

**NOTICE OF MEETING**

<b>Meeting</b>	Children and Young People Select Committee
<b>Date and Time</b>	Wednesday, 20th September, 2017 at 10.00 am
<b>Place</b>	Ashburton Hall, Elizabeth II Court, The Castle, Winchester
<b>Enquires to</b>	<a href="mailto:members.services@hants.gov.uk">members.services@hants.gov.uk</a>

John Coughlan CBE  
Chief Executive  
The Castle, Winchester SO23 8UJ

**FILMING AND BROADCAST NOTIFICATION**

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

**AGENDA****1. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

**2. DECLARATIONS OF INTEREST**

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

**3. MINUTES OF PREVIOUS MEETING (Pages 3 - 6)**

To confirm the minutes of the previous meeting

**4. DEPUTATIONS**

To receive any deputations notified under Standing Order 12.

Approx.  
Timings

<b>5. CHAIRMAN'S ANNOUNCEMENTS</b>	
To receive any announcements the Chairman may wish to make.	
<b>6. TRANSFORMATION TO 2019 - REVENUE SAVINGS PROPOSALS</b> (Pages 7 - 68)	10:05 – 11:35
To consider and make recommendation to the Executive Lead Member for Children's Services on the departmental transformation to 2019 savings proposals and public consultation feedback.	
<b>7. CHANGES TO EARLY YEARS FREE HOURS ENTITLEMENTS</b> (Pages 69 - 84)	11:35 – 12:35
To receive an overview of this subject, and to understand changes to entitlements for Hampshire children	
<b>8. WORK PROGRAMME</b> (Pages 85 - 90)	12:35 – 12:40
To consider and approve the Children and Young People Select Committee Work Programme.	

#### **ABOUT THIS AGENDA:**

**On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.**

#### **ABOUT THIS MEETING:**

**The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact [members.services@hants.gov.uk](mailto:members.services@hants.gov.uk) for assistance.**

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

# Agenda Item 3

AT A MEETING of the Children and Young People Select Committee of  
HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Monday,  
10th July, 2017

## PRESENT

Chairman:  
p Councillor Ray Bolton

Vice-Chairman:  
p Councillor Roz Chadd

### **Councillors:**

p Jackie Branson	p Kirsty Locke
p Zilliah Brooks	a Russell Oppenheimer
p Fran Carpenter	p Neville Penman
p Steve Forster	p Jackie Porter
p Marge Harvey	a Robert Taylor
p Wayne Irish	p Malcolm Wade
p Gavin James	p Michael Westbrook

### **Co-opted Members:**

p Caroline Edmondson: Primary School Parent Governor Representative  
a Andrew March: Secondary School Parent Governor Representative  
VACANT: Special School Parent Governor Representative  
a Jeff Williams: Church of England Schools Representative  
VACANT: Roman Catholic Schools Representative

### **At the invitation of the Chairman:**

p Councillor Peter Edgar – Executive Member for Education  
a Councillor Keith Mans – Executive Lead Member for Children’s Services

## **BROADCASTING ANNOUNCEMENT**

The Chairman announced that the press and members of the public were permitted to film and broadcast the meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recordings for broadcasting purposes.

## 10. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Russell Oppenheimer, Robert Taylor and from Andrew March. Councillor Pal Hayre was in attendance as the Conservative Deputy.

## 11. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the

circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

Councillor Zilliah Brooks declared that her granddaughter was due to begin attending Cranbourne Business and Enterprise College in September 2017. Councillor Gavin James declared that his sister had previously been employed as a teacher at both Fort Hill Community School and Cranbourne Business and Enterprise College.

## **12. MINUTES OF PREVIOUS MEETING**

It was noted that Councillor Fran Carpenter had been present at the meeting on 14 June 2017.

The Minutes of the meeting held on 14 June 2017 were confirmed as a correct record and signed by the Chairman.

## **13. DEPUTATIONS**

The Committee did not receive any deputations at this meeting.

## **14. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman did not have any announcements at this meeting.

## **15. CONSIDERATION OF REQUEST TO EXERCISE CALL-IN POWERS**

The Committee received a report (Item 6 in the Minute Book) from the Directors of Transformation and Governance and Children's Services following a request by a quorum of members of the Select Committee to exercise call-in powers in respect of a decision by the Executive Member for Education to amalgamate Fort Hill Community School and Cranbourne Business and Enterprise College in Basingstoke.

The Chairman outlined that the role of the Select Committee would be to determine whether it wished to recommend to the Executive Member that he reconsider his decision taken on the school amalgamation at his meeting on 19 June, as outlined in Appendix 1.

The Head of Law and Governance and Monitoring Officer introduced the report and the purpose of the meeting. The process of call in as laid out in the Constitution, at Appendix 4 within the papers, was explained and Members were referred to the reasons for the call-in provided in Appendix 3.

The Monitoring Officer's view was that the 19 June decision of the Executive Member for Education was in line with the budget and policy framework and that, therefore, the option open to the Select Committee was to consider whether or not to ask the Executive Member to reconsider his decision. The Monitoring Officer further outlined an aspect of the role of the Select Committee, which was to hold the Executive to account. However, this did not mean the Select Committee had the power to direct the Executive. Statutory guidance advised that the Executive should take into account the views of the Select Committee, but that it was free to take into account other factors in its decision making process and make other determinations.

The Chairman gave the Members the opportunity to ask questions of the Officers and then moved to debate. During the discussion, the following information was heard:

- That the basis of the decision to amalgamate the two schools was threefold and incorporated declining pupil numbers (with only 35 applications for the September 2017 Year 7 intake out of a possible 220 within the catchment area), declining pupil funding (which was based upon the low pupil numbers) and relatively weak educational standards (significantly reduced funding in the future resulting in a further reduction in the curriculum offer and inadequate educational provision).
- That significant and thorough consultation had taken place in the lead in to the decision to amalgamate and that this had been in line with County Council procedures and statutory guidance from the Department for Education.
- The Governing Body had supported the decision to amalgamate the schools.
- That GCSE results and pupil progress at Fort Hill Community School had been consistently poor; despite the best efforts and support of Children's Services and that the school had experienced a high turnover of staff. Discussion was held regarding the reasons for the high turnover and how the career choices of those within the teaching profession were likely to be driven by the opportunities for professional development which were more accessible at larger, high performing secondary schools.
- That, ultimately, the reason behind reduction in pupil numbers at Fort Hill Community School was because parents had chosen to send their children to other local schools. Again, it was discussed how this was linked to the low pupil progress rate and that this was likely to have impacted negatively upon parents' choice over where to send their children for schooling.
- That the Fort Hill Community School site would be retained for a period of two years, from September 2017, and made available to the Governing Body should they wish to use it. It was confirmed that negotiations were planned with Basingstoke and Deane Borough Council regarding future use of the site for community infrastructure following the two year period.
- That travel and transport support between the two school sites would be offered to Fort Hill pupils in years 8 and 9 for a two year period from September 2017. This support would be extended to pupils in years 10 and 11 if the Governing Body decided to discontinue the use of the Fort Hill site.

- That the housing demand and requirement for future development in the Basingstoke area had been taken into consideration as part of the overall decision. Any further requirement for secondary education provision within the area would be addressed at a later stage, in future years, once the scope of the educational requirement was known.
- That school uniform was a matter for the Governing Body to coordinate and that they were looking into how best to support parents with obtaining any new items of uniform.
- Discussion was held regarding education provision and schooling within the Basingstoke area generally and it was confirmed that there was a capacity of roughly 200-300 pupil places per year group across the Basingstoke area.

Some members expressed that they were not happy with the decision to amalgamate the two schools and that the data used to inform the decision had not been well interpreted in their view.

At the discretion of the Chairman, the Executive Member for Education addressed the Committee. He noted that the process leading into the decision to amalgamate had been thorough, had not been rushed, had involved extensive consultation and significant analysis of the influencing factors. The Executive Member noted that he had not taken the decision lightly and that all other options had been thoroughly pursued. He paid tribute to the existing staff of both schools. The Executive Member also thanked officers for handling the entire process with honesty and integrity.

In line with the option open to the Select Committee, the Chairman proposed that a vote should be taken on the recommendation in the report that the Select Committee should consider whether or not to request the Executive Member for Education to reconsider his decision as set out in the Decision Record attached as an Appendix to the report.

The recommendation was voted upon as follows:

- 10 members of the Committee voted in favour of not requesting the Executive Member to reconsider his decision.
- Three members of the Committee voted in favour of requesting the Executive Member to reconsider his decision.
- Three members of the Committee abstained from the vote.

RESOLVED:

That the Executive Member for Education should not be requested to reconsider his decision as set out in the Decision Record attached as Appendix 2 to the report.

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Chairman, 20 September 2017

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Children and Young People Select Committee
<b>Date:</b>	20 September 2017
<b>Title:</b>	Transformation to 2019 – Revenue Savings Proposals
<b>Report From:</b>	Director of Children’s Services and Director of Corporate Resources

**Contact name:** Steve Crocker, Director of Children’s services  
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#### 1. Purpose of Report

- 1.1. For the Select Committee to scrutinise the attached Executive Decision Report in advance of its consideration for a decision by the Executive Lead Member for Children’s Services on the afternoon of 20 September 2017.
- 1.2. The attached report seeks the Executive Lead Member’s approval of detailed savings proposals set out in the report and which, subject to his approval, will be submitted to Cabinet in October 2017 and, subject to its approval, be considered by Full Council in November 2017.
- 1.3. The Select Committee will wish to note the attached report also includes details of the Equality Impact Assessments (EIAs) that have been produced in respect of the savings proposals. It also provides information about the public consultation exercise that was carried out over the summer and how this has impacted on the proposals set out in the report, and makes reference to further future public consultation on the detailed savings proposals for the Department, as part of the Transformation to 2019 Programme.

#### 2. Recommendation

That the Children and Young People Select Committee:

##### 2.1. Either:

Support the submission to Cabinet of the proposed savings options contained in the attached report and its Appendix 1

Or:

Agree any alternative recommendations to the Executive Lead Member for Children’s Services, with regards to the proposals set out in the attached report.

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## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date:</b>	20 September 2017
<b>Title:</b>	Transformation to 2019 – Revenue Savings Proposals
<b>Report From:</b>	Director of Children's Services and Director of Corporate Resources – Corporate Services

**Contact names:** Steve Crocker, Director of Children's services

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#### 1. Executive Summary

- 1.1. The purpose of this report is to outline the detailed savings proposals for the Children's Services Department that have been developed as part of the Transformation to 2019 Programme.
- 1.2. The report also provides details of the Equality Impact Assessments (EIAs) that have been produced in respect of these proposals and highlights where applicable, any key issues arising from the public consultation exercise that was carried out over the summer and how these have impacted on the final proposals presented in this report.
- 1.3. The Executive Member is requested to approve the detailed savings proposals for submission to Cabinet and then Full County Council in October, recognising that there will be further public consultation for some proposals.

#### 2. Contextual information

- 2.1. Members will be fully aware that the County Council has been responding to reductions in public spending, designed to close the structural deficit within the economy, since the first reductions to government grants were applied in 2010/11 and then as part of subsequent Comprehensive Spending Reviews.

- 2.2. Reductions in government grant together with inflationary and service pressures, notably within social care areas, have created an average budget gap of around £50m per annum, meaning that circa £100m has needed to be saved every two year cycle.
- 2.3. This position has been exacerbated following the changes announced in the Local Government Settlement in February 2016 which provided definitive figures for 2016/17 and provisional figures for the following three years to 2020. The settlement included a major revision to the methodology for distributing Revenue Support Grant (RSG) which had a major impact on Shire Counties and Shire Districts and also reflected a clear shift by the government in council tax policy.
- 2.4. Consequently, even after allowing for council tax increases over the settlement period, the forecast gap for the two years to 2019/20 is £140m, and after allowing for 'housekeeping savings' of £20m, targets were set for Departments based on a reduction of approaching 19% in cash limited spend.
- 2.5. One of the key features of the County Council's well documented financial strategy and previous savings programmes has been the ability to plan well in advance, take decisions early and provide the time and capacity to properly implement savings so that a full year impact is derived in the financial year that they are needed.
- 2.6. This approach has also meant that savings have often been implemented in anticipation of immediate need and this has provided resources both corporately and to individual departments to fund investment in capital assets and to fund further change and transformation programmes to deliver the next wave of savings. This approach has enabled the County Council to cushion some of the most difficult implications of the financial changes.
- 2.7. Whilst this has been a key feature of previous cost reduction programmes it was recognised without doubt that the Transformation to 2019 (Tt2019) Programme, the fourth major cost reduction exercise for the County Council since 2010, would be significantly more challenging than any previous transformation and efficiency programme against the backdrop of a generally more challenging financial environment and burgeoning service demands.
- 2.8. Departments have looked closely at potential opportunities to achieve the required savings and unsurprisingly the exercise has been extremely challenging because savings of £340m have already been driven out over the past seven years, and the fact that the sheer size of the 19% target requires a complete "re-look"; with previously discounted options having to be re-considered. It has been a significant challenge for all Departments to develop a set of proposals that, together, can enable their share of the Tt2019 Programme target to be delivered.
- 2.9. The opportunity assessment and planning work has confirmed the sheer complexity and challenge behind some of the proposals as a consequence

of which in a number of areas significantly more than two years will be required to develop plans and implement the specific service changes.

- 2.10. The cashflow support required to manage the extended delivery timetable will in the most part be met from departmental cost of change reserves and further contingency options to cover any shortfall will be considered as part of the updated Medium Term Financial Strategy (MTFS) that will be reported in October.
- 2.11. The County Council undertook an open public consultation called *Serving Hampshire – Balancing the Budget* which ran for six weeks between 3 July – 21 August. The consultation was widely promoted to stakeholders and residents and asked for their views on ways the County Council could balance its budget in response to continuing pressures on local government funding, and still deliver core public services.
- 2.12. Responses to the consultation will help to inform the decision making by Cabinet and Full Council in October and November of 2017 on options for delivering a balanced budget up to 2019/20, which the Authority is required by law to do.
- 2.13. In addition, Equality Impact Assessments have also been produced for all of the detailed savings proposals and these together with the broad outcomes of the consultation and the development work on the overall Transformation to 2019 Programme have helped to shape the final proposals presented for approval in this report.

