

Notice of Meeting

Executive

Thursday, 9 October, 2014 at 5.00pm

in the Council Chamber, Council Offices,
Market Street, Newbury

Date of despatch of Agenda: Wednesday, 1 October 2014

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Stephen Chard / Linda Pye on (01635) 519462 / 519052

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Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



Agenda - Executive to be held on Thursday, 9 October 2014 (continued)

To:	Councillors Pamela Bale, Dominic Boeck, Keith Chopping, Hilary Cole, Roger Croft, Marcus Franks, Alan Law, Gordon Lundie, Irene Neill and Graham Pask
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Agenda

Part I

Pages

1. **Apologies for Absence**
To receive apologies for inability to attend the meeting (if any).
2. **Minutes** 1 - 8
To approve as a correct record the Minutes of the meeting of the Committee held on 4 September 2014.
3. **Declarations of Interest**
To remind Members of the need to record the existence and nature of any Personal, Disclosable Pecuniary or other interests in items on the agenda, in accordance with the Members' [Code of Conduct](#).
4. **Public Questions**
Members of the Executive to answer questions submitted by members of the public in accordance with the Executive Procedure Rules contained in the Council's Constitution.
 - (a) **Question submitted by Ms Judith Bunting to the Portfolio Holder Responsible for Safeguarding**
"Can the Council please provide residents of West Berkshire District with assurances that the systems, training and guidance in place in West Berkshire for Council Officers and elected Councillors are sufficiently robust that we could not have an abuse scandal of the type seen in Rotherham, happening here?"
5. **Petitions**
Councillors or Members of the public may present any petition which they have received. These will normally be referred to the appropriate Committee without discussion.

Items as timetabled in the Forward Plan

Page

6. **Treasury Management Annual Report 2013/14 (EX2875)** 9 - 18
(CSP: 6 & 8)
Purpose: To inform Members of the treasury management activity and performance of the Council's investments for the financial year 2013/14.



Agenda - Executive to be held on Thursday, 9 October 2014 (continued)

7. **West Berkshire Schools' Funding Formula 2015/16 (EX2891)** 19 - 42
(CSP: 3 & 6)
Purpose: To set out the recommended formula for allocating funding to schools in 2015/16.
-
8. **Proposal for Berkshire Shared Adoption Service (EX2738)** 43 - 76
(CSP: 1 & 8)
Purpose: The report outlines a proposal for establishing a Berkshire Shared Adoption Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead). This is being suggested as a cost neutral way of improving services and responding to new legislative requirements.
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9. **Looked After Children - 'Staying Put' Policy (EX2894)** 77 - 108
(CSP: 1, 5 & 8)
Purpose: To establish a policy for managing requests from Looked After Children who wish to remain in their foster care placement past the age of 18.
-
10. **Local Government Association Peer Challenge - West Berkshire (EX2893)** 109 - 128
(CSP: 8)
Purpose: To publish the results of the LGA Peer Challenge for West Berkshire Council.
-

Andy Day
Head of Strategic Support

West Berkshire Council Strategy Priorities and Principles

Council Strategy Priorities:

- CSP1** – Caring for and protecting the vulnerable
- CSP2** – Promoting a vibrant district
- CSP3** – Improving education
- CSP4** – Protecting the environment

Council Strategy Principles:

- CSP5** – Putting people first
- CSP6** – Living within our means
- CSP7** – Empowering people and communities
- CSP8** – Doing what's important well

If you require this information in a different format or translation, please contact Moira Fraser on telephone (01635) 519045.



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DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXECUTIVE

MINUTES OF THE MEETING HELD ON THURSDAY, 4 SEPTEMBER 2014

Councillors Present: Pamela Bale, Dominic Boeck, Hilary Cole, Marcus Franks, Gordon Lundie, Joe Mooney and Irene Neill

Also Present: John Ashworth (Corporate Director - Environment), Steve Broughton (Head of Culture & Environmental Protection), Nick Carter (Chief Executive), Andy Day (Head of Strategic Support), Melanie Ellis (Chief Accountant), Keith Ulyatt (Public Relations Manager), Rachael Wardell (Corporate Director - Communities), Councillor David Allen, Councillor Jeff Brooks, Stephen Chard (Policy Officer), Councillor Roger Hunneman, Councillor Royce Longton, Councillor Gwen Mason, Linda Pye (Policy Officer), Robin Steel (Group Executive (Cons)) and Councillor Keith Woodhams

Apologies for inability to attend the meeting: Councillor Roger Croft, Councillor Alan Law and Councillor Graham Pask

PART I

22. Minutes

The Minutes of the meeting held on 24 July 2014 were approved as a true and correct record and signed by the Leader.

Councillor Gordon Lundie announced that Councillor Joe Mooney had taken the decision to step down as the Portfolio Holder for Adult Social Care and Insurance. Councillor Lundie registered his thanks for Councillor Mooney's commitment, hard work and excellent service over his 12 years as first Shadow Portfolio Holder and then Portfolio Holder. He had played a very important role on the Executive and would be missed.

Councillor Mooney's replacement on the Executive would be announced shortly.

Councillor Roger Hunneman stated his appreciation for Councillor Mooney's work and added that they had always had a cordial working relationship.

23. Declarations of Interest

There were no declarations of interest received.

24. Public Questions

There were no public questions submitted.

25. Petitions

There were no petitions presented to the Executive.

26. Response to the Overview & Scrutiny Commission Review into the utilisation of Shaw House (EX2874)

The Executive considered a report (Agenda Item 6) which outlined responses to the recommendations made by the Scrutiny Task Group in respect of the utilisation of Shaw House.

By way of background, Councillor Hilary Cole advised that a small Member group had originally been formed which had concluded that a Business Plan be produced for Shaw

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House in order to maximise its use. This was shortly followed by the Overview and Scrutiny Management Commission (OSMC) agreeing, in May 2013, to form a Task Group to conduct a review into the utilisation of Shaw House, its costs etc. The Task Group review had now concluded and had included consideration of the draft Business Plan. Many of the scrutiny recommendations related to the development of the Business Plan.

The final report of the task group, which had been presented to the OSMC on 20 May 2014, took the view that the overall thrust of the proposed Business Plan appeared to be sound and should go some way to significantly increasing the potential and utility of Shaw House.

