children's Centres	
Budget	Initial Budget Proposals 2018/19 and Budget Update - Budget and Policy Framework (including Cluster Funding Arrangements) Children's Centre Budget – Rec 6 & 7		
Policy Review	Best Council Plan Refresh	Educational support and identification of Dyslexia and Dyspraxia Youth Justice Plan - Council March CYPP Refresh – Council March	Youth Service - review of impact of previous service reconfiguration.
Recommendation Tracking			NEET – recommendation tracking
Performance Monitoring	Performance Report - Including Voice and Influence	Leeds Safeguarding Children – Update summary to include feedback on Wood review. – to be confirmed	
Working Groups			Youth Council – Racism and Hate Crime (with LSCB chair and manager)
Resource Considerations	Report Writing	Report Writing	Report Writing

Page 173

Key: SB – Scrutiny Board (Children's Services) Meeting

WG – Working Group Meeting

Draft Scrutiny Board (Children and Families) Work Schedule for 2017/2018 Municipal Year

Schedule of meetings/visits during 2017/18			
Area of review	March	April	May
Inquiries		Agree Report Impact of Child Poverty on 3 A's	
Budget and Policy Framework			
Recommendation Tracking			
Performance Monitoring	Learning for Leeds - Basic Need Update and School Allocation (or April)	Annual Standards Report (depending on Exec Board schedule)	
Working Groups			
Resource Considerations	Report Writing	Report Writing	

Page 174

Unscheduled - required :

- Transition to Adult Services – Young People outside social care
- SEMH provision and Behaviour Management – to be reviewed later in year (last discussed April 17)
- Children North East

Updated - Dec 2017

*Prepared by S Pentelow

Key: SB – Scrutiny Board (Children's Services) Meeting

WG – Working Group Meeting

EXECUTIVE BOARD

WEDNESDAY, 15TH NOVEMBER, 2017

PRESENT: Councillor L Yeadon in the Chair

Councillors A Carter, R Charlwood,
D Coupar, S Golton, J Lewis, R Lewis,
L Mulherin and M Rafique

APOLOGIES: Councillor J Blake

89 Chair of the Meeting

In accordance with Executive and Decision Making Procedure Rule 3.1.5, in the absence of Councillor Blake who had submitted her apologies for absence from the meeting, Councillor Yeadon presided as Chair of the Board for the duration of the meeting.

90 Declaration of Disclosable Pecuniary Interests

There were no Disclosable Pecuniary Interests declared at the meeting, however, in relation to the agenda item entitled, 'The Grand Quarter Townscape Heritage Scheme', Councillor Yeadon drew the Board's attention to her position as a member of the Leeds Grand Theatre and Opera House Board of Management. (Minute No. 96 refers).

91 Minutes

RESOLVED – That the minutes of the previous meeting held on 18th October 2017 be approved as a correct record.

EMPLOYMENT, SKILLS AND OPPORTUNITY

92 Improving Health and Work Outcomes

The Director of City Development and the Director of Adults and Health submitted a joint report proposing the development of a new approach towards the improvement of health and work outcomes, and summarising the joint activity undertaken with partners in order to refocus provision. The report also highlighted the need to develop an integrated approach towards health and employment support in order to ensure that disabled people and those with long term health conditions that wished to work were supported to secure and sustain employment. Finally, the report provided details on the ambition to involve a wider group of stakeholders in the promotion of healthy workplaces, with a focus on creating and retaining a talented and diverse workforce.

Members highlighted the importance of the work being undertaken in this area, which it was noted, was in line with Council initiatives such as the Leeds Inclusive Growth Strategy.

Responding to a Member's enquiry, information was provided in respect of how further positive outcomes in this area would continue to be delivered. It was emphasised that in order to achieve such positive outcomes, the Council would need to work with those companies it had contracts with and also the private sector in general, in addition to working collaboratively with the Authority's more long standing partners, such as those within the health sector. It was also highlighted by Members that as work in this area continued to progress, further detail in respect of outcomes and associated targets would be welcomed, with it being suggested that such data be provided to the Board in due course.

