

NORTH YORKSHIRE COUNTY COUNCIL
YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

10 September 2010

Children & Young Peoples Service

Savings & Transformation Strategy

- Covering Report

1. Purpose of Report

The purpose of this covering report is to introduce the Children and Young Peoples Service - Savings and Transformation Strategy presented to Executive Members on the 23rd July and attached at Annex A.

2. Introduction

The new Coalition Government made it clear that significant reductions in public expenditure will be necessary if the financial position of the UK is to be addressed. The first evidence of this was the announcement in June 2010 of cuts to local authority grants totalling £1.166bn in 2010/11.

The Children and Young Peoples Service is required to find savings of more than £14 million in order to meet savings targets for the period up to 2012/13. The approach involves a radical review of all parts of the service and an objective to enable a reorganised directorate to operate effectively across its universal, preventative, targeted and acute service responsibilities, in line with legislation.

The attached report was considered by Executive Members on the 23rd July 2010 and outlines the strategies and approach required for delivering these necessary financial savings.

3. Recommendations

The Young People Overview & Scrutiny Committee are asked to note the information in this report and comment on the Report attached at Annex A.

HEAD OF SCRUTINY & CORPORATE PERFORMANCE NORTHALLERTON

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Date: 2 September 2010
Background Documents: none
Annexes: Annex A

NORTH YORKSHIRE COUNTY COUNCIL

CHILDREN AND YOUNG PEOPLE'S SERVICE

CORPORATE DIRECTOR'S MEETING WITH EXECUTIVE MEMBERS

23 JULY 2010

CHILDREN AND YOUNG PEOPLE'S SERVICE
SAVINGS AND TRANSFORMATION STRATEGY1.0 PURPOSE OF REPORT

- 1.1 To summarise the savings to be achieved by the Children and Young People's Service (CYPS) under
- the targets set by the County Council in its Medium Term Financial Strategy (MTFS) for 2010/11-2012/13
 - the 24% cut in Area Based Grants from the Department for Education (DfE), plus other cuts in grants announced by the Secretary of State in June.
- 1.2 To outline the provisional working assumptions adopted by the Management Board to assist development of the MTFS into a potential four year savings framework from 2011/12 following the Emergency Budget announcements in June.
- 1.3 To seek Members' agreement to the strategy proposed to deliver savings by the Children and Young People's Service.
- 1.4 To outline the programme of preparation, consultation and decision taking required to achieve current savings targets.

2.0 THE MTFS AND IMPACT OF AREA BASED GRANT (ABG) REDUCTIONSMTFS

- 2.1 The public sector is facing significant financial challenges over the next few years on an unprecedented scale.
- 2.2 The County Council had already started to address this issue with the approval of a Medium Term Financial Strategy at its meeting in February 2010, preparing for annual 5% reductions in non-schools funding across the board.
- 2.3 For the Children and Young People's Service, the original three year MTFS included the following assumptions:

	£K	
Pressures identified for February Council	3,540	Appendix 1
Funding allocated to meet these pressures	<u>-2,000</u>	Appendix 2
Net pressures to be met	<u>1,540</u>	

- 2.4 In addition to this, the Directorate was set a MTFS savings target of £2,718K in 2010/11 and £3,450K in each of the two following years. When these figures were then added to the amount from the 2009/10 VFM programme not met (£366K), the

total savings target for CYPS for the MTFS period of 2010-2013 was £11,524K, as below:

	£K
Net pressures to be met as above	1,540
VFM 2009/10 not met and carried forward	366
MTFS Target 2010/11	2,718
MTFS Target 2011/12	3,450
MTFS Target 2012/13	<u>3,450</u>
Total to be found from MTFS	<u>11,524</u>

- 2.5 Work has been underway for some time to identify how to meet this target. The areas in which savings proposals were being developed were summarised in the report to the Executive on 29 June 2010. Further to this work there have been a number of important announcements which have impacted on the figures. This is addressed below.

