



Business Improvement and Efficiency Strategy 2010/11 – 2014/15

Children Young People and Families

Context for Children Young People and Families

The Children Young People and Families (CYPF) Directorate is one of the largest directorates with a gross budget of £511m and staffing of over 14,000, of which 11,000 work in our schools and nurseries. The Directorate operates within an overall budget as follows:

Total 2009/10 Gross Budget	£511m
<i>which includes:</i>	
Dedicated Schools' Grant (DSG)	£317m
Grants for specific purposes only	£92m
Area Based Grant	£13m
Other	-£9m
Local Authority Base Budget Funding	£98m

Cumulative	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Total Pressures (including previously agreed savings not identified)	5,145	5,430	6,589	7,746	10,056
Total Savings Proposed	-5,902	-9,689	-13,340	-16,642	-18,272
Net Position	-757	-4,259	-6,751	-8,896	-8,216

Savings Target	-4,377	-8,283	-11,523	-14,000	-14,000
Position compared to target	3,620	4,024	4,772	5,104	5,784
Less Pressures included in £60m	-3,845	-3,995	-4,095	-4,195	-4,395
Net Position compared to target	-225	29	677	909	1,389

Staffing Changes in Full Time Equivalent (FTEs)	-52.1	-106.8	-219.9	-267.8	-272.4
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There are about 155,700 children and young people aged 0-19 years living in Oxfordshire, out of a total population of about 639,800 (mid 2008 data).

Some overview statistics:

- Over 14,000 full and part-time employees work within the directorate
- About 11,000 of these are in our schools and nurseries
- We have 289 schools
- We have 341 private, voluntary and independent (PVI) early years and childcare settings
- We have 45 children's and family centres

We want Oxfordshire to be the best place in England for children and young people to grow up, by working with every child and young person to develop the skills, confidence and opportunities they need to achieve their full potential.

The directorate has three priorities, as set out in the Children and Young People's Plan 2010-2013:

1. Keeping all children and young people safe

In partnership with the Primary Care Trust and National Health Service, Thames Valley Police, local schools and voluntary and community groups we support and deliver services to keep children and young people safe and protect them from harm. We provide services including prevention and early intervention, anti-bullying support, support for children and young people in care, in custody, who live in households with domestic abuse or who are involved in harmful risk-taking and behaviour, including substance misuse and sexual risk.

