

## **Wiltshire Council**

### **Schools Forum**

**3<sup>rd</sup> March 2011**

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## **Council Business Plan 2011-2015 – Impact on Children’s Services**

### **Purpose of report**

1. To inform Schools Forum of the Council’s Financial Plan for 2011-15 as it affects Children’s Services.
2. To share detail on how the Early Intervention Grant has been prioritised in 2011/12.

### **Background**

3. The government announced the Local Government financial spending settlement and specific grant allocations on 13<sup>th</sup> December 2010. For local authorities this contained a 2 year funding settlement, unlike the schools settlement which was for one year only. For the 2011/12 budget in Wiltshire this means:
  - the number of specific grants has been reduced significantly with some grants now included in formula grant (eg., supporting people grant) and others rolled in to new specific grant (eg., Early Intervention Grant) or ended completely (a number of area based grants).
  - a reduction in formula grant received from the government of 16.2%. This is adjusted by a new Transitional Grant to the “floor” level of reduction of 14.3%.
  - funding equivalent to a 2.5% increase in Council Tax to councils that agree to freeze Council Tax for 2011/12.
4. The Council’s financial plan reflects the reduction in government grant and addresses a number of pressures across service areas in addition to making savings. Key themes in the financial plan are:
  - Protecting and safeguarding vulnerable adults and children
  - investing in priority services – including children’s attainment
  - making savings
5. The financial plan was agreed by Council on 22nd February.

### **Main considerations for Schools Forum**

6. This report outlines the key elements of the Council’s financial plan as they affect the budget for Children’s Services for the period 2011-15. Investment proposals are presented for 2011/12 and 2012/13 and savings for 2011/12.

## **Financial Plan 2011-15**

7. Key areas of investment for children's services are protecting and safeguarding vulnerable children and investing in children's attainment.
8. **Protecting and safeguarding vulnerable children** – the number of looked after children has continued to increase, rising from 313 in 2006 to 371 in 2010. This is due to a multiplicity of factors and is echoed across the country as local authorities respond to the pressures and demands of homelessness, the increase in vulnerable adolescents and the increase in child protection referrals.
9. Wiltshire has responded to these pressures by developing an in-house fostering provision, recruiting local carers and expanding schemes such as supported lodgings and semi-independent accommodation for vulnerable teenagers. The service needs to expand to continue to meet the increase in numbers; dedicated foster carers are needed for unaccompanied asylum seeking children, disabled children, those requiring respite, and vulnerable teenagers. The family placement service also needs to strengthen post adoption support to meet the needs of young people who have been adopted with complex health needs.
10. A range of strategies are being put in place to both reduce the need for high cost external placements and take preventative action.
11. Investment of £0.675 million in 2011/12 will enable allowances to be paid to the increasing number of in house foster carers and to provide adoption support. A further £0.650 million investment from 2012/13 will enable the development of a small in-house short term residential crisis resource to provide a safe environment for young people whilst assessment of needs are undertaken to better inform placement decisions.
12. **Investing in Children's attainment** – Wiltshire Council wants all schools to be outstanding or at least good, whether they are academies or maintained schools, by increasing the breadth and depth of educational provision to enable pupils to fulfil their potential. The LA has a key strategic role to champion children and parents, vulnerable pupils and educational excellence. The LA also has a role in brokering effective school to school support. Investment of £0.270 million in 2011/12 will increase to £1 million in 2012/13 to support:
  - developing and implementing a system to broker school-to-school support, ensuring that there is no detrimental impact in those schools providing support to others
  - building capacity, resilience and sustainability in schools, working with their local communities, where there are particular vulnerabilities, eg schools with a high percentage of children from service families
  - investing in the provision of support to enable schools to better identify, plan for and meet the needs of vulnerable groups in order to raise attainment.
13. **Savings** are to be achieved through a number of key themes:
  - reduce management costs and standardise pay
  - reduce and make better use of buildings

- ensure we use the best providers through commercial procurement approaches
  - ensure every service provides clear value for money
  - transform the way we deliver key services
  - increase income whilst protecting the vulnerable
14. Appendix 1 to this report outlines the savings proposed for the Children & Education Department as part of the overall Council financial plan. Savings have been achieved through the Council's management review, more effective procurement, and a review of services.

### ***Early Intervention Grant***

15. The Early intervention Grant (EIG) replaces a number of former funding streams (see Appendix 2). These include Sure Start Grant, funding received for short breaks for disabled children and a number of previous Area Based Grants. Wiltshire received £17.957 million from these grants in 2010/11.
16. The DfE has applied a 10.9% reduction to the 2010/11 baseline before applying the allocation formula for 2011/12.
17. The grant is not ringfenced however the government has made it clear that the EIG should be spent on supporting services for children, young people and families including:
- Sure Start Children's Centres
  - Free early education places for disadvantaged two year olds
  - Short breaks for disabled children
  - Targeted support for vulnerable young people
  - Targeted support for families with multiple problems
18. The EIG is allocated by formula – around 79% of the allocation is determined by an Early Years formula and the remainder is determined by a youth formula. The early years formula is based on the under 5 population weighted to reflect deprivation, rurality and the area cost adjustment. The youth formula is based on population numbers, educational attainment at Key Stage 2 and 3 and GCSE, numbers of young people who are NEET, deprivation indicators and the Education Area Cost Adjustment.
19. The application of the formula gives Wiltshire an allocation of £18.325 million in 2011/12 however in order to minimise turbulence a damping mechanism has been applied and the amended allocations for Wiltshire are £14.6 million in 2011/12 and £15.5 million in 2012/13.
20. The Council's financial plan provides for the full amount of EIG to be spent within children's services although the grant is not ringfenced at council level. In determining how the grant should be spent the department has had to consider the reduction in funding compared with the predecessor grants and the cessation of a number of other funding streams previously targeted at vulnerable young people, such as the Youth Justice Board preventative grants.

21. Appendix 3 shows the allocation of Early Intervention Grant in 2011/12. The council is to maintain 30 Sure Start Children's Centres and has achieved efficiencies through the recent recommissioning of these centres to enable them to be provided at a lower cost. The core offer for short breaks for disabled children in Wiltshire has been highlighted nationally as an example of best practice, this core offer will be maintained in 2011/12. The grant is to be focussed on targeted work with vulnerable young people and families.

### **Proposal**

22. It is proposed that

- a. Schools Forum note the impact of the Council's financial plan on services for children and young people.
- b. Schools Forum note the prioritisation of the early intervention grant for 2011/12.

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### **Background papers**

The following unpublished documents have been relied on in the preparation of this report: None

### **Appendices**

Appendix 1 – Savings proposals for Children's Services 2011/12  
Appendix 2 – Summary of grants rolled in to Early Intervention Grant  
Appendix 3 – Proposed allocation of EIG 2011/12

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