### **3. Budget Update**

- 3.1. The savings targets that were set for Departments were based on forecasts produced over the summer of 2016 and included a wide range of variable assumptions to arrive at the total predicted gap of £140m.
- 3.2. Last year the Local Government Finance Settlement provided definitive figures for 2016/17 and provisional figures for local authorities for the following three years to aid financial planning for those authorities who could ‘demonstrate efficiency savings’. We have now had our 2017/18 figures confirmed as part of the budget setting process and following acceptance by the Department for Communities and Local Government (DCLG) of the County Council’s Efficiency Plan for the period to 2019/20 the expectation is for minimal change for 2018/19 and 2019/20. No figures have been published beyond this date.
- 3.3. The offer of a four year settlement provided greater but not absolute funding certainty. However, following the Queen’s speech to Parliament in June this year, the planned changes to implement 100% business rate retention by 2019/20 are effectively suspended with no indication of when this might be resumed, although the Government have just invited applications for pilots to operate during 2018/19, the detail of which will be considered in due course. Work to carry out a fair funding review is set to continue as it does not require legislation.

- 3.4. An updated MTFs will be presented to Cabinet in October and then the County Council in November and we will continue to review our assumptions on an ongoing basis in light of information that is made available.

#### **4. Transformation to 2019 – Departmental Context**

- 4.1. Following successive programmes which have delivered over £80m cost reductions since June 2010 the Children’s Services department started work in October 2016 to identify potential opportunities for further savings to meet the £30.1m departmental savings target for 1 April 2019.
- 4.2. The department has worked to a set of principles which have guided the successive budget reduction decisions since 2010. These have evolved to reflect the tightening economic circumstances and therefore the ever tighter focus needed in the department on its core business and meeting the needs of the most vulnerable. The Departmental Management Team has reviewed these principles and is convinced that they remain valid for the future challenges of T19.
- 4.3. The principles for the department’s Transformation to 2019 programme were confirmed as:
- ensure a safe and effective social care system that continues to manage the risks between protecting and caring for the most vulnerable children and providing support to families in need;
  - ensure sufficient capacity to lead, challenge and improve the schools system to help ensure improved outcomes for all but particularly the more vulnerable groups;
  - tightly target limited resources according to the needs of children whether that be support to children and families or to schools;
  - secure targeted and co-ordinated early help provision where it demonstrably reduces escalation of need;
  - sustain and develop high quality and financially competitive sold services when doing so contributes to our responsibilities to Hampshire; and
  - maximise the opportunities to create efficiencies and maintain and enhance services through partnership arrangements.
- 4.4. Our savings proposals for our Transformation to 2019 programme have looked at every aspect of Children’s Services activity in order to ascertain where savings could be found. Three major issues recur regularly:
- funding for Children’s Services in Hampshire is relatively low reflecting funding arrangements for Shire Counties. Despite this, Hampshire has been the third highest performing authority under the current Ofsted framework;
  - the majority of the Department’s spend is external, primarily relating to the placement costs of Children Looked After (CLA). In order to realise

cashable savings on external spend it is not rational to reduce staffing resource beyond a certain point as this reduces our ability to work with vulnerable families to prevent the children coming into care and the subsequent external spend or, worse, opens the door to more significant additional spend if families unmet needs escalate; and

- some areas of potential savings would have a profound impact on our statutory duties including, most significantly, our statutory duty to safeguard children or because they would mean that we could not fulfil existing legislative duties in other areas (for example, home to school transport).
- 4.5. Where we have found savings in our proposals for T2019, these have been through paring back to the minimum the service provision that we think we can offer across the full range of Children's Services, whilst meeting our statutory duties and running a safe and effective service.
- 4.6. The proposals for savings developed as part of this overall programme are outlined below. Some of these proposals would then be subject to a detailed engagement and consultation process which would culminate in service specific public consultation, where appropriate, from November 2017.

## **5. The main workstreams**

- 5.1. The savings target set for the Department is £30.1m which has been split across seven workstreams. Table 1 below shows the full year savings proposals for each workstream together with the original base budget (2017) for all the activities that are being considered within that workstream. In most cases that is a blend of a number of different services.
- 5.2. The social care transformation represented by the Partners In Practice programme is in recognition that for T19 the external spend on placements would necessarily need to form a significant part of the burden of reductions as it is not possible to make deeper compensating reductions elsewhere. For that reason the work on the new social work model for children is genuinely transformational and far reaching – see below.
- 5.3. Due to the transformational nature of this work, and linked to the 4 year Partners in Practice programme, a significant amount of the £30.1m savings would be delivered beyond the 2019/20 timeframe. This would enable the department to ensure that any changes to services provided to vulnerable people are well thought through, planned, communicated and coordinated. Current estimations are that £13.5m will be delivered by the end of 2019/20.
- 5.4. An outline of the proposals in each workstream is given in the following sections, with savings proposals summarised in Appendix 1. These proposals are subject to consultation where appropriate.

**Table 1. Children’s Services workstreams and savings targets**

<b>Workstream</b>	<b>Total Budget</b>	<b>Full Year Savings Proposals</b>	<b>Savings Proposals as % of Budget</b>
	<b>£000</b>	<b>£000</b>	<b>%</b>
Children’s Social Care Transformation	87,282	21,890	25.1
Children with Disabilities	17,514	3,000	17.1
School Improvement Services	1,368*	59	4.3
Education High Needs	6,695	979	14.6
Home to School Transport	28,241	2,800**	9.9
Support Services	7,813	904	11.6
Maximising Efficiencies/ Enabling Productivity	NA	500	NA
<b>TOTAL</b>	<b>148,913</b>	<b>30,132</b>	<b>20.2</b>

\*The majority of this funding now comes from direct Government School Improvement Grant (£940k in 2017/18) and has to be used on school improvement activities. Therefore savings cannot be taken from this element of the budget.

\*\* Savings planned total £4.05m. An element of this will be required to address the underlying business pressure with the remaining £2.8m contributing to the Tt2019 programme.

### **Children’s Social Care Transformation**

5.5. The social care transformation workstream covers £87.3m of services and external spend including our direct support to child protection and children in care. Savings proposals for this workstream amount to £21.890m the majority of which is expected to come through the safe reduction of the number of children in care.

- 5.6. It is made up of four strands which together combine to offer the opportunity to achieve a whole system change that will meet children and young people's needs earlier and in a different way. Savings would be made through a reduction in the number of children whose needs escalate in severity and cost within the system.
- 5.7. The four strands are:
- reducing the number and cost of Children Looked After;
  - infrastructure and organisation redesign;
  - review of Swanwick Lodge; and
  - reduction in the 0-19 grants.
- 5.8. These strands would aim to safely reduce the number of children in care, especially teenagers, preventing the escalation of demand and building resilience in families, schools and communities. This would lead to a reduction in cost to the department whilst improving outcomes for children and families and increasing the capacity of social workers in social work led multi-disciplinary teams to intervene in the most effective, targeted and evidence based way to create lasting change.
- 5.9. The change would be enabled by a pathway led approach that redefines the way we interact and intervene with families and children and in turn, redefines the role of the social worker. Our future social workers would be more mobile, supported effectively by technology that provides a single view of the child (enabled by Capita One Social Care), able to use data and analytics to inform their decision making, freed from bureaucracy and unnecessary regulatory demands and supported by an underpinning social work methodology. These changes would provide them with the capacity to provide meaningful interventions with lower associated support and costs.

**Strand 1 - Reducing the number and cost of Children Looked After**

- 5.10. Hampshire, along with six other local authorities, became a Partner in Practice (PiP) with the Department for Education (DfE) in 2016. Hampshire's proposal set out how the Children's Services department would deliver radical change and reshape children's social care by 2021. It also set out our ambition for sector led improvement and the role Hampshire could play nationally.
- 5.11. This proposal sets out a reduction of 410 children in care by 2021 which it is estimated would make a savings contribution of £17.9m to the social care transformation workstream. With regards to children's social care and children looked after, the proposed reduction would take Hampshire down to a rate of 31 children looked after per 10,000 children in the local population, ranking us as the 7th lowest nationally on this ratio.
- 5.12. The savings opportunities for this strand are based upon the costs of the current mix of placements (in-house foster care; independent fostering agency; HCC and other providers residential homes).
- 5.13. This proposal is also premised upon a complete shift in the children's social care operating model which enables social workers to be more effective in

enabling families to stay together and helping families be more resilient whilst also promoting rehabilitation – particularly of the troubled and troublesome teenager group. It is important that there are enough social workers who have enough time to carry out the tasks to divert or rehabilitate families – see below.

### **Strand 2 - Infrastructure and Organisation redesign**

- 5.14. This strand of activity would assess different organisation design options for the new service, facilitate agreement on the preferred structure option, design the preferred option (subject to consultation) and prepare for the implementation of a new structure that best meets the needs of the service and its users.
- 5.15. The organisation design would be primarily undertaken by a working group made up of representatives of different levels of the organisation and the agencies that would be centrally involved with the multi-disciplinary teams of the future.
- 5.16. This proposal is dependent on remodelling social work teams. The opportunities for savings proposals of £3m are staff reductions, which based on current thinking, could include:
- work to reduce the number of referrals from schools and then restructure our staffing in our ‘front door’ services;
  - reduction in senior management structure (1 grade or above);
  - a small reduction in the number of team managers in social care by increasing the spans of control;
  - reduction in administrative support based on the introduction of the new social care IT system. The final opportunity will be influenced by the outcome of mobile working delivery and may enable us to lessen the reduction in team managers and reduce operational risk;
  - restructure of our family placement staffing mix in line with statutory guidance;
  - reduction of area teams as a result of reducing CLA and remodelling activity; and
  - reduction of the Youth Offending Team (YOT) remand budget.
- 5.17. The proposals for remodelling social work teams is based on the current establishment and structure which has in the past few years come under significant pressure, as the number of referrals and children in care has increased.
- 5.18. The County Council has seen a continued steady rise in demand across social work services in line with the national picture, which is increasing the caseloads of our social workers and they are now at the point where they are higher than Ofsted would recommend.



- 5.19. Ofsted describe what they consider to be manageable caseloads as between 15 and 20 and consider there is a direct correlation between the average caseload of a social worker and the quality of social work practice offered. The new framework for the inspection of social care being introduced in early 2018, will focus almost entirely on the quality of social work practice with the leadership, management and governance aspect looking at whether senior leaders 'create the conditions' so that social workers are enabled to perform to their optimum.
- 5.20. These changes together with the need to release social worker capacity to achieve the reduction in Children in Care highlight the need for additional resources in this area, similar to the increases provided in 2013/14, which will be considered by Cabinet at its meeting in October.

### **Strand 3 - Review of Swanwick Lodge**

- 5.21. This strand of the social care transformation workstream savings proposals has a contribution amount of £0.470m. This strand is examining the viability of potential options for Swanwick Lodge as a secure welfare provision.
- 5.22. The proposal is to review current charges for Swanwick Lodge to identify opportunities to maximise income alongside reducing the existing management structure.
- 5.23. The proposal is aiming in most cases for the service itself not to change from a user perspective, but would be offered at a revised price.

### **Strand 4 - Reduction in the 0-19 grant**

- 5.24. This strand of the social care transformation workstream savings proposals has a potential contribution amount of £0.5m.
- 5.25. The department currently provides around £750K of grant funding to voluntary and charitable providers to provide youth and support services targeted to children and young people at Levels 2 and 3 on the Children's Partnership Threshold Chart. These grants are allocated against priorities identified by the Local Children's Partnership (or equivalent) groups. The services provided by this grant funding are non-statutory.
- 5.26. This strand is proposing that the department would reduce all youth related grant funding awarded to organisations to deliver community services for children and families across Hampshire to around £250,000. The Council will continue to deliver high quality statutory services but would be unable to fund non-statutory services.

### **Children with Disabilities (CWD) Remodelling**

- 5.27. The Children with Disabilities remodelling workstream covers £17.5m of services. Savings proposals amount to £3.0m.
- 5.28. The aim of this workstream is to reshape and develop a service for children and young people with disabilities and their families that builds resilience, independence and self reliance in families and communities in order to

reduce the demand for crisis intervention and move away from long term arrangements (where appropriate).

- 5.29. The transformation of CWD services would form part of the Partners in Practice (PiP) programme. The proposed opportunities identified which would contribute to the savings target would sit under two main strands of work.

#### **Strand 1 – Continuation of Transformation to 2017 projects**

- 5.30. Work within this strand would include:

- reducing reliance on residential care for respite services;
- prioritising Telecare and ‘step down’ from residential services;
- developing a toolkit for personal budgets;
- reviewing the information, advice and support service to ensure the right information is available in the right way for children, young people, families and communities;
- reviewing the Short Break Activities Service; and
- implementation of improvements to services identified from the PIP process activity.

#### **Strand 2 – Operating model redesign and implementation**

- 5.31. Work within this strand would include:

- appraising operational design options and agree the preferred model;
- implementing journey and intervention work (which will be underpinned by the resilience methodology and children and family toolkit);
- undertaking a redesign of end to end processes;
- designing an analytics tool; and
- implementing new ways of working.

- 5.32. This service has had a strong history of engagement with service users through our transformation programmes and this approach would continue for Transformation to 2019.

#### **School Improvement Services**

- 5.33. The school improvement services workstream covers £1.4m of services. The majority of the funding now comes from direct ringfenced Government School Improvement Grant (£940k in 2017/18) and cannot be subject to cuts for T19. There is a small amount of core funding consisting of a £59k contribution to the Hampshire Music Service. This proposal would see the removal of the remaining contribution so that the Music Service receives no subsidy from the County Council.

#### **Education High Needs Remodelling**

- 5.34. The Education High Needs workstream covers £6.7m of services. Savings proposals amount to £0.979m. It is made up of three strands:

### **Strand 1 - Reducing the Early Years Administrative Function**

- 5.35. The early years' administration team undertakes the termly headcount of early years' providers to ensure they are funded accurately, they organise the communications to providers and ensure that performance planning cycles are adhered to. £100k of savings would be achieved by transforming working practices to reduce staffing.

### **Strand 2 – Review of Hampshire Futures**

- 5.36. The Youth Investment Programme will cease in 2019 and the proposal is to therefore cease this budget from 2019 with a saving of £125k. The department would aim to continue investment in youth employment opportunities, which will be created through the application of the apprenticeship levy.
- 5.37. A further £150k reduction in funding to Hampshire Futures on staffing to manage the County Council's apprenticeship scheme and the support for those not in employment, education and training (NEET).

