



Budget Consultation 2019+

Background Paper

1 Purpose of the Paper

- 1.1 Councillor Kate Booth, Cabinet Member for Children's Wellbeing will be attending today's committee meeting to provide an update on her portfolio. The Children's Trust Background Paper provides information on the Cabinet Member's role in relation to the Children's Trust.
- 1.2 The discussion is to also include the budget proposals as they relate to the Committee's remit.
- 1.3 The City Council's consultation on its proposed budget was launched on 13th November 2018. The closing date for the consultation is on the 31st December 2018. The Budget Consultation 2019+ documents including factsheets are available on the Council's website (<https://bit.ly/2FWjsfq>). The purpose of the paper is to assist Members with the Committee's response to the consultation.

2 Previous Budget Consultations

- 2.1 The Schools, Children and Families O&S Committee have previously met to discuss the budget consultations with the Cabinet Member for Children, Schools and Families and officers.
- 2.2 The Committee considered four key questions:
 - 1) What impact would the proposals have on citizens of Birmingham?
 - 2) What assumptions underpin the budget proposals?
 - 3) Are there any other options that could be considered / explored?
 - 4) What are the proposals for delivery of the proposals?
- 2.3 The Committee's responses to the previous budget consultations are attached:
 - Appendix A – 11 January 2017 response to the budget consultation 2017+
 - Appendix B – 15 January 2018 response to the budget Consultation 2018+

3 The Committee's Remit

- 3.1 The Committee's remit has changed since the last budget consultation and the Committee's new remit relates to any policies, services and activities concerning the Children's Trust, vulnerable children, corporate parenting and other child social care and safeguarding functions of the council.



Budget Consultation 2019+ Background Paper

- 3.2 The budget consultation 2019+ has the following savings and pressures that relate to the Committee and the Cabinet Member for Children's Wellbeing:
- CY104 19+ Education Safeguarding (this comes within Councillor Booth's and Councillor Francis's portfolio).
 - CY108 19+ Children's Trust.
 - CY109 19+ CYP – review of management grades across the Directorate (this comes within Councillor Booth's and Councillor Francis's portfolio).
 - CY110 19+ Travel Assist (page 37 saving and page 57 pressure in the consultation document).
- 3.3 The relevant extracts from the Children's and Young People factsheet for the above proposals is attached as Appendix C.



Budget Consultation 2017+

Schools, Children and Families O&S Committee

1 Context

1.1 The City Council's consultation on its proposed budget was launched on 8th December 2016. The closing date for the consultation is on the 18th January 2017. The Schools, Children and Families O&S Committee met on the 11th January 2017 to review the proposals as they relate to the committee's remit and considered four key questions:

1. What impact would the proposals have on citizens of Birmingham?
2. What assumptions underpin the budget proposals?
3. Are there any other options that could be considered / explored?
4. What are the proposals for delivery of the proposals?

2 Budget Consultation 2017+ Paper

2.1 Members had a number of concerns regarding the consultation paper and made the following suggestions on how this can be improved:

- The budget lines should include the baseline budget figures so that the percentages of the savings can be known.
- It should be implicate that the budget being consulted on does not include savings already agreed for previous budgets.
- It should be explained that the savings per year are cumulative figures and each year shows the variance from the baseline of 2016/17.
- The narrative for the 'outline of the proposal' needs to clearly state how the savings are to be made as this was sometimes misleading.
- It was felt that the whole consultation was not clear enough for Members, let alone the public who are the audience for this consultation, even though it is the approach taken each year. In future there should be greater explanation of what the figures represent cuts from.

2.2 The Leader said at the last City Council meeting that each savings target would have a delivery plan attached to it with a named officer held to account for achieving it. These should be shared with O&S Committees to allow Members an opportunity to comment on them.



Budget Consultation 2017+

3 Children Budget Consultation

- 3.1 The Cabinet Member for Children, Schools and Families explained that these saving proposals are for £50.593m and are in addition to the £27.8m savings already consulted on and agreed previously. Some of these previously agreed savings have not yet been implemented.
- 3.2 Below is the feedback for the Cabinet Member for Children, Schools and Families portfolio (CH1 – CH6). This includes a risk rating of whether the Committee thought the savings are achievable (low risk to being achieved, medium risk to being achieved, high risk of not being achieved).

