

**20 November 2018**

**Draft revenue budget and capital programme 2018/19 – 2021/22**

**Ward(s)** All

**Portfolios:** Councillor C. Towe – Education and Skills

**Executive Summary:**

The draft revenue budget and capital programme, as reported to Cabinet on 24 October 2018, includes the latest medium term financial outlook for the four year period from 2018/19 to 2021/22.

This report provides an extract of the draft budget proposals under the remit of the Education Overview and Scrutiny Committee for consideration.

Feedback from this Committee on the draft proposals will be reported back to Cabinet on 12 December 2018. This will inform the final draft budget to be considered by Cabinet on 13 February 2019 to be recommended to Council on 28 February 2019. Any changes to Cabinet's December draft revenue budget proposals as a result of equality impact assessments and consultation will be fed into the final budget report.

**Reason for scrutiny:**

To enable consultation of the draft budget proposals for services within the remit of this Committee, and for any feedback to be reported back to Cabinet on 12 December 2018.

**Recommendations:**

**That:**

1. The Committee is recommended to consider the draft revenue budget and capital programme attached that relate to the remit of this committee.
2. The Committee are asked to note that consultation will be undertaken on all new 2019/20 policy savings shown in **Appendix 3**, and that feedback will be presented to Cabinet on 12 December 2018.

**Background papers:**

Various financial working papers.

## **Resource and legal considerations:**

Cabinet, on 24 October 2018, was presented with a list of proposed revenue savings and investments for consultation, and indicative revenue cash limits.

The full Cabinet report can be accessed at the following link: [Draft Budget](#)

### Savings proposals

A number of the 2019/20 savings were part of the budget plan approved by Council in February 2018, the majority of which were operational (implemented through officer delegations). These are approved and are included within the cash limits at **Appendix 1** - these savings total £0.18m for services within the remit of this committee.

There is a further £0.56m of policy savings requiring consultation (**Appendix 3** – those with a direct impact on services and which require an Executive decision to proceed) and no new operational savings (savings which officers have delegations to implement).

As a council, we anticipate a further £13.94m of savings required in 2020/21 and £7.56m in 2021/22. It is expected that the refreshed transformation programme (Walsall Proud Programme, as reported to Cabinet on 24 October 2018) will incorporate an organisational wide programme of change activity, with the breadth and pace of this being such that this will contribute significantly to delivering the required savings in 2020/21 and 2021/22.

### Investment / cost pressures

A number of investment / cost pressures have been identified and included in the draft budget proposals. Those relating to the remit of this Committee are shown as **Appendix 2**.

### Capital Programme

Capital programme resources are limited. The financing for capital investment is heavily reliant on grants and other funding received from the Government, with the remaining flexibility through capital receipts and borrowing.

Despite the above difficulties, significant investment is planned and funded over the four years 2018/19 to 2021/22. The council is able to fund existing commitments and has, through prioritisation of bids and resources and sound treasury management, been able to support new investment into key services, and areas of capital investment need.

The capital programme is presented in two parts:

- Council funded programme - funded by the council's own resources, through borrowing, revenue contributions and receipts. **Appendix 5** summarises those schemes relating to the remit of this committee.
- Externally funded programme - funded from capital grants and third party contributions. **Appendix 6** summarises those schemes relating to the remit of this committee.

## **Council Corporate Plan Priorities:**

In order to meet the council's purpose and vision, the council will be focussing its' energy over the next four years on the following key priorities, recognising that it must do so with decreased and decreasing resources and concentrating efforts on those most in need:

- **Economic growth** for all people, communities and businesses.
- **People** have increased independence, improved health and can positively contribute to their communities.
- **Internal Focus** – all council services are efficient and effective.
- **Children** have the best possible start and are safe from harm, happy, healthy and learning well.
- **Communities** are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion.

## **Citizen impact:**

Details of potential impact are identified within the policy paper attached at **Appendix 4**.

## **Environmental impact:**

The impact on the environment is considered in all savings proposals.

## **Performance management:**

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

## **Reducing inequalities:**

Service managers have regard to equalities delivering services and identifying saving options. Equality impact assessments are being undertaken as required prior to final recommendations being made to Council on the budget, along with any mitigating actions. The majority of the Education savings are based upon the review of needs and how that need is met within statutory requirements.