Councillor Jeff Brooks gave his thanks to Councillor Cole for her involvement at the meetings of the Task Group which he felt helped the process. He was also pleased to note that many of the OSMC's recommendations were agreed. However, in some cases the recommendations were 'not agreed' and Councillor Brooks felt this was concerning. The scrutiny review did note that there were plans to reduce the operating subsidy of Shaw House in the coming years, but Councillor Brooks questioned whether the plans to do so were sufficiently ambitious. He was of the view that a more enterprising and bold approach could serve to further improve the financial position of Shaw House.

Councillor Gordon Lundie acknowledged the points made by Councillor Brooks and agreed the importance of utilising this very good cultural and heritage asset to the benefit of West Berkshire. However, the increased commercial use of Shaw House was a challenge when considering the requirements of the Heritage Lottery Fund and Shaw House Trustees.

Councillor Brooks then referred to the OSMC recommendation to increase the marketing budget by at least £20k per annum. This recommendation was 'not agreed' and Councillor Brooks felt that this was an example of a lack of ambition by the Council. He felt that improved signage to Shaw House would be beneficial and made the point that Shaw House was a unique facility that should be utilised more fully.

Councillor Cole also advised that she agreed with many of the points made by Councillor Brooks, but she also appreciated the views given by Officers. She felt there was potential to increase the use of Shaw House as a wedding venue, but this was currently a difficult market place. Such a move would also involve the relocation of the Registration Service away from Shaw House and this would take time to achieve due to the statutory notice period required of 12 months. Councillor Cole also accepted that the requested increase to the marketing budget was relatively small, but additional funding was not available.

Councillor Cole then went on to advise that Amanda Loaring had recently left the post of Heritage Manager after many years good service and put on record her thanks for Amanda's hard work. A new Manager was to be appointed who would be able to bring different ideas and a different perspective moving forward. Councillor Cole stated that she would continue to work closely with Officers with a view to continuing to develop the utilisation of Shaw House. Councillor Brooks offered his involvement in the recruitment process for the Heritage Manager.

RESOLVED that the Officer's response to the Overview and Scrutiny Management Commission's recommendations be agreed.

Reason for the decision: To provide a response to the OSMC recommendations.

Other options considered: As set out in the report.

27. Financial Performance Report 2014-15 Quarter One (EX2829)

The Executive considered a report (Agenda Item 7) concerning the latest financial performance of the Council. As at Quarter One, the forecast revenue position was an overspend of £199,679. Councillor Gordon Lundie advised that the Quarter One financial performance report often forecasted an overspend position but challenges would be managed and it was hoped that the overspend could be reduced in the coming quarter.

Councillor Gordon Lundie stated that in Communities, Children's Services were forecasting an overspend of £220k. There was a forecast pressure of £448k in placement budgets. However, the overall pressure was being reduced by underspends in Early Intervention Services resulting from increased contributions from Public Health. Education was forecasting an overspend of £81k in the areas of Disabled Children's Placements and Pre School Teacher Counselling.

The Environment Directorate was forecasting an underspend of £2k despite minor pressures in Planning and Countryside and Culture and Environmental Protection, these had been offset by small savings in Highways and Transport.

The Resources Directorate was forecasting an underspend of £100k largely due to additional income and salary savings in Strategic Support.

Levies and Interest was currently forecasting on line.

Of the total capital programme of £38.3m, 24.5% had been committed at the end of Quarter One. Approximately £2.4m of the programme was expected to be re-profiled to 2015/16. The free schools meal programme had been put in place despite it not being fully funded and the Council had had to pick up an additional £600k of expenditure. Councillor Lundie confirmed that the Council had written to the Minister about the lack of funding but he commended the work which had been undertaken by Officers to implement the policy on time.

Councillor Jeff Brooks referred to page 25 of the agenda where the budget, actuals and commitments had been set out in a table. A similar table used to be provided in relation to the revenue budget but this seemed to have been replaced by the table on page 23 which did not contain as much comparative data. Councillor Brooks asked if that table could be reinstated in future reports. Melanie Ellis stated that a decision had been taken to show just the key data but she confirmed that the more comprehensive table could be reinstated if that was what Members wished.

RESOLVED that the report be noted.

Reason for the decision: To ensure that Members are fully aware of the latest financial position of the Council.

Other options considered: None.

28. Council Performance Report 2014/15:Q1 (Key Accountable Measures and Activities) (EX2777)

Councillor Gordon Lundie introduced the report (Agenda Item 8) which outlined quarter one outturns against the key accountable measures and activities contained in the 2014/15 Council performance framework, and which reported by exception those measures/activities not achieved and cited remedial action taken and its impact.

The report set out progress against a basket of 53 key accountable measures and activities aligned to the objectives set out in the Council Strategy. Of the 53 reported measures, outturns were available for 37 with 27 being reported as 'green' and 10 as 'amber'. No measures had been reported as 'red'. Councillor Lundie advised that the

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basket of measures and activities had been informed by a review of the Overview and Scrutiny Management Commission.

Detail was provided in the report on ways to try and improve the performance of the 10 measures reported as 'amber', but in summary these were as follows:

Children and Young People:

- Looked After Children cases which were reviewed within required timescales
- Child Protection cases which were reviewed within required timescales

Older People and Vulnerable Adults:

- Proportion of adults with a learning disability who lived in their own home or with their family
- Proportion of repeat safeguarding referrals through the monitoring and review of protection plans
- Level of delayed transfers of care from hospital and those attributable to social care from acute and non-acute settings
- Percentage of people presenting as homeless where the homelessness had been relieved or prevented
- Average number of days taken to make a full decision on new benefit claims
- Average number of days taken to make a full decision on changes in a benefit claimant's circumstances

Planning:

- Major planning applications determined within 13 weeks
- Minor planning applications determined within 8 weeks

Councillor Lundie also drew attention to some of the contextual and volume measures provided in the report:

- A reducing number of Job Seekers Allowance claimants.
- An increasing number of visitors to sports and leisure centres.
- An increase in the number of children subject to Child Protection Plans.
- An increasing number of Freedom of Information requests.

Councillor Roger Hunneman noted that there had been a 19% decrease in Newbury Town Centre footfall compared to a year ago and requested further information on this measure. Councillor Lundie offered to provide a written answer on this point.

There had also been a decrease in the net change of the number of properties in West Berkshire and Councillor Hunneman sought a greater explanation of this measure. Councillor Lundie agreed to provide a written answer on this point.

Councillor Hunneman then referred to the measure to decrease the level of delayed transfers of care (DTC) from hospitals and those attributable to social care from acute and non-acute settings, and questioned the accuracy of the data.

In terms of the performance level, Councillor Lundie advised that this was improving and West Berkshire compared well with its neighbouring local authorities. He did however accept that further improvements needed to be made.