2. Raising achievement for all children and young people

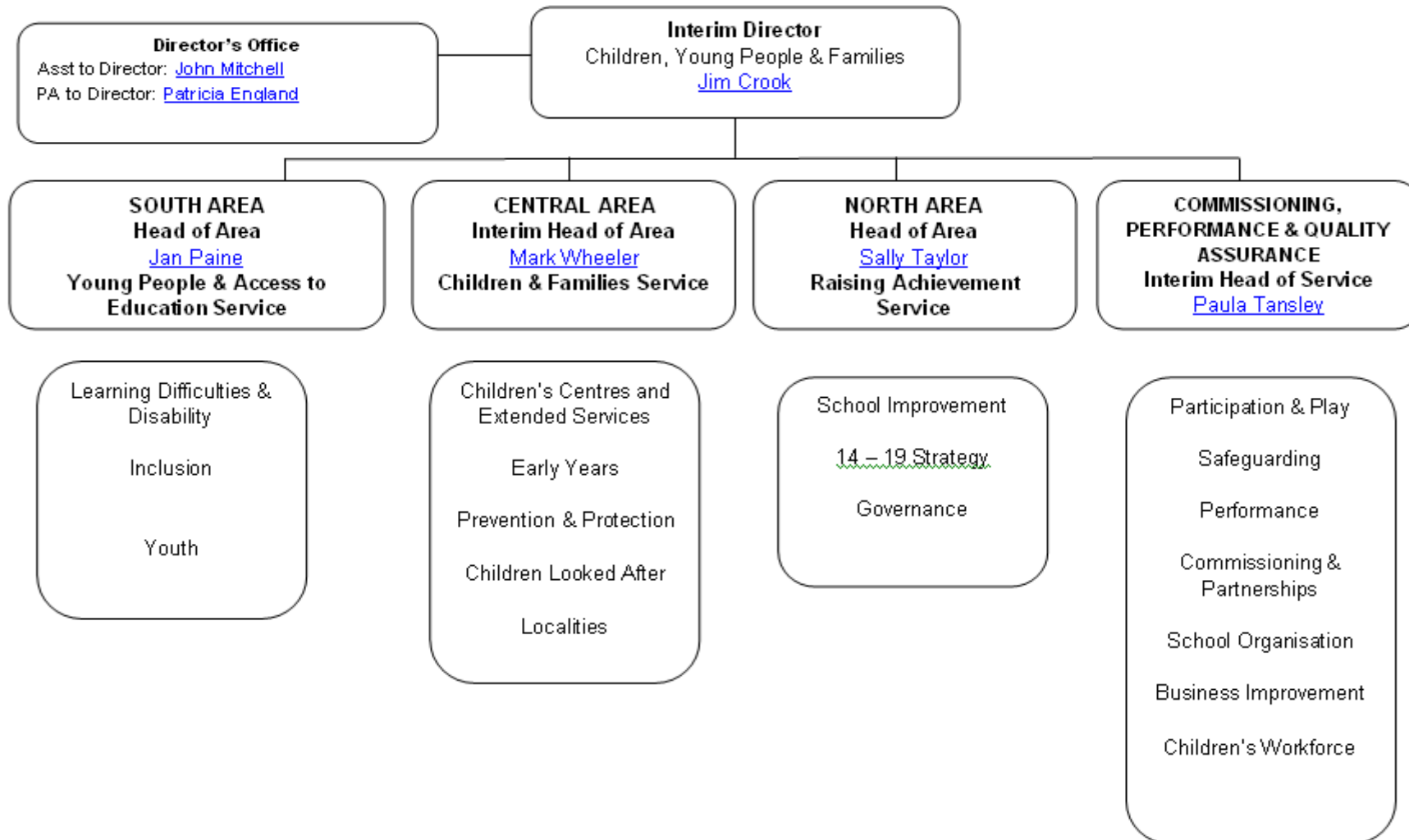
CYPF aims to raise the levels of educational aspiration, achievement and enjoyment of all children and young people in Oxfordshire, whilst particularly ensuring support for those with the greatest level of need. A key part of the directorate's work is to continue to raise the achievement of all children and young people living and learning in Oxfordshire so that our children and young people do as well as or better than those living in similar areas. Services include support and challenge to schools to raise achievement, extended services, improving attendance, positive and fun activities, provision of volunteering and community involvement, Primary Capital Programme, Building Schools for the Future and 14-19 activities including engagement of business.

3. Narrowing the gap for our most disadvantaged and vulnerable groups

Our most vulnerable groups of children and young people, at risk of being less healthy and achieving less well than their peers often face additional challenges. Through ensuring the provision of tailored education programmes, alternative education for children and young people with challenging behaviour, volunteering and community schemes, building capacity in schools to support children and young people at risk of exclusion we aim to reduce the number of young people not currently engaged in employment, education or training. We also provide parenting programmes, Children's Centres and support for children and young people with mental health needs and with autistic spectrum disorders. We are determined to give children and young people in vulnerable groups a better chance to succeed in life through focusing on prevention and early intervention, working with them to build resilience, minimizing the risks they face, and providing more targeted support.

Over the past year the structure has been re-organised to provide an integrated approach and greater responsiveness at local level by the development of three areas which each provide the full range of services. Each Area Head of Service manages a functional area alongside their area responsibilities. The Head of Service for the South Area also manages the Young People & Access to Education Service; the Head of Service for the Central Area also manages the Children and Families Service; and the Head of Services for the North Area also manages the Raising Achievement Service. The Head of Commissioning, Performance and Quality Assurance manages an extended range of cross-directorate services including performance management, commissioning, school organisation and planning and business improvement.

Management Structure of Children Young People and Families



Broad approach to improvement and efficiency

The directorate has a large overall budget but much of this is made up of specific grants and scope for efficiencies is consequently reduced. In putting together our efficiency plan we have taken into account the need to protect safeguarding and, where possible, front line services and to maintain statutory services. Some efficiencies already undertaken in previous years' plans include:

- Restructuring of Directorate
- First phase of Administrative Review
- Rationalisation of Raising Achievement Service
- Benchmarking against similar councils
- Deletion of unfilled posts
- Introduction of vacancy control

The current Medium Term Financial Plan identifies already agreed pressures and savings of +£2.4 million and -£5.3 million respectively for 2010/11 to 2013/14. In addition to this, the directorate efficiency target for the period of 2010/11 to 2014/15 is £14 million.

