

## APPENDIX 3

### Children and Young People's Service Scrutiny Committee Minute Extract

#### Medium Term Financial Strategy 2007/08 to 2009/10

The Committee considered a joint report of the Director of Children and Young People's Service and the Director of Resources that provided information on, and sought comments on the proposed 2007/8 to 2009/10 Medium Term Financial Strategy. A copy of the report, marked 'C', is filed with these minutes. Copies of an amended version of Appendix B to the joint report, and a supplementary note on the proposed savings on Home to School/College Transport are also filed with these minutes.

The following comments arose from discussion and questions:

#### The Schools Budget

- The part of the Schools Budget delegated to schools was funded at the national average for shire counties. It was the local authority (LEA) budget for education services that was the lowest funded in the England;
- The budget for out of county placements for children with special educational needs was expected to be underspent during 2006/07;
- The only funding identified for extended schools was £100m in the School Standards Grant

#### Proposed Revenue Budget – 2007/08

The Cabinet Lead Member for the Children and Young People's Service commented that the budget process had been difficult and that further savings would need to be made in 2008/09; the guiding principle in formulating the budget had been to avoid making any reductions to statutory services.

The Head of Resources advised the Committee that the £22,000 'Other Services' reductions set out in Appendix 'B' to the report would now be achieved as efficiency savings. Appendix 'B' would be amended to reflect this change and to accurately reflect the growth and saving proposals outlined in the report.

#### Growth Items

- Not all the proposed growth items were statutory requirements;
- The cost of introducing School Improvement Partners for Primary Schools would not be fully met from grant;
- There were not expected to be any financial implications for 2007/08 from the Green Paper on Looked After Children but that there may be a need to consider the position further during the year in the light of

any guidance received from the DfES and of the outcome of the Comprehensive Spending Review;

- The introduction of a minimum fee for foster carers would assist in trying to ensure that foster carers approved by the County Council did not give up work for the Council because of higher rates payable by fostering agencies in neighbouring counties and steps were being taken to coordinate the introduction of the new rates across a number of authorities

#### Savings – Departmental Efficiencies

##### Wardens Allowances

- Meetings were taking place between the Department and Principals and Wardens of colleges to assist in identifying action plans to deal with difficult issues at individual schools

#### Savings - Service Reductions

##### Adult and Community Learning

- From April 2007 the current subsidy on adult and community learning would be withdrawn and that activity would be limited to the funding provided by the Learning and Skills Council. It was not anticipated that service users would be affected but that the reduction would impact on those delivering the service;

##### Sports Grants

- There was some concern expressed about the proposal to discontinue the award of Sports Grants from 2007/08 onwards. It was suggested that the Cabinet may wish to reconsider this saving proposal in the context of a provision of funding and grants from other agencies such as England Athletics but that in the event that it decides to proceed with the proposal, it should consider what steps the Council might take to improve the signposting and awareness of young people involved in sport of the potential availability of financial support from other agencies; consideration should also be given to the future location of this function;
- The Cabinet was requested to ensure that full consultations take place with service users about the proposed service reductions at Children and Family Centres

#### Savings 2008/09 Onwards – Home to School Transport

The Cabinet Lead Member pointed out that Leicestershire's current arrangements for Home to School/College Transport were more generous than those of neighbouring authorities. As the authority received a low level of funding it could no longer sustain the current arrangements, hence the proposal to increase charges and to introduce charges for denominational transport

The Committee noted that the County Council would be asked to approve the arrangements for consultation on the proposed introduction of charges;

that there was a long lead-in time for charges for denominational transport prior to introduction in September 2008, but that, subject to consultation, consideration would be given to earlier introduction of charges for 16+ transport in September 2007.

It was also noted that additional income arising in 2007/08 from the increase in charges for home to school/college transport over and above that required to make savings and to fund improvements including CCTV and additional bus inspectors would be used for pump-priming youth activities. The Director of CYPS and Head of Finance accepted that these proposals should be reflected in proposals for growth and savings in the budget.

The Committee expressed a number of concerns relating to any increase in charges, including :

- The potential financial impact of the proposed increase in charges for home to school/college transport on larger families and on families living in rural areas;
- The potential impact of the introduction of charges for denominational school transport on the right of parents to express a preference for the school of their choice;

The Committee emphasised that consultation processes should be robust. In relation to the proposals for the use of increased income, the Committee considered that :

- The proposal to use some of the increased income from the charges to provide additional CCTV cameras and roving inspectors on buses as a means of reducing incidents of bad behaviour whilst welcomed should be tested against the option of continuing with the existing County Council policy of replacing the use of double-deck buses with coaches on school transport services say for Year 7 pupils;
- The proposal to use some of the additional income to provide vouchers for use on public transport to access out of school activities had arisen from suggestions made by children and young people, but questioned whether this was important as maintaining home to school transport

The Cabinet Lead Member undertook to consider the Committee's comments concerning the use of the increased income from the charges.

### Capital Programme

The Committee welcomed the proposed Capital Programme but noted the concerns expressed by the Cabinet Lead Member about the revenue implications of Children's Centres.

RESOLVED:

That the Committee's comments on the Medium Term Financial Strategy be forwarded to the Cabinet.