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Rachael Wardell confirmed that this measure provided a snapshot position of performance based on the number of patients (per 100,000 aged 18+) delayed at a certain point in time and she agreed to confirm its accuracy. Rachael Wardell also reported that West Berkshire's performance in this area had significantly improved and efforts would continue.

Councillor Joe Mooney reported that the figures included a number of people who funded their own care and this was a factor which contributed to DTOC with 'self funders' and their families wanting to wait until a desired care home/care package had been secured. It was extremely difficult to separate self funders from those in receipt of Council funding when collating data.

Councillor Hunneman asked whether it was possible to identify the proportion of self funders and Rachael Wardell agreed to establish whether or not this could be provided routinely. She did however report that the majority of people delayed in hospital on any given day usually were self funders.

Councillor Lundie added that DTOC was an important area of focus that would continue to be scrutinised.

Councillor Gwen Mason was concerned to note that both smoking prevalence in the adult population and the number of alcohol related admissions to hospital was showing an increase, particularly when considering the extent of preventative work undertaken in these areas. Councillor Marcus Franks clarified that the figures in the report related to the 2012/13 financial year and was hopeful that 2013/14 figures would show an improvement when considering the preventative work.

Councillor David Allen referred to the graph which reported on the prevalence of excess weight in children and pointed out that the line in the graph and associated figures for children aged 10-11 did not correlate. Councillor Franks agreed to confirm the correct position.

Councillor Allen then drew attention to the measure which reported the percentage of posts filled by agency workers in Children's Services. This showed a 10% increase from the position reported a year ago and he requested an update on the situation. In response, Councillor Irene Neill referred to the Children's Services Recruitment and Retention Strategy (agreed at the last meeting of the Executive) which sought to resolve this issue.

RESOLVED that:

- The basket of published Key Accountable Measures for 2014/15 be approved;
- Progress against the key accountable measures and activities be noted;
- Those areas reporting as 'red' or 'amber' be reviewed to ensure that appropriate or corrective or remedial action was put in place.

Reason for the decision: This framework compiles and monitors progress in relation to the objectives laid out in the Council Strategy and on key activities and areas of risk from the Council's individual service delivery plans.

In doing so, it expresses the purpose and ambition of the Council and by extension the Council's main focus of activities and key measures of success against which it could assess itself and publicly report progress.

Other options considered: n/a

29. **Members' Questions**

- (a) **Question to be answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision submitted by Councillor Keith Woodhams**

A question standing in the name of Councillor Keith Woodhams on the subject of the number of appeals there have been against fines on Parkway Bridge was answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision.

- (b) **Question to be answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision submitted by Councillor Keith Woodhams**

A question standing in the name of Councillor Keith Woodhams on the subject of successful appeals against fines on Parkway Bridge was answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision.

- (c) **Question to be answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision submitted by Councillor Keith Woodhams**

A question standing in the name of Councillor Keith Woodhams on the subject of the administrative cost of processing appeals on Parkway Bridge was answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision.

- (d) **Question to be answered by the Portfolio Holder for Adult Social Care and Insurance submitted by Councillor Gwen Mason**

A question standing in the name of Councillor Gwen Mason on the subject of an advocacy policy was answered by the Portfolio Holder for Adult Social Care and Insurance.

- (e) **Question to be answered by the Portfolio Holder for Adult Social Care and Insurance submitted by Councillor Gwen Mason**

A question standing in the name of Councillor Gwen Mason on the subject of the frequency of the Council's inspection of residential care homes where West Berkshire residents were placed was answered by the Portfolio Holder for Adult Social Care and Insurance.

- (f) **Question to be answered by the Portfolio Holder for Adult Social Care and Insurance submitted by Councillor Gwen Mason**

A question standing in the name of Councillor Gwen Mason on the subject of whether inspections of care homes were sufficiently rigorous was answered by the Portfolio Holder for Adult Social Care and Insurance.

- (g) **Question to be answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision submitted by Councillor Keith Woodhams**

A question standing in the name of Councillor Keith Woodhams on the subject of authorisation for BT to dig up the Council's highway was answered by the Portfolio Holder for Highways, Transport (Operations), Emergency Planning, Newbury Vision.

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30. Exclusion of Press and Public

RESOLVED that members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\)\(Variation\) Order 2006](#). [Rule 8.10.4 of the Constitution also refers](#).

31. Leisure Centre Contract - Extension

(Paragraph 3 – information relating to financial/business affairs of a particular person)

The Executive considered an exempt report (Agenda Item 11) concerning the extension of the current contract by a further five years to realise savings.

RESOLVED that the recommendations in the exempt report be agreed.

Reason for the decision: as set out in the exempt report.

Other options considered: as set out in the exempt report.

(The meeting commenced at 5.00pm and closed at 6.03pm)

CHAIRMAN

Date of Signature

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Agenda Item 6.

Title of Report:	Treasury Management Annual Report 2013/14
Report to be considered by:	Executive
Date of Meeting:	9 October 2014
Forward Plan Ref:	EX2875

Purpose of Report: To inform Members of the treasury management activity and performance of the Council's investments for the financial year 2013/14.

Recommended Action: To note the previous year's treasury management activities and performance of the fund.

Reason for decision to be taken: To ensure compliance with the updated CIPFA Code of Practice for Treasury Management in the Public Services 2009 and in accordance with Best Practice.

Other options considered: N/A

Key background documentation: Treasury Management in the Public Services: Code of Practice 2009
Annual Investment Strategy 2013/14
Annual Investment Strategy 2014/15

The proposals will help achieve the following Council Strategy principles:

CSP6 - Living within our means **CSP8 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy principles by:

Detailing the activity of the Treasury management function and the contribution it makes to the Council's annual budget at minimum risk to the security of the monies invested.

Portfolio Member Details

Name & Telephone No.:	Councillor Alan Law - Tel (01491) 873614
E-mail Address:	alaw@westberks.gov.uk
Date Portfolio Member agreed report:	20/8/14

Contact Officer Details

Name:	Gabrielle Esplin
Job Title:	Finance Manager
Tel. No.:	01635 519836
E-mail Address:	gesplin@westberks.gov.uk

Implications

- Policy:** The Council's cash flow, borrowing and investments are carried out in accordance with the Annual Investment Strategy agreed by Council on 4th March 2014
- Financial:** The Treasury function is responsible for the daily cash flow management of the Council. Investment income generated from the Treasury Management contributes to the Council's annual budget.
- Personnel:** None
- Legal/Procurement:** None
- Property:** None
- Risk Management:** All investments are undertaken with a view to minimising risk and exposure to loss. The Treasury Management Strategy approved by the Council in March 2014 sets parameters to ensure this.