Area Based Grant

- 2.6 The major issue has been a reduction in the 2010/11 Area Based Grant (ABG) of £2,762K. This represents a 24% reduction across all DfE ABGs. Further details can be found in Appendix 3.
- 2.7 Work began immediately to ensure that recurring savings could be found to this extent against individual allocations. This has been very challenging. Notification of in-year reductions so far into the financial year mean that the recurring savings will not be met in full in 2010/11. Some recurring savings on ABG will be achieved in year, and plans to achieve them all on a recurring basis from April 2011 are in place. However, the Directorate has been wary for some time about the extent to which important Children's Service developments have been reliant on specific, external grants. It anticipated they could be vulnerable to rapid and large reductions by government, in addition to any general tightening of Local Authority RSG. Under the County Council's prudent financial planning framework, therefore, some one-off savings have been accrued against some grants so that these could be carried forward to enable the Directorate to meet its annual cash savings targets while also managing the additional financial volatility which Children's Services face. The Council has accepted the Directorate's request to carry forward unspent ABG allocations from the 2009/10 financial year. As expected, the Directorate will need to rely on these reserves (and others where appropriate) to ensure the cash amount of savings is met in 2010/11.
- 2.8 The combined savings target of MTFS £11,524K and ABG £2,760K is £14,284K. It should also be pointed out, however, that the MTFS targets set for CYPS already include ABG and other grants (except the Dedicated Schools Grant). In now being required to deliver the DfE's 24% cut in ABG in full this year, therefore, in addition to the MTFS targets, there is an element of being required to save some money twice. To take some account of this the MTFS targets for 2011/12 and beyond have been recalculated (see paragraph 2.9 – 2.11 below).

MTFS 2010-15

- 2.9 As mentioned above the MTFS targets for 2011-13 have been amended provisionally. The amendment takes into account the element of double counting of

ABG referred to above, but also extends the MTFS to meet the aspirations of central government to reduce departmental spending on average by approximately 25% over the period 2011-15. The effect of this is to reduce the annual MTFS target from £3,450K (see paragraph 2.12) to £2,730K, though it extends the number of years in which savings at this level have to be made.

- 2.10 These figures are provisional and have been adopted by Management Board as an initial framework for extending planning to reflect the Chancellor's announcements in the Emergency Budget. They do not take account of inflation, spending pressures and priorities. Nonetheless, they provide a guide to savings up to and including 2014/15.
- 2.11 The areas for proposed savings have been extended beyond those listed in the report to the Executive on 29 June 2010. The revised list, together with the initial target figures, is provided as Appendix 4. It proposes savings of £13,829K. Whilst this represents a shortfall of about £450K against the original MTFS figure plus the ABG 24% cut in 2.8 above, it becomes an over-achievement of £983K against the revised figures for the period up to 2012/13 inclusive. This over-achievement, therefore, would contribute to the savings targets set for the service in 2013/14 and 2014/15 (£2,730K in each of the two years based on the current, provisional figures). Work continues on how to extend the savings strategy into the later years of the programme.
- 2.12 In summary, the current position is as follows:

	£K	
Pressures Identified in Feb Council	3,540	Appendix 1
Funding allocated to meet the pressures	<u>-2,000</u>	Appendix 2
Net Pressures to be met	<u>1,540</u>	
VFM 2009-10 not met and carried forward	366	
MTFS Target 2010-11	2,718	
MTFS Target 2011-12	3,450	
MTFS Target 2012-13	<u>3,450</u>	
Total to be found from MTFS	<u>11,524</u>	
ABG Target	<u>2,762</u>	
Total to Find	<u>14,286</u>	
Savings Identified to date	13,829	
Remaining Gap	<u>457</u>	
Revision to Target 2011-12	-720	
Revision to Target 2012-13	-720	
Headroom 2010-13	<u>-983</u>	
MTFS Target 2013-14	2,730	
MTFS Target 2014-15	2,730	

3.0 FURTHER REVENUE GRANT REDUCTIONS FOR CYPS

3.1 Over the past few weeks a number of other, specific grants have been reduced by the DfE and these need to be considered alongside the savings targets mentioned above. These are:

	Original 2010-11	Revised 2010-11	Reduction
Local Delivery Support	419,677	337,468	-82,209
Playbuilder	18,176	0	-18,176
TDA Children's workforce in schools modernisation and development	194,300	129,300	-65,000
TDA School Support Staff Training & Qualifications	234,500	0	-234,500
	<u>866,653</u>	<u>415,126</u>	<u>-399,885</u>