### **Strand 3 - Reform the SEN and Inclusion Service**

- 5.38. This strand proposes to transform the work of the SEN and Inclusion teams to create a unified High Needs service giving a saving of £150k. The future High Needs service needs to address the growing demand and budget pressures but most of all needs to continue to deliver better outcomes for Hampshire children.
- 5.39. The proposed opportunity would see a restructuring of the service, with savings being contributed through a reduction in senior management posts (I grade and above) and a reshaping of the staffing teams following the introduction of a new digital system which should streamline the production of Education, Health and Care Plans. This would be a very significant reduction in staffing and would place our ability to meet statutory timelines under pressure. Much will depend on how much administrative time will be saved by the new on-line system. The County Council will be the first users of the system which we are developing in partnership with a software company.
- 5.40. The proposals include a further £100k reduction in staffing in the Inclusion service – which supports pupils who are excluded, who are at risk of exclusion or who are for other (mostly medical) reasons unable to attend mainstream school. These reductions would result in a reduction in the levels of support that can be offered to schools and these vulnerable pupils.
- 5.41. The proposals include a commitment to cease to undertake any quality assurance work of expensive out of County placements and other quality assurance work yielding a saving of £90,000.
- 5.42. In addition to the above the savings include a sum of £64,000 that is currently used to undertake home visits to electively home educating families. EHE families currently request home visits to secure advice on educational matters and these would cease if this proposal was taken forward. The final reduction in this strand (£200k) would be to reduce the staffing in the Virtual School for Children Looked After to the statutory

minimum of the post of 'Virtual School Headteacher'. This would continue to meet our statutory minimum duties but would reduce the added value that can be achieved through pro-active working with schools, social care and children looked after and their foster families and the collection of service specific data.

### **Home to School Transport (HtST) Remodelling**

5.43. The HtST workstream covers £28.2m of services. Savings proposals are £4.05m with £2.8m contributing to the Transformation to 2019 plan. The balance of savings is required to address the underlying business pressures, along with additional corporate funding that will be granted as part of the update of the Medium Term Financial Strategy to address demographic pressures in this area

5.44. This workstream has five key strands for savings.

#### **Strand 1 - Reviewing policy to deliver to the statutory minimum.**

5.45. The HTST policy is currently close to, but not at, the statutory minimum. The proposal is to reduce the policy to the statutory minimum and apply that with few exceptions. That would give savings in the region of £1.95m.

5.46. Changes to the Home to School Transport policy require statutory consultation approval for which will be sought in due course...

5.47. The County Council currently provides transport to the following groups under discretionary powers and, subject to consultation, these could be removed or amended under the proposed policy revisions:

- Post 16 pupils with learning difficulties and/or disabilities. We currently offer transport and the parents pay an annual contribution. Under a revised policy this offer of transport could be withdrawn. This would deliver savings of £1m. The authority would still provide support, by way of exception to policy, when students could not attend the placement named in their plan without transport support. This would bring the policy for post-16 SEN pupils in line with mainstream and is the statutory minimum.
- Rising 5s in Reception classes. We currently transport pupils from their start in Reception when still aged 4 (the statutory duty for HTST begins when the child is of statutory school age – in the term following their 5<sup>th</sup> birthday). The proposed policy changes would begin the offer of free transport from the term following their 5th birthday. This would deliver approximately £250k savings.
- Free transport provided as an exception to policy. There will always need to be some exceptions to policy to offer limited support in certain family circumstances. When an exception to policy is agreed this is currently provided free of charge. (The approach for agreeing exceptions would be reviewed alongside the policy review). The proposal is to charge where transport is provided as an exception delivering approximately £300k of savings.

- Nursery children with SEN. As they are under 5 this is not a statutory duty. The proposal is to withdraw that offer of free transport. This would deliver approximately £340k savings.
- We currently transport 8 year olds who live over 2 miles but under 3 miles from their school until the end of the academic year in which they turn 8. (The law is for statutory HTST provision if the pupil lives over 2 miles from school until they are 8 and then for over-8s over 3 miles from school). The proposed policy review would bring entitlement in line with statute and remove provision if appropriate on a pupil's 8<sup>th</sup> birthday. This should deliver £60k of savings

### **Strand 2 – Transport for Education & Inclusion**

- 5.48. This strand would review the provision of transport for pupils attending education centres and other alternative provision. Most pupils placed in alternative provision, in agreements with their schools, go there because they are at risk of exclusion. The proposal is to transport to alternative provision only those who are permanently excluded if they meet the other normal transport criteria. This is the statutory requirement. The risk of this approach is that, if the provision of transport to alternative education provision becomes the financial responsibility of the school (which it would do), then schools will move to permanently exclude much more quickly. Potential savings attached to the proposal are £500k.

### **Strand 3 – Sole provider tendering**

- 5.49. This would investigate the benefits of sole provider or contract block tendering to procure large volumes of contracts under a sole operator to manage contracts exclusively, with the aim of reducing costs by £300k.

### **Strand 4 – Spend to save minibus scheme expansion**

- 5.50. This strand would aim to expand an existing approach to facilitate more schools providing their own leased vehicles and organising their own transport to their school. This aims to save in the region of £300k.

### **Strand 5 – Infrastructure improvement**

- 5.51. Work is underway to identify potential infrastructure improvements such as improving unsafe walking routes and carrying out footpath assessments which would then enable a review of eligibility due to a change in these circumstances (i.e. a safe walking route now exists). This aims to save in the region of £1m.

### **Support Services Review**

- 5.52. The support services review workstream covers £7.8m of back office and support function budgets, some of which, such as the legacy premature retirement commitments could not be reduced other than through a gradual reduction. These budgets are subject to continuous review and downwards pressures where possible. Savings proposals across all these budgets amount to £0.904m.

- 5.53. The review includes reductions in printing, photocopying and postage, reductions in administration support and review of all accommodation usage. These are part of ongoing efficiencies drivers and, combined with increasing use of e-communications will be achievable. These savings amount to £0.584m
- 5.54. A further £66k of these savings will be very difficult to achieve. However having looked across all parts of the department to achieve the full £30.1m required these services have to be considered as part of the saving proposals. Part of the proposals are a reduction of one complaints officer and one officer undertaking the Subject Access Request work which would increase the risk of Ombudsman or Data Protection rulings against the council. .
- 5.55. Further efficiencies would also be sought by reducing the staffing levels in the procurement team (£154k) and the childcare sufficiency team (£100k). A reduction in the procurement team may make it difficult for us to effectively manage procurement processes and the monitoring of contracts that will be essential to ensure that major frontline spend around fostering and out of county placements for social care and SEN is providing value for money. The childcare sufficiency team fulfils a statutory duty to ensure sufficiency of childcare. A reduction would mean that we can offer only a reduced level of support when new settings are required in an area or where a setting is in difficulty.

#### **Maximising Efficiencies and Enabling Productivity**

- 5.56. As part of the corporate Enabling Productivity and Digital 2 workstreams (see below) the department aims to save a further £0.5m through various efficiencies and more effective working practice enabled by new technologies. The rollout of mobile devices will be part of the programme, and will drive changes to working practice, travel and office accommodation usage that it is anticipated will enable this saving to be achieved.

#### **Corporate workstreams**

- 5.57. The department has been fully engaging with the various corporate workstreams. The Digital 2 workstream is the next step on the County Council's Digital journey. Digital by default is the continued strategic approach for Transformation to 2019 and Digital 2 is aiming to build upon and enhance those platforms and tools implemented as part of Digital 1 as well as introduce new platforms and capability. Once the Digital 2 Programme has been completed it will enable Departments to drive efficiency and performance initiatives as part of Transformation to 2019.
- 5.58. The department has also been strongly engaged with the corporate Enabling Productivity Programme (EPP), which will see the department act as the early adopter for the roll out of the new Windows 10 Hybrid solution providing additional functionality and flexibility in the delivery of mobile working for flexible and field based workers.

## **Key challenges**

- 5.59. Alongside the three major issues which regularly recur through all of the workstreams set out in section 4.4, the transformational changes proposed for social care, and the remodelling of other services, are as in previous programmes unavoidably challenging. The process of re-modelling services such as social work and home to school transport will be dynamic and will need to be adaptive and responsive to risks and challenges as they emerge. A clear factor in this will be strong leadership and frontline capacity to implement the changes effectively and this mitigation is outlined above.

## **6. Summary Financial Implications**

- 6.1. The savings target that was set for the Children's Services Department was £30.1m and a summary of the savings proposals that are being put forward to meet this target are contained in Appendix 1.
- 6.2. The nature of the programme is transformational and it has been agreed that it would be delivered over a 4 year period and the department will therefore need to agree cashflow funding to address the shortfall in savings delivery within the Tt2019 timescale. Any cost of change available to the department will be the initial source of funding. It is, however, anticipated that additional corporate support will be required.
- 6.3. It is currently anticipated that the department's cost of change funding will be fully utilised during 2017/18 to support one off transformational costs and partly to address the current pressures in the system arising from the growth in children looked after and home to school transport.
- 6.4. Normal County Council policy requires Departments to meet any shortfall in their savings, together with the costs of transformation activity, from their cost of change reserves. Given Children's services position, this is not possible and therefore the update of the Medium Term Financial Strategy which will be presented to Cabinet in October will need to provide for corporate support of around £17m in 2019/20, and £11m in 2020/21 to meet the impact of the delayed delivery of the Children's' Services savings programme.

## **7. Workforce Implications**

- 7.1. These saving proposals would result in changes to the workforce and its structure.
- 7.2. Detailed workforce implications for all relevant aspects of the proposals will be developed, and will take into consideration feedback from the consultation.
- 7.3. The County Council's approach to managing down staff levels in a planned and sensitive way through the use of managed recruitment, redeployment of staff where possible and voluntary redundancy where appropriate will be continued.

## 8. Consultation and Decision Making and Equality Impact Assessments

- 8.1. As part of its prudent financial strategy, the County Council has been planning since February 2016 how it might tackle the anticipated deficit in its budget by 2019/20. As part of the Medium Term Financial Strategy, which was last approved by the County Council in July 2016, initial assumptions have been made about inflation, pressures, Council Tax levels and the use of reserves. Total anticipated savings of £140m are required and of this sum, savings targets to the value of £120m were set for departments as part of the planning process for balancing the budget.
- 8.2. The proposals in this report represent suggested ways in which departmental savings could be generated to meet the target that has been set as part of the Transformation to 2019 Programme. Individual Executive Members cannot make decisions on strategic issues such as Council Tax levels and use of reserves and therefore, these proposals, together with the outcomes of the *Serving Hampshire - Balancing the Budget* consultation exercise outlined below, will go forward to Cabinet and County Council and will be considered in light of all the options that are available to balance the budget by 2019/20.
- 8.3. The County Council undertook an open public consultation called *Serving Hampshire – Balancing the Budget* which ran for six weeks from 3 July – 21 August. The consultation was widely promoted to stakeholders and residents through all available channels, including online, via the County Council’s website; Hampshire media (newspapers, TV and radio); and social media. Hard copies were also placed in Hampshire libraries and alternative formats, such as easy read, were made available on request.
- 8.4. The *Balancing the Budget* consultation asked for residents’ and stakeholders’ views on ways the County Council could balance its budget in response to continuing pressures on local government funding, and still deliver core public services. Specifically, views were invited on several high level options as follows:
- reducing and changing services;
  - introducing and increasing charges for some services;
  - lobbying central government for legislative change;
  - generating additional income;
  - using the County Council’s reserves;
  - increasing Council Tax; and
  - changing local government arrangements in Hampshire.
- 8.5. A total of 3770 responses were received to the consultation. The key findings from consultation feedback are as follows:
- The majority of respondents (**65%**) **agreed** that the County Council should continue with its **financial strategy**.



- Responses were relatively evenly split between those who tended to support **changes to local services** and those who did not (**50% agreed**, 45% disagreed and 5% had no view either way).
    - Of all the options, this was the respondents' **least preferred**.
  - Two thirds of respondents (**67%) agreed** that the County Council should raise existing **charges** or introduce new charge to help cover the costs of running some local services.
  - Over half of respondents (**57%) agreed** that the County Council should **lobby the Government** to vary the way some services are provided, and enable charging where the County Council cannot levy a fee due to statutory restrictions.
  - Of all the options presented, generating **additional income** was the **most preferred** option.
  - On balance, the majority of respondents (**56%) agreed** that the County Council should retain its current position not to **use reserves** to plug the budget gap.
    - Of all the options, this was the respondents **second least preferred**.
  - Respondent would prefer the County Council to continue with its plans to raise **Council Tax** in line with Government policy (**50%** ranked this as their preferred approach to increasing Council Tax).
    - Of all the options, increasing Council Tax was respondents' **second most preferred**.
  - More than half of those who responded (**64%) agreed** that the County Council should explore further the possibility of **changing local government structures** in Hampshire.
- 8.6. Executive Lead Members and Chief Officers have been provided with the key findings from the consultation to help in their consideration of the final savings proposals. In particular, as a result of the feedback on service issues, the County Council will seek wherever possible to:
- **minimise reductions and changes to local services**, and continue to ensure that resources are prioritised on those who need them most, i.e. vulnerable adults and children;
  - **increase and introduce charges** to cover the costs of some local services. Where the County Council is unable to charge for services due to statutory restrictions, the County Council will continue to **lobby the Government for legislative change**;
  - maximise further **income generation** opportunities.
- 8.7. The proposals set out in Appendix 1 have, wherever possible, been developed in line with these principles but inevitably the effect of

successive reduction programmes over a 9 year period will begin to have an impact on the services that can be provided.

- 8.8. In some cases, the proposals in this report will be subject to further, more detailed public consultation if they are ratified by the Cabinet and Full Council in October and November respectively, at which the overall options for balancing the budget will be considered in light of the consultation results.
- 8.9. In addition to the consultation exercise, Equality Impact Assessments have been produced for all of the detailed savings proposals outlined in Appendix 1 and these have been provided for information in Appendix 2. These, together with the broad outcomes of the consultation, have helped to shape the final proposals presented for approval in this report.

## **9. Recommendations**

- 9.1. To approve the submission of the proposed savings options contained in this report and Appendix 1 to the Cabinet.

**CORPORATE OR LEGAL INFORMATION:****Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	<b>No</b>
<b>People in Hampshire live safe, healthy and independent lives:</b>	<b>Yes</b>
<b>People in Hampshire enjoy a rich and diverse environment:</b>	<b>Yes</b>
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	<b>Yes</b>

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<b><u>Title</u></b>	<b><u>Date</u></b>
<b>Direct links to specific legislation or Government Directives</b>	
<b><u>Title</u></b>	<b><u>Date</u></b>

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

**Document****Location**

None

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it; and
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

A full Equalities Impact Assessment has been undertaken for each of the savings proposals and these are included as a separate appendix to this report.