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia				<input type="checkbox"/>
Not relevant to equality				<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input checked="" type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 The CIPFA Code of Practice for Treasury Management in the Public Services, revised in 2009, requires the Section 151 Officer to provide an annual report to the Executive after the year end which reviews the Treasury Management activity and performance for the previous year.

2. Proposals

- 2.1 This report reviews the following for the financial year 01 April 2013 to 31 March 2014:
- (1) Economic conditions
 - (2) Overview of cash flow and treasury management strategy
 - (3) Short term investments and borrowing during the year
 - (4) Overall performance of the fund
 - (5) Long term borrowing

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 The net return on the Council's investments for 2013/14 (i.e. the amount of interest earned less the cost of short term borrowing) was £97,000 which represents a rate of return of 0.71% on the average sum invested. This compares with the Bank of England base rate, which remained at 0.50% throughout the financial year. In addition, a further £317,000 investment income was achieved by early payment of pension contributions into the Berkshire Pension fund, in exchange for a discount of 3.25% on the contributions required to be paid. Total net investment income for the year was therefore £414,000.
- 4.2 During 2013/14 new PWLB long term borrowing of £16.4 million was taken out to fund capital expenditure for 2013/14 and £2.6 million repayments were made on long term loans, leaving a total long term PWLB loans balance of £101.4 million at the end of March 2014.
- 4.3 The Treasury Management Group of members and officers continue to monitor and review investment and borrowing activity throughout the year, with a view to maximising return on the Council's investments while minimising risk and ensuring continuing liquidity.

Executive Report

1. Introduction

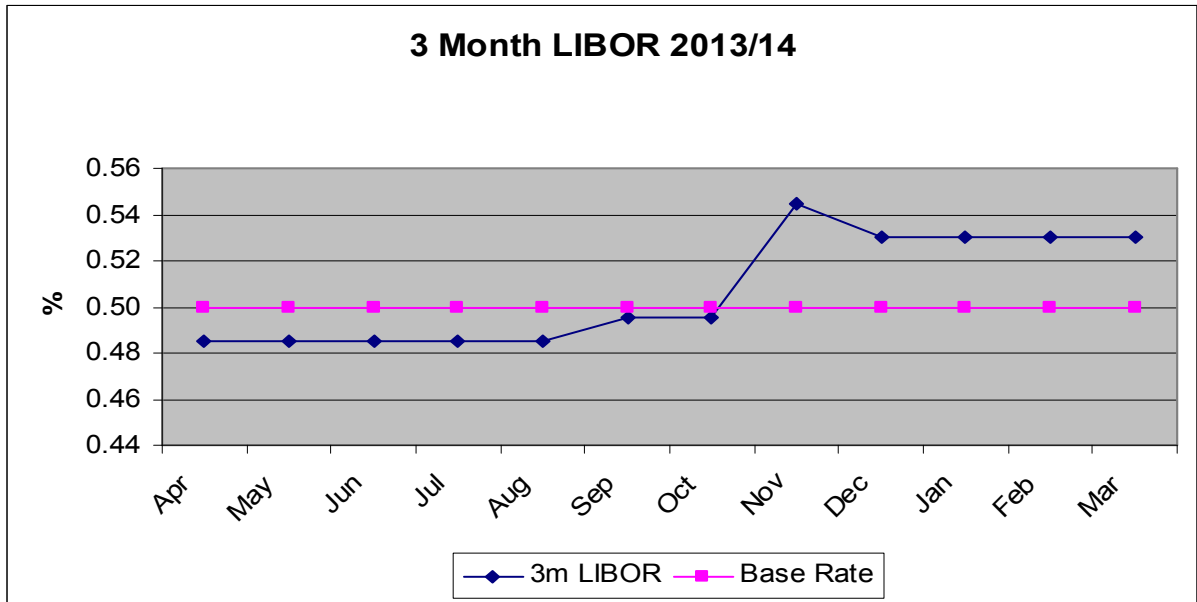
- 1.1 The CIPFA Code of Practice for Treasury Management in the Public Services, revised in April 2009, requires the Section 151 Officer to provide annual reports to the Executive before the start of the financial year and after the year end. Before the start of the financial year, the strategy and plan to be pursued in the forthcoming year is reported. After the close of the financial year, an annual report reviewing the Treasury Management activity and performance for the previous year is provided.
- 1.2 The aim of the latest investment strategy, which was approved by the Council in March 2014, is to manage the Council's cash flow to ensure sufficient funds are available on a day to day basis for the Council's operations. Any surplus funds are invested to generate the most beneficial interest receipts, while minimising the exposure of investments to risk.
- 1.3 The Treasury Management Group meets regularly to review performance and determine the detail of policy. This group consists of the Head of Finance, the Chief Accountant, the Finance Manager for Capital, Assets, VAT and Treasury, the Treasury Accountant, the Portfolio Member for Finance and two other members.

2. Economic conditions

- 2.1 The Bank of England base rate held again throughout the year at 0.50% being the fifth consecutive year at this low rate. Economic activity and growth having been flat in the previous year showed improvement with Q4 2014 GDP year-on-year growth of 2.7%. Much of the improvement was down to the dominant service sector, and an increase in household consumption and a more active housing market buoying consumer confidence. Consequently, there was no additional quantitative easing during the 2013/14. The Funding for Lending Scheme (FLS) was to continue into 2013/14 although funding to lend for mortgages was terminated in November 2013 because of concerns over rising house prices. FLS continues into 2014 supporting businesses - in particular to small and medium enterprises.
- 2.2 Interest rates offered by banks and building societies continue to be low for Local Authorities, with some counterparties not coming to the market at all. Newbury Building Society, with whom the Council has dealt directly in the past, is not currently in the market for the large deposits. More recently some banks are also closed to funding. This limits our counterparty list from the wide range of previous years.
- 2.3 Despite these pressures, there was a slight improvement in the interest rates earned by the Council over the course of 2013/14. At the beginning of the year the investment rates for 3, 6 and 12 month deposits were around 0.45%, 0.55% and 0.85%. By the end of the year there had been a slight improvement to 0.48%, 0.72% and 1.10% respectively. There has been a further increase in available rates since April 2014 following a treasury announcement that the base rate may go up in the near future.
- 2.4 The improvement in rates available to the Council also reflects the three month sterling London Inter-Bank Offer Rate or LIBOR (this is the rate at which the banks

