

## CHILDREN'S SCRUTINY COMMITTEE

23 January 2018

### Present:-

Councillors R Hannaford (Chair), D Sellis (Vice-Chair), S Aves, F Biederman, J Brazil, E Brennan, C Channon, I Chubb, J Hawkins, L Hellyer, R Hosking, T Inch, J Mathews, A Saywell and M Squires

### Apologies:-

Councillor G Gribble and C Mabin

### Members attending in accordance with Standing Order 25

Councillor J McInnes

\* 32

### **Minutes**

RESOLVED that the minutes of the Children's Scrutiny Committee meeting held on 16 November 2017 be signed as a correct record.

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### **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

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### **Public Participation**

There were no oral representations received at the meeting from a member of the public.

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### **Budget 2018/19**

#### Revenue Budget 2018/19 and Capital Programme for 2018/19 to 2022/23.

The Committee noted that the proposed budget for the 2018/19 financial year would be scrutinised by individual Scrutiny Committees, with an overview of those issues arising being further debated by the Corporate Infrastructure and Regulatory Services Committee as well as draft budget proposals within the Committees own remit, providing an opportunity for Members to comment on proposals for the Council's Budget in its entirety and also the Chairs of both the Children's Scrutiny Committee and Health and Adult Care Scrutiny Committee attending and presenting, as required.

This would follow the opportunity for individual Scrutiny Committees – at this meeting – to have an initial overview of the budget proposals and examine them to identify any specific issues or areas of interest that might be considered at the Corporate Infrastructure and Regulatory Services Committee for incorporation into any recommendations to Cabinet and Council.

The Committee then considered the joint report of the County Treasurer and the Chief Officer for Children's Services (CT/18/03) on the provisional financial settlement made by Government within the current and anticipated public sector funding regime and the spending targets set by the Cabinet for each service area which included inflation, commitment and service prioritisation reductions.

The Cabinet, at its meeting of 13th December 2017, had set Revenue Budget targets for 2018/19 which totalled £477.391 millions. This included funding for budget pressures of

£28.593 millions that mainly related to additional expenditure to allow for service growth to cater for demographic changes such as increased children and adult service users and unavoidable cost pressures. Savings and income initiatives of £20.842 millions were required to set a balanced budget. The target for Adult Care and Health also included £10.148 millions in relation to the One-off Improved Better Care Fund grant announced by the Chancellor in March 2017.

The announcement by Government on the Local Government Finance Settlement for 2018/19 was made on the 19th December 2017. The 2016/17 local government finance settlement previously announced Core Spending Power figures for the four year period of 2016/17 to 2019/20 and the Provisional Settlement for 2018/19 confirmed the Core Funding figures were at the expected level of £115.2 millions. There were however, other changes in relation to the proposal to reduce the Rural Services Delivery Grant in 2018/19 from £65m to £50m which was now not going ahead, with the grant remaining at the current level. Government had also decided not to go ahead with proposed changes to the New Homes Bonus Scheme and there was a change to the annual Business Rates inflationary increase from Retail Price Index (RPI) to Consumer Price Index (CPI), effective from 2018/19, meaning a reduction to Business Rates received by Local Authorities as part of Core Funding.

The Committee were reminded that its consideration of the draft Children's Services budget was just part of the process of setting the County Council's budget which, following this meeting, would culminate in the Cabinet on 9 February 2018 formulating a budget for consideration by the County Council on 15 February 2018.

The Chief Officer for Children's Services and Head of Services for Education and Learning and Children's Social Care, commented on the likely implications of the 2018/19 target for individual service areas, confirming that the overall approach had been to strike a balance between the reality of the financial challenges facing the Council and providing sustainable support services against the increasing demands of front-line services and operational demands.

The Report also contained the detailed budget proposals for Children's Services, prepared in line with the targets referred to above, reflecting the different pressures and influences faced by services. The Children's Services base budget was £125.487 millions (an increase of 5.5% from 2017/18), and included inflation and pressures of £10.038 millions and required savings and income initiatives of £3.515 millions.

The Report now before the Committee also referred to the Budget 2018/19 Impact Assessment, circulated prior to the meeting, giving an overview of the impact assessments for all service areas (available at: <https://new.devon.gov.uk/impact/published/budget-impact-assessment-201819/>), for the attention of Members at this meeting in order that they may be aware of the equality impact assessments undertaken as part of the budget's preparation and that any risk assessments and projections were adequate and that the evidence supported the assumptions made in the formulation of the budget. Acknowledging also that the preparation of Impact Assessments was necessarily a dynamic process and that individual assessments for specific proposals may necessarily have to be developed and updated with time. Members of the Council must have full regard to and consider the impact of any proposals in relation to equalities prior to making any decisions and any identified significant risks and mitigating action required.

Specific issues and observations arising from the current budget proposals raised at the meeting included the following:

- Children's Social Care and the sufficiency of appropriate placements for children in care both locally and nationally, particularly meeting the needs of children with complex needs;
- increased pressures on the number of children in residential placements and difficulties recruiting adequate numbers of in-house foster carers; resulting in an

additional £7.7millions in the 2018/19 budget for inflation and demand pressure, of which £6millions was for looked after children;

- further consideration needed to be given to training needs of social workers in order to upskill and provide development opportunities;
- planned overall savings of £2.3 millions, to include £1.5 millions relating to improved placement capacity and interventions that avoided the need for children to come into care and £800,000 savings from planned efficiencies across the Service;
- an increase in the Dedicated Schools Grant (DSG) of £17.4 millions within the schools and early year settings, due mainly to the introduction of the National Funding Formula (NFF) and an increase in pupil numbers;
- significant cost pressures within the DSG relating to the High Needs Service, due to an increase in demand and a rise in the number of students remaining in post 16 education;
- increased budget pressures in School Transport with an increase for 2018/19 of £1.532 millions, due largely to increases in personalised transport because of a rise in the national living wage and contract inflation; the average cost per unit and risen by £700 to £6,600 per pupil; and,
- increase in the national living wage and provision only for a 1% pay award (the current offer being 2%).

It was **MOVED** by Councillor Hannaford, **SECONDED** by Councillor Sellis, and

**RESOLVED**

- (a) that social work training, professional development and opportunities for career progression are reviewed, investigating current schemes already in place at neighbouring authorities; and,
- (b) that the provisional financial settlement and its impact on spending targets and on the proposed Children's Services budget for 2018/19, and the issues and/or observations set out above, be drawn to the attention of the Cabinet at its meeting on 9 February 2018, namely:
  - (i) that scrutiny welcomes the endeavours undertaken by this Council to achieve fairer funding for children in schools across Devon but ask Cabinet to continue to pursue this matter until funding for education is equitable with other similar local authorities; and,
  - (ii) that the Cabinet continue to monitor the sufficiency and financing of appropriate placements for children in care both locally and nationally, particularly those meeting the needs of children with complex needs.

**\*DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.30 am and finished at 12.30 pm