Members also highlighted the importance of ensuring that a proactive approach was taken in tackling the issue of stress related illness and the promotion of good mental health. In response, the Board was provided with examples of the work currently being undertaken and which continued to be developed in this area.

With regard to the further development of work regarding health and work outcomes, emphasis was placed upon the need for the Council to be well positioned to bid for any further sources of external funding, should they become available in the future.

RESOLVED -

- (a) That the work undertaken to date in respect of improving health and work outcomes, together with the progress which has been achieved in this area, be noted;
- (b) That the proposed approach which will continue to engage with a broad range of stakeholders and seek their commitment to improving health and work outcomes in the city, be supported;
- (c) That agreement be given for the Council to work with Health and Care partners in order to build the business case for a revised joint delivery model which would support disabled people and those with health barriers to access and sustain employment;
- (d) That it be noted that the Chief Officer, Employment and Skills and the Chief Officer, Health Partnerships will be responsible for the implementation of such matters.

RESOURCES AND STRATEGY

93 Treasury Management Strategy Update 2017/18

The Chief Officer, Financial Services submitted a report which provided a review and an update of the Council's Treasury Management Strategy for 2017/18.

With regard to a Member's enquiry, the Board was provided with further details in respect of the Council's approach towards New Replacement Borrowing, which aimed to maintain an appropriate balance between short

and long term loans. Also, in respect of Leeds' approach towards such matters when compared to other Local Authorities, officers undertook to provide the relevant Member with a further briefing.

RESOLVED – That the update on the Treasury Management borrowing and investment strategy for 2017/18, as detailed within the submitted report, be noted.

94 Capital Programme Quarter 2 Update 2017 - 2021

The Chief Officer, Financial Services submitted a report providing an update on the Council's Capital Programme position as at the end of the second quarter of the financial year. In addition, the report also sought specific approvals in relation to funding injections, as detailed within the covering report and the associated appendices.

Responding to a Member's enquiry regarding the nature of the jobs being created as a result of the Council's Capital Programme investment, officers undertook to provide the Member in question with a briefing on such matters.

RESOLVED -

- (a) That the latest position, as at quarter 2, on the General Fund and Housing Revenue Account Capital Programmes, as detailed within the submitted report and appendices, be noted;
- (b) That the net increase in the General Fund and Housing Revenue Account Capital Programme 2017-2021 of £337.5m since the setting of the Capital Programme in February 2017, be noted, with it also being noted that such injections are detailed in Appendix D to the submitted report, and that £64.1m of schemes require approval as part of the report;
- (c) That it be noted that the borrowing required to fund the Capital Programme in 2017-18 has reduced by £5.4m since the February Capital Programme update 2017, with it also being noted that the Capital Programme remains affordable within the approved debt budget for 2017-18, and that further work is underway through regular Capital Programme reviews in order to ensure that future debt costs are maintained within the overall Medium Term Financial Strategy;
- (d) That the following £64.1m of injections into the Capital Programme, as set out below, and as detailed within Appendix D to the submitted report, be approved:-
 - £38.2m education grants funding;
 - £9.6m Better Care Fund grant;
 - £5.4m annual programme injections reconciling to the medium term financial strategy, as set out in Appendix B to the submitted report, funded by Leeds City Council borrowing;
 - £5.0m Local Centres Programme;
 - £3.1m other grants and contributions;
 - £2.0m Grand Quarter Townscape Heritage Scheme Grant;

Draft minutes to be approved at the meeting
to be held on Wednesday, 13th December, 2017

- £0.8m Capital Receipts Incentive Scheme (CRIS), as detailed at Appendix E to the submitted report.
- (e) That it be noted that the above resolution (d) to inject funding will be implemented by the Chief Officer, Financial Services.

95 Financial Health Monitoring Report - Month 6

The Chief Officer, Financial Services submitted a report regarding the Council's projected financial health position for 2017/18, as at month 6 of the financial year.

