

CHILDREN AND YOUNG PEOPLE SCRUTINY AND PERFORMANCE PANEL

DATE: 26 NOVEMBER 2012

Draft Revenue Budget 2013/14 for Children's Services Portfolio

Ward(s) All

Portfolio:

Councillor R Andrew – Children's Services

Summary of report

This report outlines the portfolio plans for future service delivery, along with the approach being taken to delivering service improvements and cost efficiency for the Children's services portfolio. This includes Cabinet's draft revenue budget proposals for 2013/14 for consultation for the panel to make recommendations to Cabinet.

Recommendation

The panel are recommended to consider the portfolio plan for future service delivery, and draft proposals in this report, and make recommendations to Cabinet as appropriate.

Background papers

Various financial working papers.

Reason for scrutiny

To enable consultation and scrutiny of the draft portfolio plan and budget proposals for 2013/14.

Resource and legal considerations

Cabinet on 24 October 2012 presented their draft portfolio plans on future service delivery, including the draft revenue budget 2013/14 for consultation. These include savings options for the services within the remit of this panel. The plan and options are presented to this panel for consultation and scrutiny and allow the panel to make recommendations to Cabinet. These are shown in **Appendix 1**.

Table 1 overleaf sets out the draft budget 2013/14 for the Children's services portfolio and changes in resources, compared to the approved budget for 2012/13.

Table 1 : Draft Net Budget – Children’s Services Portfolio	2013/14 £m
Budget brought forward from 2012/13	54.601
Contractual inflation	0.067
Investment – payments to fosters carers	0.104
Investment – Looked after children and foster care payments	1.000
New savings options	(2.629)
Full year effect of previous years savings	(0.030)
Grant rolling into formula grant – Early Intervention (accounting changes only)	16.585
Draft net budget requirement	69.698

Citizen impact

The budget is aligned with service activity in service plans, and the principles of the working smarter programme. The report sets out the plans for future service delivery for the services within the remit of this panel.

Environmental impact

Savings options for 2013/14 consider the impact on the environment.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, and there are comprehensive performance arrangements in place to monitor and manage this.

Equality Implications

Service managers have regard to equalities in setting budgets and delivering services. Equality impact assessments will be undertaken as required prior to final recommendations being made to Council on the budget.

Consultation

This is the first of two meetings for scrutiny to consider Cabinets draft revenue budget. Recommendations from the panel will be reported to Cabinet at its meeting on 12 December 2012 for their consideration. The second meeting on 8 January 2013 will include the impact of the final settlement and any other funding changes and any changes to the draft figures arising from budget consultation. It will also include the draft capital programme for 2013/14.

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Children’s Services Portfolio Plan

A. Summary of Services within the Portfolio

Preventative and Targeted Services	Effectiveness, Improvement & Contract Management	<ul style="list-style-type: none"> • Serco Contract; • Intelligence Management • Strategy / Service Planning; • Partnership Performance Management • Information, Advice and Guidance; • Targeted Youth Support; • Youth Justice Service; • Positive Activities for Young People; • Active Involvement of Young People; • Education Business Partnership; • Work to prevent Teenage Pregnancy; • Parent Partnership for SEN pupils ; • Early Intervention for vulnerable children and families • Common Assessment Framework; • Area Family Support Teams; • Troubled Families • Children’s Workforce Development; • Children's Centres; • Parenting; • Think Family; • Early Years; • Serco provided education services • Transfer of education services to council • Developing New relationship with Schools • LA Education functions provided by the council
	Integrated Young People's Support Service	
	Prevention, Workforce Development Partnerships	
Specialist Services	Education Services (Serco)	<ul style="list-style-type: none"> • Placements services (Adoption, Fostering and Residential Care) • Contact and assessment • Disability Service • CAMHS • Sufficiency and Placement Commissioning • Corporate Parenting Board • Responsible Individual for LA • Independent Reviewing Officers • Safeguarding Board • Child Death Overview Panel • Vulnerable Children SW teams x6 • Initial Response Teams x3 • LAC Teams x 3 • Transition and Leaving Care
	Corporate Parenting - Placements and Resources	
	Safeguarding	
	Vulnerable Children and LAC service	

B. Portfolio Aims, Objectives and Priorities

Walsall council fully supports the Children and Young People's Partnership vision that:
*We want all children and young people in Walsall to be **healthy, happy and safe**, to be **loved, valued and respected** and to have **high aspirations for a successful future**.*

Our objective is that all children are;

1. Safe and Supported
2. Healthy and Well
3. Aspiring and attaining
4. Socially included and able to become successful adults