### **3. Impact on Crime and Disorder:**

Within the Children's Social Care Transformation workstream, the approach will aim to reduce domestic and child abuse.

### **4. Climate Change:**

Within the Home to School Transport workstream, proposals would see a potential reduction in the amount of transport entitlements being supplied through activity such as improvements to infrastructure, leading to a reduction in the number of buses or taxis on the road.

**Appendix 1  
Children’s Services – Proposed Savings Options (Subject to consultation where appropriate)**

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
CS01	<b>Transforming Children's Social Care (Partners in Practice)</b>					
Page 29	1. A reduction of 410 children in care by 2021 through a complete overhaul of the children’s social work task under the auspices of the Partner’s in Practice (PiP) programme.	<p>The proposed reduction in the numbers of Children Looked After would take Hampshire down to a rate of 31 children looked after per 10,000 children in the local population, ranking as the 7<sup>th</sup> lowest nationally on this scale.</p> <p>The social care transformation is premised upon a complete shift in the children’s social care operating model which would enable social workers to be more effective in enabling families to stay together and in helping families be more resilient whilst also promoting rehabilitation – particularly of the troubled and troublesome teenager group.</p>	982	6112	17,901	N/A
	2. Infrastructure and Organisation redesign to remodel social work teams.	The savings proposals of £3m would be staff reductions which would include a restructure of ‘front door’ services; a reduction in senior management structure; a reduction in the number of team managers by increasing spans of control; a reduction in administrative support based in the introduction of the new social care IT system; a restructure of the family placement staffing mix; a reduction in the number of area social work teams and a reduction in the Youth Offending Team remand budget.	200	986	3,019	TBC
	3. Review of current charges for	The service itself won't change from user perspective,	400	470	470	TBC

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
	Swanwick Lodge to maximise income alongside reducing management structure	but would be offered at revised price.				
Page 30	4. A reduction in the 0-19 grant	<p>The department currently provides around £750K of grant funding to voluntary and charitable providers to provide youth and support services targeted to children and young people at Levels 2 and 3 on the Children's Partnership Threshold Chart. These grants are allocated against priorities identified by the Local Children's Partnership (or equivalent) groups. The services provided by this grant funding are non-statutory.</p> <p>This strand is proposing that the department would reduce all youth related grant funding awarded to organisations to deliver community services for children and families across Hampshire to around £250,000. The Council will continue to deliver high quality statutory services but would be unable to fund non-statutory services.</p>	250	500	500	N/A
	<b>CSO2 Children with Disabilities</b>					
	This workstream covers £17.5m of services with two main strands of work: continuing the 2017 projects and redesigning the operating model	The aim of this workstream is to reshape and develop a service for children and young people with disabilities and their families that builds resilience, independence and self reliance in families and communities in order to reduce the demand for crisis intervention and move away from long term arrangements (where appropriate).	600	2,700	3,000	NA

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
CS03	<b>School improvement</b>					
	The service receives a small amount of core funding consisting of a £59k contribution to the Hampshire Music Service. This would be removed.	The impact on service and staff will be minimal.	59	59	59	N/A
CS04	<b>Education High Needs</b>					
Page 31	This workstream covers £6.7m of services. Savings include reduction in the Early Years support to providers; reduction in Hampshire Futures staffing; reform of the SEN and Inclusion services.	<p>Working practices in the early years team would change and providers would receive less support around funding, quality improvement and performance planning.</p> <p>The Youth Investment Programme will cease in 2019 and the proposal is to therefore cease this budget from 2019 with a saving of £125k. The department would aim to continue investment in youth employment opportunities, which will be created through the application of the apprenticeship levy.</p> <p>There would be a further £150k reduction in funding to Hampshire Futures on staffing to manage the County Council's apprenticeship scheme and the support for those not in employment, education and training (NEET).</p> <p>The SEN and Inclusion teams will merged to create a unified High Needs service. There would be a reduction in senior management posts (1 grade and above). Staff teams will be reshaped following the introduction of a new digital EHCP process system.</p>	0	375	979	TBC

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
Page 32		<p>This is a very significant reduction in staffing and would place our ability to meet statutory timelines under pressure.</p> <p>The proposals include a further £100k reduction in staffing in the Inclusion service – which supports pupils who are excluded, who are at risk of exclusion or who are for other (mostly medical) reasons unable to attend mainstream school. These reductions would result in a reduction in the levels of support that can be offered to schools and these vulnerable pupils.</p> <p>The proposals include a commitment to cease to undertake any quality assurance work of expensive out of County placements and other quality assurance work. The savings include a sum of £64,000 that is currently used to undertake home visits to electively home educating families. EHE families currently request home visits to secure advice on educational matters and these would cease if this proposal was taken forward.</p> <p>The staffing in the Virtual School for Children Looked After would be reduced to the statutory minimum of the post of 'Virtual School Headteacher'. This will continue to meet our statutory minimum duties but would reduce the added value that can be achieved through pro-active working with schools, social care and children looked after and their foster families and the collection</p>				



Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
		of service specific data.				
CSO5	<b>Home to School Transport (HtST)</b>					
Page 33	The HtST workstream covers £28.2m of services. Savings proposals contributing to the Transformation to 2019 plan amount to £2.8m. The proposals include a plan to consult on policy changes that bring the policy to statutory minimum across all aspects of transport; reductions in transport to alternative education provision; retendering routes to sole providers; expanding the spend to save minibuses; infrastructure improvements to make selected unsafe walking routes safe.	<p>The HTST policy is currently close to, but not at, the statutory minimum. The proposal is to reduce the policy to the statutory minimum and apply that with few exceptions. Changes to the Home to School Transport policy require statutory consultation. A recommendation of this report is that the Executive Member approves the commencement of a consultation on revisions to the Home to School Transport Policy.</p> <p>The County Council currently provides transport to the following groups under discretionary powers and subject to consultation these could be removed or amended under the proposed policy revisions:</p> <ul style="list-style-type: none"> <li>• Post 16 pupils with learning difficulties and/or disabilities. We currently offer transport and the parents pay an annual contribution. Under a revised policy this offer of transport could be withdrawn. The authority would still provide support, by way of exception to policy, when students could not attend the placement named in their plan without transport support. This would bring the policy for post-16 SEN pupils in line with</li> </ul>	0	1,400	2,800	NA

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
Page 34		<p>mainstream and is the statutory minimum.</p> <ul style="list-style-type: none"> <li>• Rising 5s in Reception classes. We currently transport pupils from their start in Reception when still aged 4 (the statutory duty for HTST begins when the child is of statutory school age – in the term following their 5<sup>th</sup> birthday). The proposed policy changes would begin the offer of free transport from the term following their 5th birthday.</li> <li>• Free transport provided as an exception to policy. There will always need to be some exceptions to policy to offer limited support in certain family circumstances. When an exception to policy is agreed this is currently provided free of charge. (The approach for agreeing exceptions would be reviewed alongside the policy review). The proposal is to charge where transport is provided as an exception.</li> <li>• Nursery children with SEN. As they are under 5 this is not a statutory duty. The proposal is to withdraw that offer of free transport.</li> <li>• We currently transport 8 year olds who live over 2 miles but under 3 miles from their school until the end of the academic year in which they turn 8. (The law is for statutory HTST provision if the pupil lives over 2 miles</li> </ul>				

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
Page 35		<p>from school until they are 8 and then for over-8s over 3 miles from school). The policy review would consider bringing entitlement in line with statute and remove provision if appropriate on a pupil's 8<sup>th</sup> birthday.</p> <p>We propose to review the provision of transport for pupils attending education centres and other alternative provision. Most pupils placed in alternative provision, in agreements with their schools, go there because they are at risk of exclusion. The proposal is to transport to alternative provision only those who are permanently excluded if they meet the other normal transport criteria. This is the statutory requirement. The risk of this approach is that, if the provision of transport to alternative education provision becomes the financial responsibility of the school (which it would do), then schools will move to permanently exclude much more quickly.</p> <p>We will investigate the benefits of sole provider or contract block tendering to procure large volumes of contracts under a sole operator to manage contracts exclusively.</p> <p>We would aim to expand an existing approach to facilitate more schools providing their own leased minibuses and organising their own transport to their school.</p>				

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
		Work is underway to identify potential infrastructure improvements such as improving unsafe walking routes and carrying out footpath assessments which would then enable a review of eligibility due to a change in these circumstances (i.e. a safe walking route now exists).				
CSO6	<b>Support services</b>					
Page 36	The support services workstream covers £7.8m of miscellaneous budgets, some of which, such as the legacy premature retirement commitments cannot be reduced other than through a gradual reduction as people pass away. These budgets are subject to continuous review and downwards pressures where possible.	<p>The review includes reductions in printing, photocopying and postage, reductions in administration support and review of all accommodation usage. These are part of ongoing efficiencies drivers combined with increasing use of e-communications.</p> <p>A reduction of one complaints officer and one officer undertaking the Subject Access Request work would increase the risk of Ombudsman or Data Protection rulings against the council.</p> <p>Further efficiencies would also be sought by reducing the staffing levels in the procurement team and the childcare sufficiency team. The reduction in the procurement team may make it difficult to effectively manage procurement processes and the monitoring of contracts that will be essential to ensure that major frontline spend around fostering and out of county placements for social care and SEN is providing value for money. The childcare sufficiency team fulfils a statutory duty to ensure sufficiency of childcare. A</p>	500	904	904	TBC

Ref	Service Area and Description of Proposal	Impact of Proposal	Expected Savings			FTE Impact
			2018/19 £'000	2019/20 £'000	Full Year £'000	
		reduction would mean that we can offer only a reduced level of support when new settings are required in an area or where a setting is in difficulty.				
CSO7	<b>Maximising Efficiencies/ Enabling Productivity</b>					
Page 37	Further efficiencies and effective working practices driven by Digital technologies	As part of the corporate Enabling Productivity and Digital 2 workstreams the department aims to save a further £0.5m through various efficiencies and more effective working practice enabled by new technologies. The rollout of mobile devices will be part of the programme, and will drive changes to working practice, travel and office accommodation usage that it is anticipated will enable this saving to be achieved.	0	0	500	TBC
		<b>Total</b>	<b>2,991</b>	<b>13,506</b>	<b>30,132</b>	

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# Equality Impact Assessment

Name of project/proposal EMCS01a T19 EIA Social Care Transformation - Users  
Originator Atkins, James  
Email address James.Atkins@hants.gov.uk  
Department Childrens Services  
Date of Assessment 06 Sep 2017

## **Description of Service / Policy**

The Children and Families branch of Children's Services provides protection and support to safeguard vulnerable children and families. This comprises statutory services such as children in need of care and protection, children looked after, fostering and adoption services. Non statutory prevention and early help services are also provided to those not meeting the threshold for statutory support.

Geographical impact\* All Hampshire

## **Description of proposed change**

To reduce the cost of children's social care by:

- Providing more targeted help to vulnerable children, particularly teenagers.
- Intervening early to prevent the need for statutory care services
- Investing in family-based interventions to enable children and young people to remain within family networks

The potential impacts may include a focus on the most vulnerable families only; a greater number of teenagers and other children would be supported to remain with their family /networks; the CSD workforce would be required to reduce and work more flexibly and proposed innovative changes to the delivery of care would need to be fully tested.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

### **Statutory considerations**

### **Impact**

Age Positive  
Impact Through working with partners to manage demand and provide more targeted help to vulnerable children, it is

expected that fewer children (especially teenagers) will need to be taken into care and a greater number will return to the home environment.

Disability Impact	Positive Shaping service delivery based on the feedback gained from parents and families to only tell their story once and to provide a more integrated service across professions. Providing targeted support earlier to build resilience and enable children with disabilities to remain living within their families wherever possible.
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Sexual Orientation	Neutral
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Race	Neutral
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Religion and Belief	Neutral
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Gender Reassignment	Neutral
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Gender	Neutral
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Marriage and civil partnership	Neutral
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Pregnancy and Maternity	Neutral
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### **Other policy considerations**

Poverty	Neutral
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Rurality	Neutral
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### **Additional Information**

The DfE confirmed in January 2016 that Hampshire and 7 other local authorities had been selected to be the Partners in Practice. Those local authorities are expected to innovate to improve frontline children's social work and to develop new systems of delivering social care and trialling new ways of working with families.

Hampshire County Council will deliver the following social care transformation:

- A family service - a system focussing on improving outcomes for the child in the context of their family
- A social work led, integrated, multidisciplinary service, from the front door through to specialist services
- Social workers are supported to deliver meaningful interventions based on an underpinning methodology of resilience
- A service where good practice is free to flourish without bureaucracy and unnecessary regulatory demands
- Children are supported by and within their own family/community wherever possible. Where children do come into care longer term their experience will be life changing for



the better

- A service where good practice is free to flourish without bureaucracy and unnecessary regulatory demands
- Children are supported by and within their own family/community wherever possible. Where children do come into care longer term their experience will be life changing for the better

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# Equality Impact Assessment

Name of project/proposal EMCS01b T19 EIA 0-19 Grants  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 29 Aug 2017

## **Description of Service / Policy**

Children's Services currently provide grant funding to voluntary and charitable providers to provide youth and support services targeted to children and young people at Levels 2 and 3 on the Children's Partnership Threshold Chart. These grants are allocated against priorities identified by the Local Children's Partnership (or equivalent) groups. The services provided by this grant funding are non-statutory with the exception of support for young carers.

Geographical impact\* All Hampshire

## **Description of proposed change**

To reduce the grant funding awarded to organisations to deliver community services for children and families across Hampshire. The Council will continue to deliver high quality statutory services but will be unable to fund non-statutory services.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

### **Statutory considerations**

### **Impact**

Age Impact	Medium Reduction or cessation of County Council funding to non-statutory services supporting children aged 0-19 years may reduce the support that these groups can provide to children at level 2 and 3 on the Children's Partnership Threshold Chart.
Mitigation	The County Council will signpost children, young people and families via the Family Support Service and the Directories Hub to alternative universal services in place.

to work with the sector to consider sustainability, alternatives sources of funding, collaboration and social enterprise models to support continued service delivery in the event of less County Council funding.

Further development of the volunteer offer may provide continued support to some cohorts of children and young people.

The County Council's Ethic Minority and Traveller Advisory Service may be able to provide services to Traveller children and young people.

Disability  
Impact

Low

The County Council currently provides alternative funding via the short break activities grant funding to provide services and support to children and young people with disabilities.