Responding to a Member's enquiry, the Board was provided with further information on the current position in respect of the Dedicated Schools Grant, and the actions being taken and proposed to be taken in order to manage the associated budgetary pressures.

In addition, with regard to the Children's Centres budget, Members received clarification on the source of the pressures in this area, together with further information on the actions being taken to monitor and manage them. Also, the Board received further details of the projection as detailed within the report, with regard to the 'Children Looked After' budget.

RESOLVED – That the projected financial health position of the Authority, as at month 6 of the financial year, be noted.

REGENERATION, TRANSPORT AND PLANNING

96 The Grand Quarter Townscape Heritage Scheme

The Director of City Development submitted a report seeking authorisation for the resubmission of the Grand Quarter Townscape Heritage scheme to the Heritage Lottery Fund (HLF) in December 2017, together with the allocation of £500,000 Council match funding for the project.

The Board was supportive of the proposals detailed within the submitted report.

Members highlighted the unique character which had been developed in this area over time, referencing the wide range of independent retailers located in the Quarter. Emphasis was placed upon the need to maintain a mixed economy of uses following any potential regeneration of the area, in order to maximise the benefit for all.

Responding to a Member's specific enquiry, the Board was provided with further information regarding the disposal of the Belgrave Gardens site, which it was noted, formed part of the Council's Capital Receipts programme.

RESOLVED –

- (a) That the submission of a Stage 1 Application to the Heritage Lottery Fund in December 2017 in respect of the Grand Quarter Townscape Heritage Scheme, be approved;

- (b) That the allocation of £500,000 Leeds City Council match funding from within the general contingency budget be approved, subject to a successful Townscape Heritage bid to the Heritage Lottery Fund, with it being noted that this will lever in up to £2m of Heritage Lottery Fund grant and, subject to individual property grant agreements, £2.5m of private match funding;
- (c) That it be noted that the Executive Manager (Town Centres, Heritage & Buildings) will be responsible for the implementation of such matters.

97 The Local Centres Programme (LCP)

The Director of City Development submitted a report which presented details of the emerging Local Centres Programme (LCP), provided information on the proposed scope and application procedure for the initiative and which also sought agreement to implement the programme, as outlined within the submitted report.

Members welcomed the proposals detailed within the submitted report. The Board considered the flexible approach which was proposed to be taken towards the bidding process for programme funding, discussed the impact that such an approach may have, with the key role of local Ward Members in this process being highlighted.

RESOLVED –

- (a) That the contents of the submitted report, be noted;
- (b) That the Director of City Development, in liaison with the Executive Member (Regeneration, Transport and Planning), be authorised to implement the Local Centres Programme, as outlined in paragraphs 3.1 to 3.9 and appendices 1 to 3 of the submitted report;
- (c) That it be noted that the Executive Manager (Town Centres, Heritage and Buildings) will be responsible for the implementation of such matters.

HEALTH, WELLBEING AND ADULTS

98 Refresh of the Better Lives Strategy

The Director of Adults and Health submitted a report presenting a refreshed and updated version of the Council’s ‘Better Lives’ strategy, together with an associated action plan for the period 2017-2021.

In acknowledging how the refreshed strategy aimed to prioritise the delivery of high quality of provision in Leeds, a suggestion was made as to whether consideration could potentially be given to making the monitoring arrangements for such provision more participative.

Responding to a Member’s enquiry, the Board received an update regarding the progress being made on the development of infrastructure as part of the

Better Lives Strategy. Specifically however, Members also discussed the current position with regard to Extra Care housing provision in the city, with a detailed update being provided on the ongoing work being undertaken in this area and with it being noted that the intention was for the Council to go out to tender for the development of 2 sites in January 2018. When considering the position of the Council in terms of Extra Care housing provision compared to other Local Authorities, it was noted that the Council did communicate and share best practice with other Authorities. In conclusion, a briefing on such matters was also offered to Board Members, should they require it.

With regard to the issue of social isolation, the Board was provided with further details on the actions being taken to address this issue across the city.