Our approach to efficiencies has been to take a directorate wide perspective rather than focusing on specific functional areas. This has enabled us to take a more considered view and make savings across service areas as well as target specific areas of work. Our strategy for further service improvement and efficiency is focused within the following categories:

1. Cutting bureaucracy and streamlining services

We will undertake a series of efficiency savings across the directorate, to reduce bureaucracy and minimise back-office functions. This includes some directorate-wide efficiencies/savings which are planned against budgets which are not held in one particular service, but are spread across multiple services within the directorate.

2. Rationalisation and re-structuring

Over the next four years we will rationalise and restructure some functions to enable both the delivery of our efficiency targets and leaner services / operational structures. The changes should reduce the overall establishment figure.

3. Reduction in subsidies and increased income generation

We have reviewed the opportunities to increase self-help and to generate increased income through fees and charges. There are a limited number of opportunities to do this, as our key focus is on 'core business' rather than generating income. However, where there are opportunities, e.g. to make Outdoor Education Centres self-sufficient financially, these are being pursued. We are also increasingly seeking to commission or re-tender services rather than make direct provision. Other examples of proposals for reductions in subsidies are a review of the basis of PRC arrangements (for redundancies and premature retirements) and of Schools Repairs and Maintenance.

4. Prioritisation of our services – major rationalisations and reductions

While the efficiencies gained through commissioning/re-tendering and some re-structuring will go a long way towards meeting our savings targets, we have also had to consider the priority afforded to some of our services. All service managers have considered service categories where they could stop or reduce non-statutory services or reduce the level of delivery to the statutory minimum.

The rationalisations will be managed to generate maximum efficiency which, if greater than anticipated, would then be re-invested in services as appropriate.

The efficiencies issues are addressed in the efficiency planning for the directorate. We have additionally provided an analysis of the type of saving, categorised as follows:

ES	Efficiency Savings (achieve the same outputs for less resource or additional outputs for the same resource)
IG	Income Generation (increased charges or increased volume, or new charge)
SR	Service Reduction (providing a lower level of service and/or a lower level of quality for the same/less money)
O	Other Types (e.g. alternative use of previously agreed funding, changes to funding streams)

In addition to these categorisations, we have provided an overall risk assessment of each saving based on the likelihood of achieving the saving. More details about the savings proposals are shown later in this document.

Directorate Pressures

The next five years will see the directorate face significant challenges and demands on our services. Overall the population of children and young people is likely to rise as new houses are built, with associated demand for school places, particularly at the younger age range. Whilst Oxfordshire is a relatively affluent county, there are several small areas of serious deprivation where children and young people experience ill health, are less successful at school, are more likely to become involved or experience crime, may become teenage parents, face higher unemployment, lower earning capacity and, ultimately, an earlier death than their peers. Specific pressures include the following challenges and opportunities:

Challenges/ Opportunities

- Placements – this is a demand led service with an increasing number of children and young people with complex needs requiring care. There has been a 30% rise in the number entering care in the first quarter in 2009-10. There has also been a rise in the number of placements for those with complex needs.
- Asylum seekers – the Council has a responsibility to provide services for Unaccompanied Asylum Seeking Children (UASC) and for former UASCs under the Leaving Care Act. The Council receives different levels of funding for different ages of clients which don't fully meet the full costs of providing services.
- Southwark Judgement – (May 2009, the Court of Appeal) - this has significant implications for the way children's services are delivered to homeless 16 and 17 year olds. The judgement extends the LA's duty of care for this group.
- Transfer of funding for 16-19 year olds from the Learning and Skills Council (LSC) from April 2010 and realising efficiencies and opportunities this brings.
- Raising the participation age in learning to 17 by 2013 and reducing numbers Not in Education, Employment and Training (NEET)
- Increasing access to early intervention and prevention services so as to reduce the development of more complex needs at a later stage but within the context of pressures to deliver efficiencies in the short term.
- Ensuring all children and young people are safe in the light of 'Baby P' taking into account raised expectations and the increasing numbers of children and young people who are vulnerable and who have complex needs.
- Developing the commissioning role of the Children's Trust to provide greater efficiencies and better outcomes.
- Embedding the Area Structure to respond to local needs
- Raising achievement, including for vulnerable groups, to meet the Council's aim and so that children and young people living in Oxfordshire do as well as, or better than those living in similar areas.
- Delivery of the ambitions of the Children and Young People's Plan in the context of economic challenges for the Council and its partners.