Sexual Orientation  
Impact

Medium

Reduction or cessation of County Council funding to non-statutory services supporting Lesbian, Gay and Bisexual & Transgender (LGBT) groups may reduce the support that these groups can provide to supporting vulnerable children and young people in Hampshire.

Mitigation

The County Council will signpost children, young people and families via the Family Support Service and the Directories Hub to alternative universal services in place. This will include existing national groups who already provide support to these vulnerable children and young people.

Hampshire County Council currently fund Action Hampshire to work with the voluntary sector and have set targets for them to work with the sector to consider sustainability, alternatives sources of funding, collaboration and social enterprise models to support continued service delivery in the event of less County Council funding.

Further development of the volunteer offer may provide continued support to some cohorts of children and young people.

Race

Neutral

Religion and Belief

Neutral

Gender Reassignment

Neutral

Gender

Neutral

Marriage and civil  
partnership

Neutral

Pregnancy and  
Maternity  
Impact

Medium

Reduction or cessation of County Council funding to non-statutory services providing parenting support for young

Mitigation

parents (Under 19) may reduce the support that these groups can provide to vulnerable children and young people.  
 The County Council will signpost children, young people and families via the Family Support Service and the Directories Hub to alternative universal services in place, including those provided within the public health offer.

Hampshire County Council currently fund Action Hampshire to work with the voluntary sector and have set targets for them to work with the sector to consider sustainability, alternatives sources of funding, collaboration and social enterprise models to support continued service delivery in the event of less County Council funding.

Further development of the volunteer offer may provide continued support to some cohorts of children and young people.

**Other policy considerations**

Poverty	Neutral
Rurality	Neutral

***Additional Information***

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# Equality Impact Assessment

Name of project/proposal EMCS01c T19 EIA Social Care Transformation - Staff  
Originator Atkins, James  
Email address James.Atkins@hants.gov.uk  
Department Childrens Services  
Date of Assessment 11 Sep 2017

## **Description of Service / Policy**

The Children and Families branch of Children's Services provides protection and support to safeguard vulnerable children and families. This comprises statutory services such as children in need of care and protection, children looked after, fostering and adoption services. Non statutory prevention and early help services are also provided to those not meeting the threshold for statutory support.

Geographical impact\* All Hampshire

## **Description of proposed change**

To reduce the cost of children's social care by:

- Providing more targeted help to vulnerable children, particularly teenagers.
- Intervening early to prevent the need for statutory care services
- Investing in family based interventions to enable children and young people to remain within family networks.

The potential impacts may include a focus on the most vulnerable families only; a greater number of teenagers and other children would be supported to remain with their family/networks; the CSD workforce would be required to reduce and work more flexibly and proposed innovative changes to the delivery of care would need to be fully tested.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers HCC Staff (and partners)

### **Statutory considerations**

### **Impact**

Age Medium  
Impact The CSD workforce is likely to reduce and any redundancies will potentially have an impact on staff that are nearing

Mitigation	retirement age, due to being less likely to secure employment outside of HCC. At all stages of the process the council will look for voluntary redundancies over compulsory. The council will also provide a package of support including redeployment to other vacant roles within the authority.
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Disability	Neutral
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Sexual Orientation	Neutral
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Race	Neutral
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Religion and Belief	Neutral
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Gender Reassignment	Neutral
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Gender Impact	Low The majority of staff within social care are female. They may find it difficult to find employment which fits in with childcare arrangements since not all employers offer part time flexible working arrangements like those within HCC.
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Marriage and civil partnership	Neutral
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Pregnancy and Maternity	Neutral
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**Other policy considerations**

Poverty	Neutral
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Rurality Impact	Low Redeployment may impact on home to work travel. Workers may need to travel greater distances to access alternate employment.
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Mitigation

**Additional Information**

The DfE confirmed in January 2016 that Hampshire and 7 other local authorities had been selected to be the Partners in Practice. Those local authorities are expected to innovate to improve frontline children’s social work and to develop new systems of delivering social care and trialling new ways of working with families.

Hampshire County Council will deliver the following social care transformation:

- A family service - a system focussing on improving outcomes for the child in the context of their family
- A social work led, integrated, multidisciplinary service, from the front door through to specialist services
- Social workers are supported to deliver meaningful interventions based on an underpinning methodology of resilience



- A service where good practice is free to flourish without bureaucracy and unnecessary regulatory demands
- Children are supported by and within their own family/community wherever possible. Where children do come into care longer term their experience will be life changing for the better
- A service where good practice is free to flourish without bureaucracy and unnecessary regulatory demands
- Children are supported by and within their own family/community wherever possible. Where children do come into care longer term their experience will be life changing for the better

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# Equality Impact Assessment

Name of project/proposal EMCS02a T19 EIA Children with Disabilities – User  
Originator Maspero, Hayley  
Email address hayley.maspero@hants.gov.uk  
Department Childrens Services  
Date of Assessment 23 May 2017

## **Description of Service / Policy**

HCC has a statutory duty to provide support to children with disabilities. This is currently achieved by the provision of long term residential care, overnight residential respite care and care support either in the home or the community. The authority also provides a short break activities programme which is open to all children.

Geographical impact\* All Hampshire Basingstoke & Deane East  
Hampshire Eastleigh Fareham Gosport Hart Havant New  
Forest Rushmoor Test Valley Winchester

## **Description of proposed change**

HCC is reviewing how it provides overnight respite to disabled children and families to expand the range of services available to give greater choice. A proposal to close two residential respite units is being consulted on.

The market will have capacity to meet increased numbers of families with a direct payment or personal budget. Support is outcome focused and time limited. Changes to ways of working will impact staff and service users.

A review of universal short breaks to make this more targeted, outcomes based and focused on helping families be more resilient and independent.

## **Engagement and consultation**

Has engagement or consultation been carried out? Planned

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

### **Statutory considerations**

### **Impact**

Age Neutral

Disability Positive

Impact This would provide a more responsive, targeted service to all children open to children with disability teams (currently 741).

These changes would offer interventions earlier and ensure these are outcome focused to support children remaining in their communities. This should support parents and carers to look after children in their own families and build their resilience.

The review of the short break offer will target services at Early Help stage, therefore potentially reducing access to services to those children with disabilities that do not meet a statutory threshold for support.

Sexual Orientation            Neutral

Race                                Neutral

Religion and Belief        Neutral

Gender Reassignment    Neutral

Gender                            Neutral

Marriage and civil partnership        Neutral

Pregnancy and Maternity            Neutral

**Other policy considerations**

Poverty Impact                    Low  
 Services and support are not currently equally available across the county. For families living in rural areas or without accessible transport it can be more expensive to travel to access suitable activities. This will be partially mitigated by targeting commissioning activities to explore service providers in areas where current gaps are identified.

Rurality Impact                    Low  
 Potentially further distances to access residential care in some cases.

Mitigation                        When procuring new services consideration will be given to where service users are and to try and minimise travel and improve access.

***Additional Information***

# Equality Impact Assessment

Name of project/proposal EMCS02b T19 EIA Children with Disabilities – Staff  
Originator Maspero, Hayley  
Email address hayley.maspero@hants.gov.uk  
Department Childrens Services  
Date of Assessment 23 May 2017

## **Description of Service / Policy**

HCC has a statutory duty to provide support to children with disabilities. This is currently achieved by the provision of long term residential care, overnight residential respite care and care support either in the home or the community. The authority also provides a short break activities programme which is open to all children.

Geographical impact\* All Hampshire Basingstoke & Deane East  
Hampshire Eastleigh Fareham Gosport Hart Havant New  
Forest Rushmoor Test Valley Winchester

## **Description of proposed change**

HCC is reviewing how it provides overnight respite to disabled children and families to expand the range of services available to give greater choice. A proposal to close two residential respite units is being consulted on.

The market will have capacity to meet increased numbers of families with a direct payment or personal budget. Support is outcome focused and time limited. Changes to ways of working will impact staff and service users.

A review of universal short breaks to make this more targeted, outcomes based and focused on helping families be more resilient and independent.

## **Engagement and consultation**

Has engagement or consultation been carried out? Planned

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required

## **Impacts of the proposed change**

This impact assessment covers HCC Staff (and partners)

### **Statutory considerations**

### **Impact**

Age Impact Medium  
Some staff affected by potential redundancies might be near retirement age. This might make it more difficult for them to secure alternative employment outside HCC.

Mitigation Consideration of Enhanced Voluntary Redundancy and redeployment opportunities will be given if applicable.

Disability	Neutral
Sexual Orientation	Neutral
Race	Neutral
Religion and Belief	Neutral
Gender Reassignment	Neutral
Gender Impact	<p>Low</p> <p>Majority of staff are female.</p> <p>Both Voluntary Redundancy or Compulsory Redundancy could result in loss of earnings; however the care sector is transient and it is anticipated these workers would be able to acquire alternate employment in a timely manner. The aim, where possible, will be to stimulate alternative options in the market which should create new job opportunities.</p>
Marriage and civil partnership	Neutral
Pregnancy and Maternity	Neutral
<b>Other policy considerations</b>	
Poverty	Neutral
Rurality Impact	<p>Low</p> <p>Redeployment may impact on home to work travel. Workers may need to travel greater distances to access alternate employment.</p>
Mitigation	

***Additional Information***

# Equality Impact Assessment

Name of project/proposal EMCS03 T19 EIA School Improvement Services  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 04 Sep 2017

## **Description of Service / Policy**

The school improvement services workstream covers £1.4m of services. The majority of the funding now comes from direct Government School Improvement Grant (£940k in 2017/18). There is a small amount of core funding consisting of a £59k contribution to the Hampshire Music Service.

Geographical impact\* All Hampshire

## **Description of proposed change**

This proposal would see the removal of the remaining contribution so that the Music Service receives no subsidy from the County Council.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers HCC Staff (and partners)

<b>Statutory considerations</b>	<b>Impact</b>
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Age	Neutral
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Disability	Neutral
------------	---------

Sexual Orientation	Neutral
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Race	Neutral
------	---------

Religion and Belief	Neutral
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Gender Reassignment	Neutral
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Gender	Neutral
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Marriage and civil partnership      Neutral

Pregnancy and Maternity      Neutral

**Other policy considerations**

Poverty      Neutral

Rurality      Neutral

Neutrality Statement      Genuine efficiencies savings that can be delivered without impacting on service delivery.

***Additional Information***



# Equality Impact Assessment

Name of project/proposal EMCS04a T19 EIA Educating High Needs - Users  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 04 Sep 2017

## **Description of Service / Policy**

The Education and Inclusion Service includes a range of services supporting school age children with 'High Needs', through support to schools and parents, as well as children and young people directly. These include:

- Special Educational Needs and Disabilities (SEND) support
- Inclusion support for children in early years and childcare settings
- Virtual School for Children Looked After aimed at improving educational attainment
- Registering and quality assurance of elective home education
- Support to schools aimed at reducing fixed-term and permanent exclusions
- Support for 17-18 year olds Not in Education, Employment or Training (NEET)
- Support for schools/parents to maintain good attendance
- Educational psychology support

Geographical impact\* All Hampshire

## **Description of proposed change**

To reduce the cost of Education & Inclusion Services through limiting the range of non-statutory High Needs services provided to:

- Young people aged 16+ who are Not in Education, Employment or Training (NEET);
- Schools, regarding children looked after and pupil exclusions; and
- Pupils educated at home.

Alongside reducing statutory High Needs services back to a minimum level around:

- the quality assurance of Education, Health and Care Plans (EHCPs); and
- the delivery of early years administrative functions.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

**Statutory considerations**

**Impact**

Page 57

Age

Medium

Impact	Reduction or cessation of High Needs services by the County Council to schools and children, young people and families may reduce the support being provided to school age children looked after, young people not in education, employment or training and secondary aged pupils at risk of permanent exclusions.
Mitigation	Direct 17-18 year old cohort to engage under the new apprenticeship levy.
Disability Impact	High Ceasing quality assurance of EHCPs may increase the risk that the needs of children and young people with SEND are not met, whilst reducing the size of the Virtual School may impact on the educational outcomes of children in care (who are overrepresented on the Special Educational Needs register).
Mitigation	Introduction of new EHCP Digital Solution to assist in the production of plans alongside the training to staff in its implementation contributing to a better quality output.
Sexual Orientation Impact	Low Reduction in the High Needs Service's capacity to support schools may impact on their ability to support pupils.
Race	Neutral
Religion and Belief	Neutral
Gender Reassignment Impact	Low Reduction in the High Needs Service's capacity to support schools may impact on their ability to support pupils.
Gender	Neutral
Marriage and civil partnership	Neutral
Pregnancy and Maternity Impact	Low Reduced support for young people not in education, employment or training will include a reduction in the support being provided for teenage mothers.

**Other policy considerations**

Poverty Impact	High Ceasing provision of the Youth Investment Programme and reducing High Needs Services may impact upon the support provided to children and young people from impoverished backgrounds.
Mitigation	Direct 17-18 year old cohort to engage under the new apprenticeship levy. Continue to encourage schools to take a greater leadership role for Children Looked After and for those with Special Educational Needs and Disabilities, alongside adopting more inclusive practices for those at risk of exclusion.

Rurality	Neutral
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***Additional Information***

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# Equality Impact Assessment

Name of project/proposal EMCS04b T19 EIA Educating High Needs - Staff  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 04 Sep 2017

## **Description of Service / Policy**

The Education and Inclusion Service includes a range of services supporting school age children with 'High Needs', through support to schools and parents, as well as children and young people directly. These include:

- Special Educational Needs and Disabilities (SEND) support
- Inclusion support for children in early years and childcare settings
- Virtual School for Children Looked After aimed at improving educational attainment
- Registering and quality assurance of elective home education
- Support to schools aimed at reducing fixed-term and permanent exclusions
- Support for 17-18 year olds Not in Education, Employment or Training (NEET)
- Support for schools/parents to maintain good attendance
- Educational psychology support

Geographical impact\* All Hampshire

## **Description of proposed change**

To reduce the cost of Education & Inclusion Services through reducing staff as a result of limiting the range of non-statutory High Needs services, reducing statutory High Needs services back to a minimum level, combining services, reducing administrative functions and identifying process efficiencies.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers HCC Staff (and partners)

### **Statutory considerations**

Age Neutral

Disability Neutral

Sexual Orientation	Neutral
Race	Neutral
Religion and Belief	Neutral
Gender Reassignment	Neutral
Gender Impact	Low A reduction in staff would impact on women more where they make up a larger proportion of the workforce impacted.
Marriage and civil partnership	Neutral
Pregnancy and Maternity	Neutral
<b>Other policy considerations</b>	
Poverty	Neutral
Rurality	Neutral

***Additional Information***

# Equality Impact Assessment

Name of project/proposal EMCS05 T19 EIA Home to School Transport (HtST)  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 29 Aug 2017

## **Description of Service / Policy**

Current transport arrangements support mainstream and Special Educational Needs & Disabilities children. Excluded children, social care children and some limited exceptions to policy are also supported with time limited free transport.