In delivering improved outcomes, our key drivers are:

- Keeping children and young people safe and cared for and positively engaged in their communities
- Providing targeted preventative and early help and support – the right support to the right children, at the right time in the right place
- Championing all children and young people to aspire and achieve and support them in a successful progression to adulthood
- Supporting schools in the drive for high educational standards for all children and young people, especially the most disadvantaged groups
- Ensuring access to adaptable and flexible services provided by a range of providers offering choice and value for money that meet local needs

Priorities

- Improve Safeguarding practice by delivering the Inspection Improvement Plan to ensure rapid and sustainable change for children and families
- Improve educational attainment for all children and narrowing gaps for those children who are disadvantaged and in need
- Manage successful transfer of services from Serco and establishment of new ways of working with schools and academies in Walsall to achieve best outcomes for children and young people
- Ensure right support at right time for vulnerable children and families – through early help and support to better meet local need, including redesigning of Children's Centres
- Reduce number of youth anti social behaviour (ASB) orders and young offenders – ensuring quality practice to meet requirements of Youth Justice Board (YJB) inspectorate
- Mobilise council and partnership leadership and resources to mitigate the impact of increasing poverty and work to improve children's outcomes, thus investing to save increasing costs to the council and partners

C. Service Design (informed by customer demand)

i. How will activities change between 2012/13 and 2013/14?

Schools now have the statutory responsibility to provide/secure impartial universal careers information, advice and guidance (IAG) to young people. The Local Authority retains the statutory duty to ensure more targeted support is available for those young people at risk of becoming NEET (not in education, employment or training) or those young people who are currently NEET. In view of these changes the council needs to review the current provision and reduce the extent and range of support provided through the IAG contract with Prospects by £254k. It will be essential in this changed context to work closely with schools, the college, local learning and skills providers and regeneration partners to ensure we collectively deliver on our responsibilities to all young people, particularly the most vulnerable.

During this period, the council will cease its contract with SERCO for education functions by April 2013 and set out arrangements to fulfil its Local Authority role and responsibilities to champion educational achievement for all children and young people, and in particular to:

- ensure fair access to all schools for every child
- promote a diverse supply of strong, effective schools
- improve educational attainment for all children and to narrow gaps for those children who are disadvantaged and in need.

Central government have indicated through business rates consultation that the Early Intervention Grant (EIG) will be reduced in 2013/14 compared to 2012/13. Based on current consultation, Walsall's allocation was £15.39m in 2012/13 but would fall to £11.26m in 2013/14. This is a reduction of £4.13m or 26.8%. EIG funds activities such as Children's Centres, disabled children short breaks, connexions and many other programmes. Government have indicated that for the two year old funding currently in EIG, responsibility will move from the EIG and local authorities will receive funding through the Dedicated Schools Grant (DSG).

ii. How will you ensure you achieve the above Aims, Objectives, Priorities (what activities / services will be provided) within the cash limited budget available, and how will you measure this?

In the context of reduced resources across the public sector partnership, the Children's Services directorate will need to be reshaped to reflect:

- the significant safeguarding improvement agenda it must meet;
- its responsibilities to co-operate with other partners to secure an effective early help and prevention offer matched to local need;
- its educational functions and the need to forge a new relationship with schools and other learning providers.

The focus will be to ensure that those children most in need of protection and at risk of serious harm will be protected (these include Children in Need, Children on a Child Protection Plan and those Children Looked After).

Support will be targeted to vulnerable children so that emerging problems wherever possible are dealt with before they become more serious. This includes those children with special educational needs and disabilities. Work from Children's Centres will be targeted at those children most in need. Clear pathways to provision and thresholds will be established across the children's partnership.

These reductions in budget, at a time of increasing demand, will mean that we must work differently and focus on maximising the impact we have on the learning and life-chances of children and families by making sure that what we do both across the council, and in partnership, is as effective and efficient as possible. We will monitor and measure what we do across the directorate and through council scrutiny as well as be accountable to the Children's Improvement Board and external inspection and review.

1. Safe and supported

This objective will be delivered as these services will be protected. It will be important to improve our practice effectiveness, reduce delay and drift and ensure at every level of Children's Services we are working with the right children and families at the right time, in the right way.

2. Healthy and Well

It will be essential that the refocusing of our Children's Centres and the reshaping of the Youth Services is targeted on those children and young people in most need and is informed by evidence based practice, to ensure we reduce any negative impact on health and well-being of children and young people

3. Aspiring and attaining

Overall education budgets are reducing locally and nationally. At the same time there is a shift of responsibilities which gives schools and educational providers greater accountability for the attainment for children and young people in Walsall. Ensuring a strategic local overview is key to preventing a negative impact on children's learning chances.

