



CHILDREN YOUNG PEOPLE AND EDUCATION COMMITTEE

MONDAY 31 JANUARY 2022

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| REPORT TITLE: | 2022/23 BUDGET UPDATE |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration of the recommendations of the Policy and Resources Committee in respect of the 2022/23 Budget Update. The associated Report of the Director of Resources to the Policy and Resources Committee is attached at appendix 1.

RECOMMENDATION/S

The Children Young People and Education Committee is recommended to:

- 1) note and comment on the 2022/23 draft budget proposals.
- 2) authorise the relevant director with portfolio to take the necessary action to consult on any proposals that require additional consultation and take necessary action to deliver the resulting service changes in consultation with the Chair and Group Spokesperson or reporting to the Children Young People and Education Committee as the Director considers appropriate.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To provide the opportunity for the Policy and Services Committees to provide feedback on the budget proposals for the Policy and Resources Committee to take into consideration in recommending a legal budget to Full Council at its meeting of 28 February 2022.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other options have been considered as reported in the Policy and Resources Committee and appended report.

3.0 BACKGROUND INFORMATION

- 3.1 Policy and Resources Committee at its meeting on Monday, 17 January 2021 will receive a report from the Director of Resources providing an updated position on the draft budget for 2022/23 and related statutory consultation. That report and associated appendices are appended to this report.
- 3.2 The budget proposals associated to the Children Young People and Education Committee are detailed within section 3 of this report.
- 3.3 **PROPOSAL:** Reduction of Historic Teachers Pensions Costs

More about this option: The council is responsible for the costs of additional benefits awarded to teachers upon early retirement outside of the terms of the Teachers' Pension Scheme. This is a legacy financial commitment where the cost is reducing over time and can be achieved through a simple budget reduction.

Saving: £200k

PROPOSAL: Alternative Accommodation Provision for Children Looked After

More about this option: In order to reduce costs associated with external accommodation providers, the council plans to partner with a Community Interest Company to open four children's homes for up to 16 young people over the next 2 years.

Provision will include short-breaks, therapeutic provision for children and young people with learning disability/autism and mental health difficulties and expanding in-house provision at Willowtree for young people with disabilities. A registered housing provider will also be commissioned to offer care leaver accommodation.

Saving: £1m

PROPOSAL: Utilisation of Demand Reserve

More about this option: This proposal is focused on service demand. A long-term saving will involve an alternative delivery model based on the Department for Education's Family Safeguarding model. In the meantime, COVID funding will deliver the savings until the permanent model is in place.

Saving: £467k

PROPOSAL: Children's Services redesign and posts deletion/closure

More about this option: This proposal will look to achieve efficiencies within the Directorate through removal of vacant posts, redeployment, and service realignment.

Saving: £294k

PROPOSAL: Reduction in Adoption Orders.

More about this option: Wirral had a disproportionately high number of adoption orders in 2017/18 and 2018/19. This has impacted on the budget which funds the service via the Regional Adoption Agency. The funding formula for the regional adoption agency is currently based on the average number of adoption orders for the previous four years. As these adoption order numbers pass out of the formula calculation over the next two years, Wirral's contribution to the regional adoption agency will reduce.

Saving: 2022/23: £50k 2023/23 £150k

PROPOSAL: Reduction in the Number of Looked After Children

More about this option: In recent years, the overall children looked after (CLA) numbers in Wirral were higher than statistical neighbours. The numbers coming into care presently are more in line with neighbours. The cohort of children who joined during the earlier period are likely to remain in care until age 18, but as these pre-2019 children reach 18 we anticipate our CLA spending will reduce annually.

Saving: £564k (22/23)

PROPOSAL: Review of Youth Offending Service

More about this option: This proposal includes the removal of a post from the Youth Offending Service structure which is no longer required. Wirral's Youth Justice Service produces an Annual Strategic Plan which is approved by the Youth Justice Management Board and Council. The plan sets out the priorities and action for future delivery. It is anticipated that the service can continue to meet its statutory responsibilities and prevention approach without the additional post.

Saving: £25k

PROPOSAL: Special Educational Needs (SEND) Transport Review

More about this option: This option will include a service redesign which will look to reduce costs in home to school transport for children with SEND. The review will include changes to timings and routes, multiple drop offs, vehicle sharing and eligibility post 16.

Saving: £150k

PROPOSAL: Increase Funding for Placements from Health Clinical Commissioning Group and SEND

More about this option: Social Care currently contributes the majority of funding (90%) towards residential placements whilst education contribute 4.45% and health 5.27% (as of April 2021). This proposal is seeking a more equal distribution of funding which will help secure this saving.

Saving: £200k

PROPOSAL: Redesign of Youth Offer

More about this option: This proposal will seek to achieve savings through a review of current budgets and resource. It will include withdrawal of £150k from the Hive (in addition to the £200k withdrawn last year 2020/21), the removal of £108k from the Youth Service budget and deletion of one post from the Youth Service.

In 22/23 the Hive will continue to receive a £100k contribution from local developers.

Saving: £200k

4.0 FINANCIAL IMPLICATIONS

- 4.1 This report is to ensure that a fully balanced legal budget can be recommended by the Policy and Resources Committee to Full Council at its meeting of 28 February 2022.

5.0 LEGAL IMPLICATIONS

- 5.1 As detailed in the appended report to the Policy and Resources Committee.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 As detailed in the appended report to the Policy and Resources Committee.

7.0 RELEVANT RISKS

- 7.1 As detailed in the appended report to the Policy and Resources Committee.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 As detailed in the appended report to the Policy and Resources Committee.

1.0 EQUALITY IMPLICATIONS

9.1 As detailed in the appended report to the Policy and Resources Committee.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 As detailed in the appended report to the Policy and Resources Committee.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 As detailed in the appended report to the Policy and Resources Committee.

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APPENDICES

Appendix 1 Report to Policy and Resources Committee, 17 January 2022
Appendix 2 Detailed Draft 2022-23 Budget Position
Appendix 3 Briefing Note: Local Government Finance Settlement 2022/23
Appendix 4 2022/23 Budget Setting Proposals Pack
Appendix 5 Full Budget Consultation report

BACKGROUND PAPERS

Pressure and Growth Business Cases
Savings and Income Business Cases
DLUHC External Assurance Reports

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---------------------------------------|-------------------------|
| Policy and Resources Committee | 17 March 2021 |
| Policy and Resources Committee | 25 October 2021 |
| Policy and Resources Committee | 01 December 2021 |
| Policy and Resources Committee | 17 January 2022 |