

## Efficiency, Improvement & Transformation

### Officer Led Task and Finish Review of the Impact of the Introduction of the Early Intervention Grant

#### Scope of Review

**Presented to CYP Select Committee 9<sup>th</sup> March 2011**

<b>Scrutiny Chair:</b> Cllr David Harrington	<b>Contact details:</b> <a href="mailto:David.Harrington@stockton.gov.uk">David.Harrington@stockton.gov.uk</a>
<b>Cabinet member:</b> Cllr Ann McCoy	<b>Contact details:</b> <a href="mailto:Ann.mccoy@stockton.gov.uk">Ann.mccoy@stockton.gov.uk</a>
<b>Scrutiny Officer:</b> Judith Trainer	<b>Contact details:</b> <a href="mailto:Judith.trainer@stockton.gov.uk">Judith.trainer@stockton.gov.uk</a> x8158
<b>Lead Officer:</b> Beccy Brown	<b>Contact details:</b> <a href="mailto:Beccy.brown@stockton.gov.uk">Beccy.brown@stockton.gov.uk</a> x4309
<b>Independent Officer:</b> Tony Beckwith	<b>Contact details:</b> <a href="mailto:Tony.beckwith@stockton.gov.uk">Tony.beckwith@stockton.gov.uk</a> x7052
<b>Finance Officer:</b> David New	<b>Contact details:</b> <a href="mailto:David.new@stockton.gov.uk">David.new@stockton.gov.uk</a> x6981
<b>Schools Representative:</b> Liz Bramley and Caroline Reed	<b>PCT Representative:</b> Linda Watson
<b>Select Committee:</b> Children and Young People	<b>Type of Review:</b> Task and Finish

#### **Background**

1. In December 2010 the government announced the creation of a new Early Intervention Grant (EIG) to replace 23 existing ring-fenced grants which were available to support services for children, young people and families. The key features of the new EIG grant are:

- The removal of the ring-fencing and greater local flexibility. The Government has made it clear that the most effective use of this money is for local authorities to determine. Subject to local decision making, the EIG can support a full range of services for children, young people and families. The guidance makes it clear that local authorities can use the new funding in support of a wide range of services for children, young people and families, and whilst it anticipates that this will include such things as:
  - Sure Start Children's Centres
  - free early education (nursery) places for disadvantaged two-year-olds
  - short breaks for disabled children
  - targeted support for vulnerable young people
  - targeted mental health in schools
  - targeted support for families with multiple problems.

it is very clear that ultimately it is for local authorities to determine what is appropriate locally.

- The guidance also makes it clear that local authorities will have a stronger role in commissioning services and should only be providing services themselves as a last resort.
  - There is also an explicit expectation that resources will be targeted rather than universal. This targeting must be carefully aimed to ensure that those children, young people and families who need it most receive extra support.
  - The introduction of the EIG does not affect the statutory duties that local authorities are required to fulfil.
  - The 2011/12 EIG for Stockton is £9.3million, this is £3.1million less than the grants which it replaces – a reduction in annual funding of 25%
2. It is clear then that the new EIG provides both an opportunity and a necessity to re-think the provision of support to children young people and families in the Borough. The opportunities brought about by the greater local freedom and the challenges arising from the 25% funding cut have led to the creation of this EIG review to ensure a comprehensive, co-ordinated and urgent response to the new funding arrangements.
3. The review has been established with 3 work-streams:
- Early Years
  - Integrated Youth Services
  - Other EIG related services and back office support

#### Early Years

4. The Early Years work-stream will look at the provision of early years services within the borough and will consult widely with service users, stakeholders, partners and the public about the priorities for the service. The consultation will take place in the context of a further shift towards an approach based around early intervention and targeting and will be open about the funding challenges arising from the 25% reduction in grant. However, within these constraints, it will be open minded and seek the widest possible range of views about the most appropriate local services. The content of the public consultation information will be reviewed with CYP Select Committee prior to publication.
5. This stream of work will necessarily take the longest to deliver and we do not anticipate implementing any major changes until late 2011. Any changes to front line services require good consultation and indeed there are clear statutory guidelines governing consultation on changes to Sure Start Children Centres.
6. It is anticipated that an initial consultation will be undertaken in Spring with the aim of identifying a range of options which will be presented to Cabinet in June 2011. Following Cabinet consideration these options will then be consulted on over the Summer with the intention of taking a final set of proposals to Cabinet in the Autumn.
7. This timeframe is necessary to allow time for proper consultation and design of an

early intervention centred service in the borough. However the timetable creates an additional funding pressure as the cut in grant funding is effective from 1 April 2011, 9 months before the anticipated implementation date of the new service. This funding pressure has been recognised in the MTFP and a grant transition reserve of £2.25m has been established to cover any potential shortfall in 2011/12. The financial pressure will also be addressed by reviewing Youth Support Services, back office and EIG-related support arrangements more quickly (see paras. 8 – 16 below).