4. Socially included and able to become successful adults

Reductions and changes to Targeted Youth Support and IAG will mean an increased risk of more young people becoming socially excluded and/or at risk of becoming NEET. It will be important that schools, the college learning and skills partners provide impartial IAG effectively and well to their students. It is also essential that we work together to discharge our collective responsibility to ensure all young people are supported to gain good qualifications and skills and can access quality advice and guidance that enhances their employability prospects.

Less educational support and preventative care support means that the Free school (FSM): non FSM gap may increase and result in more social exclusion and less successful adult lives.

D. Draft Revenue Budget 2013/14

The provisional revenue budget for 2013/14 is attached. This summarises the current cash limit for 2012/13 and the proposed cash limit for 2013/14. It details the proposed change in activity required for 2013/14.

In summary the proposed net budget for 2013/14 is £69.698m compared to £54.601m in 2012/13. Excluding accounting changes as a result of a change in Government treatment of Early Intervention Grant amounting to £16.436m, the change is -£1.338m.

E. Future capital requirements

A summary of capital bids for consideration are currently under review. Business cases for proposed schemes will be assessed and recommendations will be made to produce a draft capital programme for reporting to Cabinet on 12 December. These will be detailed here following the completion of the draft capital programme, along with any leasing requirements.

Children's Services Portfolio Cash Limit

								Principles against which the Budget has been tested			
								Safeguarding interests of vulnerable people - children and adults	Promoting economic prosperity for residents	Reducing Inequalities	Aim to make Walsall a better place to live and work
Activity	Activity covered by this Area (per portfolio plan)	Gross Expenditure 2012/13	Gross Income 2012/13	Net Budget 2012/13	Budget 2013/14	Change £	Change Proposals	Do the proposals (the overall budget) safeguard the interests of vulnerable people. How?	Do the proposals (the overall budget) promote economic prosperity. How?	Do the proposals reduce inequalities. How?	Do the proposals help to make Walsall a better place to live and work. How?
Education											
Education	<ul style="list-style-type: none"> Education responsibilities of the council - narrowing gaps for vulnerable children e.g. those children with special educational needs (SEN), ensuring fair access to all schools for every child; championing and promoting a strong supply of good, local, high achieving schools Serco contracted services (all transferring back to council from April 2013): Dedicated Schools Grant to maintained schools 	193,217,464	-176,191,431	17,026,033	15,843,008	-1,183,025	Operational saving of -£1.4m: The Serco contract will terminate April 2013 and services will be transferred back to the Council, allowing the release of profit and overheads from the existing costs. £67k for contractual inflation and £150k change in Early Intervention Grant. The grant is currently shown as external income. From 2013/14, this will be rolled into Formula Grant, and will therefore be accounted for differently. This is solely an accounting adjustment and does not affect the spend in these areas.	Funds education of all children in maintained schools through DSG and also council education functions, schools contribute to a great extent in safeguarding children. The budget reduction will have no impact as it is derived from terminating the contract with Serco and releasing funding taken as profit and overheads.	Funds education of all children in maintained schools through DSG and also council education functions, schools contribute to a great extent in safeguarding children. The budget reduction will have no impact as it is derived from terminating the contract with Serco and releasing funding taken as profit and overheads.	Funds education of all children in maintained schools through DSG and also council education functions, schools contribute to a great extent in safeguarding children. The budget reduction will have no impact as it is derived from terminating the contract with Serco and releasing funding taken as profit and overheads.	Funds education of all children in maintained schools through DSG and also council education functions, schools contribute to a great extent in safeguarding children. The budget reduction will have no impact as it is derived from terminating the contract with Serco and releasing funding taken as profit and overheads.
Children's Services Management											
Children's Services Management	Management team for Children's	2,080,981		2,080,981	1,930,981	-150,000	Operational saving: part year effect of restructure of management (full year effect in 2014/15 of £300k)	Provides management of children's services and safeguard children	Provides management of children's services to reduce numbers not in education, employment or training (NEET) and help vulnerable families and children increase prosperity through greater social inclusion	Provides management of children's services to reduce inequalities	Provides management of children's services inclusion support to schools
Disability Services											
Disability Services	Children with Disability Services	1,877,913	-1,202,000	675,913	1,427,913	752,000	£752k - the net change in budget appears to show a large increase in spend - this is because Early Intervention Grant is currently shown as external income. From 2013/14, this will be rolled into Formula Grant, and will therefore be accounted for differently. This is solely an accounting adjustment and does not affect the spend in these areas.	Supports families and disabled children to ensure their wellbeing and safety and protection, which is a re fundamental to safeguarding. The saving, which is a different way of accounting, will have no impact on these essential services.	Supports families and disabled children to ensure their wellbeing and inclusion in work. Reducing support for carers may reduce their chances of maintaining employment	Families of children with disabilities are at higher risk of poverty and any support can mitigate this	Ensuring children with disabilities and their carers are well supported will help families living and working in Walsall
Corporate Parenting											
Corporate Parenting	<ul style="list-style-type: none"> Providing Adoption, Fostering and Residential Care for looked after children (LAC) Contact between children and their parents and assessment of parents Commissioning external foster care and residential care Corporate Parenting Board Support for LAC in Transition and Leaving Care 	575,153	0	575,153	485,153	-90,000	Operational saving of -£90k: These budgets are protected as key front line services. The £90k relates to current underspends and therefore can be removed from the budget with no impact on service delivery.	Provides management of adoption, foster care and residential care and also adoption allowances etc for looked after children (LAC). Budget reduction will have no impact	Supports LAC become socially included and obtain employment	Supports LAC to become socially included	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work
Family Placements	Care	3,357,764	0	3,357,764	3,357,764	0	These budgets are protected as key front line services, especially around Adoption and Foster Care.	This budget provides the adoption, foster care and residential care for LAC	High quality care helps prepare LAC for work and local Foster carer jobs provides potential opportunities for local residents	Provides support for the most vulnerable children in Walsall	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work

