

CHILDREN'S AND YOUNG PEOPLE SCRUTINY AND PERFORMANCE PANEL

TUESDAY 25 JANUARY 2011 AT 6.00 P.M.

Panel Members Present

Councillor E. Hughes (Chair)
Councillor B. Cassidy (Vice Chair)
Councillor A. Paul
Councillor L. Beeley
Councillor O. Bennett
Councillor K. Chambers
Councillor R. Martin
Councillor D. Shires
Councillor R. Thomas

Non elected voting members present

A. McDevitt
K. Yeates

Non-elected non-voting members present

D. Jones
R. Bragger

Other Members Present

Councillor M. Bird - Council Leader
Councillor C. Towe - Portfolio Holder, Finance &
Personnel

Officers Present

Louise Hughes- Assistant Director, Children's Services
Michelle Whiting - Assistant Director, Specialist Services
Graham Talbot – Interim Managing Director, Serco
Avril Walton – Assistant Managing Director, Serco –
Management and Development
Dan Mortiboys – Service Accounting and Financial
Reporting Manager
Jude Allerton – Contracts and Commissioning Officer
Matt Underhill – Scrutiny Officer

65/10 APOLOGIES

Apologies for the meeting were received from E. Chawira and Darrell Harman.

66/10 SUBSTITUTIONS

There were no substitutions for the duration of the meeting.

67/10 DECLARATIONS OF INTEREST AND PARTY WHIP

There were no declarations of interest or party whip identified at the meeting.

68/10 MINUTES

Councillor Paul highlighted that he had attended the meetings on 3 and 16 December and asked that this be reflected in the minutes.

Resolved:

That the minutes of the meetings held on 3 and 16 December 2010, as amended, copies having previously been circulated, be approved as a true and accurate record.

69/10 SERCO EDUCATION CONTRACT: ADDED VALUE MEASURES

The Assistant Director, Children's Services, and the Contracts and Commissioning Officer, introduced the presentation (annexed) explaining that it focused on added value measures within the education contract. The following is a summary of the presentation and subsequent discussion:

- Serco set out a number of added value measures within a "discretionary variant bid" during the original bidding process. This included delivering further savings, the development of a new Business Centre, the creation of 200 high quality new jobs in Walsall, a young person apprenticeship scheme and the introduction of a green data storage facility in the borough. Serco were awarded the contract into which the "added value measures" were incorporated;
- The deadline for the development of a new Business Centre was August 2010. An agreement was reached at the Education Executive Board in November 2010 that until Serco met the contract clause to establish this accommodation £20,000 per month costs would be removed from the existing contract. Officers observed that it would have been difficult to anticipate the change in economic circumstances, while the Interim Managing Director – Serco, explained that it would be important to look at the current position to meet the changed circumstances which now exist;
- Following a Member query regarding the definition of new jobs in Walsall the Interim Managing Director – Serco explained that many of these jobs would in fact be posts that would be moved from elsewhere to Walsall. He confirmed that a commitment remained to bring new jobs to Walsall and efforts continue in seeking to establish how this could be achieved. However, the ability of Serco to create new posts in the borough was dependent on its ability to successfully bid for the provision of services;
- The Assistant Director, Children's Services, explained that the prevailing economic conditions had the potential to increase levels of young unemployment in Walsall. The Interim Managing Director Serco confirmed that it was Serco's intention to continue with the young persons' apprenticeship scheme, which includes four modern apprenticeships in Children's Centres, the Economic Well Being Team and two in ICT, including a care leaver. This represented a signal of intent regarding Serco's long-term commitment to the borough. A Member highlighted the University Technology College (UTC) as critical for the economic future with evidence of a current skills shortage in engineering within the region. The Council Leader agreed that the UTC represented a unique opportunity

for young people in the borough to develop careers in manufacturing and engineering;

- The Council Leader explained that it was his expectation that a combination of new posts and the transfer of existing Serco posts from elsewhere in the country to Walsall would establish up to five hundred jobs in the borough. He also expressed concern that he had been informed by the local media of Serco's plans to shed between one hundred and one hundred and fifty posts when there was a contractual commitment to establish new jobs in the borough;
- The Council Leader referred to a statement he had previously made regarding Serco. He explained that it was clear that Ofsted had not seen a significant improvement in educational performance in Walsall which still sat in the bottom quartile, while a higher rate of progress had been witnessed in similar types of area elsewhere in the country. The Council Leader explained that it was his expectation that the savings that the council required Serco to make should be achieved through a reduction in profit margin rather than a reduction in services delivered in Walsall;
- The Council Leader explained that while the general perception was that the funding reduction for the council was 6.8%, when reductions in specific grants were taken into account, the overall position was a cut of 17%. He further explained that in his discussions with government it was anticipated that in the long-term the authority was likely to possess a workforce of hundreds rather than thousands of employees.

