

Children and Young People Committee

Date: 19 October 2011

Venue: Committee Room 1 – Senedd

Title: Scrutiny of Draft Budget

1. Purpose

To provide an evidence paper on the budgets and priorities of the Health, Social Care and Children Main Expenditure Group (MEG) within the remit of the Children and Young People Committee.

2. Introduction

This paper provides information for the Children and Young People Committee on the future budget proposals for 2012-13 to 2014-15.

3. Budget Overview

Children's and young person's expenditure occurs across a range of budgets, which are summarised as follows:

(a) There are three specific Actions within the Health, Social Services and Children (HSSC) MEG that cover Children's Services these are:

- Children's Social Services
- Children, Young People and Families

both of these are in the Social Services Spending Programme Area (SPA) and represent 60.1% of the total SPA and

- CAFCASS Cymru Programmes which is in its own SPA.

The table below shows the Budgets for these three Actions

Revenue (£ million)	2011-12	2012-13	2013-14	2014-15
Children's Social Services				
Baseline		12.308	12.308	12.308
Changes		(4.297)	(4.297)	(4.297)
Revised Baseline	12.308	8.011	8.011	8.011
Children Young People & Families				
Baseline		96.341	99.398	99.398
Changes		6.340	21.340	31.340
Revised Baseline	94.294	102.681	120.738	130.738

CAFCASS Cymru Programmes				
Baseline No Changes		9.635	9.167	9.167
Revised Baseline	10.138	9.635	9.167	9.167
Total	116.740	120.327	137.916	147.916

Note – a summary of the changes to the above Action budget lines are set out in section 8 of this paper

(b) In addition to this, Local Authorities received £1.3 billion in their revenue settlement in 2010-11, to deliver on their social services functions. Of this total, £417 million was expenditure on children and family services

(c) NHS service provision in relation to children, children's medical conditions and general health of children are funded primarily through the annual revenue allocations to Health Boards. It is for Health Boards to determine the use of this funding across all their areas of responsibility to meet the health needs of their local population.

The Draft Budget does however show specific allocations for the following areas:

Specific allocations (£ million)	2012-13	2013-14	2014-15
Vulnerable Children	3.9	3.9	3.9
CAMHS	2.1	2.1	2.1
Flying Start	46.6	60.6	70.6
Total	52.6	66.6	76.6

(d) In addition to the specific amounts budgeted, NHS organisations spend approximately £44 million per annum on Child and Adolescent Mental Health Services (Source: NHS Expenditure Programme Budgets 2009-10; Statistical Directorate; Welsh Government 2011)

4. Children's Budgeting

In this section, the definition of Children used is in line with that stated in the UNCRC - which is that a child is aged 0 up to, but not including, the age of 18.

Children's budgeting is featured within Priority 15 of the United Nations Convention on the Rights of the Child (UNCRC) 'Getting it Right' Action Plan 2009. This is a 5 year rolling programme to address issues around the Convention of the Rights of the Child. Priority 15 is about improving the transparency of budgeting for children and young people at Welsh Assembly Government level. This relates directly to Articles 4 and 12 of the Convention which state that Governments should deliver the UNCRC and the rights within

it to the maximum extent of the resources available and children and young people should be involved in making such decisions which will affect them.

The Rights of Children and Young Persons (Wales) Measure 2011, which became law in May 2011, imposes a duty upon the Welsh Ministers and the First Minister to have due regard to the rights and obligations in the UNCRC and its Optional Protocols when:

- making any decision relating to developing policy and legislation between 1st May 2012 – 30th April 2014; and
- exercising their functions from 1st May 2014.

These two initiatives will work together and will be part of a General Measure of Implication which is currently in its early stages of development.

5. Budget Statements

In this section, the definition of Children used is in line with that stated in the UNCRC - which is that a child is aged 0 up to, but not including, the age of 18.

In July 2010 we published our most recent analysis of the budget, which included budget spending by age group. However this analyses how much is spent on children, not how much is budgeted.

As our previous response to this Committee stated, we intend to publish this analysis every three years to coincide with the publication of the Children and Young People's Well being Monitor. In the interim we plan to continue to explore other approaches, including the production of Children and Young People's Budget Statements. It is not possible to do this at this stage, as further work will be necessary before this can take place.

6. Priorities

Our Manifesto commitments have a clear focus on giving children a healthy start in life. We want to ensure children receive the care they need as close to their homes as possible in an integrated, safe and sustainable health system. Our priorities for the health of children in Wales are as follows:

- Expanding Flying Start
- Improving Protection and Child Health
- Improving Health services for Children and Young people
- Care for Children and Young People affected by illness, disability, long term conditions or who have suffered physical or emotional abuse

7. Manifesto Commitments

The programme for Government specifically identifies manifesto commitments directly attributable to Health, Social Services, Children and their families which will be delivered over the next four years and these will be our main priorities for this term of Government.

More specifically the Government has highlighted five specific pledges that are of particular importance 'Five for a Fairer Future'. Responsibility to deliver two of these falls directly to the Health Social Services and Children MEG of which the following is specific to Children;

(a) Expanding the Flying Start Programme

The Health Social Services and Children's MEG has received additional funding of £55m over the next 3 years in respect of its 'Flying Start' programme which will have a significant impact on the life chances of those living in the most disadvantaged communities in Wales.

We will double the number of Children benefitting from improved health visiting, free nursery places and better support to families through our 'Flying Start' programme.

The Flying Start programme is predicated on evidence that for children from disadvantaged families, increasing the investment in their early years will have an improved impact on their health and educational outcomes in the short term and in the longer term will improve skills and narrow the gaps in outcomes for children living in poverty. At its inception, Flying Start was based on an integrated approach to service delivery, with sufficient levels of investment to affect improved outcomes for children.