There is a statutory duty to transport for free, 8+ year old children that live more than 3 miles away and for all under 8s living 2 miles away from their nearest school. There is also enhanced entitlement for children eligible for free school meals or that need to travel on an unsafe route.

Non-statutory transport is also provided for some non-statutory school age children. Children attending education centres also access the travel service.

Geographical impact\* All Hampshire

## **Description of proposed change**

The intention is to undertake consultation with stakeholders on removing all discretionary elements of the current policy, which includes the service for children under five and post 16 students; providing for Year R children only when they reach statutory school age; and enforcing the increase from 2 to 3 miles on the 8th birthday. Transport provided to pupils attending education centres would be limited to those entitled under legislation. Also transport provided by way of an exception to policy may incur a charge. Other proposals would focus on more efficient service delivery and reducing exception to policy provision.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

**Statutory considerations**

**Impact**

Page 63

Age

Medium

Impact	Some children in the education system, currently entitled under discretionary policy elements would, in future, not receive a free home to school transport service based on their ages, under 4, under 5, those having their 8th birthday and Post 16.
Mitigation	A robust service to consider the exceptional circumstances of any case will look at each case to decide if it merits support as an exception to policy.
Disability Impact	Medium Some children, currently entitled under discretionary policy elements would, in future, not receive a free home to school transport service.
Mitigation	A robust service to consider the exceptional circumstances of any case will look at each case to decide if it merits support as an exception to policy.
Sexual Orientation	Neutral
Race	Neutral
Religion and Belief	Neutral
Gender Reassignment	Neutral
Gender	Neutral
Marriage and civil partnership	Neutral
Pregnancy and Maternity	Neutral

**Other policy considerations**

Poverty Impact	Low There is enhanced support for children in receipt of Free School Meals. However, for those families with an income just above that threshold the exceptional consideration would need to take account of their ability to pay for any exceptional transport service.
Rurality	Neutral

***Additional Information***



# Equality Impact Assessment

Name of project/proposal EMCS06 T19 EIA Support Services  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 11 Sep 2017

## **Description of Service / Policy**

To identify potential savings to the Support Services budgets which can contribute to Children's Services' 2019 savings targets . Support Services is a blanket term covering a range of business operations that are not front line operations. A Strategic Business Case has been created for submission to Children's Services Departmental Management Team identifying a range of possible savings .  
Geographical impact\* All Hampshire

## **Description of proposed change**

The main areas included are printing and copying; postage; the departmental contribution to the courier service; various small savings on accommodation surrendering leases on buildings not owned; reducing spend on cleaning etc.; and reductions estimated by Finance in departmental payments for compensatory added years (CAY) to past employees.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers HCC Staff (and partners)

### **Statutory considerations**

<b>Statutory considerations</b>	<b>Impact</b>
Age	Neutral
Disability	Neutral
Sexual Orientation	Neutral
Race	Neutral
Religion and Belief	Neutral

Gender Reassignment      Neutral

Gender                      Neutral

Marriage and civil  
partnership                Neutral

Pregnancy and  
Maternity                 Neutral

**Other policy considerations**

Poverty                    Neutral

Rurality                   Neutral

Neutrality Statement    These changes will not have an impact on staff on the basis of their statutory or other considerations.

***Additional Information***

# Equality Impact Assessment

Name of project/proposal EMCS07 T19 EIA Maximising Efficiencies/Enabling Productivity  
Originator Payne, Colin  
Email address colin.payne@hants.gov.uk  
Department Childrens Services  
Date of Assessment 16 Jun 2017

## **Description of Service / Policy**

The Digital 2 programme is the next step on the County Council's Digital journey. 'Digital by default' (such as email instead of posted letters) is the continued strategic approach for Transformation to 2019. Digital 2 is aiming to build upon and enhance those platforms and tools implemented as part of Digital 1 as well as introduce new technology and capabilities. The County Council is also developing our Enabling Productivity Programme (EPP), which is looking at potential proposals for how the County Council approaches areas such as 'mobile working', scheduling of resources and use of facilities.

Geographical impact\* All Hampshire

## **Description of proposed change**

As part of the Enabling Productivity and Digital 2 programmes the Children's Services Department is proposing to generate savings through various efficiencies and more effective working practice enabled by new technologies. Through the rollout of different technology creating new opportunities, this will drive changes to working practice, travel and office accommodation usage that it is anticipated will enable savings to be achieved.

## **Engagement and consultation**

Has engagement or consultation been carried out? Yes

No specific consultation has been carried out on this proposal, however, the County Council carried out a major public consultation exercise over the Summer 2017 on a range of options for finding further budget savings including increasing council tax, using reserves and making changes to the way in which services are delivered, which may mean reducing or withdrawing certain services. The outcome of this consultation will be presented to Cabinet in October 2017.

When decisions are made to pursue the options, further specific consultation will be carried out with stakeholders on the detailed options where required.

## **Impacts of the proposed change**

This impact assessment covers Service users

### **Statutory considerations**

#### **Impact**

Age Impact Low  
Some users may find new technology difficult to engage with.

Disability Impact Low  
The way in which we collect data from users must take

account of different users needs.

Sexual Orientation	Neutral
Race	Neutral
Religion and Belief	Neutral
Gender Reassignment	Neutral
Gender	Neutral
Marriage and civil partnership	Neutral
Pregnancy and Maternity	Neutral

**Other policy considerations**

Poverty	Neutral
Rurality	Neutral

***Additional Information***

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Children and Young People Select Committee
<b>Date:</b>	20 September 2017
<b>Title:</b>	Changes to Early Years Free Hours Entitlements
<b>Report From:</b>	Director of Children's Services

**Contact name:** Tracey Messer

**Tel:** 01962 847083

**Email:** Tracey.messer@hants.gov.uk

#### 1. Purpose of Report

- 1.1. To provide an overview of the free Early Years Education offer. To outline the changes to entitlements for Hampshire children from September 2017 as a result of changes to national policy.

#### 2. Contextual Information

- 2.1. The national free Early Years Education (EYE) offer is for all three and four year old children. They can receive up to 570 hours free from the term after their 3<sup>rd</sup> and 4<sup>th</sup> birthday. This is known as the Universal offer. The scheme also provides the same number of free hours to 2 year olds whose families are low income or considered disadvantaged and meet the government's eligibility criteria. This is known as Funded Twos.
- 2.2. From September 2017 families who are working (and meet government criteria) and who have 3 and 4 year old children can now have a further 570 hours free. This is known as the Extended Free Offer and most commonly known as "30 hours". The maximum free hours that one child can have is 1140 hours over 38-52 weeks in their birthday eligible year.
- 2.3. The funding for EYE comes from the Dedicated Schools Grant through the Early Years Block. In December 2016 the government outlined changes for an Early Years National Funding Formula (EYNFF) which standardises across England how EYE funding can be applied and stipulates that 95% of the funding allocated is passed through to EYE childcare providers. The new EYNFF also set up a Disability Access Fund for children receiving Disability Living Allowance and required an Inclusion Fund to be established for children with emerging special education need.

#### 3. Consultation and Equalities

- 3.1. **Parental consultation summer 2016:** During summer 2016 Hampshire ran a parent consultation to identify the potential interest in the extended

(30 hrs) offer. There were over 2000 respondents and 4% of these families had a child with special needs. The results outlined that at least 80% of parents would be seeking to take up some or all of their hours and 75% of families with children with SEND.

- 3.2. **SEND focus groups 2016:** To look specifically at the extended (30hrs) offer for families with children with special education need the council's Customer Insights and Engagement Team was commissioned to design this consultation exercise. The findings of this outlined the expectations of families of children with SEND in needing trusting relationships with experienced staff and good communications to feel confident in using childcare provision.
- 3.3. **Provider consultation 2016 and due 2017:** To support the development of the Early Years National Funding formula approved providers were consulted in December 2016. There were returns from 200 providers and in principle the providers agreed to the minimal changes to the funding formula for April 2017. Further consultation is planned regarding changes to the EYNFF for April 2018.

#### **4. Statutory Requirements**

- 4.1. The offer is governed through various elements of the Childcare Acts and the Government provides Statutory Guidance and Operational Guidance to support delivery.
- 4.2. **DFE Early Years Funding Statutory Guidance**
- 4.3. In March 2017 the DfE published its revised Early Years Funding Statutory Guidance for implementation in September 2017. The main change was the implementation of the extended entitlement.
- 4.4. The guidance outlined the new requirement for checking eligibility for working families seeking to take up the free extended entitlement and the requirement for local authorities to set up processes which linked with the government's eligibility checking service and to provide regular audits to ensure appropriate validation of eligibility.
- 4.5. Providers are now allowed to make charge for snacks and consumables and to operate over seven days per week and from 6am to 8pm.
- 4.6. Parents can use up to two providers per day where previously it was limited to two per term.
- 4.7. The guidance sets out new requirements for the local authority to publish information on those settings providing extended entitlement.
- 4.8. **Early Years National Funding Formula**
- 4.9. Funding is distributed to local authorities according to a National Funding Formula which consists of a base rate, additional needs factors (free school meals, English as additional language and disability living allowance) and an area cost adjustment. It is then for the local authorities

to implement the Early Years National Funding formula (EYNFF) to its approved providers. The EYNFF requires:

- Local Authorities (LAs) to pass on at least 95% of the EY allocation to providers;
- Of the total quantum to be allocated to providers, for at least 90% to be a universal base rate
- For LAs to utilise a defined list of supplements (capped at 10%)
- Funding for maintained nursery schools to be protected – supplementary funding provided
- To establish an inclusion fund to support children with additional needs and to provide additional funding for children with disabilities.
- To set up Disability Access Fund payments.

4.10. The budget is demand led through parents choosing to take up the offer. There is no statutory obligation for children to receive early years education. The funding allocation to the council is allocated based on previous and current year take up from a snapshot taken of the numbers of children attending and the hours taken in the spring period. The DfE allocates the funding based on the submission of this Early Years Census and the allocation is determined on a 5/12th the previous year's census and 7/12th the current year's census. The funding allocation as settled in July 2017 for 2017/18 was £70,753,141.

4.11. In 2017/18 it was predicted that the numbers and hours of children were likely to be less than previously and a contingency fund was made within the EYNFF. However, the value of the funding allocated was significantly less than planned. The Early Years Census return in January 2017 resulted in a reduction to the allocation by £3.5m (£1.3m relating to 2016/17 and £2.2m relating to 2017/18). The planned contingency held back of £867k is insufficient to cover this and further action will be needed to support this budget challenge in this demand led offer.

4.12. From 2018/19 population of 3 and 4 year olds starts to grow and numbers will most likely return to 2014/15 levels. It is therefore most likely the budget challenge will continue for this and following year.

4.13. Within the EYNFF the council is able to retain 5% of the funding for 2/3 and 4 year olds. This funding is currently returned to the childcare providers through the variety of support provided through the Services for Young Children Inclusion Service. This provides various interventions to support children attending within the Private Voluntary and Independent sector with emerging, moderate to complex special education needs. .

4.14. The average Hampshire hourly funding rate to providers for 2017/18 is £4.34 the same as it was in 2016/17 (excluding deprivation funding). The range of rates is £3.65 to £4.46 per hour.

**4.15. DfE Early Years Census**

- 4.16. The DfE Early Years Census takes place in early January with the Spring headcount. The census is a statutory return for all approved early years providers to return. The information collected is used by the DfE to calculate the funding allocations to the council, using the number of children claiming and the hours each child claims converting this into a part-time equivalent for funding purposes.
- 4.17. The census in 2017 also collected qualification data centring around numbers of staff with level 2 and 3 with Maths and English. In January 2018 the EY census will include for take up of the extended entitlement and DAF. It will also record the opening and closing times of each day of providers and collect data on qualification of staff (L3/3, Qualified Teacher Status, Teacher Status and Early Years Professional Status).