3.2 The measures being taken to address these are as follows:

- **Local Delivery Support Grant – relates to support costs in 14-19 consortia of schools and colleges**
In order to deliver the saving this year, it will be proposed to the Schools Forum that they identify funding for this year from within the Dedicated Schools Grant contingency or from the 14-19 funding, if consortia have already committed the funds. Consortia have been advised to anticipate further cuts and to review their commitments against this grant.
- **Playbuilder**
Use of carry forward to cover staffing costs to the end of the financial year in order to complete the programme of work as this involves partner agencies. Programme and staffing costs will end in March 2011.
- **TDA Children's Workforce in Schools and Modernisation**
Arrangements have been made this year to use alternative funding to address the shortfall created by the in-year withdrawal of this grant. Future spending plans assume a reduced level of funding.
- **TDA School Support Staff Training and Qualifications**
Immediate actions have been taken to terminate spending on activities previously funded through this grant (eg Higher Level Teaching Assistants training). In addition, the grant also currently provides part funding for some posts which will be included in the larger Quality & Improvement Service Review. It will be necessary, therefore, to use carry forwards to maintain funding for these posts for the remainder of the financial year so that in-year cash savings can be achieved. The associated number of posts will be removed from establishment from March 2011 to provide recurring savings.

4.0 CAPITAL GRANT REDUCTIONS

4.1 A number of capital grants are also to be cut in-year. Details for North Yorkshire are:

	Original 2010-11	Revised 2010-11	Reduction
Extended Schools	552,916	252,418	-300,498
Youth Capital Fund	244,700	122,350	-122,350
Harnessing Technology	3,718,000	1,956,198	-1,761,802
Support for Local Authorities not in early BSF waves ("Targeted Capital")	8,000,000	7,342,105	-657,895
	<u>4,270,916</u>	<u>2,111,418</u>	<u>-2,062,300</u>

4.2 The measures being taken to address these are as follows:

- **Extended Schools capital**
This will be covered from elsewhere within the Capital Plan.
- **Youth Capital**
Has been used for developing projects promoted by young people via the 4Youth Service. This fund is now under consideration
- **Harnessing Technology**
The reduction in this grant may have effect upon the delivery of IT support within schools, particularly in terms of broadband connectivity. The impact of what is in effect a second cut upon this grant is being assessed and will be the subject of discussion with schools.
- **Support for Local Authorities not in early BSF ways**
Known as "Targeted Capital for SEN/14-19". This reduces the overall capital capacity for 14-19 delivery. The strategy for this is being reassessed in conjunction with the local 14-19 Area Consortia.

5.0 SERVICE SAVINGS STRATEGY

5.1 The amount of funding which is being reduced or which we are expected to save over the next five years is extremely challenging. A summary is shown in Appendix 4

National and Local Policy Direction

5.2 Work has been underway for some time to identify how to meet the various savings targets. Our approach involves radical review of all parts of the Service. Our objective is to enable a significantly reorganised Directorate to operate effectively across its universal, preventative, targeted and acute service responsibilities, in line with legislation. This reflects the Coalition Government's priority for strong educational outcomes for all children, supported by an effective approach to vulnerable children and to safeguarding.

5.3 The DfE has published its Draft Structural Reform Plan for Schools, with an emphasis on school autonomy, increased curriculum flexibility and good pupil outcomes. North Yorkshire was one of the first places to give maximum financial delegation to schools, to promote school autonomy, and to work out how to be a low cost, light touch, high trust Local Education Authority. Those principles and skills will guide some significant parts of the savings strategy, which we will work on jointly with schools, early years providers and the Schools Forum.

5.4 The DfE has said that it will publish shortly its Draft Structural Reform Plan relating to Children and Families. Although we must wait for the detail, some key policy drivers

about outcomes, simplification, choice and a mixed economy in locally based services have been set out clearly already. The use of partnerships if they add value, and providing they avoid bureaucracy, is also a clear theme.

- 5.5 Again, some important parts of North Yorkshire's approach already reflects some of this thinking. In addition, several improvement priorities already included in the Children and Young People's Plan (especially to increase integration, to streamline working, to emphasise prevention and to strengthen safeguarding) are moving in line with Government policy signals. We will work with partners in the Children's Trust, the Local Safeguarding Children Board, including the Third Sector, as well as with parents, schools and colleges, on a number of the savings proposals.
- 5.6 The County Council's Transformation Programmes have emphasised robust review of working arrangements and practices to achieve organisational efficiency and flexibility. The Directorate has delivered some significant changes and savings by pursuing these policies, and the savings strategy proposed in this report incorporates them systematically into many of the key savings projects proposed here. We will work with corporate colleagues, and with other service Directorates, as appropriate on several projects.

