

AGENDA MANAGEMENT SHEET

Name of Committee **Children, Young People and Families Overview and Scrutiny Committee**

Date of Committee **16th November 2006**

Report Title **2006/07 Efficiency Savings – Children, Young People and Families Directorate – Progress report**

Summary This report outlines the progress of the Children, Young People and Families Directorate has made to date in delivering the required efficiency savings in 2006/07 required as part of the 2006/07 budget.

For further information please contact:

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Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]

No

Background papers 2006/07 budget resolution – County Council 7.2.06

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

- | | | |
|-----------------------|-------------------------------------|--|
| Other Committees | <input type="checkbox"/> | |
| Local Member(s) | <input type="checkbox"/> | Not applicable |
| Other Elected Members | <input checked="" type="checkbox"/> | Cllr Helen McCarthy
Cllr Richard Grant – “noted for consideration by the Committee”
Cllr Jill Dill-Russell |

- | | |
|---------------------------------|---|
| Cabinet Member | <input checked="" type="checkbox"/> For information:
Cllr Izzi Seccombe |
| Other Cabinet Members consulted | <input checked="" type="checkbox"/> Cllr Alan Cockburn |
| Chief Executive | <input type="checkbox"/> |
| Legal | <input checked="" type="checkbox"/> Victoria Gould |
| Finance | <input checked="" type="checkbox"/> David Clarke, Strategic Director of Resources –
“fine” |
| Other Strategic Directors | <input type="checkbox"/> |
| District Councils | <input type="checkbox"/> |
| Health Authority | <input type="checkbox"/> |
| Police | <input type="checkbox"/> |
| Other Bodies/Individuals | <input checked="" type="checkbox"/> Michelle McHugh, Scrutiny Officer |

FINAL DECISION

YES

SUGGESTED NEXT STEPS:

Details to be specified

- | | |
|---|--------------------------------|
| Further consideration by this Committee | <input type="checkbox"/> |
| To Council | <input type="checkbox"/> |
| To Cabinet | <input type="checkbox"/> |
| To an O & S Committee | <input type="checkbox"/> |
| To an Area Committee | <input type="checkbox"/> |
| Further Consultation | <input type="checkbox"/> |

**Children, Young People and Families Overview and
Scrutiny Committee – 16th November 2006**

**2006/07 Efficiency Savings – Children, Young People and
Families Directorate – Progress report**

**Report of the Strategic Director for Children,
Young People and Families**

Recommendation:

That the Committee consider and comment on the progress made by the Children, Young People and Families Directorate in delivering the 2006/07 efficiency savings target.

1. Introduction

As part of the 2006/07 budget resolution all directorates (excluding schools) were required to identify 2.5% savings, wherever feasible, from improvements in efficiency. Directorates were required to return all of these savings to the centre. This report provides this information for the Children, Young People and Families Directorate showing progress against the target. All other directorates will be reporting to their Overview and Scrutiny Committee on the same basis.

2. Directorate savings target

- 2.1 The 2006/07 cashable savings target for the Children, Young People and Families Directorate is £1,517,000.
- 2.2 As part of the Council's 2006/07 Forward Looking Annual Efficiency Statement submitted to the Government, the Directorate forecast it could achieve £2,290,000 cashable and £99,000 non-cashable efficiency gains without any loss of service quality currently provided.

3. Progress to date

- 3.1 To date the Directorate has identified £2,271,000 cashable savings that it is forecast will be achieved by the end of the financial year. A summary of the

savings identified is shown in Table 1 below with further detail in **Appendix A** attached:

Table 1 : Savings identified to date	Cash savings £	Non-cash savings £	Total £
Revenue Expenditure on Capital	231,000	0	231,000
Children Act Project	106,000	0	106,000
County Music Service	24,000	0	24,000
Management Restructure	89,000	0	89,000
General Savings Target	1,821,000	0	1,821,000
Total	2,271,000	0	2,271,000

3.2 Of the savings identified to date all relate to efficiency gains that can be included in the Council's Annual Efficiency Statement and should not result in a reduction in the quality of our services as measured by:

- the percentage of pupils achieving five or more GCSEs at grade A* to C, and
- the percentage of children's social care initial assessments completed within statutory timescales.

3.3 The mid-year progress report has identified lower cashable and non-cashable savings, £19,000 and £99,000 respectively, than originally forecast in the forward looking statement. This is largely due to the delays in realising the full benefits of the Human Resources Management System. However, it is expected that the slippage on the efficiency gain this year will result in corresponding efficiency gains in future years. The Directorate has already realised £1,137,000 of the £2,271,000 identified cashable savings so far this financial year.

4. Reinvestment of Directorate savings

4.1 The Directorate has achieved £754,000 cashable savings above the level required by the 2006/07 budget resolution. These have been reinvested within the Directorate to fund budget pressures as shown in Table 2 below:

Table 2 : Reinvestment of Directorate savings	Cash savings £	Non-cash savings £	Total £
Education Social Workers	107,000	0	107,000
Out-of-County Placements	316,000	0	316,000
Educational Psychologists	80,000	0	80,000
Contribution to Post-16 Transport	251,000	0	251,000
Total	754,000	0	754,000

- 4.2 These pressures relate primarily to increases in demand for pupil-related services that were not envisaged when the budget was originally set. The decision in relation to post-16 transport has been reported previously to Cabinet. Therefore, the savings identified in excess of the target set in this year's budget resolution are being used to offset overspends elsewhere within the Service.

MARION DAVIS
Strategic Director for Children,
Young People and Families

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Ansell Way
Warwick

1st November 2006

2006/07 Efficiency Savings – Children, Young People and Families Directorate – Progress report

Notes to Table 1 : Savings identified to date

Revenue Expenditure on Capital

Used to fund shortfalls on capital schemes. Better management of capital projects means they are now more closely monitored and any potential overspends identified early enough in the life of the scheme for corrective action to be taken.

Children Act Project

Work of the Children Act Project Team has been mainstreamed within existing teams of the directorate.

Management Restructure

Prior to the County Council reorganisation a management vacancy was not filled and the work realigned with existing members of staff.

County Music Service

The County Music Service has introduced area working, thereby reducing travel time and maximising hours of work of each music teacher and increasing youth music activities. This increased level of output has also been achieved with no inflationary increase on the budget.

General Savings Target

This includes the 2.5% efficiency saving set in the 2006/07 budget resolution and represents cash savings made across the Directorate at the start of the financial year when issuing the budgets to service managers. They are expected to deliver existing services within these reduced budgets with no diminution of service quality.