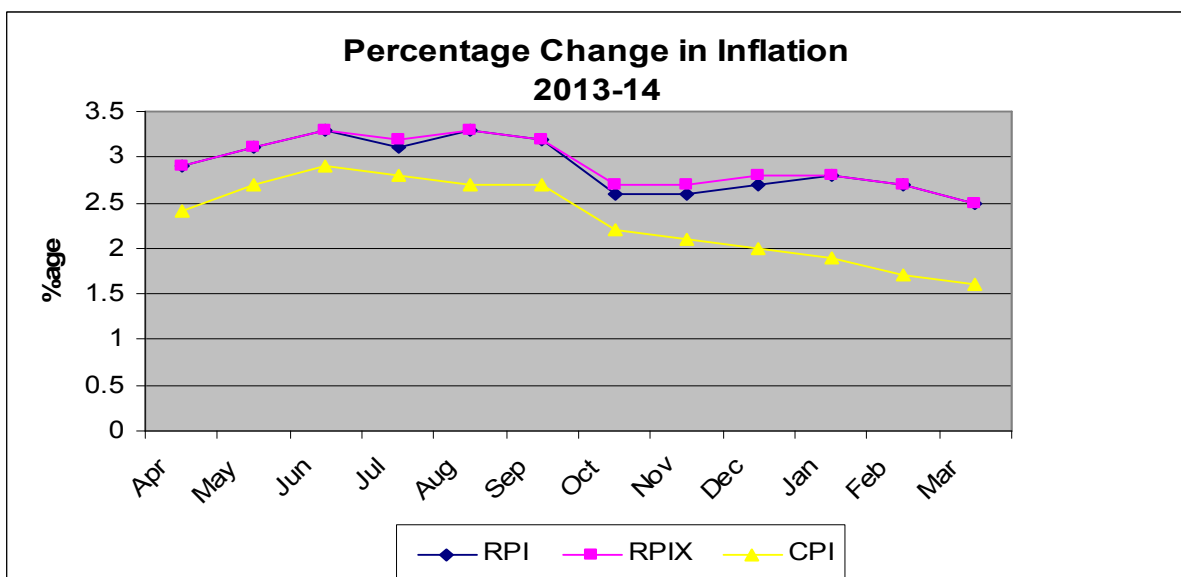
are prepared to lend to each other). LIBOR has remained fairly flat throughout the year at 0.48% with a slight improvement to 0.53% for the latter part of year. The perception of an improving economy and possible base rate changes has driven the LIBOR rates up. See Chart 1 below:

Chart1



2.5 The government’s main measure of inflation, which the Bank of England Monetary Policy Committee (MPC) uses to inform its interest rate decisions, is the Consumer Price Index (CPI). Annual CPI has remained below 3% and fell even further to 1.9% in January and to 1.6% in March, which is below the Bank of England’s 2% CPI target. This reflects the strengthened economy in the latter part of the year as well as a drop in oil prices and a fall in commodity prices pushing inflation down. – See Chart 2 below:

Chart 2



- 2.6 The latest Bank of England inflation report (May 2014) states that the recent strong performance of the UK economy has continued. Output has grown robustly, unemployment has fallen further and inflation is close to the 2% target. A gradual strengthening in productivity and real incomes, together with growing confidence of companies to invest, should underpin the durability of the expansion. The economy remains on course to meet the MPC's intention of absorbing spare capacity over the next few years, while keeping inflation close to the target. The MPC continues to judge that there remains scope to make greater inroads into slack before raising Bank Rate. As set out in its February guidance, when the Committee does start to raise Bank Rate, it expects to do so only gradually and to a level materially below its pre-crisis average.

3. Overview of Cash Flow and Treasury Management Strategy

- 3.1 Guidance on Local Government Investments in England gives priority to security and liquidity. The Council's Treasury Management Strategy therefore aims to maximise the return on its investments without compromising these principles. The Council manages all its investments and borrowing in house.
- 3.2 The amount of cash held by the Council fluctuates throughout the year and within each month, depending on the dates on which major government grants are received and when large payments are made - in particular, weekly creditors payments and monthly salaries. In general terms, funds are high on the first working day of the month when a large proportion of Council tax and government grant is received and low on the last working day of the month when the majority of staff salaries are paid. The Council's overall funds are lower at the end of the financial year, because most Council Tax is paid over ten months from April to January.
- 3.3 It should be borne in mind that the amount of cash held by the Council does not equate to the total usable reserves shown on the Council's balance. This is because we have chosen to minimise the amount borrowed to fund capital expenditure, by offsetting our borrowing needs against our reserves. This is in order to minimise the revenue cost of borrowing and to avoid the risks associated with investing large balances.

4. Short Term Investments and Borrowing in 2013/14

- 4.1 In order to ensure that the Council's day to day cash flow requirements can be met, a sum of between approximately £1 million and £10 million is held in instant access accounts. These funds are held mainly in a deposit account with Halifax Bank of Scotland (HBOS) which now pays 0.40% interest and the NatWest Special Interest Bearing Account (SIBA) which pays at a rate of 0.25% for the first £500,000 and 0.40% above £500,000. The Council also has a Royal Bank of Scotland Money Market Fund (from 14/04/14 now run by Goldman Sachs). However only the minimum sum required was kept in this fund in 2013/14 as the interest rate averaged only 0.33%. The Council also has the facility to invest in a deposit account with Santander (UK).
- 4.2 In accordance with the Council's Treasury Management Strategy, the deposit accounts are held with banks rated A by the Fitch Credit Ratings Agency, while the money market fund is rated AAA by Fitch (these ratings indicate a very low risk of

default on investments). The maximum held in each account at any one time was £5 million.