Multiple Funding Challenges

- 5.7 Whilst some of the changes, or further improvements, we are pursuing have important positive features, they are made very challenging by the scale of savings to be made.
- 5.8 As shown in the earlier part of this report, Children's Services can be particularly exposed to multiple savings challenges because of the extent of specific grants, which can be vulnerable to large cuts in addition to RSG reductions. Prudent accumulation of reserves will help in the short term, but can only help once.
- 5.9 In addition, key partners are also affected by savings challenges, and it is important that we work together to achieve as much coordination as possible so as to manage down risks to services wherever we can.

Schools Funding

- 5.10 Further, there is considerable uncertainty about future levels of funding for schools caused by the DfE's review and desire to introduce a national funding formula which could well reduce or remove previous Local Authority formula protections. North Yorkshire has been active in analysing the risks and making representations to the previous and present governments about that. The DfE's final decision is expected shortly, and we will need to be ready to make further representations with the Schools Forum if required.

A Prioritised Approach

- 5.11 Given that the savings requirement is so large it is essential that all parts of the service contribute. Appendix 5 provides an outline of the savings proposals. CYPS expenditure is "lumpy" and the largest budgets have the biggest demand-led pressures. Home to School Transport (about £22M) and Children's Social Care (about £37M) take up most of the £77M provided by the County Council out of Council Tax. It is not possible, therefore, to achieve the required savings without including these budgets, although the percentage reductions proposed for them are

smaller than for all of our other budgets. This means that the percentage cuts elsewhere are large.

- 5.12 Our prioritised approach naturally has to put statutory duties ahead of discretionary services, though the latter are few in number and are highly valued. They face some of the biggest percentage reductions and some of the biggest challenges to reconfigure what they do and how they are funded.
- 5.13 Our highest priority is to protect frontline services as much as possible by maximising savings on support functions, management, infrastructure, goods and services and procurement. This will be pursued through root and branch reviews and restructuring, co-location and integration.
- 5.14 We already use a mixed economy in provision, working with voluntary and private sector providers, and we operate a number of services on a traded basis. That approach will continue and be developed further where it enables us to secure important provision on a sustainable cost base.
- 5.15 Joint commissioning with partners, particularly in relation to high cost, specialist provision will be maintained and reviewed, though proposed changes in NHS structures will have to be taken into account by the Children's Trust in working out how to do that.
- 5.16 Clearly, different approaches will be needed in some areas of policy as well as practice. We will liaise with other Authorities, and seek powers to innovate, where appropriate.
- 5.17 In these ways, therefore, we will do everything possible to protect frontline services. However, given that North Yorkshire is a comparatively low spending Authority on Children's Services, and that its support function costs are historically very low, it will not be possible to protect frontline services completely. In some cases, therefore, levels of service, or charges for services, may well change. This is always sensitive, and impact assessments will be undertaken to try to minimise effects on access or equity.
- 5.18 Given the scale of savings to be achieved, workforce numbers will reduce. It is not possible to give a precise estimate at this stage but the detailed reports to be brought forward on individual savings projects in August, September and October will begin to clarify numbers. Consultation with unions and professional associations will be maintained throughout the service reviews.
- 5.19 Details of the savings proposed from ABG, and progress against the combined savings targets for 2010/11, will be provided for the meeting.
- 5.20 As indicated above, a series of detailed reports on the individual savings projects will be brought to Executive Members in August, September and October. In most instances the reports will be seeking agreement to consultation proposals and consultation arrangements. Those reports will each address:
 - Legal implications
 - Consultation undertaken or to be undertaken
 - Potential impacts for other organisations and arrangements for discussing that
 - Risk management implications
 - Human Resource implications
 - Equalities implications

in line with Council requirements

16.0 RECOMMENDATIONS

- 16.1 That the analysis of savings to be achieved by the Children and Young People's Service in 2010/11-2012/13, and the provisional savings position beyond that, be noted.
- 16.2 That Executive Members agree that the approach to delivering the required savings as summarised in Section 5 and Appendices 4 and 5 of the report be agreed as the basis for further work.
- 16.3 That detailed reports on individual savings projects as outlined in Appendix 5 will be considered by Executive Members in August, September and October, prior to appropriate consultation.
- 16.4 That communication and consultation be maintained on a regular basis with staff, trade unions and professional associations, the Children's Trust, Schools Forum, Local Safeguarding Children Board, schools and early years providers.