Changes in legal requirements and duties

- There is new legislation currently going through Parliament - the Apprenticeships, Skills, Children and Learning (ASCL) Bill - with impacts for the Children and Young People's Plan (CYPP) and the Oxfordshire Children and Young People's Trust (OCYPT).

PRESSURES (CUMULATIVE)						
REF	DESCRIPTION	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
	<u>Young People & Access to Education</u>					
CYPFP1	Increased numbers of LDD (Learning Difficulties & Disabilities) children and young people arriving in county especially with ASC (Autistic Spectrum Conditions) preventing meeting recoupment targets and adding to local pressures	200	210	220	230	240
	<u>Children & Families</u>					
CYPFP2	Placements – Increase in the number of children & young people with complex needs requiring care.	2,295	2,245	2,145	2,045	2,045
CYPFP3	Unaccompanied Asylum Seeking Children (UASC) – Pressure arising from difference between grant funding and full cost of providing service	550	550	550	550	550
CYPFP4	Southwark ruling - increased costs for homeless 16 & 17 year olds who now have to be financed in the same way as care leavers	1,000	1,200	1,400	1,600	1,800
CYPFP5	Transport for children in care. A historical income target was set which has not been met due to increase in the numbers of complex contact arrangements made during care proceedings this includes transport for children to go to school, attend therapy and for contact with friends and family.	167	167	167	167	167
CYPFP6	"no recourse" cases, i.e. where the Council has responsibility to provide for families who are not eligible for other funding where failure to do so would result in children having to be taken into Local Authority care.	100	100	100	100	100
CYPFP7	Legal costs for children's cases. There has been a 33% rise in the number of legal proceedings and a corresponding rise in the number of private proceedings that the Local Authority has a duty to help with in certain cases e.g. supporting prospective adopters with their legal fees. There has also been an increase in the number of specialised assessments being undertaken before court proceedings due to changes in Court Procedures, i.e. the introduction of the Public Law Outline.	60	60	60	60	60

PRESSURES (CUMULATIVE)						
REF	DESCRIPTION	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
	<u>Commissioning, Performance & Quality Assurance (CPQA)</u>					
CYPFP8	Children's Information & Integration Programme (ChIIP). There is a DCSF requirement for all Local Authorities to have an ICT system to support electronic management of children's social care case records and requirements of the Integrated Children's System (ICS). Until 2009/10 costs have been met from project funds and Capital Steering Funds.	275	275	275	275	275
CYPFP9	Building Schools for the Future - Tranche 1 schools: PFI unitary charge potential 'affordability gap' between the PFI unitary charge and PFI grant based tranche 1 schools. This is the gap prior to any contribution from schools.	0	0	0	0	2,100
	<u>Across Directorate</u>					
CYPFP10	Directorate wide pressures for functions where there is insufficient budget	294	419	419	419	419
CYPFP11	Additional resources for the expansion of the CYP&F Management Accounting Team to provide greater support and specialist expertise across the Directorate and schools.	204	204	204	204	204
CYPFP12	Unallocated savings previously agreed - This pressure represents the directorate 'cancelling out' this saving and replacing it with specified savings for 2010/11	0	0	1,049	2,096	2,096
	TOTAL CYPF PRESSURES	5,145	5,430	6,589	7,746	10,056

Despite these pressures, we anticipate that Children Young People and Families will achieve significant efficiency savings over the next five years and deliver against its priorities.

Savings Proposals

The savings proposals have not been divided by service. The Directorate Leadership Team reviewed all opportunities together and classified them into broad headings (as above). The details of the savings are given below, followed by a summary table.

1. Cutting bureaucracy and streamlining services

City Schools

This completes repayment of the major investment the authority undertook in the City Schools Reorganisation that was implemented several years ago. The final repayment is due to be made by the authority in respect of funding. This will release £413k of funding for other projects and pressures, the savings rising to £594k in a full year.