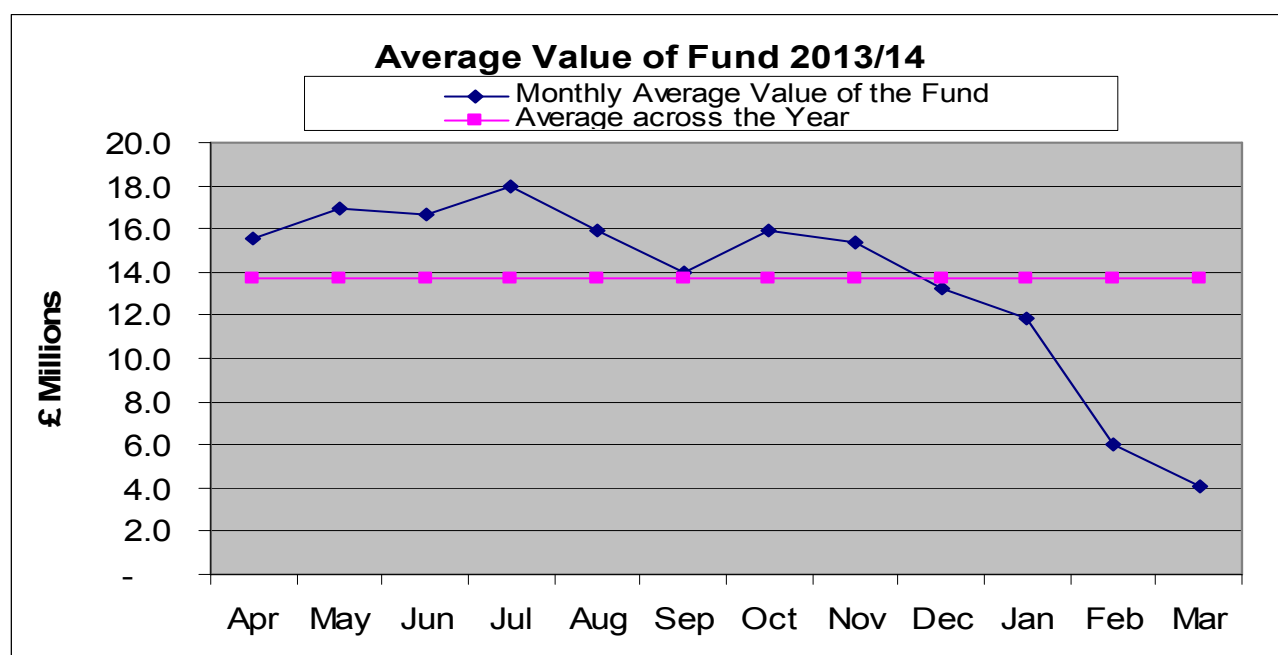
- 4.3 At various points in the year the Council had surplus funds which it placed in fixed term, fixed rate investments until they were needed to cover outgoings. The longer the term of the investment, the higher the rate of interest earned. During the year, 26 fixed term investments were made for periods of between 3 days and 364 days. All these investments were placed with the top 20 British Building Societies. The maximum invested with any one institution was £5 million, with lower limits on the amounts invested with the smaller building societies. The average length of investment was 83 days and the average rate of interest earned was 0.49%.
- 4.4 The majority of the Council's investments are arranged through one of five firms of financial brokers, which have ready access to the most competitive interest rates on the market each day. The Council also has an arrangement directly with Newbury Building Society which sometimes enables us to invest sums of up to £4 million, for periods of up to 12 months, at more favourable rates than are normally obtainable via the Council's brokers. However since the maturity of an investment in February 2013, the Newbury Building Society has not been able to accept any further deposits from the Council because of the effects of the Funding for Lending Scheme on the structure of their balance sheet.
- 4.5 It was also necessary from time to time for the Council to take out short term loans to cover its cash flow requirements. 26 short term loans were taken out during the financial year, all from other local authorities, for periods of between 1 day and 278 days, at rates of interest between 0.27% and 0.60%. (16 of these loans were for 15 days or less and 20 of them were at rates of 0.4% or below) The average length of loan was 27 days and the average interest rate paid was 0.37%. In addition, a £6 million loan was taken with Derbyshire County Council at a rate of 0.55% for 364 days. This loan was not for the purpose of cash flow management but rather to finance capital expenditure on a temporary basis. This loan is expected to be refinanced through longer term borrowing from the Public Works and Loans Board (PWLb) in 2014/15.

5. Overall Performance of the Treasury Fund

- 5.1 The average value of the fund during the year (i.e. the total of temporary investments less temporary borrowing) was £13.7 million (see Chart 3). The net value of the fund at 31st March 2014 was -£1.6 million on the 31st March 2014 because of the need to borrow to cover payroll on the last day of the year.
- 5.2 The net amount of interest earned from the Council's investment and short term borrowing activities in 2013/14 was £97,000 compared with £154,000 in 2012/13. This represents a net rate of return of 0.71% as compared with the average bank base rate for the year of 0.50%.
- 5.3 In addition, the Royal Borough of Windsor and Maidenhead, who manage the Berkshire pension fund, offered West Berkshire a discount of 3.25% on its total pension contributions due for the year in exchange for paying the contributions in advance in April 2013 instead of in monthly instalments. In this way, the Council achieved a saving of approximately £317,000, by, in effect, making a temporary investment of approximately £9.7 million with the Berkshire Pension Fund at a rate of return of 3.25%. This was achieved because the Pension Fund is much bigger

than the West Berkshire treasury fund and is able to invest over longer periods and therefore to earn a higher rate of return. Taking into account this saving, therefore, the total net investment income earned was £414,000.

Chart 3



5.4 Table 2 (below) shows compliance with the Council's Treasury Management Practices relating to the operation of the fund and the cash flow during the year:

Table 2

Compliance	Target	Actual	Explanation
Credit limit with counterparties not exceeded	100%	93.7%	Late clearing of receipts into the Council's main bank account meant that on 16 out of 254 working days the £5 million counterparty limit with Natwest was exceeded. On all occasions, this was corrected the next working day. In order to minimise the chances of this occurring in the future, the treasury team now applies an operational limit of £4.8 million for Natwest deposits, to allow a margin for unexpected receipts.
All counterparties on approved lending list	100%	100%	
All investments are approved investments	100%	100%	

Compliance	Target	Actual	Explanation
Segregation of duties complied with	100%	100%	
Current account daily balance within +/- £100k of estimate	100%	99.2%	Natwest SIBA automatically ensures a credit £10K balance unless we overdraw. The normal maximum overdraft of £100,000 was exceeded on 2 occasions when the Treasury team were not informed in time of large urgent payments to be made.
Target for short term debt of £15m not exceeded	100%	107%	On 5 working days the level of short term debt reached a maximum of £16 million

