

Executive Members for Children's Services 6 December 2007 and Advisory Panel

Report of the Director of Learning, Culture and Children's Services

Report of Children's Fund – Future funding arrangements and implications on commissioning of services and transitional arrangements within York

Summary

1. This paper sets out:
 - Information on the main issues arising from the government announcements about the Children's Fund.
 - An approach to be developed which will enable effective commissioning for the Children's Fund and will give opportunity for developing the wider commissioning agenda in the city through Children's Trust arrangements.
 - Recommends an interim approach from a range of options to continuing the legacy of work undertaken by the Children's Fund in York.

Background

2. The Children's Fund, a programme funded by government to deliver prevention and early intervention support to vulnerable 5 – 13 year olds has operated in City of York for five years.
3. Decisions on commissioning of services have been taken by a Partnership Board made up of representatives from local authority, statutory agencies and the voluntary sector, chaired by Assistant Director, LCCS from City of York. City of York has been the 'accountable body' and therefore has provided financial management to the programme.
4. The programme has operated through the commissioning of work from the voluntary and public sector, meeting identified and targeted need. Monitoring and support has been provided through the programme manager who initially was employed by Barnardos but who has since September 2005 been employed by City of York as part of the children's trust unit.
5. For the year 2007/8 there has been funding of c£355k 'base' funding plus c£34k 'carry forward spend' coming into the city via the Children's Fund. This funding has provided a range of targeted early intervention and preventative support aimed at vulnerable children aged 5-13. This supports regular work

with 3850 children annually and supports strategic developments in the city in terms of partnership, participation and prevention strategy, documented in the Children and Young Peoples Plan (CYPP) 2007-10.

6. Work was initially commissioned to run until March 2008, with no specific commitments beyond this date.
7. The government has announced it will continue the Children's Fund, as an 'additional grant', confirmed by ministerial letter to build on the acknowledged legacy of the Children's Fund, which has been acknowledged in the Comprehensive Spending Review. York has been allocated funding for each of the three years up to 2010-11 of £355 931 each year giving a total funding, over the 3-year period, of £1,067,793. This yearly total matches the 'base' Children's Fund budget of 2007/8.
8. The changes to the funding and governance framework for the Children's Fund comes at a time when the government is similarly altering the manner in which many other workstreams are funded. For these funding streams which had specific governance arrangements there will be a need to develop a more cohesive commissioning approach.
9. Government guidance on allocation of this Children's Fund money includes:
 - Expectations that the preventative approach is embedded into future children's services and the legacy of the Children's Fund is built upon;
 - Building on the impact the Children's Fund has had on achieving positive outcomes, particularly around improving school attendance, raising children and young people's self-esteem, and preventing young people at risk from becoming involved in criminal activity;
 - Sustaining the involvement of the Voluntary and Community Sector as partners at both a strategic and delivery level in future arrangements;
 - Prevention and early intervention needing a whole system approach, led by the Children's Trust, with universal services playing a central role;
10. Under the new arrangements there will be significant differences from the current arrangements:
 - The funding will be paid directly to the Local Authority;
 - The funding criteria have been relaxed in terms of age group;
 - There is though an expectation that funding is linked to the targets set through the Local Area Agreement (LAA) system and funds will still be spent on 5-13's;
 - Local Authority's will report (map) the spending on 5-13 year olds (exact arrangements for this are being developed) so there will be transparency about how the money is spent. This mapping will complement the needs analysis of the CYPP process.

11. The legacy of the Children' Fund includes:

- Almost 4000 children and young people annually being involved in Children's Fund activities, which focus on supporting participants to be actively involved in decision making, to raise self-esteem, to support a child's education especially at transition times, steer children away from criminal activity, and to get involved in community activities.
- A model of commissioning services which:
 - Is open, fair and transparent;
 - Meets evidenced needs set out in the CYPP;
 - Is a collaborative process harnessing the resources of the city (public/voluntary agencies, commissioners/providers);
 - Emphasises successful outcomes delivered via the most appropriate route;
 - Balances, (through giving organisations time and support to change) continuation of provision (both direct and indirect) whilst enabling timely evolution to meet changing needs;
 - Ensures work is subject to ongoing monitoring and evaluation;
 - Has already been used in commissioning services within wider children's trust arrangements;
- A strategic legacy in:
 - Developing preventative work in the city especially for the most vulnerable groups and disseminating those lessons;
 - Developing and coordinating strategy for the Participation and Involvement of children and young people in decision-making;
 - Developing the capacity of the voluntary sector to play a full part in the development of strong partnership working at all levels.

Implications

12. Given the above there are 2 main areas to consider:

- The nature of future governance and commissioning process for the 'Children's Fund' and how they will act as a catalyst for commissioning processes across the children's trust;
- How the legacy of the Children's Fund can be preserved both in the short and longer term.

Consultation

13. Issues and themes contained in this report have been discussed as outlined below.

- There has been discussion of the future governance situation with the current Children's Fund Partnership Board. The Board considered that the future governance of the 'Children's Fund' would be best served by a merger of the Partnership Board with other current prevention/early intervention initiatives forming a more comprehensive commissioning body under a children's trust arrangement. The Partnership Board also felt

that a fixed term extension of existing contractual arrangements would facilitate the transition.

14. Discussion with Government Office and other Children's Funds has revealed common features of an extension of the Children's Fund activities for a fixed period of time ranging from 6 – 12 months associated with a longer term commissioning strategy.

