

Not for general release

Meeting: CYPT Board
Date: 21 January 2008
Report of: Director of Children's Services
Subject: 2008/09 Budget Strategy
Wards Affected: All

1. Purpose of the report

1.1 To update the Children's Trust Board on the 2008/09 budget strategy.

2. Recommendations

2.1 To agree the 2008/09 budget strategy.

3. Information

3.1 In this exercise the CYPT management team has looked at savings for 2008/9 in the first instance. It is intended that these will be made largely through efficiencies on service procurement and staffing, with front line service cuts kept to a minimum. No major changes to the directorate management structure are envisaged in this year, since the current structure has been in place only a year. However, the management team recognise that there will be a need to review the structure once a new Director is in post, in order to achieve the larger savings that will be needed in 2009/10 and 2010/11. Two other 'large ticket items' will also have a substantial bearing on the savings needed for those two years: (i) the success of the service in managing (and if possible reducing) the cost pressures associated with children in the care system, and (ii) the use of accommodation to house staff and services. The directorate would want to reduce its accommodation footprint by adopting more cost-efficient ways of working, including flexible working, home-based working etc, as part of an overall council-wide strategy. At the same time, it is hoped that property disposals thus realised might release funding to finance any staff redundancies arising from a further management restructuring.

3.2 Proposals for the main service areas

Summaries of the main proposals for each service area, focussing on the most significant areas, are shown below: -

Social Care

Brighton & Hove continues to be a high spender per head for children's social care. A reduction of £290k is proposed through a reconfiguration and re-focussing of the Clermont Unit. The main focus of the Clermont Unit is work with the more complex and high-risk child protection cases and in particular with risk assessments for the courts and in Child Protection procedures. In addition to specialist assessments, Clermont also offers therapeutic services for individual children and families.

At present the total staff budget is £637,000 and a 42% reduction is proposed. For the past year or two Clermont has operated with a level of staffing vacancy and in addition has needed to find the usual efficiency savings. It is possible to retain the core purpose of the unit by focusing on key services via a smaller specialist team and by negotiation with colleague agencies on how best to reconfigure ongoing support to the group work programme. The core services that would be retained would include:

- Complex and high risk assessments
- Psychological Assessments.
- Consultations to professionals, training and professional development.
- Short-term therapeutic interventions.

The Annual Performance Assessment now grades 'Staying Safe' which covers child protection arrangements as 'Good' rather than last year's grading as 'Adequate'. This demonstrates that external assessment proves that our core services are now functioning at above average levels and thereby provide services to children and their families that are safe and effective.

In addition, efficiency savings of a further £164k will be found in the wider social care budgets. This is through the deletion of three management posts which are currently vacant totalling £122k plus a further saving in the Fostering and Adoption Service of £42k.

No redundancies will occur and all staff will be redeployed within existing provision. Working principles and practices will be harnessed to bring them closer to the community and children that they serve via area working arrangements.

Learning and Schools

Some services which were previously funded by the LEA budget will be funded from the Dedicated Schools Grant (£190k). Grant income of £43k will fund reductions in the budgets for 14 to 19 consultants and schools causing concern and £10k will be raised from additional income in the Music, Arts and Study Support Service and the Learning and Development Centre. A total of £71k of efficiency savings will be found, mainly through the deletion of a vacant post in the school advisory service.

Central Area and School Support

A total of £150k will be saved from the Home to School transport budget following the 2007 procurement exercise, and a further £30k will be saved from this service area by deleting a post following the transfer of the management of the service back to the CYPT. Savings of £10k will be found by deleting a vacant part time post in the area social care team. An additional £12k of efficiency savings will be found through reductions in supplies and services budgets in Central Administration.

The budget allocation for school redundancies will be reduced by £29k, following underspending in this area over recent years

East Area, Early Years and NHS Commissioning

Efficiency savings of £32k will be found through a reduction in Social Work Resource Officer (SWRO) hours (£20k) and Early Years Visitor hours (£12k). In addition £150k will be saved by transferring the funding of a number of Early Years Visitors from area team budgets to the Sure Start Grant, which has received an uplift this year. This saving will be apportioned across the three area teams.

West Area and Youth

Savings of £50k will be made by funding some existing services through the Connexions Grant (£26k) and Children's Fund (£24k). Efficiency savings of £2k will be made on supplies and services

Quality and Performance

A saving of £30k has been made through the creation of an integrated performance management team

Healthcare budgets

The NHS contribution to the pool is expected to increase, but to contain savings targets which have not yet been finalised. The recent Comprehensive Spending Review announced national savings targets for NHS providers of 3%. However, the same comprehensive spending review also indicated that overall allocations for the NHS would increase by 4% in addition to inflation. The Service Level Agreement between the Primary Care Trust and South Downs Health has not been finalised, as the Operating Framework has not been published. The PCT has requested that South Downs Health review the basis of the split between direct healthcare contributions and administrative contributions to the budget, to ensure an appropriate allocation of resources.

The direct PCT contribution to the CYPT – currently £940,000 p.a – is expected to increase, reflecting an increase in demand for specialist packages of support for Children in continuing care. The PCT is, however, working with the CYPT to ensure improvements to the gateway review process for continuing care.

Staffing Implications for the Directorate

Approximately 24 posts will be deleted as part of this savings exercise. Most of these posts are already vacant, and it is anticipated that redeployment within the service will be possible for all, or almost all, the postholders who still occupy posts earmarked for deletion. The service hopes to avoid compulsory redundancies if at all possible.