6. Long Term Borrowing in 2013/14

- 6.1 With the exception of debt embedded in the PFI contract, all the Council's long term debt is with the Public Works and Loans Board (PWLB). The level of long term borrowing in 2013/14 was within the prudential borrowing limits set out in the Annual Investment Strategy and is in line with the Capital Strategy. Both of these strategy documents were approved by the Council in March 2013. Borrowing needs are also regularly reviewed by the Treasury Management Group.
- 6.2 At 1 April 2013 the Council had long term PWLB loans of £87.6 million (including £20.6 million remaining from the loans inherited from the former Berkshire County Council). During 2013/14 new PWLB loans of £16.4 million were taken out. See table 1 below:

Table 1

New PWLB Loans 2013/14	Amount	Type	Rate
To fund a capital contribution to the PFI contract, which will be offset by revenue savings.	8,000,000.00	Annuity	3.55%
Capital spend in 2013/14 on assets with 10 year life (including highways maintenance)	3,000,000.00	Annuity	2.64%
Capital spend in 2013/4 on assets with 25 year life (including highways improvements and building maintenance)	2,650,000.00	Annuity	3.93%
Capital spend in 2013/14 assets with 40 year life (mainly new buildings, including schools)	2,750,000.00	Annuity	4.24%

- 6.3 £2.6 million loan repayments were made in 2013/14, leaving the balance of long term debt with the PWLB at 31st March 2014 at £101.4 million.
- 6.4 Over the next five years, the level of the Council's long term debt is expected to increase to a maximum level of approximately £128 million in accordance with the capital strategy and MTFS approved by Council in March 2014.

- 6.5 As explained in paragraph 3.3 (above), the Council has avoided borrowing more than is necessary in the past, by offsetting some capital expenditure against its useable reserves. This means that, if the Council wishes to spend any significant amount from its reserves, it is likely to be necessary to undertake more borrowing to refinance previous years' capital expenditure, so increasing the revenue cost of financing capital spend. However the forecast future borrowing referred to above includes an estimate of the amount expected to be borrowed to refinance previous year's capital expenditure.
- 6.6 The Council also aims to minimise borrowing by making use of capital receipts wherever possible to fund capital investment.
- 6.7 The Treasury Management Group continue to review the Council's borrowing strategy during 2014/15, with a view to securing the long-term loans required to fund the Council's Capital Strategy and Programme at favourable rates.

Appendices

There are no appendices to this report.

Consultees

Local Stakeholders: Treasury Management Group

Officers Consulted: Corporate Board

Trade Union: none

Agenda Item 7.

Title of Report:	West Berkshire Schools' Funding Formula 2015/16
Report to be considered by:	Executive
Date of Meeting:	9 October 2014
Forward Plan Ref:	EX2891

Purpose of Report: To set out the recommended formula for allocating funding to schools in 2015/16.

Recommended Action: To approve the funding formula for 2015/16.

Reason for decision to be taken: The Executive is required to approve the formula and submit it to the Education funding Agency by their deadline of 31st October 2014

Other options considered: As detailed in the consultation to schools

Key background documentation:

- DfE document: Fairer schools funding: arrangements for 2015 to 2016 (July 2014)
- DfE document: Schools revenue funding 2015 to 2016 operational guide (August 2014)
- Schools' Forum papers and minutes

The proposals contained in this report will help to achieve the following Council Strategy priority:

CSP3 – Improving education

The proposals will also help achieve the following Council Strategy principle:

CSP6 - Living within our means

The proposals contained in this report will help to achieve the above Council Strategy priority and principle by:
allocating scarce resources to schools in a fair and equitable way, whilst also ensuring additional funding reaches the pupils that need it most

Portfolio Member Details

Name & Telephone No.:	Councillor Irene Neill - Tel (0118) 971 2671
E-mail Address:	ineill@westberks.gov.uk
Date Portfolio Member agreed report:	23 September 2014

Contact Officer Details

Name:	Claire White
Job Title:	Schools' Finance Manager
Tel. No.:	01635 519037
E-mail Address:	CWhite@westberks.gov.uk

Implications

Policy:	n/a
Financial:	School funding is met from the Dedicated Schools Grant (DSG).
Personnel:	n/a
Legal/Procurement:	n/a
Property:	n/a
Risk Management:	n/a

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input checked="" type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 The Department for Education (DfE) made major changes to the way schools were funded from 2013/14. Further minor changes were made for 2014/15, but for 2015/16 the funding regulations remain much the same.
- 1.2 Local Authorities are required to review the current formula and guidelines, and agree the funding formula for 2015/16 following consultation with the Schools' Forum and all schools (including Academies) in West Berkshire. The consultation with schools closed on 11th September 2014, and Schools' Forum considered the final proposals at its meeting on 29th September 2014.

2. Proposals

- 2.1 The formula factors are to remain the same as those used in 2014/15, other than adding an exceptional premises factor for schools where their share of the cost of joint use leisure centres exceeds 1% of their delegated funding.
- 2.2 The funding cap that was placed on schools with "per pupil" funding gains since the new formula was introduced in 2013/14 is to be removed.
- 2.3 The funding rates for each formula factor are to remain the same (including the rates used for the deprivation and prior attainment factors).
- 2.4 Once the 2015/16 schools block of the Dedicated Schools Grant funding allocation is known (expected mid December 2014), any shortfall in funding or additional funding available is allocated by an adjustment to the basic per pupil rate.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 The Executive to approve and submit to the Education Funding Agency the school funding formula for 2015/16 as set out in this report.

Executive Report

1. Introduction

- 1.1 The major school funding formula changes introduced by the Department for Education (DfE) in 2013/14 were the first steps towards a national funding formula for primary and secondary schools. The changes allow just a few prescribed factors (detailed in Annex A of Appendix A) to be used in the local formula, but the funding rates are set by each local authority according to the funding received through the Dedicated Schools Grant (DSG) which varies across all local authorities.
- 1.2 A move to a national funding formula would see national rates applied to each formula factor with many local authorities (and thus schools) seeing a significant change to their funding. This change was expected from 2015/16, but the DfE has now delayed the implementation until the next spending review period when it can be introduced gradually.
- 1.3 The DfE is, however, allocating an additional £390m to the least fairly funded local authorities, of which West Berkshire receives a very small share of approximately £300k.
- 1.4 Although there are no notable changes to the funding regulations for 2015/16, local authorities are required to review their formula, consult with their schools and Schools' Forum, and agree the formula for 2015/16.