#### Integrated Youth Support Services

8. The Integrated Youth Support Services work-stream is at a more advanced stage of development, as the implementation of the new EIG coincided with the conclusion of 2 significant pieces of work on Connexions and universal youth services which were approved at Cabinet on 17<sup>th</sup> February 2011. These reviews had, to a very great extent, anticipated the introduction of the EIG and already represent a shift toward more targeted, early intervention approaches.
9. This work-stream then will focus primarily on delivering the recommendations of the 17<sup>th</sup> February 2011 Cabinet reports. The review team will provide the impetus to deliver these recommendations as quickly as possible to secure the savings identified in the reviews thus contributing to the savings required as a result of the funding cuts. The timetable is set out in Appendix 1. It is anticipated that the formal 90 day consultation with staff and unions on the proposed changes will begin in March 2011 and new staffing structures and contractual arrangements will be implemented in June 2011.
10. The review team will also ensure that the implications of the changes in this work-stream are taken into account in the other 2 work-streams.

#### Other EIG related services and back office support

11. A third work-stream has been created to look at a small range of front line services which cross age ranges (eg. support for disabled children and parenting intervention programmes) and also to look at the back office functions which support delivery of EIG related services.
12. The impact of the cut in funding associated with the implementation of the EIG and the coincident withdrawal of the PCT from partnering arrangements is so significant that it is proposed that this work-stream moves swiftly to ensure all possible savings are achieved in back office functions as soon as possible to ensure that maximum funds are available for front line services.
13. It is recommended that in the light of the withdrawal of the PCT from funding for joint arrangements and the cut in EIG funding a decision is taken to delete the post of Head of Children and Young People's Strategy ("CYPS") as the first part of a review of the functions currently within the CYPS Service. Other existing Services within CESC will take on responsibility for the rationalised functions once the review is complete.
14. It is anticipated that a formal 90 day consultation with staff and unions on the proposed changes to non front line services will begin in March 2011 and new staffing structures and contractual arrangements will be implemented in June 2011.
15. It is recognised that the implementation of the EIG is not directly related to all functions with the CYPS service (eg. The schools admissions team, the Reviewing unit and the support to the Local Safeguarding Children Board). The impact on

these teams is indirect in that they are affected by the EIG and PCT funding related decision to rationalise and disperse the CYPS Service. This review will ensure that the transition of responsibility for these functions take place as smoothly as possible in line with the timeframe in para. 14 above.

16. The other front line services in this work-stream will be reviewed and a set of proposals presented to Cabinet in June 2011.

## **Timeline**

The review has 3 work-streams each of which runs to a different timeline:

### Early Years

Initial Consultation and development	April – June 2011
Report to Cabinet with options	June 2011
Consultation on options	July – September 2011
Report to Cabinet on final proposals	September 2011
Formal staff consultation and implementation	September – December 2011

### The Integrated Youth Support Service

CYP review of service re-configuration	9 <sup>th</sup> March 2011
Formal 90 day staff consultation on proposed <i>(note the implementation plan will be presented At the 9<sup>th</sup> March meeting)</i>	
Formal 90 day staff and consultation on delivery of 17 <sup>th</sup> Feb Cabinet recommendations	Late March 2011
Implementation of new arrangements	June 2011

### Other EIG related services and back office support

Initial consultation on front-line services	April – June 2011
Report to Cabinet on final proposals	June 2011
Implementation	June – September 2011
Implementation of new back office and Support arrangements	March – June 2011

## **1. What services are included?**

The review includes 3 work streams

1. The Early Years and Childcare services which are managed within 3 services:

- Children and Young People Operational Services
- Children and Young Peoples Strategy
- Children, Schools and Complex Needs

2. The Integrated Youth Support Service which is managed within Children and Young People Operational Services

3. The Other EIG related services and back office support are primarily managed by the Children and Young Peoples Strategy Service.

The current annual cost of these services and the number of employees involved in their delivery is set out in the table below:

	Annual Funding replaced by EIG	Other specific Annual Grant Funding	Annual Funding from other LAs and PCT for joint work	Annual DSG	Core SBC Annual Funding	Total Annual Funding under review	Total number of staff covered by the review
	£'000	£'000	£'000	£'000	£'000	£'000	
Early Years & Childcare	7,223	-	-	117	2	7,342	199
Integrated Youth Support Services	2,785	726	74	33	1,770	5,388	281
Other EIG related services and back-office support	2,433	647	341	197	1,973	5,591	104
<b>Total</b>	<b>12,441</b>	<b>1,373</b>	<b>415</b>	<b>347</b>	<b>3,745</b>	<b>18,321</b>	<b>584</b>

**2. Task & Finish Teams overall aim / objectives in doing this work is:**

To deliver a sustainable Early Years and Youth Support Service which reflects the principles of a targeted early intervention approach and operates within the financial limits of the reduced level of EIG and partner funding.

**3. Please give an initial indication how transformation will enable efficiencies and improvements to be delivered by this EIT review?**

The review will deliver a new organisational model within SBC  
The review will consider alternative options for delivery of key Services such as commissioned delivery through third sector and private sector providers.  
The review will consider joint initiatives with other Tees Valley local authorities particularly in the area of joint commissioning.  
The review will consider changes to delivery models based on emerging evidence and recommendations in national policy guidance specifically in the area of early intervention thinking.