The programme is prescriptive in nature. Four key components form the principle core of the Flying Start offer to families. These are:

- free, high quality part time childcare for all eligible 2-3 year olds (12.5 hours per week for 42 weeks of the year);
- an intensive health visiting service;
- access to evidence-based intensive parenting programmes; and
- access to language and play that develop basic skills for parents and children.

The extension to the programme will be phased over a number of years to allow for the recruitment and training of additional health visitors and childcare workers; training for additional staff to deliver parenting programmes; and an element of capital investment in order to develop the necessary infrastructure for delivery of childcare and other key elements of the programme.

Work is underway in preparing detailed implementation plans and prioritising resources to deliver all of the Governments manifesto commitments over the next 4 years.

(b) Roll – out of Integrated Family Support Services (IFSS)

IFSS is a statutory service to strengthen support to vulnerable children and families. IFSS provides intense support earlier to families where parental substance misuse increases the vulnerability to the child. Families accessing IFSS benefit from the support of a highly skilled team of multi-agency professionals who work intensively with children and families. The teams also work closely with partner agencies and professionals to ensure the family has prompt access to a wide range of services to enable them to make positive lifestyle changes in their child's best interest.

Building on the learning from the 4 pioneer areas, IFSS is being rolled-out across Wales. A further 6 local authority areas with their Local Health Boards will implement IFSS by spring 2012.

(c) Child Poverty

The current economic climate makes it even more important that we retain our commitment to tackling child poverty. There is no higher priority for us than ensuring that children and young people whose lives are affected by poverty have the same chances in life as everyone else in Wales.

That is why the Welsh Government was among the first to pass specific legislation on child poverty. The Welsh Government and local authorities and other public bodies are now required - by law - to set out what actions they are taking to tackle child poverty.

The **Child Poverty Strategy for Wales** published earlier this year set out what we can achieve in helping to reduce child poverty and improve the outcomes of low income families.

The **Anti-Poverty Action Plan** being developed as part of the new Programme of Government will provide regular updates and contain details of measurable outcomes to show progress in implementing the child poverty strategy.

The development of the **Anti-Poverty Action Plan** which will help establish a system of collaborative working across the Welsh Government as well as our partners to tackle the very serious issues causing poverty in Wales.

This will strengthen our approach towards tackling child poverty since it will enable the Welsh Government to draw upon a wider range of programmes to tackle poverty such as the realignment of Communities First as a flagship anti-poverty programme helping us to address deep rooted and inter-generational poverty.

Our ability to reduce child poverty in Wales is clearly dependent on actions taken by the UK Government, particularly in non-devolved areas such as tax and welfare payments. We share the concerns of many people about the pace of the UK Government's welfare and benefit reforms and the potential impacts these changes will have on children in Wales.

(d) Families First – Disability Focus

Families First is an innovation programme that promotes the development by local authority areas of effective multi-agency systems and support, with a clear emphasis on prevention and early intervention for families, particularly those living in poverty.

Families First is referenced throughout our manifesto and is identified as an important delivery vehicle for the Child Poverty Strategy. A specific commitment is “to maintain a distinct focus on the circumstances of disabled children as part of our Child Poverty Strategy and our Families First programme”.

From April 2012 all Welsh Local Authorities will be involved in the delivery of the Families First programme. Currently 14 Local Authorities are involved with Families First during its pioneer phase.

A sum of £0.5 million has been committed for 2011-2012, during the pioneer phase and £3m has been allocated from 2012-2013 to support disabled children and their families. This funding is a consequential resulting from the UK Government's decision to cease the Child Trust Fund (CTF) scheme.

8. Summary of Changes to ‘Action budget lines’ in 2012-13

(a) Children’s Social Services

This funds a range of programmes and policy developments to support vulnerable children and children’s health services, including the implementation of Integrated Family Support Services. There is a **net decrease of £4.3 million** which reflects the following budget transfers between Actions:

- **£1.0 million** from Social Services Strategy Action in respect of funding for Vulnerable Children
- **£1.2 million** to the Delivery of Core NHS Services Action in respect of funding for CAMHS going into the LHB Revenue Allocation
- **£0.9 million** to the Support Mental Health Policies & legislation Action in respect of CAMHS funding
- **£1.4 million** to the Adult & Older people Action in respect of funding for Autism (Children and Adults)

- **£0.5million** to the Sponsorship of Public Health Bodies Action in respect of funding for Newborn Blood Spot Screening
- **£1.3 million** to the Children, Young people and Families Action to consolidate Children and Young Families Grant (CFOG) Budgets

(b) Children, Young People and Families

This Action provides a range of support for children, young people and families to help them to achieve their potential. Targeted programmes such as Families First and Flying Start are directed at our most disadvantaged families to help remove people from poverty and to provide them with better educational, health and economic outcomes, whilst broader programmes support childcare and play. The Action also supports the Welsh Government's approach to embedding the UNCRC into the development of policies and programmes that put the rights of the child at the centre of what we do. There is a **net increase of £6.3 million** in 2012-13 which comprises:

- Additional Allocation - £5.0 million from Central Reserves in respect of Flying Start
- Transfers Between Actions - £1.3 million from the Children's Social Services Action to consolidate Children and Young Families Grant (CFOG) Budgets.

(c) CAFCASS Cymru Programmes

CAFCASS Cymru is a child – focused social work organisation, which provides expert social work advice to family proceedings courts, the County Courts and the High Court. Funding here supports the organisation's core duties, as well as obligations under the Children & Adoption Act 2006 including the provision of contact centres and contact activities. Detailed discussions continue on the final budget allocation and it is expected that further funding will be allocated to CAFCASS Cymru in 2012-13, over that which is in the draft budget proposals, which will result in an efficiency saving of approximately 2% compared with the current years allocation. .