

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

CABINET - 21 OCTOBER 2010

MEETING OF THE COUNCIL - 8 DECEMBER 2010

REPORT OF THE FAMILY AND CHILDREN'S SERVICES SCRUTINY COMMITTEE (8 SEPTEMBER 2010)

(Chairman: Councillor Professor Sir Anthony Coates)

FINANCE AND PRIORITIES SUB-GROUP AND STRONGER FAMILIES TRANSFORMATION PROGRAMME

1. BACKGROUND

- 1.1 In 2009 the Family and Children's Services Scrutiny Committee appointed a sub-group to consider the finance and priorities of the Family and Children's Services Business Group in view of the likely public sector expenditure reductions over the next few years. The sub-group was chaired by Councillor Dalton, with the other members being Councillors Borwick and Elizabeth Campbell, and with four co-opted members: Dr Al-Zaher, Mr Murphy, Mr O'Donnell and the Revd Taylor. Former Councillors Catherine Atkinson and Dominic Johnson were also members.
- 1.2 The sub-group's work progressed at the same time as the Stronger Families Transformation Programme developed. Its final report (a copy is attached as an **appendix**) was considered at our meetings in June and September.

2. DEEP LEVEL SCRUTINY

- 2.1 It was agreed in June that a period of time should be set aside at each of our meetings for a deep level scrutiny of an issue previously agreed by the committee. The objective was to provide proper scrutiny of topical and important subjects, promptly and in a timely fashion. This would help the Cabinet in its decision-making and help the Council as a whole to get to grips with key issues. Given its importance, the first topic chosen for our September meeting was the Stronger Families Transformation Programme and the report of the Finance and Priorities Sub-Group. We also considered a report from the Executive Director for Family and Children's Services which summarised progress made on the transformation programme over recent months.
- 2.2 With deep level scrutiny, we did not set out to produce recommendations, but rather a series of views reflecting the

composition of the committee. The views listed below are by way of an interim report, as we will return to this subject at our next meeting when more information is available:

- Children's Centres should be a focus of cost scrutiny. There are five centres catering for about 200 children, only 66 of whom are deemed to be 'in need'. If we are here as a safety net for the most vulnerable, then we should say so and expect our children's centres, which we fund, to be the providers of that. The flexibility of provision in the centres makes budgeting and financing very difficult. What do we, as a Council, want our Children's Centres to provide and for what client group?
- Expenditure on Family and Children's Services is substantial and there is some overspending and duplication; there should be more careful monitoring and more use of shared services.
- Notice should be taken of the views of staff at ground level where the impact of expenditure reductions will be felt most keenly.
- If we are seeking to influence our schools, but not "run" them, we should encourage schools to know that they have an entirely free choice about what services they buy and from where. This may save money, and we should give schools the freedom to choose their own suppliers, freed from our Council procurement red tape. This will enable us to have a more mature relationship with the schools. What would schools' view of this be?
- Youth Support and Development – a high priority and high cost service. We have about eight uniformed services operating in the borough, including the scouts, guides, boys' brigade, air cadets, army, police and so forth. Could a contribution to these organisations provide us with a range of support opportunities and also give our young people recognised national achievement awards, e.g. Duke of Edinburgh? We might contribute to these organisations (financially, but not provide staff) so that we could offer a choice to our young people and they would have organisations that they could belong to week in week out, and not just in summer holidays when we run these services. These are national organisations that offer long term support, which is often what our young people need, and not just for the 13 to 20 age group. Many might then progress to being staff volunteers too. Our officers have a good relationship with many of these providers, and there could be a gradual increase in using alternative provision, rather than relying on the Council being the provider.

- Family Services – We have lost social workers over the past year, who we have invested in and trained. We are letting permanent staff go, and still using agency staff. Retention is vital and that means looking at the way we provide the service and allocate the social workers to better suit clients' needs.
- As the sub-group suggests, a balance will need to be struck between what is desirable and what is affordable. The financial plight of many families, particularly in the north of the borough, will need to be borne in mind. Often it is the families just above thresholds that struggle the most with finance, e.g. just above the free school meals threshold. If charges are introduced, those families in the third quartile will be the least able to pay. If thresholds are too low families receiving modest middle or below average incomes are severely penalised.
- The outstanding, and improving, examination results achieved by pupils in the borough reflect, in no small measure, the successful partnership of head teachers and the School Improvement Service. When considering the future size and funding of the service, the views of head teachers should be sought.

2.3 The Cabinet's attention is drawn to the sub-group's summary conclusions in paragraph 2 and the themes, suggestions and questions set out in paragraphs 3 to 8 in the **attached** report.

2.4 Particular points to note are:

- Expenditure on Family and Children's Services is £54m in excess of the specific statutory grants received from the Government. Areas of highest cost should be subject to particular scrutiny.
- Places in children's centres are heavily subsidised - the charge made is £205 per week. Some centres are more expensive to operate than others. If the most expensive centres were closed, could a service for the 66 children in need be maintained?
- We have a high cost, high performing education service. Spending per pupil is £9,600 per year compared to an average of £6,000 across authorities in England. We have the fifth highest expenditure in England.
- The annual cost of the Latimer Education Centre/Pupil Referral Unit, at £1.6m, is the most expensive in London.
- Owing to the need to fund places in independent schools, because there is no in-borough provision, the costs of fees for Special Education Needs are among the highest in England.

- The Isaac Newton Professional Development Centre is a strategic site for the Council. It could be used more, to increase income, or the site could be sold.
- There are diverse levels of use of our libraries. The cost of the Libraries Service is amongst the highest in London.
- We are the smallest local education authority in London and some budgets are adversely affected by this, e.g. Special Education Needs transport.

2.5 As far as we are aware, other business groups and scrutiny committees have not undertaken the same level of strategic thinking represented by the transformation programme and the sub-group's report. We are concerned to ensure that the FCS budget should not be hit harder than others just because more work has been done in this area.

3. RECOMMENDATIONS

3.1 The Cabinet is **RECOMMENDED** to consider the attached sub-group report with the comments set out above.

3.2 The Council is asked to note the report.

FOR DECISION

Andrew Dalton

Chairman of the Finance and Priorities Sub-Group

Professor Sir Anthony Coates

Chairman of the Family and Children's Services Scrutiny Committee

Public background papers used in preparation of this report:

None.

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