## **Consultation:**

Consultation is an integral part of the corporate budget process and ongoing arrangements are in hand to consult with a wide range of stakeholders as appropriate (i.e. councillors, residents, service users, business sector, voluntary and community organisations, etc.). This is outlined in the budget report to Cabinet on 24 October 2018.

Feedback from consultation, including those from this committee, will be presented to Cabinet for their consideration. Any changes to the draft budget proposals, including arising from consultation, will be reported to a future meeting of the Committee.

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## APPENDIX 1

### Indicative revenue cash limit for 2018/19 to 2021/22

The following table summarises the indicative cash limit for services within the remit of the Education Scrutiny and Overview Committee.

	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>Opening cash limit</b>		10,708,859	10,850,125	10,610,951
<b>Base budget adjustments</b> including funding changes *		(541,000)		
<b>Investment / Pressures</b> – see <i>Appendix 2</i>		1,421,000	815,000	
<b>Approved Savings</b>				
Cease or identify alternative funding to support School Improvement Services		(135,599)		
General efficiencies across directorate		(43,135)		
<b>Less Policy Savings proposals</b> for consultation – see <i>Appendix 3</i>		(560,000)		
<b>Less Provisional Savings requirement</b>			(1,054,174)	(572,040)
<b>Education draft cash limit – scrutiny remit only</b>	<b>10,708,859</b>	<b>10,850,125</b>	<b>10,610,951</b>	<b>10,038,911</b>

\*Relates to the review of traded service income.

## APPENDIX 2

### Summary of Revenue Investments / Cost Pressures 2019/20 – 2020/21

Detail of investment / cost pressure	2019/20 £	2020/21 £	2021/22 £
Education Services Grant fall out	791,000	815,000	0
Home to school transport	630,000	0	0
<b>Total Revenue Investments - scrutiny remit only</b>	<b>1,421,000</b>	<b>815,000</b>	<b>0</b>

## APPENDIX 3

### Policy Proposals 2019/20 for Consultation

Detail of Policy Saving / Efficiency	2019/20 £
Review of home to school transport for service users post 16 years of age (see <i>Appendix 4 for policy paper</i> )	(560,000)
<b>Total Policy Proposals – scrutiny remit only</b>	<b>(560,000)</b>

## PORTFOLIO: CHILDREN'S AND HEALTH AND WELLBEING

SERVICE AREA AND DIRECTORATE: Children's Services - Children's Commissioning

**Proposal: Review of home to school transport for service users post 16 years of age.**

1 **Financial Proposal**

	2019 / 2020
	£
Estimated Saving	(560,000)
Revenue Investment	0
<b>Net Saving</b>	<b>(560,000)</b>
Capital investment	0

2. **Description of the Proposal**

2.1 The current Home to School Transport budget is £2m, which provides both statutory and non-statutory (post-16) transport. Currently 626 children and young people receive help with Home to School Transport and of these, 62 are aged 16 to 18 years and 35 are aged 19 plus, however numbers change every year due to age and individual needs. There continues to be growth in eligible numbers of pupils of all ages and the over-spend of this budget continues.

2.2 There is no statutory duty to provide home to school transport for young people aged 16 – 18 (academic year 12 & 13) with special educational needs and disabilities (SEND) and the duty for those young people with SEND aged 19+ is to provide "assistance", however this is not defined.

2.3 The current home to school transport assistance offer is the same for the 62 young people aged 16 to 18 with SEND as it is for the 35 young people with SEND aged 19+, the offer is;

- Transport by Taxi, Mini Bus or Coach, which is either;
  - Door to Door or
  - Bus stop
- Independent Travel Training
- Personal Transport Budget
- Independent bus pass

Whatever the travel assistance, low income students are required to pay £300 a year towards the cost. Those who do not meet the low income criteria are required to pay £600 a year towards the cost. These contributions can be paid by instalments.

