

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

**CHILDREN, YOUNG PEOPLE AND EDUCATION SCRUTINY
COMMITTEE**

**REPORT OF DIRECTOR OF SOCIAL SERVICES HEALTH AND
HOUSING**

12 NOVEMBER 2015

SECTION A – MATTER FOR SCRUTINY

WARDS AFFECTED: ALL

**CONSULTATION ON SOCIAL SERVICES BUDGET AND
DRAFT SAVINGS 2016/17 TO 2019/20**

1. Purpose of Report

To provide Members of the Children, Young People and Education Scrutiny Committee with supplementary information concerning the savings proposals for the Social Services Budget, set out in the Cabinet Report of 30th September 2015, with a view to aiding the scrutiny of those proposals.

2. Background

On the 1st of July 2015 the Chief Executive presented a report to Council setting out the budget context for 2016/17 and beyond. That report highlighted that following the result of the UK elections of May 2015 there was a need to review the potential impacts arising from UK Government and consequential Welsh Government cutbacks in public sector funding and in particular to the Local Government sector. The report highlighted that the Chancellor for the Exchequer had determined in early June that an in-year reduction of £43m revenue and £7m capital will be required of the Welsh Government. They have not determined as yet how this will be dealt with.

As members are aware Neath Port Talbot Councils net revenue budget for 2015/16 is £268.3m and together with

grants and income results in a gross investment or budget of some £420m in Council services across the County Borough. The Council also invests a further £70m through its capital programme.

On the 30th of September 2015 the Councils Cabinet approved to commence public consultation on its draft budget savings proposals and draft Council priorities for 2016/17. It is projected that financial savings of £18.3m is required to set a balanced budget for next financial year and over £50m over the next four financial years.

3. Draft savings for consultation

This report assumes that existing savings identified in the Forward Financial Plan (FFP) will be delivered. The proposals here are, by necessity, on top of existing savings – not instead of them. Appendix 1 lists all savings proposals required of the Children and Young People functions as incorporated within the Social Services Health and Housing budget.

Please find below specific information relating to the draft savings proposals for 2016/17 and beyond.

3.1. Children and Young People Services

There are four main areas of expenditure in the Service and they are staff costs, operational, Looked After Children and Leaving Care. There are limited areas where cuts can be made, for example, significant resources have been put into stabilising the workforce and it would be detrimental to make reductions in this area.

In 2015/16 Children's Service are on target to achieve a reduction of 26 Looked After Children (LAC). Whilst the care of LACs has been (and always will be) the guiding priority; a reduction in numbers is now essential for budgetary reasons as LAC placements are very expensive, particularly the out-of-county variety. The reduction of 26 will yield annual savings of approximately £700,000.

Additional Savings proposals 2016/17

SSHH601 (£320k) – This saving will be achieved by Hillside secure unit moving to full cost recovery. The centre will be allocated their fair share of overheads which will be recovered by increasing revenue through greater numbers of welfare placements. In recent years the demand for welfare placements has been rising steadily.

SSHH603 (£320k) – Savings from further reductions in Looked After Children (LAC). The total savings required in 16/17 is £966k this represents approximately 36 LAC. This will need a concentrated effort to safely reduce the numbers to achieve the saving.

4. Equality Impact Assessment

The Equality Act 2010 requires public bodies to “pay due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristics and persons who do not share it.”

The 30th of September 2015 report identified the need for the Council to make budget savings of £18m for 2016/17 and as such many of these will have a negative impact on services provided across the whole of the County Borough. Those savings that have a direct impact on services will be subject to individual equality impact screening and assessments.

5. Consultation

Discussions and consultation with workforce, Trade Unions, people with care and support needs, carers and key partners are underway in order that the above proposals can be progressed and incorporated or amended for inclusion in the final budget proposals for 2016/17.

6. Recommendations

It is recommended that Members review and scrutinise the savings proposals included in this report.

7. Appendices

Appendix 1 - Draft savings for consultation

8. Background Papers

Budget working files

9. Officer Contact

For further information on this report item, please contact:

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Budget Saving Strategies – Social Services

New Ref	Board	Description	Lead	Main Impacts	2016/17	2017/18
					£000	£000
SSHH540	CYPE	Children's Services	Andrew Jarrett	Savings arising from ongoing reductions in Looked After Children	646	614
SSHH601	CYPE	Hillside Secure Unit	Nick Jarman	Combination of reduce costs and move to full cost recovery, increasing revenue through greater numbers of welfare placements	320	
SSHH603	CYPE	Children's Services	Andrew Jarrett	Savings arising from further reductions in Looked After Children	320	