

## CHILDREN'S SCRUTINY PANEL

17 November 2016

## POVERTY SCRUTINY PROJECT

### Report of the Director for People

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr R Foster, Portfolio Holder for Safeguarding Children and Young People  Mr D Wilby, Portfolio Holder for Lifelong Learning	
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Ward Councillors	N/A	

### DECISION RECOMMENDATIONS

That the Panel:

1. Considers the topics and related issues/questions covered in this report;
2. Identifies any further information or work it may wish to undertake;
3. Authorises the Chair to produce a written report of findings to feed back into the overall project.

#### 1 PURPOSE OF THE REPORT

- 1.1 The Scrutiny Commission has agreed to undertake a review of Poverty in Rutland. The project objectives are:

To develop an agreed definition(s) of Poverty in Rutland;

To develop a Council policy in the form of a White Paper to be approved by Full Council that will outline for Rutland how the Council will act to positively impact on poverty within the County.

## 2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 Further to the initial workshop attended by Members on 13 September 2016, a list of areas was highlighted for further investigation by individual Scrutiny Panels. The following areas were identified for the Children’s Scrutiny Panel to consider:

Accessibility of childcare – cost, quality, availability

Indicators below the threshold – early indicators – preventions

Indicators of those just below the threshold for receiving support in relation to child poverty (prevention)

Important to acknowledge inter-connectivity of Poverty

Perceptions of poverty (from expert witnesses) and how easy it is to refer any concerns or sign-post to support

2.2 Scrutiny Commission have agreed the following timetable for this review:

Stage	Panel	Date
All member workshop		13 <sup>th</sup> September 2016
Panel work to develop Green Paper	Adults	22 <sup>nd</sup> September and 1 <sup>st</sup> December 2016
	Children’s	17 <sup>th</sup> November 2016 and 23 <sup>rd</sup> February 2017
	Places	24 <sup>th</sup> November 2016 and 9 <sup>th</sup> February 2017
	Resources	10 <sup>th</sup> November 2016 and 16 <sup>th</sup> February 2017
Green paper to Cabinet	N/R	21 <sup>st</sup> March 2017
Panel work on White Paper	Adults	6 <sup>th</sup> April 2017
	Children’s	4 <sup>th</sup> May 2017
	Places	20 <sup>th</sup> April 2017
	Resources	27 <sup>th</sup> April 2017
White Paper to Cabinet	N/R	16 <sup>th</sup> May 2017
White Paper to Council	N/R	June Council

2.3 Further to a meeting with the Chair of the Children’s Scrutiny Panel, it was agreed that the following documents relating to Child Poverty in Rutland be re-circulated to members:

The Rutland Child Poverty Strategy 2014 – 2017 which sets out the priorities for tackling child poverty in Rutland and informs action by the partners involved;

The Rutland Child Poverty Pledges (updated April 2016) which sets out the organisational pledges which statutory and wider partners have made that will contribute to the reduction of child poverty in Rutland.

2.4 Based on the feedback from members at the workshop and via email, the Children's Scrutiny Panel will focus on the following issues:

Childcare – specifically, the introduction of the '30 Hour offer' for working parents from September 2017 and the Integrated Review for two-year olds

Early Help for vulnerable/targeted children and young people to reduce child poverty

2.5 Further information will be provided by expert witnesses at the meeting.

2.6 Further to the outcome of this meeting the Chair of the Panel will report back to the working group to consider next steps but this will be confirmed at the meeting.

### **3 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

3.1 This report gives further information requested by the initial Poverty project workshop.

### **4 BACKGROUND PAPERS**

4.1 The Rutland Child Poverty Strategy 2014 – 2017

4.2 The Rutland Child Poverty Pledges (updated April 2016)

4.3 Children's lives in Rutland: A Report by The Children's Society. Autumn 2016.

### **5 APPENDICES**

5.1 Appendix A – Childcare

5.2 Appendix B – Rutland Children, Young People and Families Plan 2016-2019: Key Theme 2: Fair society (Action 6).

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.**

## **Appendix A. Childcare**

### **1. Background**

Early intervention is critical in supporting families at risk of living in poverty and the Local Authority has developed strategies and policy to support this area.

The introduction of the '30 Hour offer' for working parents from September 2017 could have a very positive implication for children and families in Rutland in financial difficulty, encouraging more parents back into employment and taking more families out of poverty. Current research shows that a large proportion of family income is currently used to provide childcare. The 30 hour offer will make it worthwhile for parents to return to employment, without high childcare costs, and giving families additional, disposable, income.

### **2. Implications of the Early Years National Funding Formula and the '30 hour offer'**

Although most Local Authorities in England will be able to pay their Childcare Providers increased rates this is not the case in Rutland.

The Impact of the Early Years National Funding Formula for Rutland:

Based on the proposed indicative budget, the implementation of the proposed National Funding formula will have a devastating financial impact on Rutland's Early Years Providers and the support for Early Years providers from the Local Authority.