CYNTHIA WELBOURN
CORPORATE DIRECTOR – CHILDREN AND YOUNG PEOPLE'S SERVICE

Report prepared by Cynthia Welbourn, Corporate Director – Children and Young People's Service

ConsultedExecutive Member

Date: 23 July 2010

ConsultedExecutive Member

Date: 23 July 2010

ConsultedExecutive Member

Date: 23 July 2010

Agreed:Corporate Director

Date: 23 July 2010

Appendix 1

Pressures Identified at February Council

Placements	1,365
Assessment & Safeguarding - Social Workers	450
Assessment & Safeguarding - Family Support Workers	120
16-17 Homelessness (G v Southwark)	240
ICT - Staffing	50
ICT - Loss of Grant	75
Local Preventative Services - 12 FSM	360
LDD - Transformation	380
Home to School Transport	400
16-19 year olds new statutory duty	100
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	3,540
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Appendix 2

Funding Allocated to meet Budget Pressures

Placements	-1,350
Assessment & Safeguarding - Social Workers	-450
Home to School Transport	-200
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	-2,000
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Appendix 3

Area Based Grant Reductions

14-19 Flexible Funding Pot	174,455
Child Trust Fund	9,355
Care Matters White Paper	353,952
Child Death Review Process	46,669
Children's Social Care Workforce (formerly HRDS & NTS)	110,206
Children's Fund	1,133,447
Choice Advisers	33,008
Connexions	4,216,686
Education Health Partnerships	148,360
Extended Rights to Free Transport	406,331
Extended Schools Start Up Costs	1,038,462
Positive Activities for Young People	249,938
Secondary National Strategy - Behaviour & Attendance	125,800
Secondary National Strategy - Central Coordination	283,934
Primary National Strategy - Central Coordination	322,490
School Development Grant (Local Authority element)	1,095,300
School Improvement Partners	392,370
School Intervention Grant	259,100
Sustainable Travel General Duty	56,217
Teenage Pregnancy	158,000
Young Persons Substance Misuse Grant	97,052
Designated Teacher Funding	58,058
School Travel Advisers	112,000
January Guarantee	46,482
LSC Staff Transfer: Special Purpose Grant	595,477
Sub-total of funding from DfE	11,523,149

Reduction of 24%

-2,762,099

Revised Savings Targets - Combined MTFS Figures plus DfE 24% Cuts in ABG (June 2010)

Savings Project No	Savings Project Area	Combined Savings Target (£000)
1 (A-C)	Whole Directorate Business Support, Administration and Training	957
2 (A-B)	Children's Social Care Transformation including premises/co-location	1,260
3	Integrated Services plus Children Fund projects (all service areas)	1,615
4	Integration of Youth and Youth Support Services and related LYS changes	1,350
5	Quality and Improvement fundamental review of School Improvement functions	1,298
6	Music Service - removal of County Council subsidy	620
7	Home to School Transport - changes to policy, procurement and charges	1,600
8	Procurement based savings (additional to other projects) including Child Placements	750
9	Severance Scheme for School Teachers	800
10	Outdoor Education - removal of County Council subsidy	1,000
11	Efficiencies from implementing SEN/Behaviour Provision Review	320
12	Staffing efficiencies/productivity (additional to other projects)	314
13	Management efficiencies/productivity (additional to other projects)	320
14	Decommissioning local projects	30
15	Transfer of funding responsibilities	295
16	Cross project co-location/systems and workforce change (invest to save)	0
17	Integration of assessment, decision-taking and provision for children and young people with Learning Difficulties and Disabilities (LDD)	900
18	Review of funding to Joint Services (eg CAMHS, Youth Justice Service, LSCB)	400
TOTAL		13,829

