

**WIRRAL COUNCIL**  
**COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE**  
**16TH MARCH 2011**

<b>SUBJECT:</b>	<b>EARLY INTERVENTION GRANT 2011-12</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>INTERIM DIRECTOR OF CHILDREN'S SERVICES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR SHEILA CLARKE OBE</b>
<b>KEY DECISION?</b> <i>(Defined in paragraph 13.3 of Article 13 'Decision Making' in the Council's Constitution.)</i>	<b>NO</b>

**1.0 EXECUTIVE SUMMARY**

- 1.1 This report describes the impact on the Children and Young People's budget in 2011-12 arising from a reduction in grant funding through the Early Intervention Grant.

**2.0 RECOMMENDATION/S**

- 2.1 That Overview and Scrutiny Committee note the report

**3.0 REASON/S FOR RECOMMENDATION/S**

- 3.1 This report was requested by the Chair of the Committee.

**4.0 BACKGROUND AND KEY ISSUES**

- 4.1 The Department for Education announced, as part of the funding settlement for 2011-12, a new grant to fund local authority's targeted work with children and young people – The Early Intervention Grant.

The purpose of this grant is to help improve outcomes for children, young people and families by early intervention. Specifically the DfE have stated that funding is sufficient to maintain the existing network of Surestart Children's Centres. The grant, which is un-ringfenced, consists of a number of different areas and from 2011-12 it will be paid in a single sum. Authorities are free to allocate funds to their priority needs.

The grant formula uses existing Early Years and Youth data together with information around pupil attainment and NEET. Wirral does not benefit from

this formula allocation, (without a floor mechanism in Wirral would receive £12,529,000).

In 2011-12 Wirral's EIG will be £15,066,000, this is £4,874,000 less than the equivalent grants paid in 2010-11 and is summarised below:-

	<b>£</b>
2010-11 Original Grants	19,940
Less in year Education ABG cut	<u>2,643</u>
	17,297
12.9% reduction in grant	<u>2,231</u>
2011-12 EIG Grant	15,066

The decisions regarding EIG that have been taken as part of the Children and Young People's Budget for 2011-12 are set out below:

- i) Budgets have been reduced following Area Based Grant cuts of £2.6m announced last summer. Of these reductions £836,000 were in EIG areas. The remaining savings were £719,000 (found in other education budgets), and £1,088,000 from reductions outside the department (Working Neighbourhoods)
- ii) In 2011-12 EIG has reduced by a further £2,231,000 as indicated above. £383,000 has been achieved through the Councils EVR/Severance Scheme. This includes the closure of the Early Years Mobile Crèche, reduction in administrative and financial support for Surestart and alternative delivery of the Family Information Service

The following decisions have also been taken:

- iii) The funding for Contactpoint will cease at 31<sup>st</sup> March and the system will not be supported – saving £96,000
  - iv) The Targeted Mental Health in Schools scheme (TAMHS) will be completed as planned at the end of the year. There are no continuing commitments into 2011-12 – saving £150,000.
  - v) The January Guarantee funded a one-off piece of work with Connexions to support students entering further education. There is no commitment in 2011-12 – saving £54,000
  - vi) Expenditure on Positive Activities for Young People are less than budgeted in 2010-11. A similar saving of £108,000 is anticipated in 2011-12 to that achieved in 2010-11
  - vii) The Connexions contract is a 3 year pan-Merseyside agreement to provide information, advice and guidance to young people. The second year contract price includes a reduction of £140,000 for Wirral. In addition all Merseyside Authorities are negotiating to seek agreement for
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additional contract reductions. The budget has built in an assumption that a further £200,000 can be achieved. The indications are favourable, providing agreement is reached in a number of areas

- viii) The Aiming Higher for Disabled Children Programme is also contained within EIG. This £1.6m programme was significantly expanded in 2010-11. In 2011-12 the set up and management costs will be reduced by £100,000. This will not impact on the direct support given to this group of vulnerable young people
- ix) The above measures total £1,231,000 of the £2,231,000 required. The shortfall of £1m has been included as growth within the Council's budget for 2011-12
- x) Taking account of the above adjustments the budgeted spend on EIG areas in 2011-12 will be £17,873,000 as follows:

EIG Grant 2011-12	15,066
Budget Growth	1,000
ABG cuts made in non-EIG areas	<u>1,807</u>
	17,873.

The budget areas are set out in the table below:

	£
Connexions	2,712
Children's Fund	1,341
Think Family	596
Positive Activities for Young People	598
Youth Opportunity Fund	306
Teenage Pregnancy	150
Youth Crime Action Plan	190
Substance Misuse	14
Respect	40
Challenge and Support	75
Foundation Learning	133
Surestart Children's Centres	10,044
Social Care Workforce Training	133
Aim High for Disabled Children	<u>1,541</u>
	<b><u>17,873</u></b>

## 5.0 RELEVANT RISKS

- 5.1 The decisions taken regarding EIG budgets has reduced the risk associated with weakening support to vulnerable children.

## 6.0 OTHER OPTIONS CONSIDERED

- 6.1 As part of the budget process further reductions in EIG were considered.
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## **7.0 CONSULTATION**

7.1 Priorities have been considered as part of the Task Force Consultation.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

8.1 Early Intervention services will be commissioned. It is expected that the Voluntary Community and Faith sector will be an important element within this. Contracts have currently been extended to 30<sup>th</sup> June 2011.

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

9.1 The financial implications are described in the report. The Children and Young Peoples budget for Early Intervention is £17,873,000.

## **10.0 LEGAL IMPLICATIONS**

10.1 There are none directly arising from this report.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 The EIG seeks to address cases of vulnerability and social exclusion. There are no equalities issues.

11.2 Equality Impact Assessment (EIA)

- |                                       |    |
|---------------------------------------|----|
| (a) Is an EIA required?               | No |
| (b) If 'yes', has one been completed? |    |

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 There are none.

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 There are none.

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## **APPENDICES**

None.

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## REFERENCE MATERIAL

Background Papers – DFE letter 13.12.2010

## SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
Cabinet – Early Intervention Grant	3 <sup>rd</sup> February 2011