Resolved:

That the presentation be noted.

70/10 DRAFT REVENUE BUDGET PROPOSALS 2011/12 FOR CONSULTATION

The Service Accounting and Financial Reporting Manager introduced the report (annexed). The following is a summary of the report and subsequent discussion:

- The draft Formula Grant settlement for Walsall for the period 2011/12 to 2012/13 was announced in December 2010 and has been confirmed as £137.1m. This includes a number of grants that have been unringfenced to produce a combined total of £16.7m via a single funding mechanism. For Children's Services this includes, Learning Skills Council (LSC) Transfer (£0.335m) and Services for Children in Care (£0.336). The settlement equates to a 10.4% reduction in formula grant, this rises to 13.2% following a further reduction of £6.2m in specific grants. This includes a number of Education/ Children's Area Based Grants totalling £2.1m which have now ceased;
- In outlining steps for the next year the Service Accounting and Financial Reporting Manager explaining that in relation to investment, including a reduction in growth of £2.1m had been indentified by Cabinet. However, there was no change in investment as reported to the Panel in December.

In respect of savings proposals a total budget reduction of £3.2m has been considered by Cabinet and this represents no change from the position previously reported to the Panel in December 2010;

- The draft capital programme was presented by Cabinet in December 2010. This represents a combination of mainstream council funding totalling £0.225m, with ring fenced external funding of £33.956m producing an overall budget for Children's Services of £34.181m. At present a number of grants have not been confirmed and where funding is unavailable schemes will not proceed. Following a Panel query regarding the ending of the £0.089m modernisation grant, Serco officers explained that the grant formed part of capital funding used for the maintenance of school buildings;
- Following a Member query in relation to essential car user allowances, which are to be discontinued and replaced with the option of the casual car user allowance, officers agreed to investigate and provide further information regarding the possible existence of lump sum payments for senior officers. The Assistant Director, Children's Services, explained that she did not make any car use allowance claims as she felt it was not appropriate. The Council Leader highlighted that senior officers would no longer receive performance related pay from the commencement of the financial year 2012/13 and that flexi-time and Time Off In Lieu (TOIL) would also be withdrawn for those officers;
- A Panel Member raised concerns regarding the proposed net savings to be made to the Serco contract of £2.5m for next year 2011/12. It was his understanding that a reduction of £1.7m would be the extent of cuts and he expressed concerns regarding the impact on services, particularly within the special needs and early years' settings. Serco officers explained that grant funding formed part of the total funding received and this was set to fall. In addition, there would be costs incurred in relation to the implementation of proposals for achieving the contract savings. The Council Leader clarified that redundancy costs would be met by the respective employer, for example, Serco would meet the costs of making staff they employed redundant. He also explained that where grant funding had ceased so would the services it had previously supported. The Assistant Director, Children's Services, highlighted that Serco were due to provide a plan to mitigate against redundancies regarding the impact of the proposed reductions;
- In relation to the public budget consultation activity undertaken by the council, the Chair observed that Children's Services was the spending area which most respondents identified for increased funding. The Chair also noted that Youth Services was the area which most respondents had identified for no change in funding which was interesting given its role in tackling Anti-Social Behaviour (ASB);
- There was collective agreement that it would be important to be more effective at ensuring that Walsall celebrate success rather than simply relying on the media. The Council Leader explained that it was important that central government received a unified and consistent impression from all local stakeholders of the type of assistance that the borough requires. A Panel Member highlighted concerns regarding the state of district centres and the Portfolio Holder for Finance and Personnel agreed that it would be important to consider possible action that could be taken to assist shop

owners in improving the visual appearance of units. The Council Leader expressed concern regarding the potential damage to local trade and the town centre which might be caused by the opening of the new Tesco supermarket.

Resolved:

That the proposed 2011/12 budget for the services within the remit of the Children's and Young People Scrutiny Panel be noted.