CHILDREN AND YOUNG PEOPLE'S SERVICE SAVINGS PROJECTS SUMMARY

Project No	Savings Project Area	Description
1A	Business Support	<p>Review of all aspects of the Directorate's Central administration arrangements. Through benchmarking and business analysis this will review and agree:</p> <ul style="list-style-type: none"> (i) staffing standards and Directorate-wide workflow plan; (ii) strategy to optimise staff deployment, skills and development; (iii) strategy to optimise IT utilisation (with training); (iv) policy re ratios of support staff to managers and frontline; (v) strategy to strengthen management and coordination of business support for maximum, Directorate-wide efficiency. Through this we will reduce business support costs as follows: (a) non-staffing costs; (b) staffing costs. NB: does not include CSC support staff in operational offices. For that see 2B below.
1B	Administration – CYPS Offices (not including Children's Social Care. For that see 2B below)	A review of the various offices with professional staff & supporting administrative staff to review the potential for home and flexible working and revised administrative procedures taking advantage of new technology and savings on supplies and services. The review excludes Social Care (see below).
1C	Training:	Directorate Workforce Initiative involves bringing together various services within a single unit with the objective of achieving savings.
2A	Social Care Premises:	<p>Rationalisation of properties within CYPS, including the potential for joint use with partners, greater use of Children's Centres etc.</p> <ul style="list-style-type: none"> (i) Children's Social Care operational functions (A&S, LAC, DCS) are currently based in 15 different locations around the County. This hampers operational consistency for frontline practice; it limits efficient use of support services; it exposes the service to maximum risk re IT resilience for multiple sites (some in sole occupancy). (ii) Only two CSC offices as yet co-located with other essential CYPS services (Northallerton, Knaresborough) and one planned via BOS (Harrogate). (iii) Need to achieve more co-location for professional and support service efficiency. (iv) Need to reduce the number of CSC local offices and establish larger hubs, co-located with other CYPS frontline services where possible. (v) Will require invest-to-save capital (premises and IT systems/resilience) in some cases. (vi) Dependent on resilient technology to achieve flexible working from smaller number of "hubs" (main offices).

Project No	Savings Project Area	Description
2B	Social Care Transformation:	<p>Fundamental review of CSC workforce, processes and systems to maximise efficiency. This includes</p> <ul style="list-style-type: none"> (i) proposal under 2A to reduce number of major office bases to create opportunity to streamline support functions and so reduce administrative/business support staff numbers; (ii) increase integration to increase professional staff efficiency; (iii) review deployment of para-professional staff (especially Family Support Workers) to maximise availability of social work time for their core functions; (iv) maximise the potential of remodelled ICS and EDRMS; (v) review of management arrangements to strengthen operational and strategic management. <p>The review must take account of significant local pressures of increased demand, extensive new national guidance re safeguarding, LAC and disabilities (which increase the requirements placed on Local Authorities) and new/emerging regulations re Social Worker numbers, workload, supervision and post-qualification training (which also increase the requirements placed on Local Authorities). These upward pressures make savings harder to achieve but CSC makes up nearly 50% of CYPS budgets funded by NYCC so a significant savings contribution is essential.</p>
3	Integrated Service Provision:	<p>A planned review of Integrated Service/Locality provision once the service network has been completed. Service network includes preventative work through Common Assessments, early intervention, children's centres, extended schools. Review includes:</p> <ul style="list-style-type: none"> (i) getting a range of organisations to embed parts of the work into core responsibilities (productivity) following loss of start up/development funding (this includes schools); (ii) reassessing management and business support levels for Integrated Service teams and children's centres; (iii) reviewing non-staffing costs of children's centres and Common Assessment arrangements; (iv) reducing funding for locally commissioned services (which will include less funding for/cuts in support to multi agency projects and some run by third sector); (v) increase range of responsibilities to support efficiencies/savings in other parts of CYPS. The review must deliver savings while (a) completing initial roll out of children's centres (which are statutory provision); (b) demand via Common Assessment is growing significantly (142 cases in 2007/8, 306 in 2008/9 and 417 in 2009/10; and (c) special grant support is falling.

