

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	All	

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 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.

- 2.3 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

- 2.4 Further information will be provided by expert witnesses at the meeting.
- 2.5 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).
- 5.3 Appendix C – Citizens Advice Rutland: A report on poverty in Rutland 2016

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.

4. Update: February 2017

The budget has now been set for 3 and 4 year old funding as follows:

The hourly rate to providers from April 1st 2017 is £4.60, this reduces to £4.40 in 2018 and in 2019 to £4.25.

Amount per pupil that all Councils will get as a base rate is £3.53.

Rutland Area Cost Adjustment (ACA) is £1.04.

Three other metrics include Free School Meals 11p, Disability Living Allowance 3p and English as Additional Language 1p

Rutland County Council challenged the National Funding Formula (NFF) with the DfE and the Early Years Funding Policy.

The response was that 'Rutland's Area Cost Adjustment (ACA) is low because Rutland's General Labour Market (GLM) measure is 1 (the lowest value) – this is not dissimilar from the other East Midlands Local Authorities who all have GLM values in the range 1 - 1.01. The GLM measure is used widely across Government and correlates well with variations in early years wage costs. In turn, the GLM constitutes by the biggest element of our ACA, because staff costs are by the far the biggest cost driver in the early years. This is why the ACA is relatively low for Rutland.'

Are small LAs disadvantaged by the new NFF?

We've looked at the correlation between LAs' ACA scores and their number of children and there isn't any - some smaller LAs have high ACAs. This was discussed in length with Ministers and in doing so they recognise that as the first EYNFF, they are committed to "keep under review the other data underpinning formula factors and area cost, such as business rates data which is in the process of being updated".

What impact will this have on Rutland?

Rutland's proportion of central spend will have to come down slightly but the total value of the central spend – as a pot of money, rather than a proportion of budget – might actually rise because Rutland will have a larger early years Dedicated Schools Grant (DSG) budget in 2017-2018 than it did in 2016-2017. That said we do recognise that there are

certain fixed costs which all LAs will face, in terms of delivering their statutory duties, no matter what their size.

Based on the census it is anticipated that 104 children will access the additional entitlement of 15 hours.

It is estimated that our smallest settings in Rutland could lose £800 over the next 2 years whilst our largest providers' loss could be in the region of £7K. We continue to work alongside providers with an event taking place on 23rd February 2017. The 2017 Childcare Sufficiency Assessment will hopefully help us to establish a clear picture of needs across Rutland too.

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 is 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?

4. Update February 2017

Rutland Access Partnership (RAP) was formed and successfully tendered for the Community Prevention and Wellness Service. The Community Wellness Service combines a number of previous contracts to ensure continuity for service users and reduction in duplication in services across Citizens Advice Rutland (CAR), community agents, homelessness support, and older people's services, and also includes voluntary sector coordination and support and volunteer coordination. The contract starts on the 1st April 2017 and more information on the detail of the service will be released over the coming weeks, including contact details and referral routes.

A Report on Poverty in Rutland was published by CAR in 2016. See attached. The report highlights the issue for Rutland families who are not unemployed or on benefits but are working families on minimal or low wage.

- Citizens Advice staff attended 2 Rutland County Council (RCC) children's' conferences and 2 workshops for Changing Lives staff. This has enabled closer working between RCC and Citizens Advice Rutland and Rutland Foodbank. CAR are delivering debt advice in conjunction with the Changing Lives Team

- CAR has ongoing attendance at foodbanks in Oakham and Uppingham on a monthly basis and 11 foodbank outreach sessions were delivered in 2016

- CAR delivered 4 outreach advice sessions in Ryhall, Whissendine, Uppingham and Langham. Although the targeted benefit take up campaign resulted in no statistical

increase in numbers in the 4 wards – overall there was an increase of 7% in clients accessing support/advice in the last 2 quarters compared to last year.

•There was an increase of 10.5% in the numbers of problems. In Q2 this year CAR dealt with the following problems:

*Tax credits x 197

*Rent arrears in social housing x 67

*Threatened Homelessness x 38

*Financial Literacy x 52

*Housing Benefit x 259

Q3 statistics will be available in January 2017 Awaiting.

7 disabled young people attended an Independent Living Course to support their transition in to adulthood and independence in October 2016

Bridge Charity acts as a first line of contact at the Children's Services Front Door for families at risk of homelessness as a result of financial difficulties

Lincolnshire's Families Employment Advisor (DWP) supported RCC to upskill staff to help families into work. Two workers were identified as Specialist Points of Contact for helping out of work adults. An updated version of Progress to Work Pathway was devised with the employment advisor from Lincs. Currently 100% of those families identified as out of work, are being supported.

A 'Pathway to Employment Working Group' was established in August 2016 which aims to join up all partners assisting adults who are on out of work benefits, into work.

To date 43 families are being worked with under the Changing Lives programme. For 20 families, unemployment was identified as a factor for intervention. Of the 12 claims made 3 had related employment as a factor but it remains a factor however other issues such as poor school attendance were addressed. Changing Lives funding was provided to 13 families to help them access various opportunities such as transport to clubs and groups for their children and to provide school uniforms or hiking kit to enable children to access their education and the broader curriculum.

Children's service has sign up to Rutland food bank for families. X number accessing RFB

The RALS Work club became undersubscribed and has been cancelled. However, individual sessions are available at the OEP for anyone needing help to apply for work, including CV writing, online applications, basic IT skills. Referrals are received from Revenues and Benefits Dept. for families likely to be affected by benefit caps to encourage them to apply for work. RALS Jobsmart had a target of 200 people to train and certificate. This was fully achieved with a 100% success rate in terms of individuals achieving their qualifications.

A Kickstart programme took place 2016 with 3 apprentices successfully employed. All enrolled in college and commenced employment.

52 children (on the DfE eligibility list) are entitled to apply for funding, which is 16% of the 2 year olds registered with the Children Centre (323). 41 children are actually claiming the funding. Some parents report that their children are too young to access a group provision.

Job Centre Plus and National Careers Service operate monthly sessions at Oakham Library. Free printing and online resources is in place

The library and museum service continue to offer free or low cost activities for families to support literacy and numeracy. 2,891 attendees at library activity sessions and 973 attendees at museum activity sessions in the first 2 quarters of 2016/17

The Local Council Tax Support scheme has been reviewed and no changes have been made.

5. Challenges

At this stage we have no young people who have been identified as SEND undertaking either apprenticeships or supported internships at RALSS. We are seeking to redress this as part of the RCC drive for apprenticeships due to commence from April 2017. (Target is 10 for RCC and 4 for schools) for 2017/18. The Government proposes to pay £1,000 to employers and a further £1,000 to training providers if they train a 16-18 year old apprentice or if they train 19-24 year olds leaving care or who have a Local Authority Education and Healthcare plan. Further work is being undertaken with employers via the Employers Forum to garner support for this cohort.

Regarding cross border access to services: Many families living in poverty are required to access Job Centre plus regularly to maintain their income streams. Currently those living on the edge of Rutland do have the ability to use e.g. Melton Job Centre/ Corby Job Centre. With the full implementation of Universal Credit which is due in October 2017, CAR has been advised that the flexibility to use Job Centres other than Stamford will be lost. This will cause some severe problems to those living in say Caldecott (15 miles no easy bus route and approximately 4 miles to Corby) and Whissendine (17 miles and approximately 6.5 miles to Melton Mowbray).