CH1: Contact and Escort

- 3.3 The proposed total saving for this is £100,000 from a £1.4m budget. Alastair Gibbons, Executive Director for Children's Services clarified that the service supervised too much contact and a number of visits need to be facilitated, rather than supervised. The number of supervised visits had reduced over the past two years and it was felt supervised visits could be further reduced, with the budget saving proposal having "no pain" and being achievable. On the information provided Members were satisfied with this proposal and the risk of this not being achieved was assessed as being low.

CH2: Residential Closure

- 3.4 The proposed saving for this is £300,000 for 2017/18 and an extra £100,000 in 2018/19 from a £5.1m budget for the disabled children's homes run directly by the City Council. The Executive Director for Children's Services clarified that the proposed savings are for the closure of one disabled residential children's home and the increase of foster carers costs were not factored into this. Members raised concerns about the need for short term breaks for disabled children and the risk of not finding sufficient foster carers with the expertise to offer short breaks, if a home is closed. On the information provided the majority of Members were satisfied with this proposal due to the current underuse of these homes and awarded this a medium risk to being achieved, due to the phased nature of merging the two children's homes.

CH3: CWD – Child Protection Resources (assessment of parenting capacity)

- 3.5 The proposed saving for this is £200,000 from a £310,000 budget. Concern was expressed regarding the last sentence 'This may mean that the service provided is not as flexible and families may be required to wait longer for this specialist assessment'. Alastair assured Members that this wording was incorrect and it was not the case, as demand for this has reduced in the last four years and the remaining team of five within this service can be integrated into the main service. On the information provided Members were satisfied with this proposal and the risk of this not being achieved was assessed as being low.

CH4: Education Travel

- 3.6 The consultation proposes that the baseline budget is increased by £476,000 in 2017/18, the baseline budget is then reduced by £824,000 in 2018/19 and a further £234,000 in 2019/20 (a



total £1.058m from the baseline budget). However, upon questioning Members ascertained that these figures being consulted on are incorrect. Moreover, it became clear there was a huge level of uncertainty about the current baseline budget. The Cabinet Member agreed to check whether it was possible to amend the budget proposals within the current public consultation.

- 3.7 Members were informed that the 2016+ budget had agreed savings for this budget which had since been had been scrapped.
- 3.8 Given the challenges faced with historic poor service delivery and the need to address this during 2017/18 Members are concerned that the changes required to make the savings will not be in place and therefore felt that the savings have a high risk of not being achieved.

CH5: Early Help – Commission and Brokerage

- 3.9 The consultation proposes a saving of £200,000 for 2017/18 with an additional £500,000 for 2018/19 (£700,000 in total) from a £5.4m budget. The Executive Director for Children's Services clarified that some contracts were coming to an end and the proposal is to commission differently by the pulling together of contracts. However, this was not within his remit and came under another senior officer.
- 3.10 There was insufficient detail to assess the impact this would make on citizens. Previous scrutiny inquiries have highlighted the benefits that third sector organisations can bring to service delivery and it was unclear how commissioning will meet current needs. Therefore, as there are presumably many contracts with different outcomes, it is impossible to say what the impact could be, let alone whether it is likely to be achieved.

CH6: Educational Psychologists

- 3.11 There are no proposed savings for 2017/18. Savings of £50,000 is proposed for 2018/19 and a further £50,000 proposed for 2019/20 (£100,000 in total over 2 years) from a 2016/17 budget that was not shared. The Executive Director for Education explained that the proposal was to reduce the need for an Education Health Care Plan (EHCP) where support can be provided without these. The plan to produce a lower level of assessment that sits below EHCPs currently has no detail or costings attached. Members were concerned about whether these would be robust within the legal framework and thought the savings have a high risk of not being achieved in 2018/19.

4 Other Saving Proposals

- 4.1 The Cabinet Member for Children, Schools and Families highlighted a number of saving proposals not within her portfolio that may impact negatively on children:
- JS1: Museums & Arts.
 - HN1: Parks – 20% reduction to service.
 - HN9: Merge youth and careers Service.



Budget Consultation 2017+

- HW1: Supporting People.
- CC2: Introduce a Corporate Future Operating Model (FOM) across all support services and management structures for the Council.

4.2 In relation to HW1: Supporting People savings proposals, Members were most concerned that these savings would result in added pressures to other portfolio budgets and savings proposal. For example, the work St Basil's does to support young people at risk of homelessness is effective and prevents a number of young people having to be taken into care which would be much more costly. Members also raised particular concern regarding the care leavers pathway.