Project No	Savings Project Area	Description
4	Integration of Youth & Youth Support Services:	<p>A review of the arrangements for the management and delivery of Integrated Youth Support and the Youth Service and related LYS changes. Measures to include:</p> <ul style="list-style-type: none"> (i) Reduce non-staffing support costs (training, publicity/marketing); (ii) Reduce premises costs through review of buildings used (including frontline facilities for youth centres and IYS access points); (iii) Reduce management numbers and costs by a variety of measures, including by integrating structures for Youth Service and Integrated Youth Support, by linking more closely with the Integrated Service Management structure and with 14-19 structure; (iv) Revise approach to young people's participation and positive activities; reduce management costs following removal of Young People's Development Workers posts; (vii) Recommission IAG contract with Igen for schools and other young people. <p>NB: the possibility cannot be ruled out that it will also be necessary to reduce funding for frontline youth service and IYS provision, which will result in services for young people in some areas being reduced or removed (may affect voluntary sector as well as in-house provision, depending on geographical areas).</p>
5	Quality & Improvement:	<p>The school improvement functions of CYPS were heavily influenced in the last few years by the National Strategies pursued by the previous Government. The strategies, which had a number of very positive effects, were linked with specific grants to schools and Local Authorities to carry through specific improvement programmes. They were prescriptive, however, and were due to come to an end under the previous Government. That will be seen through under the new Government's policies. This will change part of what our service needs to do in future and will reduce its funding significantly.</p> <p>School improvement work has evolved through many changes in the last 20 years. North Yorkshire's work in this area has always been highly effective and efficient. It has been proactive about change and responsive to different funding regimes. Its strong foundations have been good knowledge of schools and highly developed strategies for monitoring, challenge, intervention and support. This has underpinned its work on National Strategies and will continue to be its core function. Professional and curriculum development functions are a discretionary part of its service offer. The service uses directly employed staff, but also draws significantly on staff in schools in a flexible way. Part of its income is from trading.</p> <p>With major changes in national funding and a reduction in CYPS core funding, the service is undertaking major restructuring. The aim is to combine considerably streamlined core functions with increased traded or brokered services for development work. The proposals will be subject to joint development with schools.</p>

Project No	Savings Project Area	Description
6	Music Service:	<p>Elimination of current core budget support, over a 2 year period, by a combination of savings and a real increase in fees. Measures will include:</p> <ul style="list-style-type: none"> ▪ improved productivity for "Wider Opportunities" grant funded programme; ▪ Remove transport for Saturday Music Centres. ▪ Discontinue tuition for very small groups with significantly higher than average costs. Will affect (and possibly remove) provision from small and rural schools; will affect less popular instruments and ensembles across County. ▪ Reduce, possibly remove, subsidy to County Orchestra, Band and Choir. ▪ Review and possibly remove fee remission for families in receipt of Working Family Tax Credit (affects several hundred students across the County). ▪ Increase fees to parents ▪ Increase group sizes. ▪ Increase fees to schools for curriculum services. NB: these proposals based on major loss of NYCC core funding. Service also vulnerable to loss of DfE (formerly DCSF) grants which are larger than NYCC funding
7	Home to School Transport:	<p>HTS transport is very large part of CYPS funding (£22M out of £77M). Of necessity, it must make significant contribution to MTFS savings. Budget already under demand-led pressure, with some overspending. Facing two savings challenges. First is to make savings to offset 60% of its growth requirement (about £300K). Second is to make further large savings to contribute to MTFS target (about £1,300K). Measures to address this include:</p> <ul style="list-style-type: none"> (i) a reduced inflation amount has been negotiated with contractors (ii) an active review of the network with a target saving of £2K per school day (iii) reduced staffing and project budgets related to Best Value initiatives: savings to CYPS and BES. (iv) review of walking routes deemed unsafe (v) common training days for schools (vi) concerted work to contain and reduce travel costs for pupils out of school (vii) a review of SEN travel at each special school (viii) a fundamental review of discretionary terms in the policy to include: <ul style="list-style-type: none"> ▪ denominational transport: remove entitlement and introduce charging ▪ post-16 charges for young people with SEN; possible capping of value of passes and further increase in charges ▪ removal of "equivalent cost" payments ▪ tightening of policy relating to children below compulsory school age ▪ tightening of policy on changes to the school day.