## **5. What are the Free early years Education offers?**

- 5.1. The free early years education offer is an amount of free hours provided by an Ofsted registered childcare provider who has been approved by the Council to receive funding for the hours provided. There are a maximum prescribed number of free hours for each child based on the age of the child and their entry into the scheme. An explanation of the free offers and other supplementary funding that can be applied subject to certain criteria is given below.
- 5.2. 2 year old funding: This is available for low income and disadvantaged families and offers up to 570 hours of free early years entitlement. There is an on-line application process that parents/lone parent's complete to receive an eligibility code which they take to their chosen childcare provider. The application process uses the government's Eligibility Checking Service to confirm the applicant/child meets the Government's eligibility criteria:
- 5.3. Parents must live in England and get one of the following benefits:
- Income Support
  - income-based Jobseeker's Allowance (JSA)
  - income-related Employment and Support Allowance (ESA)
  - Universal Credit
  - tax credits and you have an annual income of under £16,190 before tax
  - the guaranteed element of State Pension Credit
  - support through part 6 of the Immigration and Asylum Act
  - the Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)
- 5.4. A child can also get free early education and childcare if any of the following apply:
- they're looked after by a local council
  - they have a current statement of [special education needs \(SEN\)](#) or an education, health and care (EHC) plan



- they get [Disability Living Allowance](#)
  - they've left care under a special guardianship order, child arrangements order or adoption order
- 5.5. **Universal (3 and 4 year olds):** This is an entitlement of up to 570 hours starting the funding period after the child's 3rd or 4th birthday. It is open to all children who reside in a local authority area.
- 5.6. **Extended (30 hours):** From September 2017 this offer is available for families that meet the government's criteria. Couples or lone parents must each expect to earn (on average) at least £120 a week (equal to 16 hours at the National Minimum or Living Wage). If you, or your partner, are on maternity, paternity or adoption leave, or you're unable to work because you are disabled or have caring responsibilities, you could still be eligible.
- 5.7. Parents cannot get 30 hours free childcare if they or their partner, expect to earn £100,000 or more.
- 5.8. Parents have to apply through the government's Childcare Choices. The information provided is used by HMRC to confirm eligibility and a code is provided to the parent. Parents have to re-confirm their working status
- 5.9. **Disability Access Fund<sup>1</sup>:** This a new fund from April 2017. Parents who are in receipt of disability living allowance for their children and their child attends an early year education provider enables the provider to claim Disability Access Funding. The payment is a once only payment each year totalling £615.
- 5.10. Since April 2017, 139 children in Hampshire have been supported through this fund with a further seven identified for payment in the autumn 2017.
- 5.11. **SEN Inclusion Fund:** Historically Hampshire has operated an SEN Inclusion Fund. From April 2017 operating an inclusion fund became a mandatory element to the EYNFF. This fund supports pre-school children with complex and severe special educational needs to attend a local early years setting. The funding is to support children who live in Hampshire and who attend settings registered to provide Early Years Education (EYE) and take up their entitlement. The funding is also available to provide up to 5 hours funding over 38 weeks each year for children who are 2 years old but not eligible for the 2 year old EYE entitlement.
- 5.12. Providers can receive 1 x; 1.5x or 2x their EYE hourly rate depending on the assessed needs of the child.
- 5.13. The fund has supported the following numbers of children:

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<sup>1</sup> Link to information on Disability Access Fund : <http://www.hants.gov.uk/childrens-services/childcare/providers/eye-eydff/disability-accessfund.htm>

<b>SEN FUNDING LEVEL APPLIED TO PROVIDER FUNDING RATE</b>	<b>Number of funded SEN children Spring 17</b>	<b>Number of funded SEN children Summer 17</b>
<b>Total Funded 2 year olds</b>	85	63
<b>Total 2 year old SEN funding paid</b>	£31,316.00	£50,062.00
<b>Total Funded 3-4 year olds</b>	323	388
<b>TOTAL 3-4 year old SEN funding paid</b>	£248,268.00	£380,256.00
<b>Grand Total of children</b>	<b>408</b>	<b>451</b>
<b>Grand Total of SEN funding paid</b>	<b>£279,584.00</b>	<b>£430,318.00</b>

5.14. **Early Years Pupil Premium:** The Early Years Pupil Premium (EYPP) commenced in April 2015 and provides up to an additional £302 per year for each child that meets eligibility criteria. The funds are to be used to support their development, learning and care. Families have to meet the following eligibility criteria:

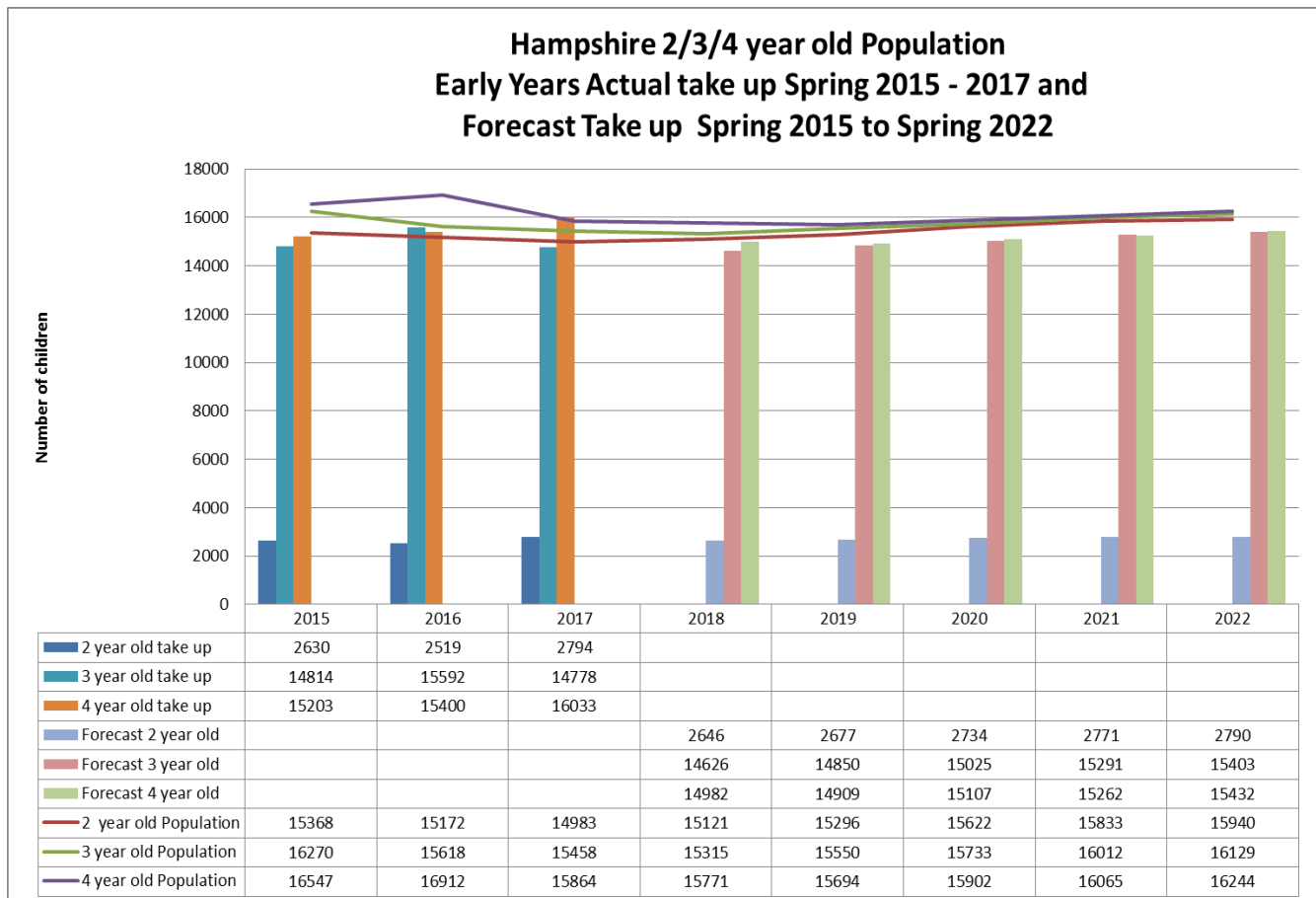
5.15. If parents receive one of the following benefits, the early years education provider may be entitled to claim funding for a 3 or 4 year old child in receipt of early years education funding:

- Income Support
- Income based Jobseekers Allowance
- Income related Employment and Support Allowance
- Child Tax Credit (providing they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit Run-on, paid for four weeks after you stop qualifying for Working Tax Credit
- Support under Part VI of the Immigration and Asylum Act 1999
- The guaranteed element of State Pension Credit
- Or if the child:
- Has been looked after by the local authority, in care for at least one day
- Has been adopted from care
- Has left care through special guardianship
- Is subject to a child arrangements order (previously a residence order)

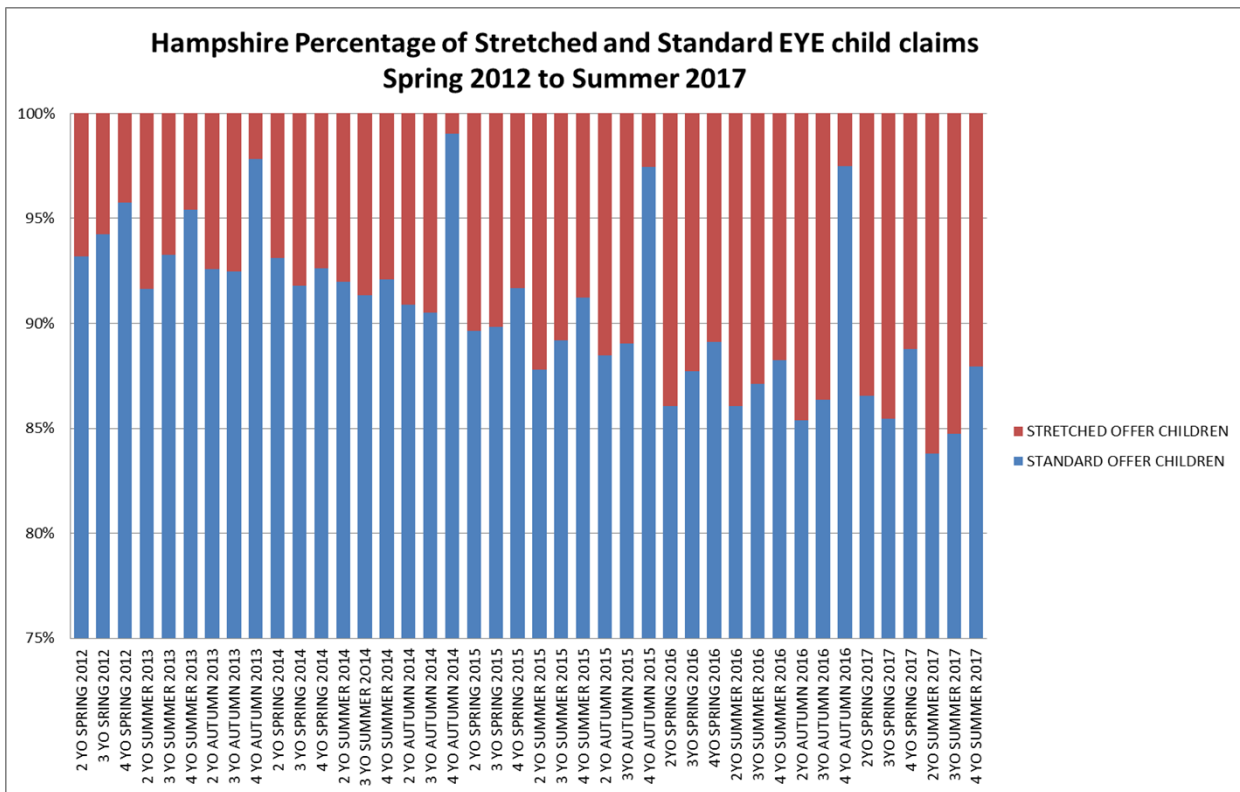
5.16. Since the April 2015 providers have been receiving information and support to access this additional funding stream. The introduction of the Capita One IT system in September 2016 has made the eligibility checking and claiming for this fund much easier. There has been an increase to the numbers of children being claimed for with a 115% increase from 1110 in Summer 2016 to 2393 in Summer 2017. This has enabled the market to access a 96% increase in this funding from £112,187 to £222,975,

## 6. Demand for Early Years Education

6.1. **Two, three and four year old take up:** The number of children accessing free entitlements represents 18% of Hampshire's population for two year old funding and 97% for children aged three and four. The graph below outlines the trend of take up from 2015 and applies the current average percentage to show the likely demand in future years to 2022.



6.2. Parents can choose to have their free hours through a standard offer based on 38 weeks or the same hours through a 'stretched' offer which is delivered over more weeks up to 52 weeks. The graph below shows a general trend towards the 'stretched' offer.



- 6.3. **Special Education Needs:** The council continues to support children with special education needs attending early years provision through the Inclusion Fund. The numbers of children with an assessed special education needs receiving the additional funding in spring 2017 and summer 2017 is outlined below.
- 6.4. **Extended Entitlement (30 hours):** The demand for extended entitlement (30 hours ) is not yet fully known. The national and Hampshire parental surveys do anticipate that demand will be high with in the region of at least 80% of eligible families likely to take up this offer.
- 6.5. The DfE has estimated and made its allocation to Hampshire based on an estimated 4082 children for the period September 2017 to March 2018. Using the Hampshire 30 hours forecaster it is likely that in the region of 5955 children (eligible by age) could be expected for this period.
- 6.6. The government’s eligibility checking service has provided initial data to local authorities to inform on the numbers of confirmed eligible families. As at 31 August 2017 there were 6291 confirmed eligible codes issued by HMRC for Hampshire parents and 3661 (58%) had been validated by providers.
- 6.7. The first data on actual take up will be known during October 2017 after the autumn claiming round. The position will be closely monitored through out the period.

## 7. Supply of Early Years Education Places:

- 7.1. The council maintains an approved list of early years education providers. Providers must be Ofsted registered and delivering the full early years foundation stage and have an inspection judgement of Requires Improvement or better to claim for three and four year olds and to have a judgement of "Good" or better to be able to claim for funded twos. The Council requires all approved providers that make claim for funding to accept the Hampshire Early Years Education Funding Terms and Conditions<sup>1</sup>.
- 7.2. Hampshire has 1508 approved providers which offer in the region of 32,000 places. 54% of providers that are childminders and 45% are group provision (including schools). The table below outlines the number of approved providers as at 31 August 2017 and their current status on accepting the September 2017 terms and conditions for funding.

**Summary of Early Years Education Providers for Hampshire 31 August 2017**

Type of Provider	Number of Approved providers			Total providers
	Confirmed as Accepted September 2017 Terms and Conditions	Confirmed but not signed September 2017 Terms and Conditions	Incomplete or nil returns	
Group Providers	617	38	34	<b>689</b>
Childminders	642	1	176	<b>819</b>
<b>Total providers</b>	<b>1,259</b>	<b>39</b>	<b>210</b>	<b>1,508</b>
Type of Provider	Number of places	Number of Places	Number of Places	<b>Total Places</b>
Group Providers	26,571	1,735	716	<b>29,022</b>
Childminders	2,650	2	574	<b>3,226</b>
<b>Total providers</b>	<b>29,221</b>	<b>1,737</b>	<b>1,290</b>	<b>32,248</b>

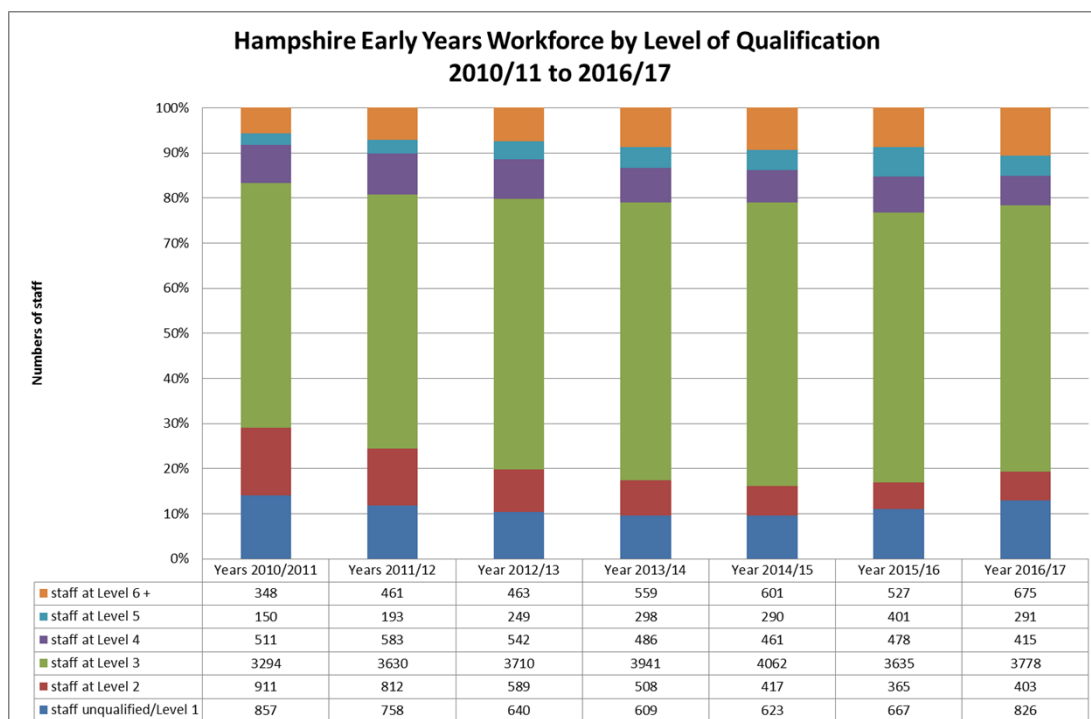
- 7.3. Providers operate a varied number of weeks throughout the year. As at Summer 2017 there are 25% operating between 32 and 38 weeks; 43% between 39 and 48 weeks and 32% between 49 and 52 weeks per year.
- 7.4. The number of providers that have confirmed they will be offering the new extended entitlement (30 hours) is currently at 77% of the approved providers with in the region of just under 15000 places for children. The table below outlines current position as at 31 August.

