

CHILDREN'S AND YOUNG PEOPLE SCRUTINY AND PERFORMANCE PANEL

FRIDAY 3 DECEMBER 2010 AT 6.00 P.M.

Panel Members Present

Councillor E. Hughes (Chair)
Councillor B. Cassidy (Vice Chair)
Councillor M. Longhi
Councillor O. Bennett
Councillor I. Azam
Councillor D. Shires
Councillor R. Thomas

Non elected voting members present

A. McDevitt

Non-elected non-voting members present

D. Jones
R. Bragger

Portfolio Holder Present Other Members Present

Councillor R. Andrew
Councillor C. Towe (Portfolio Holder – Finance)

Officers Present

Pauline Pilkington- Executive Director, Children's Services
Michelle Whiting – Assistant Director, Specialist Services
Avril Walton – Assistant Managing Director, Serco –
Management and Development
Alan Michell – Integrated Young People's Support
Service, Head of Service
Dan Mortiboys – Service Accounting and Financial
Reporting Manager
Matt Underhill – Scrutiny Officer

49/10 APOLOGIES

Apologies were received from Councillor Chambers, Councillor Martin, Councillor Beeley and Ken Yeates.

50/10 SUBSTITUTIONS

The following substitutions were made for the duration of the meeting: Councillor Longhi for Councillor Beeley, Councillor Azam for Councillor Martin

51/10 DECLARATIONS OF INTEREST AND PARTY WHIP

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

52/10 MINUTES

Councillor Paul highlighted that he had attended the meeting on 4 November and asked that this be reflected in the minutes.

Resolved:

That the minutes of the meeting held on 4 November 2010, as amended, copies having previously been circulated, be approved as a true and accurate record.

53/10 QUARTER 2 FINANCIAL MONITORING POSITION FOR 2010/11

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

- The 2010/11 forecasted year end financial position for Children's Services was a net revenue overspend of £1.993m, with a forecast capital overspend of £22.623m;
- In relation to the various service areas, a net revenue underspend for Universal Services of £177,000 was anticipated, a net revenue overspend for Specialist Services of £2.1m was forecast, with an overspend of £67,000 expected within Education;
- Following a Member query, officers explained that the overspend in Specialist Services was as a result of a significantly higher number of Looked After Children (LAC) than anticipated in the original budget, this has included the need to make use of external placements where there was no internal capacity. High numbers of agency staff covering vacancies and sickness also contributed to the overspend, together with increased demand for services for disabled children with complex needs;
- The Capital Programme for 2010/11 has included works undertaken within Specialist Services, in particular at Eldon House. It is proposed to treat the significant proportion of funding, £0.93m, as slippage and transfer it to the 2011/12 financial year. This approach is also proposed for capital spending in relation to the modernisation of all schools, with £2.5m being transferred to 2011/12;
- Following Member queries, officers explained that management action included the use of Working Smarter methodology. For example, changes to the provision of taxi travel for family contact for LAC. This process, involving working with colleagues from procurement in developing a framework agreement in place of the previous spot purchase arrangements, had proved effective at reducing the council's costs;
- Elsewhere, successful grant funding applications have enabled some services to be delivered without the need for continued mainstream funding support. This in turn has increased the overall level of available mainstream funding which could now be realigned to support the delivery of other services;
- Following a Member query, officers provided reassurance that although an action plan had delivered efficient savings of £50,000 in relation to Aiming High for Disabled Children, all those assessed as requiring these services would receive them;
- Following a Member query, the Assistant Managing Director, Management and Effectiveness, Serco, explained that where schools had established federations they were able to apply for a capital funding, with Barcroft (Elm

Street/ Albion Road) receiving targeted capital. Further details would be provided to Members.

Resolved:

that the report be noted;

and;

that further information be provided by officers in relation to target capital funding for school federations.

54/10 DRAFT REVENUE BUDGET PROPOSALS 2011/12 FOR CONSULTATION

The Executive Director, Children's Services introduced the report (annexed). The following is a summary of the report and subsequent discussion:

- Support for the most vulnerable children in the borough is the key priority within the draft revenue budget proposals for 2011/12 for Children's Services. This year the budget setting process has involved services being benchmarked against the cost of delivery within neighbouring authorities, with officers then required to set the budget for Walsall services at the average cost. However, a £2.1m cost pressure has been identified based on increased demand on the service in relation to LAC and Family Contact;
- Working Smarter activity has included the remodelling of IYPSS services, including focusing on targeted youth support which is forecast to deliver annual savings of £435,000 in each of the next three years;
- The council's education partner, Serco, have also been asked to find savings of £2.5m during each of the next three years but with clear guidance that this should not impact on front line services. These proposals were due later in December with implementation in April 2011;
- Following a Member of query, the Head of the Young People's Integrated Support Services (IYPSS) explained that the remodelling of IYPSS would produce further support for the most vulnerable groups of young people. This would include the creation of new posts to focus on targeted youth support for the most in need. The key objective was early intervention, particularly in relation to those who were at risk of entering the LAC system. Further emphasis in placing young people at the centre of IYPSS included the creation of thirteen apprenticeship posts. This would assist the service in making more of an impact on the young people with whom it works. It was also proposed to seek a reduction in the cost of the contract with Prospects, the national company responsible for a key element of the provision of advice and guidance to young people. A number of Members agreed that this service provided important support on behalf of young people Not in Education, Employment or Training (NEET). However, a Member expressed concerns regarding the possible rise of NEET as a consequence of the loss of the Education Maintenance Allowance (EMA) allowance payments to young people;
- Following a Member query officers explained that the cost of providing care

for LAC varied. For example, the average cost of placements within the borough was £332 per week, with the average for agency provided placements £830 per week. The average combined unit costs for internal/external placements was £800 per week, with 80% of LAC were with foster carers, including 70% with council agency foster carers. In addition, there is a review of each child at least once a month. Where specialist care is required, this ranges from £2,000 - £5,000 per week. External placements were more expensive, although these were only used where the council was unable to meet a child's requirements within the borough. Officers also explained that external placements were only used where capacity within the borough had been exceeded. Following a further Member query, officers explained that there were twenty-two residential care places currently in Walsall and that children's homes were small units which typically accommodate between five and ten children;

- In response to a Member query, officers explained that a key objective for the service was to expand the local pool of self-employed foster carers. There were currently 117 private agency registered foster carers in the borough. However, the council's own foster agency consistently found it difficult to recruit carers and there were also challenges with retention and turnover. These difficulties were increased by the competition that existed between neighbouring authorities to recruit carers locally. Work is currently underway with the other Black Country councils to deliver a shared approach to the recruitment and training of foster carers, this will contribute to creation of a more stable local cohort rather than movement between authorities. A Member pointed out that the demand on services was reflected by the Foster Panel now meeting more frequently than had previously been the case;
- The Assistant Managing Director, Management and Effectiveness, Serco explained that negotiations included a number of contract theme meetings with Head teachers as part of the contract review process. Part of this activity is to seek to increase trading of services with schools, including in respect of those services that are currently provided without charge by Serco. Serco are also working with the council to identify those elements of the contract that must be delivered according to statute and where changes can be made to the current contract output specification to reduce costs. Further consideration will be given to the White Paper on Education which set out what councils will be required to deliver, particularly as many schools seek to change their status to become academies. In addition, Serco is currently working with the Department for Education (DfE) as the national Early Years lead which will enable Walsall to respond swiftly to any changes proposed.

Resolved:

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

55/10 DATE AND TIME OF NEXT MEETING

The time and date of the next meeting was noted as 16 December 2010.

The meeting terminated at 6:40pm

Chair:

Date:

DRAFT