RESOLVED –

- (a) That the refreshed Better Lives strategy and associated action plan for the period 2017-2021, be approved;
- (b) That it be noted that the Director of Adults and Health is responsible for the implementation of such matters.

CHILDREN AND FAMILIES

99 The Leeds Preparing for Adulthood Strategy 2017-2022

The Director of Children and Families submitted a report which sought to raise awareness of the Leeds 'Preparing for Adulthood' Strategy 2017- 2011. The report provided the background, the strategic fit and how the vision and strategy had been designed using a co-production approach – which had been undertaken with key stakeholders including young people and families, together with partners from the education, health and care sectors across the city.

Emphasis was placed upon the successes to date of the supported internship pilot programme.

Responding to an enquiry regarding the performance indicators which had been developed for the strategy, it was noted that a mechanism would be developed in order to ensure that outcomes were monitored and measured.

RESOLVED –

- (a) That the work undertaken to date on the Preparing for Adulthood Strategy 2017 – 2022 be acknowledged; and that the intended outcomes of the Strategy be supported and agreed;
- (b) That the 'supported internship' programme, as detailed within the submitted report, be supported and promoted across the Council and its partners by offering 'supported internship' placements, and also by embedding the 'ask' in the social value commissioning framework and the Child Friendly Leeds Employers' network;

- (c) That it be noted that the Head of the Complex Needs Service is the responsible officer for the implementation of the Strategy.

100 Proposal for a Strategic Review of provision for children and young people with Special Education Needs and Disabilities (SEND)

The Director of Children and Families submitted a report proposing the undertaking of a Strategic Review of 0-25 SEND (Special Educational Needs and Disability) provision in Leeds. The report also set out the Local Authority's duties in this area, and provided details of the proposed scope and methodology of the review together with the associated consultation.

Members highlighted the importance of the work proposed to be undertaken in this area, and in response to an enquiry, assurance was provided that the associated communication process with young people and their families would be clear, and that consultation would be robust.

RESOLVED –

- (a) That the Strategic Review process, including the consultation period running from 6th November 2017 to 4th December 2017, be noted;
- (b) That agreement be given for the Good Learning Places Board to hold the accountability for governance and permissions in relation to the implementation of the outcomes arising from the review;
- (c) That it be noted that the final proposals will be presented in the document entitled, 'Local Authority Strategic Plan of SEND Provision 2018-2021', which will be presented to the Executive Board for consideration and approval in February 2018;
- (d) That it be noted that the overall responsible officer for the implementation of the Strategic Review, together with the publication of the plan is the Head of Complex Needs.

COMMUNITIES

101 Locality Working - Tackling Poverty and Reducing Inequalities

The Director of Communities and Environment submitted a report which sought approval to introduce a new place-based, integrated approach towards the delivery of service provision, the tackling of poverty and the reduction of inequality in some of the city's poorest neighbourhoods.

In considering the proposals, the Board acknowledged the continuing involvement of Scrutiny in the development of the approach. In addition, Members noted that the locations of the priority Council estates needed further work to ensure that all relevant estates meeting the set criteria were identified. Furthermore, and responding to a Member's comments, it was emphasised that the universal service provision for communities across the city would remain.

Also, responding to a Member's enquiry, the Board was provided with further information on: how the proposed multi-agency approach would work; how the performance of previous approaches had informed the current proposals; and how Scrutiny would help to evaluate the progress being made by the initiative as it developed.

RESOLVED –

- (a) That the deployment of a new place-based approach towards early intervention and prevention in respect of tackling poverty, reducing inequality and addressing vulnerability in Leeds, be approved;
- (b) That the Director for Communities and Environment be requested to provide an annual progress report on the impact of this initiative as it develops.

102 Beyond Decent Homes - The 2018 Housing Revenue Account (HRA) Capital Investment Plan

Further to Minute No. 171, 22nd March 2017, the Director of Resources and Housing submitted a report providing an update on, and seeking support of the latest position regarding capital investment proposals for the Housing Revenue Account (HRA) assets over the next 10 years.