<b>Summary of returns for 30 hours for Hampshire 31 August 2017</b>			
<b>Type of Provider</b>	<b>Agreed to offer 30 hours</b>	<b>Not agreed to offer 30 hours</b>	<b>Total provider returns</b>
Group Providers	563	92	<b>655</b>
Childminders	610	34	<b>644</b>
<b>Total Providers</b>	<b>1173</b>	<b>126</b>	<b>1299</b>
<b>Places</b>	<b>Number of Places</b>	<b>Number of Places</b>	<b>Total Places</b>
Group Providers	13002	42	<b>13044</b>
Childminders	1931	9	<b>1940</b>
<b>Total Places</b>	<b>14933</b>	<b>51</b>	<b>14984</b>
Note: 23 providers have indicated that they will offer 30 hours but have not declared the number of places			
6 providers indicated that they would not offer 30 hours places but stated a number of places			

- 7.5. The published list of providers for extended (30hrs) childcare can be found through the council's Family Information Services Hub.

## **8. Changes in Early Years workforce**

- 8.1. In Spring 2017 there were nearly 6,400 people delivering early years education within the private and voluntary and independent sector. The qualification profile of the sector has changed over the course of many years with more staff being qualified at level three and a gradual increase in those having qualifications at L4, L5 and L6+. In 2016/17 there was an increase in entry level staff (see table below).



8.2.

## 9. Readiness for delivery of extended entitlement (30 hours) 1 September:

- 9.1. **Engagement with national support:** The Childcare Development team have been engaged with the Government's Childcare Works programme that was set up to support local authorities to keep up to date with the implementation programme. Over the past two years we have been engaging providers regarding the proposed changes and keeping them updated with information as it became issued. There have been a range of provider briefings and webinar sessions.
- 9.2. **Communication and Information to providers:** The SfYC web pages have contained a variety of information and tools to support providers in understanding the impact of the offer. Regular blogs and briefings and business surgeries have been held. Additional business support was offered through commissioning two external organisations.
- 9.3. **Forecasting demand:** Supported by the schools places planning manager we developed a 30 hours forecasting tool and published this to enable the childcare market to consider their approach to the potential business opportunity presented. The forecasting tool used ONS census information of the numbers of families likely to meet the working and income eligibility criteria and likely to have a child aged 3 and 4. The forecaster indicated that there could be over 13000 children eligible.
- 9.4. The providers claim data has been used to assess how many children already attend provision for additional hours beyond the free entitlement. This indicated that in the region of 60%-65% of 3 and 4 year olds attend for more than their universal entitlement.
- 9.5. **Capital funding to support expansion:** In December 2016 and March 2017 the council was awarded £2.6m to deliver capital projects for delivery

of places to support the extended entitlement. The scheme has required 25% matched funding from the childcare providers themselves. The projects are in Test Valley; Basingstoke; Havant; New Forest; Gosport; Rushmoor. The first of the schemes will be opening towards the end of September with the rest completing over the autumn period with the last by 1 April 2018. In the region of 186 additional places will be created.

- 9.6. **Providers offering 30 hours:** As at 31 August 77% of the Hampshire approved providers have confirmed they will offer the extended entitlement and will offer in the region of 14900 places. A number of providers will offer the extended entitlement through collaborating with other local group provision or childminders.
- 9.7. Information about the new extended entitlement has been cascaded to parents through the providers and also various promotional campaigns through the council's media: facebook, twitter, webpages, Hampshire Hog. Family Support Service, Health Visitors, Housing Associations and other stakeholders have also been kept informed of the offer.
- 9.8. **Early Innovator:** Hampshire has been one of the 25 early innovator authorities. This has provided a platform to review how the 30 hours childcare would support families with SEND and to have engagement with Job Centre Plus. The project has helped to define the SEN strategy and to provide a better understanding of the needs of families with SEND when choosing their childcare provider. The work with Job Centre Plus has helped to bring together work coaches with the childcare development team to deliver sessions to lone parents about childcare and working in childcare opportunities. The project has also enabled close working with the 8 early implementers and this has helped in our understanding of how the scheme will operate.

## 10. Current issues:

### 10.1. Business issues for Early Years Providers

- 10.2. Early years providers have had an early years education rate that has been held at the same rate for a number of years. Whilst inflation has remained fairly stable there have been considerable business changes that affect these businesses. The key issues cited are as follows:
  - Business rate increase through the national revaluation exercise affects many providers although there does seem to be some difference of the application of rate increase across the Hampshire area;
  - National Living Wage is cited by providers as affecting the ability to maintain their salary differential within their staff and leads to increased costs;
  - Many of the providers are entering their first time to pay employers pension contribution of 3% by 2018 which has increased the cost within the sector;
  - There are premises issues which provides a tension on growth of provision. The DfE provides opportunity for funding from 6am to



8pm from this September. Some providers in community facilities face difficulty in expanding their provision as there is a tension for those in shared premises to balanced the use of the facility alongside the needs of other groups. Church halls have similarly the same issue and many have been lost to the community due to redevelopment;

- There is in the region of just over 20% of early years childcare on Hampshire school sites in a variety of occupations from accommodation in unused school rooms to having purpose built separate units. Where there is a forecast growth in primary school places there becomes an issue for the childcare places in competing for space in some areas;
- The government has provided some capital for a limited number of projects to support expansion of places in the sector. Access to capital from other sources for refurbishment and expansion is limited to the sector. DfE is planning to release a new capital investment fund to help support the sector.
- Recruiting and retaining staff is a growing area of concern, especially in recruiting experienced and trained staff in a sector that is being professionalised. The competition of other roles and jobs for pay that is often more or conditions that are better is taking affect on this workforce.

#### 10.3. Implementation and eligibility checking

10.4. The implementation of the new extended (30 hours) processes has a level of uncertainty on how the new processes for eligibility validation and claiming will embed.

10.5. There have been reported delays at the HMRC end of the process and families have had to wait between 5 days to wait several weeks for codes and some were not issued by the intended cut off date 31 August. There are a number of families that met eligibility but circumstances have changed and are technically in their “grace period” and as such are not eligible to claim in September. DfE have requested that these “golden ticket” families are funded and have indicated they will provide funding for LAs to do so. Further at the end of August local authorities were encouraged to support families that had applied by the cut off date of 31 August but had yet to receive their eligibility code technically known as “amber cases”.

10.6. Fees/charges made by providers: Government has indicated that the EYE funding from the LA does not cover the meals and consumable charges and parents should expect to pay for these. The new approach to charges is applicable to both the universal and extended offers. Some families consider that these charges go against the spirit of being able to access free early years education. This is being monitored closely to ensure that providers are compliant with the statutory expectation. Parents are required to meet any costs of additional hours or services (such as French/yoga/ballet,) outside of the free entitlements.

## **11. Conclusions**

- 11.1. There is a choice of provision across the year and initial assessment of places suggests that there is generally a good level of provision across the county. There are a good number of providers engaged to offer the free extended entitlement.
- 11.2. Initial data suggests that the first tranche of families confirmed as being eligible for the extended entitlement is a high percentage of those eligible.
- 11.3. The funding that is allocated to the council is provided through the EYNFF according to statutory requirement. There are budget challenges in how the funding is now required to be allocated and services supporting children within childcare provision. The current budget has a significant budget pressure.
- 11.4. Early Years and Childcare providers have increased costs through various economic factors. The implementation of the extended hours is an area of concern as this has removed the ability to raise funds through their own setting of parental fees.

**CORPORATE OR LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	yes/no
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes/no

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u> Childcare Sufficiency Assessment 2016	<u>Date</u> 25 May 2016
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u> Early Years Education Guidance and Childcare Statutory guidance <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/596460/early_education_and_childcare_statutory_guidance_2017.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/596460/early_education_and_childcare_statutory_guidance_2017.pdf</a>	<u>Date</u> <b>March 2017</b>
Early Years National Funding Formula Statutory guidance <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/580716/EYNFF_Operational_Guidance.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/580716/EYNFF_Operational_Guidance.pdf</a>	<b>December 2016</b>

<b>Section 100 D - Local Government Act 1972 - background documents</b>	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

- 1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

#### **Due regard in this context involves having due regard in particular to:**

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

#### **1.2. Equalities Impact Assessment:**

- 1.3. A full Equalities Impact Assessment was conducted with the childcare sufficiency assessment published in 2016. The delivery of early years education places is an integral part of the sufficiency assessment and will be updated with the next publication.

### **2. Impact on Crime and Disorder:**

- 2.1. A low impact on crime and disorder.

### **3. Climate Change:**

- 3.1. Childcare and Early Years places provided to meet local demand and/or travel to work plans will help to limit additional travel requirements.
- 3.2. It is considered that the proposal will have no impact on the need to adapt to climate change and be resilient to its longer term impacts.

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Children and Young People Select Committee
<b>Date of meeting:</b>	20 September 2017
<b>Report Title:</b>	Work Programme
<b>Report From:</b>	Director of Transformation & Governance

**Contact name:** Members Services

**Tel:** (01962) 847336

**Email:** [members.services@hants.gov.uk](mailto:members.services@hants.gov.uk)

#### **1. Purpose of Report**

1.1 To consider the Committee's forthcoming work programme.

#### **2. Recommendation**

**2.1 That Members consider and approve the work programme.**

**WORK PROGRAMME – CHILDREN AND YOUNG PEOPLE SELECT COMMITTEE**

Topic	Issue	Reason for inclusion	Status and Outcomes	14 June 2017	20 September 2017	8 November 2017	15 January 2018
<b>Overview / Pre-Decision Scrutiny</b> – <i>to consider items due for decision by the relevant Executive Member, and scrutiny topics for further consideration on the work programme</i>							
<b>Overview</b>	Changes to early years free hours entitlements	To receive an overview of this subject and changes to entitlements for Hampshire children	To be considered September 2017		<b>X</b>		
<b>Pre-scrutiny</b>	Consideration of Departmental Transformation to 2019 savings proposals	To provide the executive member with feedback prior to decision	To be considered September 2017.		<b>X</b>		
<b>Pre-scrutiny</b>	Consideration of revenue and capital budgets	To provide the executive member with feedback prior to decision	Item to be considered at January meeting.				<b>X</b>

Topic	Issue	Reason for inclusion	Status and Outcomes	14 June 2017	20 September 2017	8 November 2017	15 January 2018
<b>Overview</b>	Home to School Transport	To consider an overview of the home to school transport service provided by Children's Services, to include potential changes made to the policy on this by the Department	To be determined – Nov or Jan				
<b>Overview</b>	Joint Targeted Inspection of Partnership Arrangements in Hampshire	To understand the feedback received from the recent inspection of multi-agency arrangements for children at risk of abuse and neglect, including a deep dive on the approach to children living with domestic abuse.	Outcomes considered June 2017.	<b>X</b>			
<b>Overview</b>	School attainment	To consider the progress of schools in improving the attainment of Hampshire children	To consider a further update following an item on this in January 2017 – Nov or Jan?				

Topic	Issue	Reason for inclusion	Status and Outcomes	14 June 2017	20 September 2017	8 November 2017	15 January 2018
<b>Overview</b>	Special Educational Needs and Disability (SEND) Reform	To provide an implementation update – to include services for children with autism.	Select Committee previously resolved to review the implementation in May 2016, to include Ofsted pilot inspection outcomes.  Next update to be considered in 2017.		X		
<b>Monitoring Scrutiny Outcomes</b> - to examine responses to the Committee's reports or comments and check on subsequent progress.							
Children and Young People Disability Services	Progress made to these services, to include short breaks services and health provision in schools	Monitoring of Committee's pre-decisions scrutiny of this area			X		
Family Support Service	To monitor progress made in implementing the new Family Support Service in Hampshire	Follows on from pre-scrutiny of item in 2016.	To be considered – Nov or Jan				



**CORPORATE OR LEGAL INFORMATION:****Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	No
<b>People in Hampshire live safe, healthy and independent lives:</b>	Yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	No
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	Yes

**Section 100 D - Local Government Act 1972 - background documents**

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Document

Location

None

## **IMPACT ASSESSMENTS:**

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1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

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**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. **Equalities Impact Assessment:** This is a scrutiny review document setting out the work programme of the Committee. It does not therefore make any proposals which will impact on groups with protected characteristics.

### **2. Impact on Crime and Disorder:**

2.1 This is a forward plan of topics under consideration by the Committee; therefore this section is not applicable to this work report. The Committee will request appropriate impact assessments to be undertaken should this be relevant for any topic that the Committee is reviewing.

### **3. Climate Change:**

#### **3.1 How does what is being proposed impact on our carbon footprint / energy consumption?**

This is a forward plan of topics under consideration by the Committee; therefore this section is not applicable to this work report. The Committee will consider climate change when approaching topics that impact upon our carbon footprint / energy consumption.