

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**  
**CHILDREN, YOUNG PEOPLE AND EDUCATION SCRUTINY**  
**COMMITTEE**

**REPORT OF DIRECTOR OF SOCIAL SERVICES, HEALTH AND  
HOUSING AND THE HEAD OF CHILDREN AND YOUNG PEOPLE  
SERVICES**

**17 OCTOBER 2016**

**MATTER FOR INFORMATION**

**WARDS AFFECTED: ALL**

**CONSULTATION ON SOCIAL SERVICES BUDGET AND DRAFT  
SAVINGS 2017/18**

**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 28 September 2016, with a view to aiding the scrutiny of those proposals.

**2. Background**

On the 13 July 2016 a report was presented to Cabinet setting out the updated Forward Financial Plan Gap (FFP) for each financial year to March 2020. That report showed the various assumptions for each year including cost pressures such as pay award, inflation, new UK Government taxation in the form of an Apprenticeship Levy, together with population and specific service pressures. Further details of the pressures and inflation/other factors built into the budget are set out in Appendices 2 and 3. The report also reviewed and confirmed that £3.8m of the previously approved savings schedule for 2017/18 remained on target to help close the projected budget gap. The following table shows the projected Gap as reported at the July meeting:

<b>Funding Gap @ June</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total Budget Gap	12,645	14,740	10,332
Less withdrawal of one-off budget allocated to Streetscene for 2016/17 **	-1,229	0	0
Budget Gap before Directorate Savings	11,236	14,740	10,332
Cumulative Gap	11,236	25,976	36,308
Savings @ June 2016	-3,815	-250	-250
<b>Budget Gap @ June 2016</b>	<b>7,421</b>	<b>14,490</b>	<b>10,082</b>
Cumulative Gap @ June 2016	7,421	21,911	31,993

Since 2010 this Council has already had to cut in real terms some £72m from its revenue budget and reduced its workforce by 20% through a combination of voluntary redundancies and a transfer of functions.

Neath Port Talbot Councils net revenue budget for 2016/17 is £270.9m and together with grants and income results in a gross budget or investment of some £417m in Council services across the County Borough. The Council also invests annually a further £50m+ through its capital programme.

### **3. Savings Proposals**

This report contains no new savings proposals for 2017/18. The saving required of the Children and Young Persons as shown in appendix 1 was identified in prior versions of the FFP (SSHH540 - £614k).

#### 4. Children and Young People Services

There are four main areas of expenditure in the Service and they are staff costs, operational, Looked After Children (LAC) 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.

Children's Services are on target to achieve 2016/17 FFP savings of £1.286m.

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.

**SSHH540 (£614k)** – Savings from further reductions in Looked After Children (LAC). The total saving required in 17/18 is £614k this represents approximately 23 LAC. This will need a concentrated effort to safely reduce the numbers to achieve the saving.

#### 5. 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 28th of September 2016 report identified the need for the Council to make budget savings of over £11m for 2017/18 and £36m over the next 3 years 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.

## **6. Workforce Impacts**

The workforce will be impacted by the reduction in budget funding available to run services. The Council has shared this report and information with trade unions and are having and will continue to hold staff briefings over the next few months. The Council wishes to minimise compulsory redundancies and is launching its early retirement/voluntary redundancy scheme in late October/November 2016.

## **7. 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 2017/18.

## **8. Recommendations**

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

## **9. Appendices**

Appendix 1 - Draft savings for consultation

## **10. Background Papers**

Cabinet Report of 28 September 2016 – Draft 2017/18 Budget for Consultation  
Budget working files

## **11. 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	2017/18
					£000
SSHH540	CYPE	Children's Services	Andrew Jarrett	Savings arising from ongoing reductions in Looked After Children	614