In introducing the report, the Executive Member for Communities highlighted the extensive engagement and communication exercises which had taken place with tenants following the Grenfell Tower fire, and it was noted that following the undertaking of independent inspections in all of the Council's high rise blocks, it was confirmed that all of the Council's blocks had achieved the necessary standard.

Members welcomed the proposals to lobby Government in respect of the removal of the HRA borrowing cap in order to allow the replacement of homes sold under the 'Right to Buy' initiative, and also welcomed the prioritisation being given to the proposed fire safety measures, including the installation of sprinkler systems in high rise stock.

Responding to a Member's enquiry, it was noted that should Government funding be made available for the provision of required fire safety measures, then further information would be submitted to the Board for consideration in terms of the extent to which such funding contributed towards the cost of meeting all required measures, and the impact that it would have upon the wider HRA Capital Investment Plan.

Finally, the Board also noted that the proposed Council investment into fire safety measures, as detailed within the report, enabled work to progress in this area, whilst the outcomes from the Grenfell Tower inquiry and any subsequent Government decisions were awaited.

RESOLVED –

- (a) That the 10 Year HRA Capital Investment Plan, as detailed within the submitted report and appendices, be supported, subject to further annual review being undertaken as part of the HRA Business Plan;
- (b) That Executive Board support be given to the lobbying of Government: to provide funding for any new fire safety requirements which arise from the Grenfell Tower inquiry, such as the installation of sprinklers in all high-rise stock; and also to the removal of the HRA borrowing cap in order to allow the replacement of homes sold under the 'Right to Buy' initiative.

ENVIRONMENT AND SUSTAINABILITY

103 The future of the Waste and Recycling Strategy for Leeds

Further to Minute No. 56, 27th July 2016, the Director of Communities and Environment submitted a report which set out the proposed programme regarding the development of a revised waste and recycling strategy for Leeds. The report provided an update on the local and national context, and discussed some of the key issues for consideration in terms of the Council's future ambitions and the achievement of targets. Also, the report outlined the detailed appraisal work to be undertaken on the options for the Council's kerbside recycling strategy, and sought approval to the guiding principles and proposed programme for the development of the strategy.

Members received clarification on the role of DEFRA's (Department for Environment, Food and Rural Affairs) Waste and Resources Action Programme (WRAP) in respect of the proposals, and noted that funding had been received from WRAP in order to undertake an assessment of a range of kerbside recycling options.

The Board discussed the proposals detailed within the submitted report, and considered the future opportunities and challenges that the waste and recycling service faced, and how such matters would be taken into consideration as part of the overall review.

Responding to a Member's enquiry, emphasis was placed upon the need to ensure that an overarching and joined up approach was taken when considering matters such as the delivery of recycling provision. A specific example was provided in relation to the planning and waste management teams. In response to that specific example, officers undertook to liaise with the relevant directorates and report back to Board Members with the findings.

In addition, it was also highlighted that any future strategy would need to: have a long term vision, in order to ensure that it was able to adapt to the changes brought about by events such as Brexit or the evolving global recycling market; maximise any opportunities to access external funding sources should they become available; and also use Leeds' large scale to its advantage whilst at the same time ensuring that the range of differing requirements found in communities across the city were recognised.

RESOLVED –

- (a) That the contents of the submitted report, in particular the context and issues relating to the Council's waste and recycling strategy, as detailed within the submitted report, be noted;
- (b) That the areas and options to be considered and assessed (as detailed within section 5.3 of the submitted report), as a part of the proposed options appraisal exercise, to be led by the Chief Waste Management Officer, be supported;
- (c) That in principle approval be given to the outline programme (as detailed at section 5.5 of the submitted report) for the development of a revised Leeds Waste Strategy, including the undertaking of public consultation, with the detail to be subsequently agreed with the Director of Communities and Environment.

DATE OF PUBLICATION: FRIDAY, 17TH NOVEMBER 2017

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00 PM, FRIDAY, 24TH NOVEMBER 2017

(Scrutiny Support will notify Directors of any items called in by 12.00 noon on Monday, 27th November 2017)