The Area Cost Adjustment (ACA) is the amount added to the basic rate (£3.56) and paid to the childcare provider per hour, per child for the 15 hour entitlement for childcare. Rutland's ACA is lower than all other Local Authorities in the East Midlands region at £1.04: the ACA for other Local Authorities in the East Midlands ranges between £1.71 in Northampton and £2.76 in Peterborough. There is also an adjustment of 15p for vulnerable and disadvantaged children

Government has consulted on plans to cap the amount of the retained Dedicated School Grant (DSG) for Early Years (currently retain 7.9%, £104k) at 7% in 2017-18 and 5% in 2018-19 (a potential reduction of £50k). This could substantially impacting on the advice and support to early year practitioners, impacting the quality of provision of these small private businesses.

Following the National consultation in 2015, managers of private, voluntary and independent settings in Rutland presented to the school forum the actual cost of delivering a nursery place, calculated at between £4.75-£4.80 per child per hour.

The impact of having to reduce the hourly rate paid to early year providers from the current rate of £4.60 to £4.32 in (2017-18) could result in providers no longer remaining viable. This could compromise the stability of early year provision. Potentially, to survive, early year providers may choose not to be part of the funded entitlement which could mean that Rutland County Council faces a considerable challenge to fulfil their statutory duty of providing Free Early Education Entitlement (FEEE) for 3 and 4 year olds in Rutland.

### **3. 'Two-Year Old Funding'**

Changes in 'Two Year old funding' in 2014 prevented Rutland County Council from supporting our most vulnerable two-year olds through the 'special circumstance' model used previously. We currently identify approximately 40% of our most disadvantaged two-year olds, who are offered Early Education for 15 hours per week for 38 weeks of the year. The Early Years Foundation Stage (EYFS) Two year old progress check, along with the Healthy Child programme review by Health, help us to identify children needing additional support and intervention early on and help ensure they are supported by appropriate services. The introduction of the 'Integrated review' will further support this area. However, this process needs to be closely monitored though the collection of additional information to ensure the small amount of funding has the greatest impact and targets families most in need.

### **3. Possible questions**

What additional information do Members need to further understanding of the issue?

What are the key considerations for influencing provision of childcare in Rutland?

How might other areas of the Council, and partners, work impact on childcare?

## **Appendix B – Rutland Children, Young People and Families Plan 2016-2019: Key Theme 2: Fair society (Action 6).**

### **1. Background**

The Rutland Children's Trust through a collaborative partnership approach, supports the development and improvement of services for children and young people 0 – 19 years, including to the age of 25 years for some vulnerable young people. The agreed vision and priorities are set out in the Children, Young People and Families Plan (CYPFP) 2016 to 2019.

This plan is published by Rutland County Council (RCC) as the lead partner with statutory responsibility to promote co-operation to improve children's wellbeing (Children Act 2004). The plan is also endorsed by key partners within the Rutland Children's Trust. The Plan sets out four key themes:

Key Theme 1: Keep children well and safe

Key Theme 2: Fair society

Key Theme 3: Listening

Key Theme 4: Efficiency

Under each key theme there are action points which set out the priority areas for 2016-17. Action 6 under the key theme of 'Fair society' sets out the priority areas in relation to improving economic well-being and reducing child poverty levels in Rutland. This provides a useful summary of some of the main ways in which Rutland, and its strategic partners, are tackling child poverty.

### **2. Rutland Children, Young People and Families Plan 2016-19: Key theme 2 – Fair society**

The Rutland Children, Young People and Families Plan 2016-19 summarises what the Local Authority do to improve economic well-being and reduce child poverty levels in Rutland as follows:

- a) Implementation of the Child Poverty pledges engaging multi-agency responses to Child Poverty
- b) Reduce the impact of the Benefit Reform and delayed introduction of the Universal Credit
- c) Influencing commissioning of preventative provision – building capacity in the voluntary sector
- d) Implement Phase 2 Changing Lives programme, supporting 20 families during 2016
- e) Maintain the work club run by RALS
- f) JCP advice sessions delivered in the Library service
- g) Deliver maximising income one-to-one sessions, debt pack advice
- h) Trial CAB outreach at 1 food bank during the year
- i) Implement a benefit take up campaign
- j) Implement a life skills (financial management, budgeting course, etc.) for vulnerable young people to support transitions into independence
- k) Promote 2 year old early education funded places

- l) Undertake a scoping exercise in the highest 3 priority child poverty areas to ascertain key challenges.

Rutland Citizens Advice Bureau are identified as the lead organisation for this Action.

The following measurable outcomes and targets have been identified for monitoring this area of activity:

1. A 10% increase in the number of vulnerable/targeted peoples accessing advice and support
2. 15% of Changing Lives families achieving employment outcomes.
3. Deliver 3 welfare advice sessions in outreach venues
4. Increase the number of JCP session from monthly
5. 85% of eligible 2 year olds are accessing their funded places
6. Deliver 3 life-skills courses per year for vulnerable young people and care leavers
7. To reduce child poverty levels (children in low income households), currently at 7.1%

### **3. Possible questions**

Are the activities outlined here the best use of available resources to help improve economic wellbeing and reduce child poverty?

Will the measures outlined above provide a good reflection of activity undertaken and the impact it has?