2.4 This proposal has two options;

- *Option 1* -
  - SEND 16-18 year olds - Cease all forms of travel assistance

- SEND aged 19+ - Cease all travel assistance by taxi, mini bus or coach and continue to offer travel assistance through;
    - Independent Travel Training
    - Personal Transport Budget
    - Independent bus pass
- *Option 2* –
  - SEND 16-18 & 19+ year olds - Cease all travel assistance by taxi, mini bus or coach and continue to offer and travel assistance through;
    - Independent Travel Training
    - Personal Transport Budget
    - Independent bus pass

2.5 The current cost of travel assistance for the 97 young people with SEND is £560k;

- 62 young people with SEND aged 16 -18 costs £386k
- 35 young people with SEND aged 19+ costs £174k

2.6 The two options would have the following financial implications;

- *Option 1* - If travel assistance was only offered to the 35 young people aged 19+ with SEND in the form of;
  - Independent Travel Training
  - Personal Transport Budget
  - Independent bus pass

This would cost the Local Authority (35 x £600) £21k instead of £560k, so a full year saving would be £539k.

- *Option 2* - If travel assistance in the form of;
  - Independent Travel Training
  - Personal Transport Budget
  - Independent bus pass

Was offered to all 97 young people with SEND aged 16+, this would cost the Local Authority (97 x £600) £58k instead of £560k, so a full year saving of £502k.

Note: Potential savings would be part year, from the start of the 2019/20 academic year commencing September 2019.

2.7 This proposal will require a review of the Home to School Transport Policy in consultation with service users, stakeholders and others. The council has a duty to publish its transport strategy by 31 May each year.

### **3. Implications Associated With Proposal**

#### **3.1 Council Corporate Plan Priorities**

These proposals are intended to promote and encourage greater independence whilst keeping children safe.

#### **3.2 Customers**

This proposal takes into account children with exceptional circumstances, where disability / mobility needs are greater than the need to adhere to guidance. However, approximately 97 young people will no longer be eligible for school transport via taxi, mini bus or coach should the proposal be approved.

#### **3.3 Employees / Staffing**

There are no staffing implications for this proposal.

#### **3.4 Partners**

There is no impact or responsibilities on other partner agencies regarding any transport costs or services. There may be some traffic management issues for schools to address as there may be more parent vehicles arrive and less livery vehicles accessing schools.

#### **3.5 Economic Implications**

Encouraging children and young people and their families to travel independently may lead to a reduction in commissioned services from independent travel providers. E.g. bus and taxi companies.

#### **3.6 Environmental Implications**

There are no implications in this report.

#### **3.7 Health and wellbeing implications**

The most relevant Marmot principles for this proposal is the enabling of all children and young people to maximise their capabilities and control over their lives. The overall intention of the Home to School Transport Policy is to ensure that:

- Learners are able to access education of their choice.
- If support for access to education is required this will be assessed, provided or enabled where possible.
- Proposals to develop Independent Travel Training in Walsall will encourage the acquisition of important life skills. Child who are more able to walk to school will have greater opportunity to do so under parent supervision and thus contribute to healthier activity for the family.

### 3.8 **Other Council Services**

These proposals will decrease some support service activity but will increase other activity (Independent Travel Training, Personal Transport Budgets).

### 3.9 **Procurement / Social Value Implications**

A compliant procurement process will be followed, if required, following consultation.

## 4. **Associated Risks / Opportunities**

The proposal aims to meet the needs of those children and young people with additional home to school transport needs and safely promote independent travel through a structured travel training programme.

Savings forecasted are based on 2018 / 19 data. Actual savings are dependent on numbers and ages of the new cohort of children from September 2019.

The proposed withdrawal of Home to School transport for Post 16/18 was considered by Cabinet in February 2017 but rejected and a parental contribution scheme was introduced instead.

14 West Midlands Local Authorities currently continue to provide support to post 16's with most having an annual contribution made by parents / carer.

The withdrawal of travel assistance contained within this proposal is likely to be contentious.

There is likely be very high public and education establishment opposition and legal challenge.

The current transport policy published in May 2018, sets out the entitlement for 2018/19, therefore service users have a reasonable expectation to receive the support as set out in the policy until that policy is revised.

## 5. **Legal Implications**

### 5.1 The council will continue to meet all statutory duties in relation to school transport.

The 1996 Education Act requires local authorities to ensure suitable travel arrangements are made, where necessary, to facilitate a child's attendance at school. This applies to home to school travel arrangements and does not relate to travel between educational institutions during the school day.