								Principles against which the Budget has been tested			
								Safeguarding interests of vulnerable people - children and adults	Promoting economic prosperity for residents	Reducing Inequalities	Aim to make Walsall a better place to live and work
Activity	Activity covered by this Area (per portfolio plan)	Gross Expenditure 2012/13	Gross Income 2012/13	Net Budget 2012/13	Budget 2013/14	Change £	Change Proposals	Do the proposals (the overall budget) safeguard the interests of vulnerable people. How?	Do the proposals (the overall budget) promote economic prosperity. How?	Do the proposals reduce inequalities. How?	Do the proposals help to make Walsall a better place to live and work. How?
Looked after Children		14,946,455	-610,000	14,336,455	15,170,600	834,145	Investment £1m - this service has been prioritised as a key front line service. Additional funding of £1m has been invested for Looked After Children and a further £104k for foster care payments. There is an operational saving of -£270k relating to service design efficiencies which have been identified in the use of the family contact budget, with no impact on service delivery.	Potential risk that this saving could be used to offset increase cost of higher numbers of LAC and commensurate increase in contact required	Supports LAC become socially included and obtain employment	Supports LAC become socially included and obtain employment	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work
Transition and Learning Care		1,167,680	-14,456	1,153,224	1,153,224	0	These budgets are protected as key front line services, especially around Adoption and Foster Care.	Helps LAC leave care at 18+ and find accommodation, work and live safely and independently	Helps LAC leave care at 18+ and find accommodation and work	LAC are at high risk of being NEET and homeless and with support this risk can be reduced	Ensuring vulnerable children are safe and cared for and supported to learn, achieve and successfully transition to adulthood will help make Walsall a better place to live and work
Internal Residential		3,898,668	0	3,898,668	3,773,668	-125,000	Operational saving of -£125k relating to the restructure of internal residential services	Provides local residential care for LAC.	High quality care can help prepare LAC for work. Children's Homes provide local job opportunities in care services	Provides support for the most vulnerable children in Walsall	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work
Safeguarding Children											
Safeguarding Children	<ul style="list-style-type: none"> Independent Reviewing Officers Safeguarding Board Child Death Overview Panel CAMHS 	2,453,055	-89,191	2,363,864	2,363,864	0	These budgets are protected as key front line services, especially around Adoption and Foster Care.	Ensures children are safeguarded and scrutiny of practice through independent reviewing officers	Supports LAC become socially included and obtain employment	Safeguarding protects vulnerable children many of whom live in poverty	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work
Vulnerable Children											
Social Workers working with Vulnerable Children	<ul style="list-style-type: none"> Vulnerable Children Social Work teams x6 Social Work Initial Response Teams x3 	5,927,506	-59,355	5,868,151	5,868,151	0	These budgets are protected as key front line services, especially around Adoption and Foster Care.	Social Workers provide safeguarding and support for children and vulnerable families	Social Workers work with socially excluded groups to improve their inclusion and reduce inequalities and SW posts provide local job opportunities	Social Workers work with socially excluded groups to improve their inclusion and reduce inequalities	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live and work