Reduction in venue/refreshment/conference costs through:

- Better procurement/negotiated rates
- Better guidance to staff on venues available, using minimum acceptable venue standard etc
- Area offices to seek local value for money (VFM) opportunities

Reduction in publications costs and improved information: through existing directorate working group to achieve short-term savings by:

- Switch from paper to electronic wherever possible
- Develop in-house design capacity (in place of external contracts) – like invest-to-save
- Review remaining external contracts for VFM
- Improve information on School Admissions

Streamline performance functions

Streamline performance functions, redistribution of essential tasks and cessation/rationalisation of other functions.

Planned expenditure chargeable to DSG

Review of the conditions associated with use of the Central Dedicated Schools Grant (DSG) funding suggests that some expenditure which has, to date, been funded from OCC core budget could, in future, be chargeable against this central element of DSG. This will not affect schools directly.

2. Rationalisation and restructuring

Conclusion of locality development phase

Completion of set up phase of Locality Working, including conclusion of locality co-ordinator contracts and introductory support arrangements for common assessment framework and team around the child.

Rationalisation of strategic functions

Rationalisation of management functions and charging of core funded salaries to grant funding for inclusion and general strategic activities.

Reduction in subsidy for outdoor centres

It is proposed to move towards a self financing model for Outdoor Education Centres over the next four years. Proposals are being developed which would enable this to happen over the next 3 years.

Early years and children's centres: ongoing efficiencies and grant maximisation

Amalgamation and consolidation of OCC support costs to DSG and Surestart funding and further efficiencies, including reduction in centrally commissioned training.

Restructuring of targeted education support services

Restructuring of targeted education support services, including ASET (Advisory Service for Education of Travellers) and EMAS (Ethnic Minority Achievement Service) to improve efficiency. The eventual conjoining of ASET and EMAS will provide greater savings and a more efficient service. Review charges to schools for excluded pupils.

3. Reduction in subsidies and increased income generation

Youth - Chill Out fund

End Council revenue contribution to Youth Chill Out Fund, some activity will still be covered by Youth Opportunities Fund. Any remaining activities would need to be capital projects funded from capital fund if continued.

Services for disabled children

Re-negotiation and reduction in value of contract. Aiming High grant will pick up delivery so no drop in service.

Income generation - Governors and Educational Psychology Services

Council ceases to provide some support services and charges or commissions from elsewhere, recharge to grant funding for SEN work instead of core budget. Review arrangements for schools to pay for non statutory educational psychology services and governor services.

Home to school transport

Maintain rigorous monitoring of expenditure. Consistent application of minimum home to school transport entitlements, including phasing out of non-statutory subsidies. Reduce level of subsidy for concessionary fares. Increase take-up of concessionary fares on buses with spare capacity.

Rationalisation of some school improvement functions and income generation

This includes a realignment of an existing budget for Excellence in Cities. There will be a small amount of income generation.

Review of respite care

Review of respite care for children with disabilities with a view to streamlining and supplying more cost effective provision.

Severance Panel/PRC

Review policy and tighten criteria for school redundancies and early retirement.

4. Prioritisation of our services – major rationalisations and reductions

Council ceases to provide some School Improvement Services over the next 5 years

This is against a changing background for school improvement services with the Local Authority functions becoming those of a facilitator, SIP manager and commissioner but not a provider. From April 2011 the funding for National Strategy support will cease and will go directly into school budgets.

Phase 2 of Admin review

Admin staffing savings to be allocated against each of the 4 services proportionally to number of admin FTEs

Rationalisation of Integrated Youth Support Service (non –statutory)

Review of non statutory elements of Integrated Youth Support Services and consideration of a range of alternative options for changing the service delivery model. In order to make significant savings we would need to make hard decisions that could include reviewing provision and then re-commissioning prioritised aspects. This would require a more flexible delivery model which could mean that services may not be provided by OCC in future but for example may be bought from other providers including private and voluntary sector. There would be significant capital implications and we would need to take into account existing capital programmes and grants for capital projects that may need to be re-paid. It may be that a mixed model could emerge. The savings represented here assume there will be significant changes and reductions in spending from the current £3.7million budget to £1.4 million. This would require a large scale piece of work to be undertaken and would affect all areas of the county during the process. Savings are unlikely to be made before 2012/13.