Options

15. Option A - Development of a coherent commissioning process piloted through Children's Fund which can be utilised for wider commissioning.
16. Transitional arrangements put in place for 6 months to ensure that the legacy of Children's Fund can be preserved and then built upon and developed.
17. The length of these arrangements are necessary so that the task of developing a wider commissioning process can be achieved and that sufficient time is allowed between decisions being made and implemented. This would give time for organisations to make suitable provision to develop services or ensure proper closure.
18. To reinforce the fact that these are transitional arrangements a slight change in name from Children's Fund to Children's Early Intervention Fund be introduced.
19. Given specific circumstance there are certain pieces of work (Nurture groups, CVS Capacity Building) where a longer extension would be prudent to ensure a continuity of service.
20. Nurture so that assurance can be given to schools (and pupils) about provision for the academic year 2008/9.
21. CVS Capacity Building – a vacancy has just come about. Recruitment and therefore continuity of provision, would be greatly facilitated by being able to advertise the post for a year.
22. Cost of transition arrangements would be a maximum of £177k for the 6 months plus a commitment of £25k for support for Nurture groups until March 2009.
23. Option B - Continuation of current governance and commissioning process for Children's Fund.
24. Option C - Funds to be allocated by City of York to Early Intervention work for children and young people.

Analysis

25. Option A: Advantages

- There is an opportunity to develop a broader commissioning process across the city through children's trust arrangements which will promote closer working between partners. The process would be in line with City of York's leading role in developing children's trust arrangements;
- The process can be utilised wider through children's trust arrangements enabling, where required, multi-agency commissioning across the city and providing a bridge between the high level strategy of the children's trust and developing work on the ground while enabling individual agencies to retain their responsibilities;
- There can be, in conjunction with other rationalisations in partnership arrangements, a clarification and enhancement of partnership structures;
- This will build on the commissioning legacy of the Children's Fund outlined above. Such a process would be in line with government expectations for the Children's Fund. It would have multi-agency input including input from the Voluntary and Community Sector;
- The process led via the Assistant Director Partnerships and Early Intervention and serviced via Children's Trust Commissioning Unit would be consistent with the thinking behind the recently re-organised structure of LCCS, utilising existing skills and experience. A clearer purchaser/provider split can be obtained;
- An extension of funding to secure existing services would ensure a continuity of provision. Such an extension would be made on the basis that there is no prejudgement on the further extension of those services, any such judgement would be made under the new process. This allows for continued evolution and development but provides a fair open and transparent process.

26. Option A: Disadvantages

- The process would take time to become operational, with the risk that (unless protected as above) the legacy of the Children's Fund in terms of direct and strategic provision for vulnerable children will be diminished and lost;
- As with any transitional arrangement, there is a danger that too long a time period for transition can develop a mindset that the transition arrangements are a permanent feature.

27. Option B Advantages

- This option would be quick and easy to implement. There is an existing Partnership Board. Its terms of reference could be re-drafted and work quickly re-commissioned through that process;
- Good continuity for workstreams and early opportunities to continue to develop services and strategies to support vulnerable children.

28. **Option B Disadvantages**

- An opportunity would be missed to develop a commissioning process which could be utilised with City of York and the wider children's trust;
- There would be insufficiently clear delineation between the present Children's Fund and the funding beyond March 31st 2008. This would hinder evolution and full partnership working.

29. **Option C Advantages**

- Advantages in line with Option B with quick and easy implementation routes via City of York structures.

30. **Option C Disadvantages**

- An opportunity would be missed to develop a commissioning process which can be utilised with City of York and the wider children's trust;
- Does not conform to government expectations;
- Does not build on the multi agency partnership legacy of the Children's Fund;
- Does not build on the work in developing children's trust arrangements;
- Does not build on the on-going Children's Fund monitoring, mapping and evaluation.

Corporate Priorities

31. This work meets the corporate priority of 'Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city'

Implications

32. **Financial** Notification of the continuation of funding for the Children's Fund for the next three years to 10-11 has been received from Government. The City of York has been allocated £1,067,793 over three years, £355,931 per year.
33. Attached at Annex A is a breakdown of funding, by project, for the six months April 08 to September 08.
34. The proposed continuation of funding for the current commissioned projects, for the six months April 08 to September 08, can be contained within the grant allocation. The additional £25,000, for the six months October 08 to March 09, to the Nurture Group can also be contained within the grant allocation.

35. **Human Resources (HR)** These proposals do not have any direct HR implications. However consideration may need to be given to the impact on the post of Children's Fund Programme Manager, if commissioning arrangements change significantly from those currently in place.
36. There are no specific equalities/ legal/IT/ property or crime and disorder implications arising from this report.

Risk Management

37. In compliance with the Councils risk management strategy. There are no risks associated with the recommendations of this report.

Recommendations

38. Members are asked that the Advisory Panel advise the Executive Member that adopt Option A:
- Development of a coherent multi-agency commissioning process be developed for and piloted by Children's Fund which can be utilised for wider commissioning.
 - Transitional arrangements put in place for a 6-month period to ensure that the legacy of Children's Fund can preserved and then built upon and developed.
 - To reinforce the fact that these are transitional arrangements a slight change in name from Children's Fund to Children's Early Intervention Fund be introduced. Cost of transition arrangements would be a maximum of £177k for the 6 months with an additional funding for Nurture groups over the year of £25000.

Reason:

39. This option will ensure an effective commissioning process for Children's Fund monies. It will utilise this process to develop a wider more coherent commissioning process. It will ensure that the legacy of the Children's Fund can be built upon. It will facilitate the development of services under the new funding arrangements.
40. The length of these arrangements is necessary to ensure the task of developing a wider commissioning process can be properly achieved.

Contact Details

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Report Approved Date *Insert Date*

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Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

None

Annexes

Annex A - 2008/09 Six-monthly Children's Fund Budget (April 08 to September 08)

Annex B - Ministerial letter on continuation of Children's Fund