

4 Year Financial Strategy 2016/17 to 2019/20- Children, Education and Communities Directorate

Introduction

1. Children, Education and Communities Directorate in York is highly regarded and high performing. Benchmarking data shows that York are one of the cheapest children's services in the country and currently spend one the least amounts per capita on looked after children services in the country.
2. The service has effective and appropriate structures in place to deliver our statutory responsibilities and also has a range of non statutory services that prevent the need for a greater spend on more expensive specialist services. Social worker caseload sizes are appropriate and there is the correct ratio of social workers to managers to ensure effective case management and professional supervision. Any reduction to these current staffing levels would result in an unacceptable level of risk.
3. There is a small central team that commissions and quality assures school improvement, any reduction of this would present a risk to effectively performing our statutory responsibilities.
4. Children's services budgets are allocated into three categories that broadly describe the focus of the services that each budget funds:
 - Achieving
 - Safer
 - Resilient
5. Communities budgets cover:
 - Sports facilities, libraries, culture and museums provision -
An extensive programme of remodelling services over recent years has lead to a wide variety of new forms of service delivery including trust, social enterprise, local authority company and private sector led models. These approaches have yielded significant efficiency savings. York now has high performing services, in some cases nationally renowned, with value for money profiling against nearest neighbour comparators showing expenditure ranging from average to lowest third

- Learning Services -
These services are now funded entirely by external grant and user income
- Ward Budgets -
This covers the ward budgets, the Communities and Equalities Team that supports it, and grants to voluntary sector infrastructure organisations

Approach to Protecting Priority Areas

6. All areas of the Directorate have been reviewed and certain service areas have been protected in 2016/17 and 2017/18. It is envisaged that this will remain the case over the medium term. Protected services include:
 - The Education Psychology service which is the statutory assessment service for SEN children
 - There are no savings proposed within children's social care services, any reductions to social care staffing levels have been ruled out as this may place vulnerable children at risk.
 - The early intervention fund provides a range of small grants to voluntary sector organisations who support the Children and Young People Plan priorities
 - Investment in 'Troubled Families' programme that ensures the Council achieves its payment by results target
 - Voluntary sector grants have been reviewed to ensure that all funding aligns to the Council's priorities. Reductions in grants have already taken place. However, core grant funding to organisations such as Citizen's Advice Bureau, Council for Voluntary Services and Welfare Benefits Unit will remain protected as this would damage the capacity to make the necessary transition. There will, however, be scope to refocus this expenditure from 2018/19.
 - Ward Committee funding will remain unchanged
 - Reductions to some cultural services will be necessary as outlined below, but funding for some smaller scale cultural services will remain unchanged. This is a small budget which if removed would

jeopardise the ability of the organisations to attract funding from other sources and threaten the survival of the organisations

Medium Term Efficiencies and Savings

7. Key approaches to achieving general fund budget reductions within Children, Education and Communities over the next three years will be as follows:

Achieving

8. The Childcare strategy team focuses on delivering the Council's statutory duty to ensure sufficient places in early years provision. This service will be restructured to ensure no duplication of work with other areas and will take into account changes to central government policy.
9. Savings can be achieved in the early years learning and welfare team which provides support and advice to schools, private and voluntary settings, as schools and other early years providers can commission (and fund) the services they require directly.
10. A review of Home to School Transport Provision will take place. Options may include withdrawal of some services, further developing independent travel skills where appropriate and provision of more efficient transport options.

Safer

11. Supporting the development of local specialist foster carer capacity that will enable us to 'Make York Home' for most of our looked after children, although some initial investment will be required.
12. Capital and revenue investment is required to transform the focus and remit of current short breaks residential provision at The Glen respite care home. This proposal would see development of an alternative provision that provides targeted specialist care for children with the most complex needs to support them in the long term care of their families.

Resilient

13. Key approaches to achieving general fund budget reductions within Communities and Equalities over the three years will be achieved

by making services self-financing and maximising the return from externalised service provision.

14. Key proposals include:

- A saving through a reduction in the Yorkshire Museum Trust (YMT) grant contribution as YMT explore alternative funding and income generation options. This includes a £100k saving agreed by Executive in September 2015, which was deferred to 17/18 to allow for discussion with YMT on their capital plans. Proposals are made within the capital strategy to provide additional capital which will facilitate this revenue reduction. Some continuation of grant contribution from the Council is advisable in order to i) avoid other key funders withdrawing, ii) continue to give the Council some influence iii) reflect the fact that YMT undertakes tasks for the city e.g. storage that have no commercial potential.
- A significant saving through re-tendering the library service. The current contract runs to March 2019. It is expected that Explore York will deliver new models of community provision and new income streams allowing a viable reduced cost service in the next contract period

Decisions Required

15. The decisions that are set out in the 2017/18 savings provide the basis for moving forward over the next three years, as the majority of savings themes originate in 2016/17 and 2017/18. Specific reports over the coming months will need to be considered. These will include further consideration of policy in relation to home to school transport.

Risks and Impact Assessment

16. Restructuring of the Childcare strategy team requires that the team continue to ensure sufficiency of places. There may be new pressures on the childcare market in September 2017 following the extension of free childcare places.
17. There is a risk of challenge via tribunal, external challenge and significant reputational risk around changes to home to school transport provision

18. Voluntary sector capacity (both organisations and individuals) is essential to deliver the budget reduction in many service areas. If this resource is not available this may lead to a reduction in service provision.
19. It is believed that reduction in funding to external organisations will not affect the service provision as those organisations may continue to operate with a more commercial focus. This may include additional charges to the public.