Project No	Savings Project Area	Description
8 & 8A	Procurement, including Child Placements	<p>These proposals exclude Home to School Transport (see 7 above). They include a range of procurement reviews across all purchasing budgets (large and small), which will be incorporated in the Directorate's Annual Procurement Plan. Areas for priority attention will include:</p> <ul style="list-style-type: none"> (i) commissioning of placements for Looked After Children, (ii) commissioning of provision, including short breaks provision, for children with Learning Difficulties and Disabilities, (iii) commissioning of Specialist and Treatment Foster Care services; (iv) purchase of IT, (v) savings on venue costs. NB: Procurement and commissioning savings also included in review of IYS (see 4 above), Integrated Services (see 3 above) and Quality and Improvement (see 5 above).
9	Severance	Meet statutory requirement only to fund school redundancy costs but dispense with existing severance arrangements.
10	Outdoor Education	<p>Like Music, this is an important service for schools and pupils but it is discretionary. It is currently funded by fees from parents and schools, a small number of grants, some funding linked to LDD short breaks and a subsidy from the County Council. The proposal is to remove the subsidy. This will involve</p> <ul style="list-style-type: none"> ▪ fundamental review of the extent of provision ▪ the configuration of the service it can offer ▪ the breadth of its coverage of North Yorkshire schools ▪ its match with curriculum and citizenship priorities ▪ its potential for attracting sufficient alternative funding from schools, partners or other sources.
11	Efficiencies from implementing SEN Review	A number of savings in support services, projects and training arising from the roll out of an extended, local network of specialist provision with outreach.
12	Staffing Efficiency/Productivity	Additional to those achieved in other projects.
13	Management Efficiency/Productivity	Additional to those achieved in other projects.
14	Savings by Decommissioning	Review projects receiving small-scale financial support from the Children and Young People's Service.

Project No	Savings Project Area	Description
15	Maximising Headroom in the Dedicated Schools Grant (DSG) to support school and pupil-related priorities	<p>The DSG is spent principally on individual schools' budgets as determined by formula. Within regulations, some DSG is spent on priority services which are managed centrally by CYPS, or managed jointly with schools (eg some SEN, 14-19 and preventative service budgets). Limited contingency funds are also maintained to help schools with unforeseeable, major expenditure. The policy is developed and agreed in detail with schools and the Schools Forum. North Yorkshire's policy has always been to keep these funds to a minimum so as to maximise the funding in schools' directly managed budgets. That will continue to be our approach as schools will also face budget pressures.</p> <p>Some of the savings projects included in the CYPS strategy have a direct bearing on schools, especially those concerned with preventative, curriculum and school improvement services. In some of these areas the savings projects are heavily influenced by cuts in special Children's Services grants (eg Area Based Grants for prevention and school improvement). In some cases funding may be partly redirected to schools, but in others there are simply big reductions. In some instances, grants are paying for highly valued school based staff.</p> <p>It will not be possible, nor would it be right, to simply try to offset these funding changes within the DSG. Subject to discussion and agreement with schools and the Schools Forum, however, it may be possible to allocate some <u>very</u> limited funding within DSG to support a very small number of pupil/curriculum related priorities in radically reconfigured arrangements, if they are seen by schools as high priorities which add value. As part of an overall strategy for maximising headroom, the Authority would also need to ensure, with schools, an efficient network of school and SEN provision.</p>
16	Cross project transformation / co-location / restructuring / new systems / workforce change / new duties/challenges.	This work is needed to enable many of the savings projects to deliver proposed savings in full. Requires investment in infrastructure and short term specialist capacity to deliver savings/efficiency projects. By reducing numbers of premises used, utilising flexible working and making close integration of services possible, it will contribute to savings. Not quantifiable in its own right.

Project No	Savings Project Area	Description
17	<p>Integration of assessment, decision-taking and provision to support children and young people with Learning Difficulties and Disabilities (LDD).</p> <p>(a) Assessment and Decision-taking (b) Provision</p>	<p>Integrated assessment covers:</p> <ul style="list-style-type: none"> ▪ decision-taking (at casework level) ▪ ongoing monitoring (at planned intervals and in response to changing needs) ▪ using a “team around the child” approach <p>This will enable the Key Worker role to be established effectively for families in North Yorkshire.</p> <p>The review of provision for care and support, including residential services, will be undertaken to achieve closer integration, increased flexibility, more even county coverage and greater flexibility. It will need to consider residential placements in CYPS establishments, secured through contracts through third parties, and through spot placements. It will also explore preventative support to families. A range of service models and any potential in “personalised” approaches will be included in the scope of the review.</p> <p>Joint commissioning routes will be used via Children's Trust where possible. Links between residential provision for educational and social care purposes will be increased through joint review to help meet increasing demand through combined facilities/services.</p>
18	Review funding contribution to Joint Services	<p>The County Council is a statutory partner in a number of statutory multi-agency services, to which it contributes resources in cash and in kind. These are important, highly specialist services, but cannot be excluded from the scope of our review for savings given the equal sensitivity of many of the other areas under review.</p> <p>Consideration of how savings might be achieved can only be undertaken in close consultation with partners.</p>