4.3 In relation to CC2: Introduce a Corporate Future Operating Model (FOM) across all support services and management structures for the Council Members noted that there had been many FOMs in the Council previously and not all of which has delivered the required savings. Also, there is a difficulty of attributing savings to this model and of avoiding double counting with the other saving targets. Therefore, Members wanted reassurance that there would be the capacity to deliver both the savings and the services if there were future cuts to management. However, it was suggested that staff within the proposed Children's Trust would not be subject to this FOM.

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Budget Consultation 2018+

Schools, Children and Families O&S Committee

1 Context

1.1 The City Council's consultation on its proposed budget was launched on 12th December 2017. The closing date for the consultation is on the 15th January 2018. The Schools, Children and Families O&S Committee met on the 10th January 2018 to review the proposals as they relate to the committee's remit and considered four key questions:

1. What impact would the proposals have on citizens of Birmingham?
2. What assumptions underpin the budget proposals?
3. Are there any other options that could be considered / explored?
4. What are the proposals for delivery of the proposals?

2 Budget Consultation 2018+ Paper

2.1 Members had similar concerns regarding this year's consultation paper as in the previous year and the following suggestions on how this can be improved are below:

- The budget lines should include the baseline budget figures so that the percentages of the savings can be known.
- It should be clear that the budget being consulted on does not include savings already agreed for previous budgets.
- It should be explained that the savings per year are cumulative figures and each year shows the variance from the baseline of 2017/18.
- The narrative for the 'outline of the proposal' needs to clearly state how the savings are to be made as this was sometimes insufficient.
- It was felt that the whole consultation was not clear enough for Members, let alone the public who are the audience for this consultation, even though it is the approach taken each year. In future there should be better explanation of what the figures represent cuts from.



Budget Consultation 2018+

3 Budget Consultation 2018+ for Children and Young People

- 3.1 The total Children's net budget for 2017/18 (Education and Children Social Care) as at Period 9 is £211.080m. This will reduce substantially in 2018/19 to reflect the new Children Trust arrangements. The new budget savings are in addition to the savings already consulted on and agreed previously. Some of these previously agreed savings have not yet been implemented.
- 3.2 Below is the feedback for the Cabinet Member for Children, Schools and Families portfolio (Children & Young People (exc Trust) - pages 21 and 22. This includes a risk rating of whether the Committee thought the savings are achievable (low risk to being achieved, medium risk to being achieved and high risk of not being achieved).

Education Psychology

- 3.3 The proposed total saving for this is £100,000 from a £1.969m 2017/18 baseline budget. This is in addition to the £50,000 agreed last year for 2018/19. Last year the proposal was to reduce the need for an Education Health Care Plan (EHCP) where support can be provided without these and Members were concerned and thought the savings had a high risk of not being achieved in 2018/19.
- 3.4 The additional £100,000 saving proposal involves the removal of the joint head of service post across the Access to Education and Education Psychology teams, plus an additional post from the Educational Psychologists team. In addition the service is working to develop a more commercial model of service to sell to other organisations and work is beginning to identify areas where investment may be needed to grow the business further to increase revenue.
- 3.5 The Cabinet Member clarified that the service was not going to fail on the Council's statutory duties and the Committee agreed that this proposal was a medium risk of being achieved.

Cityserve

- 3.6 This service area has a baseline budget of a £2.180m deficit with two of the three components to CityServe not being profitable (cleaning and catering). Members were concerned that maintained schools were being informed that they would have to TUPE staff, whereas non-maintained schools would be able to cancel their cleaning and/or catering contracts with CityServe. Members were informed that clarification would be provided.

School Setting / Improvements

- 3.7 The proposed saving is for £246,000 from a £1.183m 2017/18 baseline budget. The Cabinet Member confirmed that safeguarding and governance have been protected and the reduction is an acknowledgement that areas, such as performance management, could be dealt with corporately rather than at a directorate level. The Committee therefore agreed that this proposal was a low risk to being achieved.



School & Governor Support

- 3.8 This is a traded service with a 2017/18 deficit baseline budget of £36,000. Members were informed that subscriptions had not increased for a while and minimal price increases were being considered. Members queried whether this may result in some cancelling their subscription. In regards to the marketing and commercial awareness of the service, Members highlighted that it was cheaper for schools/academies to employ a trainer to train a number of people at the school/academy rather than attend a training course provided by this service.

School Financial Services

- 3.9 This is a traded service and the consultation proposes a saving of £35,000 for 2018/19 from a £150,000 2017/18 baseline budget. The proposal is to reduce staffing of the service by one member of staff. Members were informed that 85% of maintained schools buy financial support services packages and the Committee agreed that this proposal was a medium risk to being achieved. However, concern was expressed that there were maintained schools that were in debt and these debts would become the responsibility of the Council if they converted to an academy. The Cabinet Member informed Members that information would be provided on the maintained schools that were in debt and how this was being managed.

4 Other Saving Proposals

- 4.1 Under the Corporate Service Area there is an 'Efficiency' saving proposal of £5.656m for 2018/19 and that 'services will be required to adopt a range of efficiency measures in order to deliver services at a reduced cost'. Members were concerned as there is insufficient detail of how this would affect the Children and Young People budget.

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SAVING PROPOSAL FACTSHEET

CY104 19+ Education Safeguarding

Directorate: Children and Young People Service: Education Safeguarding

About this service

The Education Safeguarding team provides support and advice to schools around safeguarding concerns in education. This includes having advisors working with Birmingham Children's Trust to help respond to enquiries from schools

The service provides a range of training events and also carries out focused and targeted work where required.

Some of the work is funded through a traded offer to schools where they can purchase extra help and training above the statutory service provided.

Proposed changes

A minimal subscription has been required of schools to cover training events. Currently 96% of schools subscribe. This year the subscription will rise by approx 30%, (rates vary depending on the key stage of the school and on the pupil numbers), and will bring in an additional £20k this year if subscription rates are maintained. There is a risk that with the increase subscription charges that fewer schools will subscribe.

The amount currently spent on the service and the proposed reduction is shown below.

Total Spend 18/19	Income 18/19	Net Spend 18/19	Saving in 19/20	Saving in 20/21	Saving in 21/22	Saving in 22/23
£0.480m	(£0.100m)	£0.380m	(£0.020m)	(£0.020m)	(£0.020m)	(£0.020m)

What would this mean?

Previously a minimal charge had been made to schools for non-core training which required further subsidy. The subscription rates have now been revised and the service is now able to cover the cost of these operations allowing the subsidy to be returned.

We will try to reduce the impact by

Increased charges have been kept to minimum to reflect the costs of delivering the non statutory support.

SAVING PROPOSAL FACTSHEET

CY108 19+ Children's Trust

Directorate: Children and Young People Service: Children's Trust

About this service

In April 2018 a new Children's Trust was launched in Birmingham. The Trust is commissioned by Birmingham City Council to deliver services and outcomes for Children's Social Care in the city.

Proposed changes

The contract with the Trust will be reduced for the financial year 2019/20 through a contract variation, as part of annually agreed contract negotiations.

The Trust will seek to achieve the saving through improved efficiency, support service transformation and more effective demand management around alternatives to care. The Trust model allows for flexibility in delivery planning and there are no plans to reduce service levels to achieve this saving.

The amount currently spent on the service and the proposed reduction is shown below

Total Spend 18/19	Income 18/19	Net Spend 18/19	Saving in 19/20	Saving in 20/21	Saving in 21/22	Saving in 22/23
£201.904m	-	£201.904m	(£1.000m)	(£1.000m)	(£1.000m)	(£1.000m)

What would this mean?

The Trust, like many services for children and adult social care in the city, is trying to balance financial management with an increase in demand for services, including child protection and children in care. The Trust has a residual inherited saving target for 19-20 of c. £4m but will seek to deliver this saving in addition to previously agreed arrangements.

We will try to reduce the impact by

There are no plans to reduce service levels to achieve this saving. It will be achieved through changes to how the Trust organises services and delivers alternatives to care.

SAVING PROPOSAL FACTSHEET

CY109 19+ Management Review and structure

Directorate: Children and Young People Service: Management review

About this service

As part of the Council's review of staffing and management structures, the CYP Directorate will undertake an assessment of management grades to ensure that the organisation and operational management of teams across the Directorate work as effectively as possible.

Proposed changes

The changes will involve a review of management grades across the Directorate, in line with an organisational restructure, to ensure that the staffing resources of the Directorate are utilised in the most effective way.

The review will be undertaken with the intention of delivering better outcomes for children, families and service partners across the city, whilst making the best possible use of the staffing budget available to the Directorate.

The amount currently spent on the service and the proposed reduction is shown below.

Total Spend 18/19	Income 18/19	Net Spend 18/19	Saving in 19/20	Saving in 20/21	Saving in 21/22	Saving in 22/23
£0.657m	0	£0.657m	(£0.164m)	(£0.164m)	(£0.164m)	(£0.164m)

What would this mean?

A review of the entire staffing structure at management level will be undertaken to ensure that services are delivered in the most cost effective manner.

We will try to reduce the impact by

Any staffing review will be subject to full consultation with staff and options explored with respect of the council's HR processes.

SAVING PROPOSAL FACTSHEET

CY110 19+ Travel Assist

Directorate: Children and Young People Service: Travel Assist

About this service

Birmingham's Travel Assist Service was established to fulfil the Council's statutory duty to make transport arrangements for eligible children with Special Educational Needs and Disabilities (SEND) and to provide free transport to eligible children based on distance, safe walking routes and low income.

Travel Assist provides a variety of transport options to over 4,250 children on a daily basis, with an additional 1,500 receiving bus passes and has an overall budget of £18.4m for 2018/19. The majority of the children using the service have requirements related to SEND but the service also supports looked after children; children in temporary accommodation and other vulnerable groups. The service operates more than 590 routes and has a range of support options including: 1-to-1's; mini bus/coach transport; Travel Guides; personal transport budgets; bus passes and independent travel training.

Proposed changes

It is proposed that the service strengthens the offer to parents to make decisions that best suit them and their families, through the use of personal transport budgets; widen the offer for independent travel training and make available a wide variety of transport options for families and promote independence.

The Travel Assist Service has been the subject of an improvement plan since 2016. As part of the modernisation of the service it is important to keep reviewing the service, looking at examples of good practice from elsewhere, and developing our offer to children and families.

The service will continue to deliver its statutory duties and will focus on improving the offer currently available to school-age children.

The amount currently spent on the service and the proposed reduction is shown below

Total Spend 18/19	Income 18/19	Net Spend 18/19	Saving in 19/20	Saving in 20/21	Saving in 21/22	Saving in 22/23
£18.798m	(£0.403m)	£18.395m	(£1.718m)	(£2.488m)	(£2.488m)	(£2.488m)

What would this mean?

We will invest in independent travel training; helping children develop an important life skill wherever possible and from a younger age.

We will make available different forms of transport rather than just mini-buses or taxis. In line with good practise from elsewhere, coaches and pick up points will be explored for those routes and

schools where they would be suitable. This may mean that some children who are currently picked up from their home, may walk a short distance to a pick-up point for transport.

Transport for pre-school age children would be provided only in exceptional cases. The intention is that more children will attend schools and education providers closer to home, thereby reducing the number of pre-school children who require transport. Very young children generally feel more settled when they travel to pre-school with a parent/guardian.

We will work with parents to expand the adoption of personal transport budgets. This type of flexible support enables parents to be in charge of their own transport arrangements, as they can use the money in any way that supports their child to school.

Mini-bus travel for young people 16-18 would reduce. This would be provided only in exceptional circumstances and we would work with families to encourage the use of personal transport budgets. This will enable young people and their families to arrange transport in a way that suits the post 16 education day, and vocational training arrangements as appropriate, in a better fashion.

Post 19 transport will continue to be provided only in exceptional circumstances, as is the current practice.

We will try to reduce the impact by

We will undertake a comprehensive consultation on any proposed changes to the Travel Assist Service. This will involve parents/carers and schools; alongside health and children's social care colleagues. We want to strive toward co-production in this next stage of the development of the service.

There will still be a two stage appeal process for any families who wish to appeal any decisions made regarding initial offers of transport support.

Any proposed changes to existing travel arrangements will be preceded by a review, and risk assessment where necessary, and early notification for the family.

Travel Assist is part of the family of SEND services, which will be subject to review in line with the findings of the SEND Inspection in June 2018. As more children are able to access suitable education placements within the city, the need and demand for travel support will reduce. However, this must be balanced with the current modelling with regards to SEND which shows a continuing expected increase in the numbers of children with SEND in the city.