The Act defines eligible children as – children of compulsory school age (5-16) if their nearest school is beyond 2 miles (if below age 8) or beyond 3 miles (aged between 8-16).

“Special Educational Needs, disability or mobility eligibility – children who cannot be expected to walk to school because of their mobility problems or because associated health and safety issues related to their special educational needs (SEN) or disability and should be assessed on an individual basis. Usual transport

requirements (i.e. statutory walking distances) should not be considered when assessing children eligible due to SEN or disability. Parents are responsible for ensuring their children attend school regularly.

- 5.2 The Education Act, 1996, Section 509(1) obliges Local Authorities to make transport arrangements **if they consider it necessary** to facilitate a pupil's attendance at school. Section 509(2) of the Act states that if the Local Authorities considers transport to be necessary, it must be provided free of charge.

Section 508C of the Act gives Local Authorities discretionary powers to make school travel arrangements for other children not covered by section 508B. **Such transport does not have to be provided free of charge.**

- 5.3 The SEND Code of Practice 2015 says that the Local Offer must include information about arrangements for transport provision; including those up to age 25 with an Education Health and Care plan, and this should include Local Authorities' policy statements. Each Local Authority must have clear general policies relating to transport for children with special educational needs or disabilities that must be made available to parents and young people. Such policies will set out the transport arrangements that are over and above those required by the Education Act 1996 (Section 508B).

- 5.4 Local Authorities have a duty to prepare and publish by 31 May each year, an annual transport policy statement specifying the arrangements for the provision of transport or otherwise that the authority considers it necessary to make to facilitate attendance of all persons of sixth form age receiving education or training (section 509AA of the Education Act 1996).

- 5.5 When a student with an Education, Health and Care Plan starts a new course of education, who is above the age of 19 and below the age of 25 years, an additional assessment is made (reflecting the council's obligations under both the Care Act 2014 and the Education Act 1996, s508F) to determine whether it is necessary for the council (rather than the student/family) to make their own travel arrangements.

## 6. **Consultation and Customer feedback**

- 6.1 Consultation was undertaken in 2016 to;

- Review & cease under-mileage transport arrangements
- Cease all short break transport
- Cease all post 18 transport

- 6.2 The 2019/20 Consultation plan is being developed but will include consultation with;

- Head Teachers of the special schools
- Parents/carers
- Service Users
- Parent partnership group
- Partners including the SEND Team
- Public consultation

6.3 Consultation information will be available

- online via the Local Offer pages,
- through The Link ,support websites for families of young people with SEND,
- Family Information Service and Parent Voice.
- council web site
- Letters posted to all 650 home to school transport users.
- public meetings

7. **Reducing Inequalities Implications**

7.1 A full equality impact assessment will be carried out.

## APPENDIX 5

**Draft Capital Programme 2019/20 to 2021/22**  
**– Council Funded Schemes**

<b>Detail of investment / cost pressure</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>2021/22 £</b>
<b><i>New Bids</i></b>			
School classrooms – requirement for temporary builds due to condition of existing facilities. (plus £250k on reserve list)	250,000	0	0
School estate condition surveys including statutory compliance issues across the primary, secondary and special school estate, to inform a rolling maintenance and school expansion programme (plus £350k on reserve list)	250,000	0	0
<b>Total Council Funded Programme for scrutiny remit</b>	<b>500,000</b>	<b>0</b>	<b>0</b>

## APPENDIX 6

**Draft Capital Programme 2019/20 to 2021/22**  
**– External Funded Schemes**

<b>Detail of investment / cost pressure</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>2021/22 £</b>
Basic Need - Estimated DfE allocation (grant)	11,981,629	4,000,000	4,000,000
Devolved Formula Capital - Estimated DfE allocation (grant)	534,800	534,800	534,800
Capital Maintenance - Estimated DfE allocation (grant)	2,222,387	2,222,387	2,222,387
Special Provision Fund – pupils with special educational needs – DfE allocation (grant)	319,229	319,229	0
<b>Total External Funded Programme for scrutiny remit</b>	<b>15,058,045</b>	<b>7,076,416</b>	<b>6,757,187</b>