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								Safeguarding interests of vulnerable people - children and adults	Promoting economic prosperity for residents	Reducing Inequalities	Aim to make Walsall a better place to live and work
Activity	Activity covered by this Area (per portfolio plan)	Gross Expenditure 2012/13	Gross Income 2012/13	Net Budget 2012/13	Budget 2013/14	Change £	Change Proposals	Do the proposals (the overall budget) safeguard the interests of vulnerable people. How?	Do the proposals (the overall budget) promote economic prosperity. How?	Do the proposals reduce inequalities. How?	Do the proposals help to make Walsall a better place to live and work. How?
Prevention, Workforce & Partnerships											
Prevention, Workforce & Partnerships and Common Assessment Framework	<ul style="list-style-type: none"> • Early support for families Common Assessment Framework; (CAF) Team of practitioners supporting all universal agencies and based in the Area Family Support Teams. • Area Family Support Teams; multi agency locality based teams working intensively as part of a (whole family approach) to meet the national guidance for vulnerable and troubled families • Workforce Development; central team that supports the wider partnership workforce and training requirements including parenting and inclusive of social worker recruitment and retention • Children's Centres and Early Years ; statutory provision delivering a core purpose and function of family support, child development, school readiness, child care and family learning. • Parenting Support; evidenced based 0-19 programmes delivered by trained practitioners to parents from vulnerable families • Think Family Team 'edge of care prevention'; central team of skilled practitioners working intensively with vulnerable children on the edge of going into care 	12,282,664	-12,337,998	-55,334	11,926,664	11,981,998	Operational saving of -£340k with no impact on service delivery as it relates to efficiencies released by reducing back room support staff and focus on changes in working practices that better utilise existing skills, resource and knowledge. Improved performance management of centres. The net change in budget appears to show a large increase in spend - this is because Early Intervention Grant is currently shown as external income. From 2013/14, this will be rolled into Formula Grant, and will therefore be accounted for differently. This is solely an accounting adjustment and does not affect the spend in these areas.	Provides 18 children's centres to help support families and safeguard vulnerable children.	Provides childcare and family support to help families obtain employment. Provides local employment	Children's centres work targets support to those at risk of social exclusion and helps reduce inequalities	Good childcare and support is key to a better place to live and work
Young Peoples Support Services											
Integrated Young Peoples Support Services	<ul style="list-style-type: none"> • Information Advice and Guidance; Targeted support to young people (YP) at risk of/or not in education employment or training • Targeted Youth Support; Intensive 1-1 support to YP at risk or in need at level 2/3 • Youth Justice Service; management of court ordered arrangements for young offenders to manage risk and reduce harm to YP and the community • Positive Activities; Detached, mobile and centre based Youth work to engage targeted communities of YP to reduce youth crime and Anti social behaviour • Active Involvement; support to voice of YP (customers) including LAC, UKYP, Walsall youth council etc • Education Business Partnership; Delivering in schools, and supporting the schools/business partnership to increase skills and employability of YP • Teenage Pregnancy; Range of support to teenage mums and activities to reduce teenage pregnancy • Parent Partnership; Supports parents to ensure additional educational support to YP with SEN 	7,355,033	-4,035,172	3,319,861	6,397,360	3,077,499	Policy saving -£254k: There will be a reduction in the information, advice and guidance (IAG) contract value meaning that there will be less support for those young people at risk of becoming NEET or who are NEET. Schools now have the statutory responsibility to provide universal careers IAG but the local authority still retains statutory duties to provide more targeted support which is currently provided by Prospects. The net change in budget appears to show a large increase in spend - this is because Early Intervention Grant is currently shown as external income (£3.362m) - from 2013/14, this will be rolled into Formula Grant, and will therefore be accounted for differently. This is solely an accounting adjustment and does not affect the spend in these areas.	Integrated young people support service (IYPSS) provides targeted support for vulnerable and at risk young people and safeguarding is a high priority. The reduction in IAG will mean that young people are less supported and more likely to become socially excluded (e.g. increased NEET) and therefore their vulnerability will increase	IYPSS and IAG supports young people into training, education and employment, a reduction in budget is likely to increase NEET and not known numbers ('lost' to the system)	IYPSS supports young people who are, or at risk of, being socially excluded, anti-social or engaged in crime. A reduction in support of this value will increase levels of social exclusion and potentially NEET, ASB and crime	Social inclusion of young peoples contributes to a great extent to a better place to live and work.
Total Children's		249,140,336	-194,539,603	54,600,733	69,698,350	15,097,617					