71/10 REVIEW OF SAFEGUARDING SERVICES FOR VULNERABLE CHILDREN WORKING GROUP

The Chair introduced the report (annexed) explaining that it had proved to be a rapidly moving working group. The following is a summary of the report and subsequent discussion:

- The Chair observed that a key feature of the activity of the working group were frank exchanges and discussions which assisted in a thorough examination of Children's Services. He explained that working group Members had received a good insight into the problems faced nationally, those being experienced in the borough and action being taken to improve services on behalf of Walsall children. Other working group Members highlighted a number of issues that were considered, including difficulties encountered in recruiting experienced social workers and retaining the workforce and expressed strong approval for the candid way in which officers discussed issues;
- The Assistant Director, Specialist Services, highlighted that through the life of the working a number of issues had been both identified and resolved. This included the establishment of appropriate meeting spaces for Looked After Children (LAC) to meet with social workers. Learning, development and training strategies have also been devised to assist in retaining a strong and confident workforce. In addition staff with more than two years experience have received an honorarium;
- The working group's recommendations focused on Member participation in annual inspections and visits and seeking representation from each of the main political parties to the Corporate Parenting Board. It was proposed that visits would include bringing together staff and service users to discuss the provision of services. It was agreed that all Members of the Panel would be invited to participate in the inspection and visit activity, with provisional dates to be proposed and availability established;
- The Assistant Director, Specialist Services, also highlighted that a recent inspection of a Children's Home within the borough had resulted in an Ofsted rating of "Good" which meant that Walsall now offered a total of three "Outstanding" homes, with a further one "Good" and one "Satisfactory";
- A further recommendation focused on supporting officers in identifying and employing the most effective approach to ensuring that social workers had

manageable workloads, with average caseloads falling from in excess of fifty to an average of twenty-two. Following a Panel query the Assistant Director, Specialist Services, explained that the reduction in caseloads had been achieved through the use of existing resources. This included the allocation of LAC to experienced but non-social worker qualified staff, with qualified social workers providing support where required. Ofsted had also recently indicated support for the approach taken in the borough. She highlighted that an expectation had also been placed on staff working directly with children to use innovative practices, such as group work, to ensure that care plans were sufficiently personal. A further benefit of this process had been a reduction in sickness levels which reflected that levels of stress had decreased and staff were now more highly motivated;

- A Panel Member expressed support for the activity undertaken by the working group and recommended that a progress report be provided in six months time. Following a further query regarding the risk of an increase in referrals, the Assistant Director, Specialist Services, explained that if the current approach did not successfully respond to an increase it might be necessary to undertake a review. She also explained that Children's Services had experienced seven inspections within the last twelve to eighteen months. The latest was undertaken at the end of 2010 and focused on contact, referral and assessment arrangements. The outcome of the inspection was positive and officers are hopeful that a successful rating will be awarded. Further information regarding the inspection would be provided at the next Panel meeting;
- The Panel heard that should the Deputy Mayor be successful in winning election to Mayor he had indicated that he would be looking to support Creating Chances charity activity for young people and strengthen partnership working across the Black Country.

Resolved:

That

- 1. Children's and Young People Scrutiny & Performance Panel Members are identified on an annual basis to act as Leads as part of Children's Specialist Services visits and inspections activity. This will include an individual councillor being linked to each of the council's five Children's Homes. Officers will contact Members with proposed dates for visit and inspection activity;**
- 2. the role of Members as Corporate Parents is strengthened. This should include representation from each of the main political parties on the Corporate Parenting Board;**
- 3. officers continue to Work Smarter, including the identification of the most effective methods for ensuring that social workers have manageable caseloads in support of the delivery of services;**
- 4. officers continue to strengthen the risk assessment process and first line management provided to staff in support of the delivery of**

services;

- 5. the Panel receives an update report on progress in six months;**
- 6. further information regarding the outcome of the unannounced inspection be provided to the next Panel meeting.**

72/10 CHILDHOOD OBESITY WORKING GROUP

The Scrutiny Officer explained that the working group's first meeting had taken place in early January 2011 where the group's initiation document (annexed), setting out the areas for consideration and objectives, had been agreed. A working group Member advised the Panel that representatives from both the Children's and Young People and Health Scrutiny and Performance Panels were participating in the working group and Cllr Ian Robertson had been elected to act as Lead Member. Officer support will be provided by representatives from both the PCT and Serco.

Resolved:

that the working group's initiation document be noted.

73/10 WORK PROGRAMME 2010/11 AND FORWARD PLAN

The Panel reviewed their work programme and latest version of Cabinets forward plan of key decisions. Following a Panel query it was agreed that a report be provided to the next meeting regarding the participation of local schools in gaining academy status.

74/10 DATE AND TIME OF NEXT MEETING

The time and date of the next meeting was noted as 1 March 2011.

The meeting terminated at 7.30pm

Chair:

Date: