



Leicester
City Council

CHILDREN & YOUNG PEOPLE'S SERVICES

**DRAFT DEPARTMENTAL
REVENUE BUDGET STRATEGY**

2008/09 TO 2010/11

**PROPOSALS OF THE
CORPORATE DIRECTOR
In consultation with the Cabinet Lead**

**Cabinet
18th February 2008**

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SECTION 1

Corporate and Departmental Background to Departmental Revenue Strategies

1.1 Corporate Background

1.1.1 Departmental Revenue Strategies are prepared in the context of the corporate strategy. They detail specific budget proposals to balance departmental budgets to agreed planning targets and respond to the wider objectives of the corporate strategy. They provide the means of delivering the Council's overall financial strategy which sits within the over arching corporate strategy. They should set out clearly how departments intend to deliver their services within the forecast resources available and outline efficiency plans over the three year period.

1.2 Children & Young People's Services Background

1.2.1 This document sets out the CYPS Revenue Strategy and describes the service context within which the budget strategy is set. It provides details of existing budget allocations, the Department's services, issues relating to existing spending, historic funding and contains proposals with regard to the budget for the three year period 2008/09 to 2010/11.

1.2.2 The Children & Young People's Services Department was created in April 2006 as a response to the Every Child Matters agenda. This is the second integrated budget that has been constructed from the perspective of all the services that impact upon the lives of children and young people from birth to the age of 19. The aim is for every child, whatever their background or circumstances, to have the support they need to maximise their achievement of the five Every Child Matters outcomes:

- Stay Safe
- Be Healthy
- Enjoy and Achieve
- Achieve Economic Well-being
- Make a Positive Contribution

1.2.3 This budget strategy has been developed through discussions with senior managers in the Department, the Cabinet Lead and senior Elected Members, set within the strategic direction of the city-wide Children and Young People's Plan. In this sense, the budget strategy is the financial expression of the Department's contribution to the delivery of the Plan. The contributions of other partners' budget strategies to the delivery of the Plan are being collated.

1.3 Key Service Priorities and Links to the Budget Strategy

1.3.1 The Department's three key priorities for improvement can be encapsulated in the phrase "A good school for all children in their local community". They are

interlinked and all of the service areas in the Department have some direct or indirect impact on their achievement:

- School Improvement
- Admissions and School Place Planning
- Inclusion of all children

1.3.2 The Political Administration leading the Council takes its budget priorities from its election manifesto and the emerging priorities of the 25 year plan for Leicester. The Department will contribute to each of the priority themes of Great People, New Prosperity and a Beautiful Place, underpinned by the aim to provide Quality Services.

1.3.3 The key contribution will be to “Great People” and “New Prosperity”, where in this budget, the Council will look to improve schools, focus on individual pupil attainment, support the Youth Service by pump-priming a major review and filling gaps in provision, implement a pilot project on complementary schools, develop the Building Schools for the Future Programme and support young people who have been looked after by the Council to enter higher education.

1.3.4 Improving attainment levels in schools will contribute to regeneration and prosperity of the City by enhancing the skill base of the future local workforce so that all children and young people reach their potential and are ambitious and innovative. Schools, the Youth Service and Children’s Social Care Services have a major part to play in promoting community cohesion and the development of a caring City where people feel safe and at home. All the Department’s activities should be focussed on quality public services.

1.3.5 In response to national and local concerns about educational attainment in the City, the Department recently developed an action plan entitled “*Transforming Leicester’s Learning*”. This aims to bring rapid improvements to Key Stage SAT and GCSE results across the City and to embed the culture and practise needed for them to be sustained into the future. The plan is currently under discussion with the Department for Children, Families and Schools (DCSF). It is expected that national funding will be made available to support its implementation; Government Ministers and DCSF officials will take a keen interest in progress. The local funding package is being developed, and this budget includes a contribution of £500,000 from the Council.

1.3.6 The proposals in this budget therefore continue the process of redeploying resources to align them closely and effectively with the Department’s and Council’s overall priorities.

1.4 Service Delivery

1.4.1 The Department is concerned to ensure that the City Council and its partner agencies deliver effective and efficient services to the children and young people in the city. This includes an ethos of strengthening universal provision, promoting effective and efficient early intervention to prevent the onset of more complex

needs, and ensuring that those children whose needs are complex receive flexible and personalised packages to meet those needs.

- 1.4.2 Learning services must be accessible, of high quality and deliver the appropriate level of provision for the child or young person's needs. Strong universal provision that supports young people to achieve, attain and reach their potential prevents the onset of later difficulties and promotes economic and social sustainability at a community level. In addition to schools, there is a clear focus on incorporating early years teaching, learning, achievement and quality.
- 1.4.3 A strategic and managerial focus on early intervention is being forged by bringing together a range of services currently delivered in different parts of the organisation. Services to support Access, Inclusion and Participation (AIP) are being developed as part of a coherent multi-agency strategy for prevention and early intervention at neighbourhood and city level. The AIP Division works closely with Learning Services to develop a similar approach for 13-19 year olds, linked to the 13-19 collaborative strategies. This will increasingly encompass the development of a Youth Support Service as responsibility for delivering Connexions services moves to the City Council from April 2008 and integration with the Youth Service is developed.
- 1.4.4 Social Care services lead the Department's response to children in need and to safeguarding. These services respond to those families with complex and acute needs that are associated with high levels of risk, working closely with Access, Inclusion and Participation to support and inform the development and strengthening of provision at universal and targeted prevention levels. It is recognised that in order to achieve this, there is a need for some repositioning of services to facilitate a 'holistic' response to children in need and to promote a social, rather than a medical, model of disability.

1.5 Service Rating

- 1.5.1 The Children and Young People's service has been externally assessed in the Annual Review Meeting as being at Grade 3 (out of 4) overall. This rating was achieved as a result of the clear vision and strong strategic leadership that the inspectors felt to be place in the Department. The inspectors recognised the many challenges that still lay ahead for the Department and it is noteworthy that Children's Services in the City undergo their first Joint Area Review (JAR) in January 2008: this has involved significant preparation and resource implications and the outcomes will be very significant. Further details are given in Section 4.

SECTION 2

Structural, Service and Financial Information

2.1 Structure and Services of the Department

2.1.1 The Children & Young People's Services Department was established in April 2006. It encompasses the Children's Services previously provided by the former Education & Lifelong Learning and Social Care and Health Departments.

2.1.2 The organisation and responsibilities of Service Directors and third tier Heads of Service were reviewed in 2007 and the changes are currently being implemented. There will be further reviews as needed throughout each service area.

2.1.3 The principles underlying the restructuring are:-

- To ensure that any changes improve outcomes for the city's children.
- To establish a unified Children's Services Directorate which meets statutory duties.
- To ensure all changes improve efficiency and effectiveness.
- To future-proof the new structure so that it is adaptable to changes in circumstances.
- To ensure integration of services.
- To ensure a unified approach to access services and assessment.
- To enable services to be delivered locally wherever practicable.
- To ensure that services meeting needs of low incidence are available on a city-wide basis, e.g. safeguarding services, specialist curriculum support.
- To ensure that specialist knowledge and expertise is nurtured and developed effectively.
- To enable effective development of partnerships and inter-agency working.

2.1.4 The overall organisational framework is that of four service Divisions, viz:-

- Learning Services
- Access, Inclusion and Participation
- Safeguarding and Family Support
- Strategic Planning, Commissioning and Performance

2.1.5 The Learning Services Division has a wide remit including supporting and challenging teaching, learning and performance in schools and early years settings, including performance monitoring and quality assurance.

2.1.6 The Access, Inclusion and Participation Division takes lead responsibility for prevention, early intervention and family outreach services and the provision of Early Years services, alongside promoting inclusion and active involvement for all children and young people.

2.1.7 Safeguarding and Family Support focuses upon the Department's response to safeguarding and the Council's wider response to corporate parenting. The

Division has a prime function of responding to those families with complex and acute needs that are associated with high levels of risk.

- 2.1.8 The Strategic Planning, Commissioning and Performance Division provides or acts as client for the support services for the Department, focussing upon service planning and commissioning, finance, performance management, human resources, health and safety, policy and communications, ICT, data protection and data management, strategic and operational property matters and services for school governors and schools. These services are either provided by the Division or delivered in partnership with the corporate centre following the changes brought about by the council-wide Business Improvement Programme.

2.2 The Revenue Budget

2.2.1 The Department's services are financed by a number of revenue funding streams:

- General Fund Budget - This is essentially the funding from the Council, on the same basis as other departments of the Council. The General Fund pays for services such as the Youth Service, Children's Centres, monitoring and support for School Standards and Improvement, Education Welfare Officers, SEN Assessment, Home to School Transport, Social Care and Safeguarding and Local Education Authority strategic functions. This is the budget to which the proposed growth and savings at Section 5 of this report refer.
- Schools Budget – This is funded by the Dedicated Schools Grant (DSG) which is a ring-fenced Government Grant. DSG was introduced in April 2006, but follows a number of funding arrangements designed to separate out the funding of schools and local authorities. It funds the budgets delegated to individual schools, the Premature Retirement Costs of teachers since April 2006 and certain pupil related costs such as SEN, Early Years Education and Free School Meals. The activities chargeable to DSG are set by national regulations. The Schools Budget is augmented by funding from the Learning and Skills Council for sixth forms in schools maintained by the Council and by any top-up from the Council. The Schools Budget is considered in more detail in Section 6.
- Government Grants – In addition to DSG, grants of around £40m are received from the Government. Approximately £20m of this is devolved directly to schools through the Standards Fund, as required by the Government. The other £20m is managed by the Department, funding costs in the Department, city-wide services and also some targeted activity in specific schools. The Council also receives grants towards the costs of the Building Schools for the Future Programme. A number of grants change from year to year, which can complicate budget and service planning.
- Other External Income – Income is received from fees and charges (such as home to college transport and nursery fees), services traded with schools (such as Governor Services, Group Bursars, Health and Safety and a range of training courses) and contributions from other organisations for specific projects.

- Local Area Agreement – An increasing number of services and projects are funded and commissioned through the Local Area Agreement. This includes the Neighbourhood Renewal Fund (to be replaced by the Working Neighbourhoods Fund in 2008/09), and the new Area Based Grant which will include the funding for services such as Connexions and some Standards Funds. A significant number of the LAA performance indicators will relate to Children's Services. The LAA requires a renewed focus on the strategic commissioning of services and a fresh look at how resources can be used to best effect across the City. The overall management of the LAA is led by the Leicester Strategic Partnership. The Children's Block is led by the Leicester Children and Young People's Strategic Partnership and the Joint Commissioning Board.

2.2.2 The current 2007/08 budget is the starting point for the 2008/09 budget process. It is anticipated that General Fund spending in 2007/08 will be contained within the available resources, possibly including the limited use of Departmental reserves. It is also expected that spending in the Schools Block funded by the Dedicated Schools Grant will stay within budget. Schools are forecasting a net withdrawal from their own balances, although history would suggest that overall balances may remain static or possibly increase again.

2.2.3 The budget is subject to very close monitoring throughout the year with comprehensive reports being submitted on a monthly basis to each of the Divisional Management Teams outlining their spend to date and year end forecast. To the extent that under and over spends are forecast, these are positively managed with the aim of each Division operating within its aggregate agreed budget. An overview report is taken to the Directorate Management Team on a monthly basis and the Management Team also considers performance information from time to time and progress against the Children and Young People's Plan. It is at the DMT that trans-divisional issues are addressed and decisions taken to ensure that the Department's budget as a whole comes within its cash limit and is managed to best effect.

2.2.4 The 2007/08 net General Fund budget stood at £66m before the final disaggregation adjustments in respect of the Directorate Management costs and those of the Strategic, Planning, Commissioning and Performance Division following the Integrated Services Programme. In addition, the Schools Block Budget funded by the Dedicated Schools Grant and the Learning and Skills Council is £187m.

2.2.5 The 2007/08 General Fund budget is shown in **Table 1** overleaf. The DSG funded Schools Budget is shown in Section 6 later in the report.

2.3 Reserve Funds

- 2.3.1 The General Fund reserves can be used at the Council's discretion; Schools Block reserves can be spent only on activities permitted by national regulations, which are broadly the activities chargeable to DSG. Individual Schools' balances can only be spent by the school, subject to controls on balances defined as excessive.
- 2.3.2 The reserves available to the Department and schools are listed below and shown in **Table 2**. The table shows the balances at the start of the 2007/08 financial year, the estimated balance moving into the new financial year in April 2008 and then through to the indicative balance at the end of March 2009.

General Fund Reserves

- 2.3.3. Departmental Reserve - At 31st March 2007, the Department had a general unearmarked Departmental Reserve of £1.8m. Relative to the size of the budget and the inherent risks in the Department's services, this is a very low figure. A call may be made on the Departmental Reserve to meet cost pressures in 2007/08. For illustrative purposes, it is assumed that £800,000 will be required, which is approximately half of the reserve. It is further assumed that £250,000 will be withdrawn in 2008/09 to support the implementation of the *Transforming Leicester's Learning* Action Plan, as set out in this DRS, although the actual reserve from which this contribution will be sourced is still to be finalised.

Funding may also be required towards the development of Barnes Heath House (see 2.3.6 below). Any further withdrawals will be driven by the financial and service conditions in 2008/09, with a number of significant risks expected as set out in Section 8.

- 2.3.4. Key Stage 2 Reserve - This is the balance of funding allocated in earlier years for improving results at Key Stage 2. The strategy at classroom level has been developed in the last eighteen months and it is expected that the fund will be fully spent by March 2009, linked with the *Transforming Leicester's Learning* Action Plan.
- 2.3.5. BSF Reserve - It is expected that the BSF reserve will be called on in full during 2007/08 to fund client side costs leading to the Financial Close for Phase I of BSF in December 2007.
- 2.3.6. Children's Social Care Services Tiffield Reserve - Following the withdrawal from the arrangement with Northamptonshire County Council for the provision of secure accommodation, a call on this reserve is not now expected. However, Members will be asked in a separate report to approve that this funding for use towards the development of Barnes Heath House for services for disabled children and their families, and hence it is expected to be used in 2008/09.
- 2.3.7. Bridges Project Reserve - It is expected that £82,000 will be withdrawn from the Reserve for the Bridges Project in 2007/08, this being the second of the project's three years, with the remaining balance to be used in 2008/09.

Table 1: CYPS Department: General Fund Budget Summary 2007/08

ice Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
ice Unit Budgets							
torate	584.5	57.9	0.0	642.4	0.0	0.0	642.4
ss, Inclusion & Participation	14,839.6	15,057.4	(3,929.0)	25,968.0	0.0	0.0	25,968.0
ring Services	4,715.2	1,770.0	(2,528.2)	3,957.0	0.0	0.0	3,957.0
guarding & Family Support	15,706.4	14,502.5	(308.6)	29,900.3	0.0	0.0	29,900.3
egic Planning, Communication & Performance	6,709.5	7,961.6	(3,208.8)	11,462.3	5,003.3	8,119.0	24,584.6
Contingency & Other Departmental Budgets	1,409.8	769.0	(766.9)	1,411.9	0.0	0.0	1,411.9
AL SERVICE UNITS	43,965.0	40,118.4	(10,741.5)	73,341.9	5,003.3	8,119.0	86,464.2
gated Schools Budgets							
ary Schools	80,090.6	21,949.5	(24,613.1)	77,427.0	0.0	0.0	77,427.0
ndary Schools	73,402.6	22,211.9	(29,834.5)	65,780.0	0.0	0.0	65,780.0
ial Schools	10,989.2	2,908.6	(2,250.8)	11,647.0	0.0	0.0	11,647.0
gated Schools Budgets	164,482.4	47,070.0	(56,698.4)	154,854.0	0.0	0.0	154,854.0
r School Specific Budgets	0.0	6,895.0	0.0	6,895.0	0.0	0.0	6,895.0
Income	0.0	0.0	(4,997.0)	(4,997.0)			(4,997.0)
hers Pay Grants	5,353.0	0.0	0.0	5,353.0	0.0	0.0	5,353.0
Income	0.0	0.0	(182,570.0)	(182,570.0)	0.0	0.0	(182,570.0)
AL SCHOOLS BUDGETS	169,835.4	53,965.0	(244,265.4)	(20,465.0)	0.0	0.0	(20,465.0)
AL CHILDREN & YOUNG PEOPLE'S SERVICES	213,800.4	94,083.4	(255,006.9)	52,876.9	5,003.3	8,119.0	65,999.2

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Table 2: CYPS Earmarked Reserves	Balance at April 2007	Estimated Balance at April 2008	Estimated Balance at March 2009
Individual Schools' Balances	15,503.6	17,003.6	15,503.6
Total Schools' Funds	15,503.6	17,003.6	15,503.6
<u>Schools Block</u>			
LMS Contingency	4,517.9	2,500.0	2,500.0
DSG Carry Forward	2,393.2	400.0	400.0
Secondary Review	1,578.6	1,578.6	1,578.6
Standards Fund Matched Funding	626.7	200.0	200.0
Total Schools Block	9,116.4	4,678.6	4,678.6
<u>General Fund / LEA Block</u>			
Departmental Reserve	1,817.4	800.0	550.0
Key Stage 2 Reserve (one-off funding)	361.7	100.0	0.0
BSF reserve	605.5	0.0	0.0
Children's Social Care Tiffield Reserve	275.0	275.0	0.0
Bridges Project	162.0	80.0	0.0
Total General Fund / LEA Block	3,221.6	1,255.0	550.0
All Reserves	27,841.6	22,937.2	20,732.2

2.3.8. Schools' Block Reserves – At 31st March 2007, the total reserves were £9.1m. Schools Forum has agreed to the application in 2007/08 of £4m to contribute towards funding schools for the costs of single status back pay for non-teaching staff. Of this, £2m will come from the pre-DSG Schools' Block reserve, with the other £2m to be found from DSG underspend brought forward from 2006/07, hence the forecast balances at the end of March 2008 of £4.7m. This will be increased by any underspend with the DSG / Schools Budget in 2007/08, which is to some extent dependent on decisions still to be taken by the Department and Schools Forum.

In 2008/09, the reserves will be considered in the context of the *Transforming Leicester's Learning* Action Plan and the school improvement agenda. The setting of the 2008/09 Schools Budget will also have an effect. It is difficult at this stage to quantify the expected balances at March 2009 until further work is completed on the Action Plan and the setting of the Schools Budget in conjunction with the Schools Forum.

2.3.9. Individual Schools' Balances – At the start of the 2007/08 academic year, schools collectively had net balances of £15.5m. It is assumed here that schools' balances collectively will increase by £1.5m in 2007/08, being the identified funding for preparing for Building Schools for the Future paid to secondary schools in 2007/08; however, schools forecast that £7m will be withdrawn from balances and the potential calls on reserves at school level due to job evaluation, the drive to improve school standards and general cost pressures should be borne in mind.

In 2008/09, schools expect to feel the impact of job evaluation implementation, cost pressures and efficiency expectations in funding allocations. The use of balances will need to be considered in the context of the *Transforming Leicester's Learning* action plan and the drive to improve school standards. These may result in an overall withdrawal from balances. For the purposes of this DRS, it is assumed that balances will return to April 2007 levels.

SECTION 3

Plans and Partnerships

3.1 Links with National and Local Plans and Agreements

3.1.1 The Council's key objectives and priorities are set out in the Corporate Plan. The Department makes a significant contribution to the following Corporate Plan priorities, viz:-

- To raise educational standards in schools irreversibly so that all schools are good schools and individuals are committed to learning throughout life.
- To improve quality and equality in teaching and learning.
- To support children and parents, especially protecting the most vulnerable children.

3.1.2 The Department supports the priority to invest in continuous improvement in a well managed organisation and the values expressed in the Plan to build trust, value staff, cultivate leadership and deliver quality.

3.1.3 The style of the Department reflects the City Council's corporate approach of:

- Finding solutions.
- Making decisions and getting things done excellently at all levels.
- Working with organisations and people across Leicester and beyond to bring about a shared Community Plan for a better city.
- Listening to individuals, stakeholders and staff to improve equality and opportunities.
- Using our influence to look after the interests of Leicester and its people.
- Encouraging and supporting people to improve their own lives and that of their neighbours.

3.1.4 The Council's Corporate Plan key priorities are reflected in other plans and agreements which set out specific actions and outcomes to which the Department is committed. These include:-

- Leicester Community Plan - with its theme of improving the health and well-being of the people of Leicester, reducing health inequalities and providing help and support to people where it is needed.
- Local Public Service Agreement – where Leicester signed its second generation LPSA covering the period from 2005 to 2008. The Department contributes to the achievement of a number of the priorities for improvement.
- Best Value Performance Plan - through which the Council drives up its performance standards, continuously improving the cost benefit equation.
- Local Area Agreement and Floor Targets - where various budgets and funding streams are pooled locally and aligned to assist with inter-

organisational working and to focus resources upon the more deprived sectors of the community. The importance of the LAA will continue to develop into 2008/09 as the Area Based Grant is introduced, the Neighbourhood Renewal Fund is replaced by the Working Neighbourhoods Fund (with a focus on “worklessness”) and more funding streams are subsumed within it.

3.2 Partnerships

- 3.2.1 The Department engages extensively in partnership working and enthusiastically embraces the concept having in place both statutory and non-statutory partnerships.
- 3.2.2 The Children Act 2004 requires the local authority and relevant partner agencies to produce a single strategic plan covering all relevant services, showing how they contribute to meeting the Every Child Matters outcomes for children and young people in their area.
- 3.2.3 In Leicester, the plan is called the “Children and Young People’s Plan”. It is the result of extensive collaborative working and consultation and it is refreshed annually. It is used as the basis for monitoring progress against the planned actions and performance indicators. One of the key components of the Plan is the progressive development of locality based networks of services, making full use of resources including schools and extended provision, health facilities, Sure Start and children’s centres, sport and leisure facilities.
- 3.2.4 Wherever the Department engages in strategic partnerships, there is usually voluntary sector and community involvement. The Department actively engages with parents, children and young people; participation arrangements are well regarded and the Council is on the Beacon shortlist for working with children and young people in the care system.
- 3.2.5 The Department engages with the Local Strategic Partnership through the Corporate Director leading the Children and Young People’s Block of the Local Area Agreement. This is of increasing importance as partnership working develops in the City and an increasing range of funding streams will form part of the new Area Based Grant from April 2008. A review will be required of how the currently separate funding streams are used, within the new framework of the ABG and joint commissioning.
- 3.2.6 To this end, partnership working is fundamental to the Department, and as such is embedded in the Department’s service delivery strategy.

Leicester Children and Young People's Strategic Partnership

- 3.2.7 The key strategic partnership is the *Leicester Children and Young People's Strategic Partnership* which operates within the context of the Children & Young People’s Plan. This partnership includes chief officer representation from the main commissioning bodies for children and young people’s services in the City

(the City Council, the PCT, Connexions, LSC, Children's Fund and the Voluntary Sector). Within the City Council, the Corporate Director and Lead Member for Children's Services have the lead roles in establishing and maintaining inter-agency governance arrangements (section 10 of the Children Act 2004).

- 3.2.8 The Partnership Board meets monthly and considers proposed developments in multi-agency children's services projects, performance updates, the strategy for joint commissioning of services, budget planning and a general exchange of information.
- 3.2.9 The Department and the PCT jointly fund a senior officer from the PCT to develop and manage joint commissioning. Based within the Department, this officer is developing a Joint Commissioning Strategy and oversees the commissioning of services from funding in the Local Area Agreement and Neighbourhood Renewal Fund (to become the Area Based Grant and the Working Neighbourhoods Fund in 2008/09).
- 3.2.10 A Joint Commissioning Board is responsible for the more detailed inter-agency partnership working to jointly commission services. It reports to the LCYPSP Board, and makes recommendations to the Board and its constituent partner organisations on the use of joint funding such as the LAA and the NRF.

Education Focussed Partnerships

- 3.2.11 In terms of education services, the Department works in partnership with schools, the DCSF and the LSC. The partnership with schools and their governors is managed through groups such as the Schools Forum, the City of Leicester Governors' Association, the Head Teachers' Partnership and the Education Improvement Partnership.
- 3.2.12 A particularly interesting more recent development has been the introduction of the Youth Opportunity Fund and Capital Fund which became available following the Green Paper "Youth Matters". The funds available are allocated and administered by the young people themselves, with oversight from adults.
- 3.2.13 Children's Centres are provided throughout the City utilising Sure Start grant funding and are operated by a partnership of the City Council and third sector associations, including National Children's Homes and Barnardos.
- 3.2.14 The Department and its schools are partners in the East Midlands Broadband Consortium (EMBC), a regional organisation delivering broadband internet connectivity to schools.
- 3.2.15 The Department is represented on the Board of the LeicesterShire Connexions Company. From April 2008, Connexions funding will be within the City's Area Based Grant, the City Council will take legal responsibility for delivering Connexions services and the Connexions company will become a local authority company owned jointly with Leicestershire County Council; thus marking a new development in partnership working.

3.2.16 The Department works with NCH, which acts as the Accountable Body for the Children's Fund, focussed on commissioning preventative work with 5 – 13 year olds. From April 2008, this funding also moves into the Area Based Grant, with the Council becoming the Accountable Body. During 2008/09, the management and use of the funding will be reviewed as part of the developing Joint Commissioning Strategy.

Children's Social Care Focussed Partnerships

3.2.17 Children's social service work is permeated with partnership working, especially with Leicestershire and Rutland County Councils and the Primary Care Trust. The partnerships include:

- Local Safeguarding Children Board, which works on planning related to Child Protection and which will shortly be required to receive reports on all child deaths in the area.
- Child and Adolescent Mental Health Service (CAMHS).
- Drug and Alcohol Action Team (DAAT).
- Children's Fund (preventative work with 5-13 year olds).
- The NHS-led Children's Model of Care Board.
- The Bridges Information Sharing and Assessment Trailblazer.
- The Teenage Pregnancy Partnership.
- The Disabled Children's Programme Board.
- The Emergency Duty Team.

3.2.18 The Leicester Integrated Service Trial (LIST) operates in New Parks. This is extending multi-agency working on the ground along the lines of the model currently used in the Children's Centres and extending the age range upwards. It has received national recognition.

3.2.19 The Department works closely with the City's Youth Offending Service, which is based within the Adults and Housing Department as part of the Community Safety portfolio. The Youth Offending Service is itself a multi-agency partnership hosted by the Council, with staff and funding from the Council, NHS, Police, Probation, Connexions and the Youth Justice Board.

Building Schools for the Future

3.2.20 A significant partnership for the Department (and for the Council) is the Building Schools for the Future programme. Via this programme a £235m investment in the secondary school estate and ICT infrastructure is planned, with work across secondary school sites including substantial areas of new build and high quality refurbishment. The partnership consists of Miller Construction and its consortium of service suppliers, Partnerships for Schools (DCSF representative) and the City Council, and is given formal expression in the Local Education Partnership, a limited company. The Leicester programme is the largest in the country.

3.2.21 The legal documents for the first phase were signed in December 2007. Financial Close was reached and work on site is underway; the four schools involved are

Fullhurst Community College, Beaumont Leys Secondary, Soar Valley Community College and Judgemeanow Community College.

3.2.22 The Department is reviewing the Strategic Business Case for the remaining phases of BSF, to ensure that BSF remains a key tool for delivering improved educational attainment across the City.

Summary

3.2.23 In summary, partnership working is a key tool in the delivery of Children and Young People's Services in Leicester City. It is already fully implemented in strategic planning, and is increasingly being embraced in service delivery as evidenced in the Local Area Agreement where Children and Young People is one of the four blocks. Key themes in the coming years are to further integrate services at neighbourhood level and to help develop other organisations and groups of young people to better engage in partnership working.

SECTION 4

Performance Management, Efficiency Planning and Comparative Data

4.1 Performance Management

- 4.1.1 A wide range of performance measures and indicators is used to assess the department's management and services. Comprehensive returns covering all services are sent annually to government departments and some indicators form part of the Council's Best Value Performance Plan and some have a direct impact upon the Comprehensive Performance Assessment.
- 4.1.2 Services are assessed by external inspectors e.g. OFSTED, Commission for Social Care Inspection, and by the Audit Commission.
- 4.1.3 The Directorate Management Team receives on a regular basis a comprehensive performance report advising of performance relative to key targets and performance indicators. The Children and Young People's Plan acts as the business and service plan for the Department and partners, meeting the Council's corporate requirements and standards.
- 4.1.4 The Annual Performance Assessment of services for Children and Young People in Leicester City Council took place in November 2007, led by OFSTED. A grade 3 (out of 4) was awarded for the overall effectiveness of Children's Services, reflecting a service that consistently delivers above minimum requirements for users. This is essentially the same overall grading as received in 2006, although the categories have since changed in some respects.
- 4.1.5 In her letter to the Council, setting out the Grade 3 award, the Inspector wrote:

"Leicester City Council continues to deliver services for children and young people at a good level. Leadership of the service is strong and forward thinking. It provides a clear strategic approach with a sense of clarity and purpose. A good contribution is made by services to improving outcomes and they show sustained improvement in most areas over time. Many solutions are becoming increasingly innovative. Leicester receives a high number of residents from a number of countries around the world. The number of new arrivals and the associated language and cultural barriers, bring many challenges. Some parts of the city face significant economic and social obstacles and the council shows increasing ambition to challenge these. It has a good understanding of the inequality in outcomes for young people and their families and a clear view of the necessary action to improve services and make a discernible difference. The council is aware of the need to improve health and educational attainment in all phases and thus the life chances of children and young people. To this end, there is an increasing emphasis on prevention and early intervention. The commitment to collaborative working and the quality of forward planning to achieve this is a significant strength."

4.1.6 Within the overall assessment, grades were awarded for each Every Child Matters outcome, together with capacity to improve and overall management. Areas for development for each outcome were identified. Grade 1 is the lowest score and Grade 4 the highest. Grade 2 is summarised as “adequate”; Grade 3 as “good”; and Grade 4 as “outstanding”. The grade for each outcome was as follows:

Grade 2	Being Healthy
Grade 3	Staying Safe
Grade 2	Enjoying and Achieving
Grade 4	Making a Positive Contribution
Grade 3	Achieve Economic Wellbeing
Grade 3	Capacity to Improve, incl. the Management of Children’s Services

4.1.7 The areas for improvement are being addressed as part of the service development work being undertaken in the Department and with partners. The full text of the Inspector’s letter can be accessed on the OFSTED website.

4.1.8 The Joint Area Review of Children’s Services in the City is taking place in January and February 2008 and the Youth Offending Service has recently been inspected.

4.1.9 The Department is keen to work with external partners to improve performance. For example, the national Teenage Pregnancy Unit was invited to help review and further improve the service in Leicester; and the implementation of Transforming Leicester’s Learning Action Plan will be scrutinised and supported by the DCSF.

4.2 Efficiency Planning

4.2.1 An efficiency plan for the Department is in place in accordance with corporate guidelines to demonstrate how the Department’s services are responding to the local and national efficiency agenda. Efficiency planning is an integral part of budget planning and the Council is on course to reach the 3% savings target for 2007/08. It also expects to achieve the 3% cashable savings required in 2008/09, through the service transformation project. The 2007/08 plan arising from budget decisions already taken is shown in **Table 3** on the following page for information.

4.2.2 Progress is being made against the 2007/08 plan, with some savings fully achieved or well on the way to being so (for example, Relocation of Disabled Children’s Services and coordination with day services). However, some require further work within the Department (for example, developing support for schools via the Schools Extranet) and the measurement of others has been made more challenging by the need to invest in services to drive forward rapid improvements in attainment levels in schools (for example, City Schools Learning and teaching support – review of staffing levels in the Learning Services Division).

4.2.3 Two efficiency expectations included in previous years’ budgets are due to take effect from April 2008; the final tranche of savings from the creation of the CYPS Department in 2006 and general efficiency expectations. However, it has proved

very difficult to identify ways of achieving them in the context of the pressures on the Council and the Department to raise educational attainment in the City, particularly given the need to address the key priorities of school improvement, admissions and inclusion, together with safeguarding vulnerable children. Growth is therefore proposed to offset these assumed savings.

4.2.4 Looking ahead to 2008/09, and taking into account the reprioritisation that has already taken place and the pressures on the Council and the Department to raise educational standards and continue to safeguard vulnerable children, there are therefore no new specific efficiency measures in the General Fund budget savings proposed for CYPS in this DRS, other than the corporate approach of not allocating funding for inflation on general running costs.

Table 3: Children's Services Efficiency Plan (from budget decisions already taken)	Estimated Efficiency Gain £000of which Cashable £000
2006/07 Budget:		
<i>Unified Placement Support team by merging Outreach Support and Looked After Children's Teams</i>	200	200
<i>Relocation of Disabled Children's Services and coordination with day services</i>	100	100
<i>Restructuring Youth Workers - move to a single multi-professional community based service</i>	90	90
<i>Support for schools via Extranet - cease paper output</i>	50	50
<i>Realign Early Years management in preparation for new Children's Dept</i>	160	160
2007/08 Budget:		
<i>Staff Turnover - deductions from salary budgets across the department</i>	182	0
<i>City Schools Learning and teaching support – review of staffing levels.</i>	250	0
<i>Reabsorb into department the Access and Inclusion work currently carried out by a contractor</i>	45	0
<i>Development of a more economic and effective approach to employee development</i>	52	52
<i>The achievement of economies of scale and more informed procurement decisions</i>	135	135
<i>A review of the service's infrastructure - family support and safeguarding services.</i>	150	150

4.2.5 The Department will, however, continue to seek efficiencies where possible and will continue to play an active part in the corporate efficiency programme where savings are being released across all Departments' current and former activities that fall within the corporate Business Improvement Programme.

- 4.2.6 This budget does nonetheless include significant economies in the reductions in the Premature Retirement Costs budget and the provision for secondary review transport. These do not fall within the Gershon definition of efficiency gains; however they effectively release resources to address other service priorities as set out in the growth proposals.
- 4.2.7 Within the 2008/11 Schools Budget funded by DSG, the DCSF will for the first time assume specific efficiency savings in schools over the next three years; the DCSF's assessment and funding of cost pressures in schools will be offset by an assumed 1% cashable efficiency gain in each of the three years (a total of 3% by 2010/11). This will prove a challenge to schools, particularly given the new cost pressures around job evaluation, the recently announced teachers' pay award and the high proportion of school budgets spent on staffing and increases in energy costs. Schools will particularly need to explore opportunities for efficiencies in procurement of goods and services.
- 4.2.8 The Department has presented an Inclusion Strategy to Cabinet, which seeks in part to address the requirement for a review of Special Education within the Council's Departmental Efficiency Reviews process.

4.3 Comparative Data with other Councils

- 4.3.1 The Value for Money profile for the Authority prepared by the Audit Commission was updated in 2007. Drawing upon 2006/07 budget information, the profile compares Leicester's performance with that of its Nearest Neighbours grouping which includes for example Derby, Newcastle, Nottingham, Bradford, Middlesbrough and Wolverhampton.
- 4.3.2 The Audit Commission profile report focuses on comparisons with lower, median and upper quartiles and obvious questions posed by analysis of such data are:-
- Is the difference in the Councils' spending associated with differences in the level of service provided?
 - Is the Council's spending consistent with that of other councils providing services in a similar way or quality?
 - Has the Council's spending changed compared to others?
 - Is the service large enough to justify making distinctions between councils?
 - Does the difference in spending and / or service level arise from a conscious decision by Elected Members to spend or provide more or less than other councils?
- 4.3.3 Care needs to be exercised when drawing conclusions from the reported data as the spending estimates do not necessarily relate to the same period as the contextual and performance information used in the report e.g. the population estimates are prepared in arrears whereas the spending plans are formulated in advance. However, the information is gathered within the same framework for each authority and may be seen as reasonably indicative of relative performance.

- 4.3.4 Standardised spending indicators relate gross spend on service areas to the relevant populations. These may show cost per head population or cost per pupil aged 3-19 years. Context and performance data provides a statistical context for service provision e.g. age band analysis, percentage achievements for Government Best Value indicators, absence rates etc.
- 4.3.5 The data in **Table 4** shows the quartiles into which our service costs are placed in comparison with other councils, with the first quartile being the highest. Work is on-going in the Department to validate and develop our understanding of these results.

First Quartile (highest cost)	LEA services, School Improvement, Access, Commissioning and Social Work, Special Education.
	Youth Justice (Adults and Housing Dept)
Second Quartile	Family Support Service, Youth Service
Third Quartile	Other Children's Services, Schools Budget
Fourth Quartile (lowest cost)	Strategic Management, Children Looked After

- 4.3.6 The Council is pursuing the concept of the “Newcastle Matrix” to develop understanding of the links between costs, service levels and performance. Work is on-going to identify which performance indicators usefully link to cost data. There are issues with cost comparability and the need to fully understand why Leicester appears in the particular quartiles.
- 4.3.7 Some spending in Leicester reflects Government expectations and funding, whereas other funding such as DSG is based to a greater extent on historical spending. There are links between some of the indicators, for example is the higher social work input reflected in the lower spending on looked after children? The impact of one-off items needs identification, for example, BSF client side costs are included in the “Access” costs and have a distorting effect.
- 4.3.8 Collection and analysis of data needs to be improved, which is acknowledged by the Department and is reflected in the *Transforming Leicester's Learning Plan*.
- 4.3.9 The Department is aiming for high performance and for lower costs where appropriate; this may not be relevant for the Schools Budget or if higher social work costs reduce the number and cost of looked after children, for example. The Council must be explicit about local policy decisions to spend more or less, and work on the underlying data and performance analysis to inform the desired direction of travel is required.

4.3.10 The Department is focussing on a number of areas where spending is considered to be high and where efficiencies could potentially be achieved; for example, Cabinet recently considered a paper on an Inclusion Strategy designed in part to address the relatively high spending on aspects of Special Educational Needs, and the topic is being discussed with the Schools Forum; the Department is aware of the cost of surplus primary school places and is looking at new models of leadership and governance and the opportunities presented by the BSF programme and the forthcoming national investment in primary school facilities. The activity and costs associated with School Improvement are being examined as part of the on-going review of services traded with schools and in determining the longer term challenge and support for schools to sustain improved educational attainment.

SECTION 5

Spending and Resource Issues and Overview of Budget Proposals for 2008/09 to 2010/11

5.1 Resources available

5.1.1 The cash target for 2008/09, which is the starting point for the budget process, is shown in **Table 6** overleaf, split between the net impact of the Dedicated Schools Grant and Local Education Authority and other (e.g. social care) budgets.

5.1.2 As show in the cash target, a number of previous years' budget decisions will take effect in 2008/09. These are shown in **Table 5** below.

Table 5 Full Year Effects of Previous Years' Budgets	Total £ 000 () = reduction
<u>2006/07 Budget</u>	
Looked After Children – recommended fostering rates	100.0
Mainstreaming of children's NRF projects	200.0
Reconfiguration of disabled children's services	(100.0)
Preventative Services (Social Care)	(200.0)
<u>2007/08 Budget</u>	
Special Educational Needs Transport	(25.0)
Integrated Services Programme savings	(300.0)
Efficiency plan	(271.0)
Pastoral care	(100.0)
Use of Key Stage 2 monies	100.0
Total Reductions from Previous Years' Budgets	(596.0)

5.1.3 The cash target also reflects three specific national funding / grant adjustments:

- The Children's Services Grant (which has latterly been part of the Local Area Agreement) is being transferred to mainstream funding, and is therefore added to the Department's budget.
- The transfer of the Student Awards Service to the Student Loans Company over the next three years. The Council's funding will be reduced to reflect this, the first phase of which takes effect in 2008/09.
- Proposed changes to increase substantially the fees for public law Children Act proceedings and to increase the fee for public law adoption proceedings. These additional costs will be reflected in the Council's mainstream funding in 2008/09 and £250,000 is thus added to the Department's budget.

Table 6 – CYPS Cash Target 2008/09	DSG	LEA & Other	Total
	£'000	£'000	£'000
Net Direct Budget 07/08:			
Employees : Non-teachers		35,359.8	35,359.8
Employees : Teachers			0.0
Run. Costs		25,747.8	25,747.8
Income	(1,905.0)	(6,325.7)	(8,230.7)
sub-total	(1,905.0)	54,781.9	52,876.9
Virement			
Part-time post from Adults		1.8	1.8
sub-total	0.0	1.8	1.8
Full Year Effects of Previous Budgets (Table 5)			
- employees		(100.0)	(100.0)
- running costs		(496.0)	(496.0)
- income		0.0	0.0
sub-total	0.0	(596.0)	(596.0)
Pensions :			
Additional - schools			0.0
Additional - non-schools			0.0
sub-total	0.0	0.0	0.0
Other :			
Grant transfers:			
Children's Services Grant - mainstreamed		1,587.0	1,587.0
Student Finance – phased transition to national arrangements for the service		(31.0)	(31.0)
Public Law Children Act and Adoption Proceedings – transfer from Ministry of Justice		250.0	250.0
sub-total	0.0	1,806.0	1,806.0
Inflation :			
Pay - Teachers @ 2.5%	0.0	0.0	0.0
Pay - Non-Teachers @ 2.5%	0.0	969.7	969.7
Price @ 2.25%	0.0	462.0	462.0
Income @ 2.25%	(47.6)	(158.1)	(205.7)
Grant-aid (& DSG income)	0.0	8.9	8.9
Traders	0.0	1.7	1.7
sub-total	(47.6)	1,284.2	1,236.6
CASH TARGET 08/09	(1,952.6)	57,277.9	55,325.3

5.2 The proposals

5.2.1 In summary the Council's medium term financial strategy allows for net growth of £961k in 2008/09 and £682k in 2009/10 and 2010/11, as set out in **Table 7**:

Table 7 – Summary of Growth, Reductions and Net Growth			
	2008/09	2009/10	2010/11
	£'000s	£'000s	£'000s
Growth	1,511	1,012	1,032
Reductions	(550)	(330)	(350)
Net Growth	961	682	682

5.2.2 All figures are expressed at 2008/09 estimated outturn prices.

5.2.3 In developing proposals within the resources available, the Corporate Director and Cabinet Lead have sought to:-

- Respond to the local and national service pressures and priorities for services for children and young people in the City.
- Strengthen arrangements that focus upon safeguarding the interests of young people directly and indirectly.
- Align proposed investment with the budget priorities in the Political Administration's election manifesto and the emerging priorities of the 25 year plan for Leicester - Great People, New Prosperity, Beautiful Place and Quality Services. This is explored in more detail in Section 1 (page 5).
- Recognise the expenditure pressures within existing budgets and for which it is important to make appropriate budget provision.
- Accommodate growth requirements by reprioritising existing budgets where possible.

5.2.4 A summary of the detailed proposals and the resultant Planning Target is given in **Table 8** overleaf. This is followed by summary descriptions and supported by detailed growth and reduction pro-formas in **Appendices 2 and 3**.

5.2.5 In addition, the corporate budget sets out proposed growth for the Council's part of the contract costs of BSF schools and reflects savings from the Business Improvement Programme to which the Department will contribute.

<u>Table 8: GENERAL FUND BUDGET PROPOSALS 2008/09 to 2010/11</u>		<u>2008/09</u>	<u>2009/10</u>	<u>2010/11</u>
		<u>£ 000</u>	<u>£ 000</u>	<u>£ 000</u>
<u>Growth</u>				
CYP G1	Corporate Parenting: Looked After Young People entering Higher Education	60	80	100
CYP G2	Youth Service: Administrative posts to free up Youth Workers	30	30	30
CYP G3	Youth Service: Capacity Building (one-off pending review)	70	0	0
CYP G4	Youth Service improvements – pilot (one-off pending review)	70	0	0
CYP G5	Children Not In Education: Increased Input from Education Welfare Service	60	60	60
CYP G6	Summer Activities Programme (one-off pending review)	100	0	0
CYP G7	Complementary Schools – pilot (one-off pending review)	50	0	0
CYP G8	Efficiency Expectations from Previous Years' Budgets	571	842	842
CYP G9	"Transforming Leicester's Learning" School Improvement Action Plan: contribution to the Funding Package	500	0	0
Total Growth Proposals		1,511	1,012	1,032
<u>Savings / Efficiencies</u>				
CYP R1	Premature Retirement Costs of Former Teachers who retired before April 2006: Reducing call against the budget	(200)	(230)	(250)
CYP R2	Home to School Transport: Secondary Review Provision no longer required	(100)	(100)	(100)
CYP R3	Contribution from CYPS Reserves: To fund the Improvement Action Plan	(250)	0	0
Total Savings		(550)	(330)	(350)
Net Growth		961	682	682
Cash Target		57,277.9	57,277.9	57,277.9
Planning Target		58,238.9	57,959.9	57,959.9

5.2.6 Growth – Summary Descriptions (*Detailed in Appendix 2*)

CYP G1 Corporate Parenting: Looked After Young People entering Higher Education

There has been a significant increase in the number of young people leaving care who are accessing Higher Education courses. As corporate parents, the Council has a responsibility to support these young people throughout their time at university. Prior to 2006 the Council supported no more than two young people at any time; this has now increased to nine and a number of young people in year 13 have aspirations to go to university.

CYPG2 – G4 Youth Service

Additional administrative support is proposed, together with one-off pump-priming funding whilst a review of the Youth Service is conducted in 2008/09. Substantive proposals will be brought forward in the 2009/10 budget once a longer term approach for a whole-city service has been developed.

CYP G2 Youth Service: Administrative posts to free up Youth Workers

Greater administrative support would be provided in the Youth Service, to enable youth workers to focus on youth work and to secure more robust data collection about service provision.

CYP G3 Youth Service: Capacity Building (one-off pending review)

This one-year additional capacity funding would be used to provide targeted front-line youth service delivery to young people on basis of priority groups and/or geographical gaps in service, pending a longer term review.

CYP G4 Youth Service Improvements – Pilot (one-off pending review)

The funding would be used to provide activities in holidays other than the summer holidays (including Easter and half terms) for 8 to 13 year olds, and the support to organise, advertise and promote these programmes.

CYP G5 Children Not In Education: Increased Input from Education Welfare Service

The Education Act 2006 places new statutory requirements on the Council in respect of children who are not attending any educational provision. This requires additional resources in the Education Welfare Service and improved data collection.

CYP G6 Summer Activities Programme (one-off pending review)

Additional activities for children and young people would be provided during the summer holiday period based on priority groups, geographical gaps in service and some city-wide provision. This is one-off pending more substantive proposals in the 2009/10 budget.

CYP G7 Complementary Schools – Pilot (one-off pending review)

This funding would build on the existing complementary provision (study support, homework support and extended services), supporting children to raise attainment through extra curricular activity. The funding is for one year only at this stage whilst a research project is undertaken on the impact of Complementary Schools on raising standards. The report is expected in August 2008 and there may be some specific national funding in the future.

CYP G8 Efficiency Expectations from Previous Years' Budgets

Two efficiency expectations included in previous years' budgets are due to take effect from April 2008; the final tranche of savings from the creation of the CYPS Department in 2006 and general efficiency expectations. The budget reductions can be seen in Tables 5 and 6. However, it has proved very difficult to identify ways of achieving them in the context of the pressures on the Council and the Department to raise educational attainment in the City, together with the need to address the key priorities of school improvement, admissions and inclusion, together with safeguarding vulnerable children. Growth is therefore required to offset the reduction to the initial 2008/09 budget.

A more detailed explanation of the Department's approach to efficiency is set out in Sections 4.2 and 4.3 earlier in this document.

CYP G9 "Transforming Leicester's Learning" School Improvement Action Plan: Council contribution to the Funding Package

A plan has been submitted to the Government to show how improvements to educational attainment in schools in the City are intended to be brought about. It is expected that funding and support will be received from the Government, together with re-prioritisation of existing Council and Schools Block funding and support from partners such as the Primary Care Trust. It is also expected that the Council will make the one-off contribution proposed here, which is to be funded by the use of corporate and CYPS reserves (see Budget Reduction CYP R3).

5.2.7 Savings / Efficiencies – Summary Descriptions (Detailed in Appendix 3)

CYP R1 Premature Retirement Costs of Former School Staff who retired before April 2006: Reducing call against the budget

The on-going additional pension costs of school teachers and support staff who took early retirement before April 2006 are charged to the Council's General Fund budget. All retirements since then are charged to the Schools Block budget. Therefore the call upon the General Fund budget has become more certain and can be expected to decrease over time.

CYP R2 Home to School Transport: Secondary Review Provision no longer required

As part of the secondary school review in the late 1990's, a budget was created for the costs of transporting pupils to their new schools. These specific arrangements have reduced over time and hence the budget is no longer needed.

CYP R3 Contribution from CYPS Reserves to fund the Improvement Action Plan

As described in Growth CYP G8 (above), it is proposed to meet half of the Council's contribution to the funding of the Transforming Leicester's Learning Improvement Action Plan from CYPS reserves.

SECTION 6

Dedicated Schools Grant and the Schools Budget

6.1 Background

- 6.1.1 The Schools Budget is funded from Dedicated School Grant (DSG) which can only be spent upon delegated budgets to schools and certain centrally provided and retained services within a specified limit (termed the Central Expenditure Limit or CEL). Funding is also received from the Learning and Skills Council which is added to the Schools Budget and passed on to schools with sixth forms as directed by the LSC and also to fund relevant SEN costs.
- 6.1.2 DSG is currently estimated at £190m in 2008/09, but this figure will be subject to revision in the light of actual pupil numbers and any other changes in local or national factors.
- 6.1.3 Initial discussions have been held with the Schools Forum about key new budget pressures such as the impact of job evaluation on SEN and school meals. Further discussions and consultations about the Schools Budget will be held, with a draft Schools Budget to be presented to the Forum for discussion towards the end of February 2008.
- 6.1.4 Budgets for individual schools must be issued by 31st March 2008, although the Department will aim to notify schools earlier in March, following the discussion with the Schools Forum and any comments or changes arising from the Council's budget setting process.
- 6.1.5 The Schools Forum will be consulted about this Departmental Revenue Strategy.
- 6.1.6 The Schools Budget for the current year 2007/08 as approved by Schools Forum in March 2007 is shown in **Table 9** on pages 34 and 35 for information. The total income from DSG and the LSC is £187m, total planned budget allocations are £186.7m, leaving headroom (a surplus) of £0.3m.

6.2 General Fund Implications

- 6.2.1 So far as the impact upon the Council's General Fund budget and the Council Tax is concerned, the Schools Budget has no net effect. This is because the expenditure within the Schools Budget and the income from the Dedicated Schools Grant and the LSC has to be self-balancing, unless the Council chooses to "top up" the budget from its General Fund.
- 6.2.2 Any over or underspends in-year are carried forward to the subsequent year.

6.3 Risks and Pressures in the Schools Budget

6.3.1 There are a number of pressures and risks in the Schools Budget, the most material of which are:

- Special Educational Needs, where significant growth pressure is being felt in respect of independent school placements, the number of pupils having their special education needs addressed within the mainstream setting and the impact of the Council's job evaluation process on Learning Support Assistants. Cabinet has considered a report on the Inclusion Strategy and discussions are being held with the Schools Forum. The additional weeks at Easter falling within the 2008/09 financial year will also have an impact.
- Pay costs, arising from the on-going costs of job evaluation for non-teaching staff and the recently announced 2.45% pay rise for teachers in September 2008, which are to be met from school budgets.
- The Building Schools for the Future programme, insofar as the contract costs when the new or refurbished buildings come into use (from 2009 onwards) will fall onto schools. The Council and schools have agreed an approach to this, and the funding of BSF costs is being considered as part of the review of the local schools funding formula with a target implementation date of April 2009.
- The number of schools that could find themselves in financial difficulty or facing exceptional cost pressures such that they require additional financial support. The incidence of this could increase into the future as the additional cost pressures around job evaluation, lower funding increases, efficiency expectations and school improvement start to have an effect.
- A significant change in the take up of nursery places, which to date have been less than provided for within the budget. The impact of the entitlement to increased hours and greater flexibility will also have an impact on maintained schools and external providers.
- The introduction of new national diploma lines over the three year period of the budget; the practicalities and costs of delivering these at local level are still to be determined and national funding allocations are awaited.
- School meals, where the impact of job evaluation on catering staff pay and the fall in demand for meals occasioned by the drive to serve healthier meals, have led to a significant increase in the cost of providing the service. Most schools buy in the service from the Regeneration and Culture Department, although a small number make their own arrangements.

6.4 Schools' and School Block Reserves

6.4.1 The reserves held by individual schools and the Department in relation to schools are set out in Section 2.3 earlier in this strategy.

Table 9 – Schools Budget 2007/08**Original
Budget
2007-08
£ 000****Individual Schools Budget**

Primary School Budgets	77,427
Secondary School Budgets	65,780
Special School Budgets	11,647
	<hr/>
	154,854

Central Expenditure Limit Items**Items To Devolve To Schools Budget In 2007/08:**

Support for Schools in Financial Difficulty	500
Teachers Pay Grant	5,353
	<hr/>
	5,853

School-Specific Contingencies:

Practical Learning 14-16	435
Closed Schools	197
Newly Qualified Teachers	517
Amalgamations - start up costs	60
Insurance	150
Madani High School Start up costs	145
Free School meals – additional costs	200
Traded Services - new and increased charges	783
BSF reserve – New College Leicester	75
Raising profiles of schools	120
Schools facing exceptional cost pressures	300
SEN Reconfiguration Provision (subject to a report and plan to be submitted to Schools Forum)	1,218
Potential Amalgamations - start up costs	120
Provision for reduction in DSG	100

Total School-Specific Contingencies	<hr/>
	4,420

Other Central Expenditure Limit Items:

Directorate	221
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Learning Services:

Minority Ethnic Language and Achievement Service	161
Learning Services - Support for Schools	256
Standards Funds match funding for EMBC Broadband	210
	<hr/>
	627

Strategic Planning, Performance & Commissioning:

Schools Forum	10
Schools insurance	323
Finance	472
Health & Safety & Client Services	172
Human Resources, etc	446

	Original Budget 2007-08 £ 000
Policy and Communications Unit	30
IT Services	304
Premature Retirement Costs post-April 2006	328
	<hr/> 2,085
 <i><u>Access, Inclusion and Participation:</u></i>	
Nursery Education Grant	2,900
School Milk	120
Special Education Service	131
Independent Schools	3,150
Recoupment	-293
Admissions & Exclusions	465
Special Needs Teaching Service	4,512
Student Support Service	2,081
Mainstream Statementing	1,958
Pupil Referral Unit meals	30
Contingency - SEN	565
Contingency – Nursery Education Grant	475
	<hr/> 16,093
Corporate Recharges	1,487
	<hr/> 20,513
 Total Other Central Expenditure Limit Items	
 Growth and Reduction Items 07-08:	
Special Educational Needs	932
Learning Services	-61
CRB Checks	147
	<hr/> 1,018
 Total Central Budget	 21,531
<hr/> Total Schools Budget 2007/08	<hr/> 186,658
 <u>Funding Available:</u>	
Dedicated Schools Grant <i>(updated to reflect the actual DSG)</i>	181,366
Learning and Skills Council	5,588
	<hr/> 186,954
<hr/> Headroom (Surplus)	<hr/> 296

SECTION 7

Equalities Assessment

7.1 Background

The Council has a policy of fully integrating equalities into all aspects of its business and services, as demonstrated through its Corporate Equality Strategy and Action Plan. It has a commitment towards the Equality Standard for Local Government, which requires an Equality Impact Assessment to be carried out at all key stages in the decision making process on any new, existing and reviewed policies.

The Council has a general duty under the Race Relations (Amendment) Act 2000 to promote race equality. This means that the Council must have due regard for the need to eliminate unlawful racial discrimination, promote equality of opportunity and promote good relations between people of different racial groups.

The Council from December 2006 also has a general duty under the Disability Discrimination Act 2005 to promote disability equality. This means that the Council must have due regard for the need to eliminate discrimination which is unlawful under the Act, promote equality of opportunity between disabled persons and other persons, eliminate harassment of disabled persons, promote positive attitudes towards disabled persons, encourage participation in public life and take steps to take into account disabled persons' disabilities.

Within Children and Young People's Services, a priority is to promote equality of service users, customers, pupils and students and our workforce, so we can demonstrate that we meet the needs of all of the City's communities. The Department is committed to the implementation of equality policies to eliminate discrimination and promote diversity.

7.2 Equalities Assessment of this Budget Strategy

This budget strategy has been subject to an Initial Screening for its equalities implications and the initial assessment suggests no detrimental effect.

The growth proposals are intended to actively address inequality and no detrimental impact on any particular group or community is expected. However, the precise impact will depend upon the detailed implementation plan for each of the growth proposals, which should be informed by an Equalities Impact Assessment as part of the implementation planning process.

No equalities implications of the budget reduction proposals have been identified, as no direct impact on service delivery is anticipated.

SECTION 8

8.1 Risk Analysis

8.1.1 A number of risks are inherent in the budget proposals, including:

- Severe pressure on the budget occurring during the year due to increasing demand for services and the need to comply with statutory service requirements and the improvement agenda.
- Corporate initiatives such as job evaluation for which there is no specific funding within the Department's budget strategy, should the impact exceed the corporate funding set aside for the purpose.
- The fallout of Neighbourhood Renewal Funding for certain key projects by June 2008, for which there is only a small amount of pick-up funding in the budget; the eventual significance of this risk will depend upon decisions taken by the LSP and the Children's Joint Commissioning arrangements around the use of the Area Based Grant in the Local Area Agreement and the new Working Neighbourhoods Fund.
- A shortfall in the increased income and cost efficiencies (£783,000) planned to be generated by trading services with schools in the 2007/08 budget, and which requires further work and potentially complex and difficult decisions to deliver in full.
- Any significant recommendations arising from the Joint Area Review (JAR) in January / February 2008, for which there is no specific budget provision.
- Significant pressures upon the BSF client side and development costs where the current on-going budget provision of £450,000 may prove to be inadequate.
- A level of non-earmarked reserves and a reduced special projects budget such that there is very little capacity to respond to unforeseen circumstances.
- The Department's ability to recruit, retain or afford sufficient staff with required skills and experience. This is of particular concern for specialist roles in children's and educational services and a range of support professions e.g. finance and information technology.
- The potential for disruption to usual management arrangements and one-off costs as services and staff continue to move into the new departmental structure and that structure is subject to review at progressively lower tiers.

- Management attention being focused upon managing the change processes to the detriment of managing the service.
- Service user transport costs continuing to be difficult to control and manage.
- Significant pressure and overspends upon the Central Expenditure Limit of the Schools Budget in respect of special educational needs.
- The increases for fostering allowances being inadequate to meet rising costs and demand, resulting in increased use of expensive Independent Fostering Agencies.
- The general reduction in staffing costs, by previous years' introduction of an allowance for staff turnover and the removal of a number of posts from the Learning Services Division, which may combine to create capacity shortfalls within the Department in the context of school improvement.
- The planned significant reductions over the next three years in funding for the Connexions service within the Area Based Grant will pose a difficult challenge; and will inevitably mean that efficiency savings from developing a greater alignment with the Youth Service will not be able to be released in full for service development.
- The cost pressures and efficiency expectations upon schools could lead some schools into deficit budgets and recovery plans; the impact of this could make the drive to improve educational standards and attainment more difficult, particularly in the longer term once additional support for achieving that change is no longer available.
- That cost pressures impact upon service delivery and expose the Department to the risk of adverse external inspection reports, to the detriment of the Department's ratings and consequently the Corporate Performance Assessment.

Appendix 1

Glossary of Terms

ABG	Area Based Grant <i>(The non-ring-fenced grant associated with the Local Area Agreement from April 2008, into which a number of current CYPS grants will be subsumed)</i>
CPA	Comprehensive Performance Assessment
CSA	Children's Services Authority <i>(Encompassing former LEA and Children's Social Care responsibilities)</i>
DCSF	Department for Children, Schools and Families <i>(Formerly the Department for Education and Skills)</i>
DSG	Dedicated Schools Grant <i>(The ring-fenced Government grant that funds the <u>Schools Budget</u>, which finances budgets delegated to schools and pupil related costs such as SEN placements)</i>
ECM	Every Child Matters – <i>there are five key outcomes</i>
FTE	Full Time Equivalent staff
GF	General Fund Budget <i>(The "Council's budget" that funds services not paid for by DSG, such as the youth service, parts of Early Years, standards and improvement)</i>
JAR	Joint Area Review [of Children's Services]
LAA	Local Area Agreement
LEA	Local Education Authority <i>(term now being replaced by the CSA)</i>
LSC	Learning and Skills Council
NRF	Neighbourhood Renewal Fund <i>(to be replaced by the WNF in April 2008)</i>
OFSTED	Office for Standards in Education
PCT	Primary Care Trust <i>(The NHS body responsible for planning and commissioning local health services)</i>
WNF	Working Neighbourhoods Fund <i>(Succeeds the NRF in April 2008, with a national focus on "worklessness")</i>
YOS	Youth Offending Service

Appendix 2

**Children and Young People's Services Department
Departmental Revenue Strategy 2008/09 to 2010/11**

Details of Growth Proposals

SERVICE AREA: Social Care and Safeguarding (Leaving Care)		Proposal No: CYP G1		
<p><u>Details of Proposed Project(s) Growth:</u></p> <p>To support an increase in the number of looked after young people entering Higher Education.</p>				
<u>Type of Growth (delete as appropriate)</u>				
Service Improvement				
<u>Justification for Proposal (including service implications)</u>				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
<p>There has been a significant increase in the number of young people leaving care who are accessing Higher Education courses. As corporate parents, the Council has a responsibility to support these young people throughout their time at university. Prior to 2006 the Council supported no more than two young people at any time; this has now increased to nine and a number of young people in year 13 have aspirations to go to university.</p>				
<u>Date of earliest implication/ date of proposed implication</u>				
				Date: 01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
<u>One-Off Costs of Change</u>				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
<u>Effects of Changes on budget</u>				
	Existing Budget			
Staff	-	-	-	-
Non Staff Costs	63	60	80	100
Income	-	-	-	-
Net Total	63	60	80	100
<u>Staffing Implications</u>		2008-09	2009-10	2010-11
Current service staffing (FTE)		-	-	-
Extra post(s) (FTE)		-	-	-

SERVICE AREA: Access, Inclusion & Participation (Youth Service)		Proposal No: CYP G2		
<u>Details of Proposed Project(s) Growth:</u> Increased administrative support would be provided in the Youth Service.				
<u>Type of Growth (delete as appropriate)</u> Service Improvement				
<u>Justification for Proposal (including service implications)</u>				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
Greater administrative support would be provided in the Youth Service, to enable youth workers to focus on youth work and to secure more robust data collection about service provision.				
<u>Date of earliest implication/ date of proposed implication</u>				
				Date: 01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
Effects of Changes on budget	Existing Budget			
Staff	1543	30	30	30
Non Staff Costs	79	-	-	-
Income	(15)	-	-	-
Net Total	1607	30	30	30
Staffing Implications		2008-09	2009-10	2010-11
Current service staffing (FTE)		57	57	57
Extra post(s) (FTE)		1.5	1.5	1.5

SERVICE AREA: Access, Inclusion & Participation (Youth Service)		Proposal No: CYP G3		
<u>Details of Proposed Project(s) Growth:</u> Additional capacity funding to provide targeted front-line youth service delivery.				
<u>Type of Growth (delete as appropriate)</u> Service Improvement				
<u>Justification for Proposal (including service implications)</u>				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
This one-year additional capacity funding would be used to provide targeted front-line youth service delivery to young people on the basis of priority groups and/or geographical gaps in service, pending a longer term review.				
<u>Date of earliest implication/ date of proposed implication</u>				
				Date: 01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
<u>One-Off Costs of Change</u>				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
<u>Effects of Changes on budget</u>	Existing Budget			
Staff	2,101	-	-	-
Non Staff Costs	912	70	-	-
Income	(82)	-	-	-
Net Total	2,930	70	-	-
<u>Staffing Implications</u>		2008-09	2009-10	2010-11
Current service staffing (FTE)		72	72	72
Extra post(s) (FTE)		-	-	-

SERVICE AREA: Access, Inclusion & Participation (Junior Youth Service)		Proposal No: CYP G4		
<u>Details of Proposed Project(s) Growth:</u>				
The funding would be used to provide activities in holidays other than the summer holidays (including Easter and half terms) for 8 to 13 year olds, and the support to organise, advertise and promote these programmes.				
<u>Type of Growth (delete as appropriate)</u>				
Service Improvement				
<u>Justification for Proposal (including service implications)</u>				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
The funding would extend the Children's Centres' activity days, providing information and play packs. A review would also be undertaken of the distribution of provision across the 6 weeks of the summer holidays as per Members' Working Group concerns that most of the provision of activities in the summer holidays is at the front end of the holidays.				
<u>Date of earliest implication/ date of proposed implication</u>				
				Date:
				01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change				
<i>Staff</i>		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
Effects of Changes on budget	Existing Budget			
Staff	39	-	-	-
Non Staff Costs	749	70	-	-
Income	0	-	-	-
Net Total	788	70	0	0
Staffing Implications		2008-09	2009-10	2010-11
Current service staffing (FTE)		1.4	1.4	1.4
Extra post(s) (FTE)		0	0	0

SERVICE AREA: Access, Inclusion & Participation (Education Welfare Service)		Proposal No: CYP G5		
<u>Details of Proposed Project(s) Growth:</u>				
The funding would increase the input from the Education Welfare Service for children not in education.				
<u>Type of Growth (delete as appropriate)</u>				
Service Improvement				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
The Education Act 2006 places new statutory requirements on the Council in respect of children who are not attending any educational provision. This requires additional resources in the Education Welfare Service and improved data collection.				
<u>Date of earliest implication/ date of proposed implication</u>				01/04/2008
Date:				
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
Effects of Changes on budget				
	Existing Budget			
Staff	787	60	60	60
Non Staff Costs	93	-	-	-
Income	(22)	-	-	-
Net Total	858	60	60	60
Staffing Implications		2008-09	2009-10	2010-11
Current service staffing (FTE)		25	25	25
Extra post(s) (FTE)		2	2	2

SERVICE AREA: Access, Inclusion & Participation (Early Years & Youth Service)		Proposal No: CYP G6		
<p><u>Details of Proposed Project(s) Growth:</u></p> <p>Additional activities for children and young people would be provided during the summer holiday period.</p>				
<u>Type of Growth (delete as appropriate)</u>				
Service Improvement				
<u>Justification for Proposal (including service implications)</u>				
Related Service Plan & Reference: Children & Young People's Plan				
Objective (including reference):				
<p>Additional activities for children and young people would be provided during the summer holiday period based on priority groups, geographical gaps in service and some city-wide provision.</p> <p>(Note that the 2007/08 budget detailed below includes the £100k one-off funding agreed by Members and does not include any staffing costs charged to other budgets).</p>				
<u>Date of earliest implication/ date of proposed implication</u>				
				Date: 01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
Effects of Changes on budget				
	Existing Budget			
Staff	-	-	-	-
Non Staff Costs	485	100	-	-
Income	-	-	-	-
Net Total	485	100	-	-
Staffing Implications		2008-09	2009-10	2010-11
Current service staffing (FTE)		n/a	n/a	n/a
Extra post(s) (FTE)		n/a	n/a	n/a

SERVICE AREA: Learning Services	Proposal No: CYP G7
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Details of Proposed Project(s) Growth:

The funding would build on the existing complementary provision (study support, homework support and extended services), supporting children to raise attainment through extra curricular activity. Approximately one-fifth of the funding would be for resources, while the remaining four-fifths would be given as direct grants and to parent/teacher associations.

Type of Growth (delete as appropriate)

Service Improvement

Related Service Plan & Reference: Children & Young People's Plan

Objective (including reference):

The participation of children in out of school learning would be widened by working with parents, carers, and the wider community to encourage them to develop provision in schools and other settings. Examples might include supporting parents to engage in their children's learning, improve ICT skills alongside their children, or develop 3G support for grandparents, parents and children through classroom or community based activities.

Date of earliest implication/ date of proposed implication

01/04/2008

Date:

<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
<u>One-Off Costs of Change</u>				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
<u>Effects of Changes on budget</u>	Existing Budget			
Staff	164	-	-	-
Non Staff Costs	82	50	-	-
Income	0	-	-	-
Net Total	246	50	0	0
<u>Staffing Implications</u>		2008-09	2009-10	2010-11
Current service staffing (FTE)		n/a	n/a	n/a
Extra post(s) (FTE)		n/a	n/a	n/a

SERVICE AREA: C&YPS Department		Proposal No: CYP G8			
<u>Details of Proposed Project(s) Growth:</u>					
The funding would be used to address the efficiency expectations from previous years.					
<u>Type of Growth (delete as appropriate)</u>					
Other					
<u>Justification for Proposal (including service implications)</u>					
Related Service Plan & Reference: Children & Young People's Plan					
Objective (including reference):					
Two efficiency expectations included in previous years' budgets are due to take effect from April 2008; the final tranche of savings from the creation of the CYPS Department in 2006 and general efficiency expectations. However, it has proved very difficult to identify ways of achieving them in the context of the pressures on the Department for school improvement, admissions and inclusion, together with safeguarding vulnerable children.					
<u>Date of earliest implication/ date of proposed implication</u>					
				Date:	01/04/2008
<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>	
One-Off Costs of Change					
Staff		-	-	-	
Non Staff Costs		-	-	-	
Income		-	-	-	
Effects of Changes on budget					
	Existing Budget				
Staff	-	-	-	-	
Non Staff Costs	-	571	842	842	
Income	-	-	-	-	
Net Total	-	571	842	842	
Staffing Implications		2008-09	2009-10	2010-11	
Current service staffing (FTE)		n/a	n/a	n/a	
Extra post(s) (FTE)		n/a	n/a	n/a	

SERVICE AREA: "Transforming Leicester's Learning" School Improvement Action Plan: Council contribution to the Funding Package	Proposal No: CYP G9
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Details of Proposed Project(s) Growth:

It is expected that the Council will make the one-off contribution proposed here for the "Transforming Leicester's Learning" School Improvement Action Plan, which is to be funded by the use of corporate and CYPS reserves (see Budget Reduction CYP R3).

Type of Growth (delete as appropriate)

Other

Justification for Proposal (including service implications)

Related Service Plan & Reference: Children & Young People's Plan

Objective (including reference):

A plan has been submitted to the Government to show how improvements to educational attainment in schools in the City are intended to be brought about. It is expected that funding and support will be received from the Government, together with re-prioritisation of existing Council and Schools Block funding and support from other partners such as the Primary Care Trust.

Date of earliest implication/ date of proposed implication

Date: 01/04/2008

<u>Financial Implications of Proposal</u>	<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change				
Staff		-	-	-
Non Staff Costs		-	-	-
Income		-	-	-
Effects of Changes on budget	Existing Budget			
Staff	-	-	-	-
Non Staff Costs	-	500	0	0
Income	-	-	-	-
Net Total	-	500	-	-
Staffing Implications		2008-09	2009-10	2010-11
Current service staffing (FTE)		n/a	n/a	n/a
Extra post(s) (FTE)		n/a	n/a	n/a

Appendix 3

**Children and Young People's Services Department
Departmental Revenue Strategy 2008/09 to 2010/11**

Details of Savings Proposals

SERVICE AREA		Proposal No: CYP R1			
Purpose of Service					
Premature Retirement Costs of Former School Staff who retired before April 2006					
<u>Details of Proposed Reduction:</u>					
Funds would be released due to the reduced call against the budget for Premature Retirement Costs of former teachers and other school staff who retired before April 2006.					
<u>Type of Reduction (delete as appropriate)</u>					
Other					
<u>Service Implications (including delivery of service plan)</u>					
Related Service Plan & Reference: Children & Young People's Plan					
Objective (including reference):					
The on-going additional pension costs of school teachers and other school staff who took early retirement before April 2006 are charged to the Council's General Fund budget. All retirements since then are charged to the Schools Block budget. Therefore the call upon the General Fund budget has become more certain and can be expected to decrease over time.					
<u>Date of earliest implication/ date of proposed implication</u>					
				Date:	
				01/04/2008	
<u>Financial Implications of Proposal</u>		<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
		£000s	£000s	£000s	£000s
<u>One-Off Costs of Change</u>					
Staff		-	-	-	-
Non Staff Costs		-	-	-	-
Income		-	-	-	-
<u>Effects of Changes on budget</u>					
		Existing Budget			
Staff		1,135	(200)	(230)	(250)
Non Staff Costs		-	-	-	-
Income		-	-	-	-
Net Total		1,135	(200)	(230)	(250)
<u>Staffing Implications</u>			2008-09	2009-10	2010-11
Current service staffing (FTE)			n/a	n/a	n/a
Post(s) deleted (FTE)			n/a	n/a	n/a
Current vacancies (FTE)			n/a	n/a	n/a
Individuals at risk (FTE)			n/a	n/a	n/a

SERVICE AREA		Proposal No: CYP R2			
Purpose of Service					
Home to School Transport					
<u>Details of Proposed Reduction:</u>					
The Secondary Review Provision for Home to School Transport is no longer required.					
<u>Type of Reduction (delete as appropriate)</u>					
Other					
<u>Service Implications (including delivery of service plan)</u>					
Related Service Plan & Reference: Children & Young People's Plan					
Objective (including reference):					
As part of the secondary school review in the late 1990's, a budget was created for the costs of transporting pupils to their new schools. These specific arrangements have reduced over time and hence the budget is no longer needed.					
<u>Date of earliest implication/ date of proposed implication</u>					
Date:				01/04/2008	
<u>Financial Implications of Proposal</u>		<u>2007-08</u> <u>£000s</u>	<u>2008-09</u> <u>£000s</u>	<u>2009-10</u> <u>£000s</u>	<u>2010-11</u> <u>£000s</u>
One-Off Costs of Change					
Staff		-	-	-	-
Non Staff Costs		-	-	-	-
Income		-	-	-	-
Effects of Changes on budget					
		Existing Budget			
Staff		-	-	-	-
Non Staff Costs		100	(100)	(100)	(100)
Income		-	-	-	-
Net Total		100	(100)	(100)	(100)
Staffing Implications			2008-09	2009-10	2010-11
Current service staffing (FTE)			n/a	n/a	n/a
Post(s) deleted (FTE)			n/a	n/a	n/a
Current vacancies (FTE)			n/a	n/a	n/a
Individuals at risk (FTE)			n/a	n/a	n/a

SERVICE AREA		Proposal No: CYP R3			
Purpose of Service					
Contribution from CYPS Reserves (to fund the Improvement Action Plan)					
<u>Details of Proposed Reduction:</u>					
Contribution from CYPS Reserves to fund the Improvement Action Plan.					
<u>Type of Reduction (delete as appropriate)</u>					
Other					
<u>Service Implications (including delivery of service plan)</u>					
Related Service Plan & Reference: Children & Young People's Plan					
Objective (including reference):					
As described in Growth CYP G9, it is proposed to meet half of the Council's contribution to the funding of the Transforming Leicester's Learning Improvement Action Plan from CYPS reserves.					
<u>Date of earliest implication/ date of proposed implication</u>					
				Date:	
				01/04/2008	
<u>Financial Implications of Proposal</u>		<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
		<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
<u>One-Off Costs of Change</u>					
Staff			-	-	-
Non Staff Costs			-	-	-
Income			-	-	-
<u>Effects of Changes on budget</u>					
		Existing Budget			
Staff		-	-	-	-
Non Staff Costs		-	-	-	-
Income		-	(250)	-	-
Net Total		-	(250)	-	-
<u>Staffing Implications</u>			<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Current service staffing (FTE)			n/a	n/a	n/a
Post(s) deleted (FTE)			n/a	n/a	n/a
Current vacancies (FTE)			n/a	n/a	n/a
Individuals at risk (FTE)			n/a	n/a	n/a