Tight vacancy management and reduction in agency and consultancy staff

Removing funding for vacant posts by:

- Freezing posts when they become vacant and requiring Directorate Leadership Team (DLT) scrutiny and approval for reinstatement. This would be rigorously but judiciously applied i.e. front line social worker posts would be exempt but all others would be subject to re-appraisal;
- Establishing a 3 months vacancy rule before any agreed posts are filled;
- Reduction and where possible elimination of agency and consultancy staff.

EFFICIENCIES & SAVINGS (CUMULATIVE)

REF	DESCRIPTION	TYPE	RISK	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
CYPF1	Inflation savings	O	L	-1,256	-1,882	-1,882	-1,882	-1,882
	<u>Cutting bureaucracy and streamlining services</u>							
CYPF2	Completion of payments of major investments in City Schools and consequent release of funding	O	L	0	-413	-594	-594	-594
CYPF3	Reduction in venue/refreshment/conference costs	ES&SR	M	-310	-460	-610	-700	-700
CYPF4	Reduction in publications costs and improved information	ES	M	-120	-230	-340	-360	-360
CYPF5	Efficiencies in performance functions	ES	L	-60	-120	-120	-120	-120
CYPF6	Planned expenditure chargeable to Central Dedicated Schools Grant (DSG) funding	O	M	-720	-970	-1,040	-1,040	-1,040
	<u>Rationalisation and restructuring</u>							
CYPF7	Concluding set up phase of locality working	ES	M	-48	-193	-193	-193	-193
CYPF8	Rationalisation of strategic functions	ES&SR	M	-260	-486	-712	-938	-938
CYPF9	Reduction in subsidy for outdoor centres	ES & IG	M	-100	-200	-400	-600	-878
CYPF10	Early years and children's centres: ongoing efficiencies and grant maximisation.	ES	M	-280	-445	-555	-600	-600
CYPF11	Restructuring of targeted education support services	ES&SR	M	-200	-440	-530	-580	-580

EFFICIENCIES & SAVINGS (CUMULATIVE)

REF	DESCRIPTION	TYPE	RISK	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
	<u>Reduction in subsidies and increased income generation</u>							
CYPF12	Youth - Chill Out fund	SR	M	-100	-100	-100	-100	-100
CYPF13	Services for disabled children - renegotiation of contract	ES	M	-50	-50	-50	-50	-50
CYPF14	Income generation - Governors and Educational Psychology Services	IG	M	-70	-163	-258	-263	-263
CYPF15	Reduction in home to school transport costs	ES&SR	H	0	0	0	-500	-500
CYPF16	Rationalisation of some school improvement functions and income generation	ES & IG	M	-735	-805	-825	-875	-875
CYPF17	Review of respite care provision for children with disability		M	-200	-200	-200	-200	-200
CYPF18	Severance Panel/Premature Retirement – review of policy and criteria	SR	M	-500	-525	-550	-575	-1,575
	<u>Prioritisation of our services – major rationalisations and reductions</u>							
CYPF19	Council ceases to provide some School Improvement Services	ES & IG	H	0	-192	-534	-602	-954
CYPF20	Phase 2 of Admin review	ES&SR	M	-193	-385	-577	-770	-770
CYPF21	Rationalisation of Integrated Youth Support Service (non – statutory)	ES&SR	H	0	-30	-1,170	-2,300	-2,300
CYPF22	Tight vacancy management and reduction in agency and consultancy staff	ES	H	-700	-1,400	-2,100	-2,800	-2,800
	TOTAL CYPF SAVINGS			-5,902	-9,689	-13,340	-16,642	-18,272

Summary

The Directorate is fully committed to making efficiencies, cutting bureaucracy and streamlining services and has a track record of delivering efficiencies. However, as highlighted above, the majority of our budget is made up of specific grants and scope for efficiencies is consequently reduced. We have, however, gone through a rigorous challenge process to meet our targets. We have prioritised the need to protect safeguarding and maintain statutory services and have identified ways to streamline services and minimise back office services wherever possible. We are also seeking to increase our commissioning of services and reduce direct provision of services where this will have least impact on service delivery but will improve cost effectiveness and lead to improved outcomes for children and young people. We have had to make some difficult choices and have put forward some tough proposals. Some of the savings proposed are high risk and we may face challenge from national and local responsible bodies and partners and from service users. Nevertheless, we believe the savings are deliverable and will ultimately lead to better value for money and improved outcomes.

Jim Crook
Interim Director for Children, Young People & Families