2. Formula for 2015/16

- 2.1 The review of the formula is detailed in the consultation document which was sent to all primary and secondary schools on 26th August 2014 (see Appendix A). The consultation closed on 11th September. Schools were only asked to respond to the consultation if they disagreed with any proposal or wanted to submit a case for exceptional premises costs to be included within the formula. One comment was received, and one case for an exceptional premises factor was reviewed by Schools' Forum on 29th September 2014.
- 2.2 The comment received was from a small primary school (which meets the current DfE sparsity criteria) disappointed that there are no changes proposed to enable some of our small schools to receive sparsity funding. West Berkshire has tried through several angles to get the DfE to act upon our very valid arguments to change the distance criteria (to give us the option to fund our small primary schools in a fair and equitable way (see paragraph 2.2 of Appendix A) as using the current two mile criteria (as opposed to our suggested one mile) only a couple of our small schools qualify and several just miss out. Unfortunately the Department continues to refute these arguments and has not changed the sparsity criteria for 2015/16. The view taken by Schools' Forum is that it is not fair or equitable to remove funding from all schools to fund just a few of the small schools that qualify, leaving all the other small schools with less funding.
- 2.3 Schools' Forum has agreed the following recommendations regarding the formula:
 - (1) In order to provide schools with stability to their funding for a third year, the formula factors are to remain the same as those used in 2014/15.

There are no perceived anomalies that need to be addressed, and it is felt that the current formula is equitable and fair.

- (2) The funding cap that was placed on schools with "per pupil" funding gains since the new formula was introduced in 2013/14 is to be removed so that schools gaining funding through the new formula receive the full amount of this funding. It was expected that this cap would only be in place for two years (same as minimum funding guarantee (MFG) protection for those schools losing funding), though the MFG protection is to be continued.
- (3) The funding rates for each formula factor are to remain the same (including the rates used for the deprivation and prior attainment factors - a change from previous years which maintained the total level of this funding block). Compared to the national averages, West Berkshire is not an outlier in the rates used for the main factors and lies close to the average. It does not make sense to attempt to pre-empt rates that a national formula may use which may be no closer to the final rates than the current rates being used by West Berkshire.
- (4) Schools were asked if they considered whether they had any exceptional premises costs that should be separately funded. One school provided details of their Joint Use of Leisure Facilities costs which exceed 1% of their funding allocation and affect fewer than 5% of schools. The school is to receive funding equal to the actual costs, though this is subject to receiving the relevant approval from the Education Funding Agency.
- (5) Once the 2015/16 schools block of the Dedicated Schools Grant funding allocation is known (expected mid December 2014), any shortfall in funding or additional funding available will be allocated by an adjustment to the basic per pupil rate.

2.4 The recommended formula for 2015/16 is as follows (detailed definitions of each factor are in Annex A of Appendix A):

Factor:	Rate - Primary	Rate - Secondary
Basic Entitlement per Pupil:		
Primary	£2,919	
Secondary KS3		£4,346
Secondary KS4		£4,346
Prior Attainment per eligible Pupil	£284	£2,063
Deprivation per eligible Pupil:		
Free School Meals Ever 6	£875	£670
Income Deprivation Affecting Children Index (IDACI):		
IDACI Band 1 (20 - 25% likelihood)	£40	£60
IDACI Band 2 (25 - 30% likelihood)	£120	£180
IDACI Band 3 (30 - 40% likelihood)	£240	£360
IDACI Band 4 (40 - 50% likelihood)	£240	£360
IDACI Band 5 (50 - 60% likelihood)	£240	£360
IDACI Band 6 (over 60% likelihood)	£240	£360

English as an Additional Language	£345	£345
Looked After Children	Not used	Not used
Pupil Mobility	Not used	Not used
Rates - actual cost to school	Actual cost	Actual cost
Lump Sum per School	£126,400	£126,400
Sparsity	Not Used	£100,000
Split Sites	Not used	Not used
Post 16	Not used	Not used
Exceptional Premises Factor (cost in excess of 1% of total delegated funding and applies to less than 5% of schools) - joint use of leisure facilities	Actual Cost	Actual cost

2.5 The only impact on individual schools will be where they are receiving minimum funding guarantee due to the original formula changes (their funding will reduce by 1.5% per pupil) or their funding gains were being capped (they will now benefit in full from the original formula changes). The exemplification in the consultation document uses current (October 2013) data in order to compare like for like. Schools' final funding allocation for 2015/16 will be based on their pupil numbers (and other relevant data) in the October 2014 census. If this changes significantly then so will their funding.

3. Conclusion

3.1 It is recommended that the formula as set out in paragraph 2.3 is approved and submitted to the Education funding Agency.

Appendices

Appendix A - Primary and Secondary Schools Proposed Funding Formula for 2015/16 - consultation document 26th August 2014

Consultees

Local Stakeholders: All primary and secondary maintained schools and Academies

Officers Consulted: Ian Pearson, Corporate Board

Trade Union: n/a

Primary and Secondary Schools Proposed Funding Formula for 2015/16

Consultation Document for Schools 26th August 2014 to 11th September 2014

1. Introduction

- 1.1 The Department for Education (DfE) introduced major changes to school funding in 2013/14 in relation to how local authorities distribute funding to schools, followed by further minor changes in 2014/15. It was expected that there would be the introduction of a full national funding formula for schools in 2015/16 (using national funding rates), but this has been replaced with minimum funding levels for 2015/16. This ensures that all local authorities are funded at least at the same cash level per pupil as in 2014/15 and allocates an additional £390m in 2015/16 to the least fairly funded authorities. The intention is still to phase in a national funding formula starting in the next spending review period, with national funding rates introduced gradually.
- 1.2 Following a national consultation in March 2014, on 17th July 2014 the DfE announced the minimum funding levels and funding arrangements for 2015/16 in their document “Fairer schools funding: arrangements for 2015 to 2016” which is recommended should be read in conjunction with this document. This and other documents relating to the school funding reforms can be accessed via the DfE website.¹
- 1.3 The additional allocation of £390m to the least fairly funded local authorities is based on a calculation of the 2014/15 average funding rates used by all local authorities for a range of formula factors to determine a minimum funding level. This is then converted to an individual funding rate per pupil for each local authority. This rate per pupil is now set for 2015/16 (an increase of £16.44 per pupil for West Berkshire Council) but the additional funding to be received will be based on the number of pupils recorded in the October 2014 census. Using current pupil numbers this will equate to approximately an additional £318k for West Berkshire. Note that the official announcement cited £400k for West Berkshire, but this was rounded up from £359k, and then the DfE has deducted an additional £41k for the carbon reduction commitment having changed the amount deducted in 2014/15 which was based on actual spend, to a per pupil deduction of £7.51 in 2015/16.

¹ <https://www.gov.uk/government/publications/fairer-schools-funding-arrangements-for-2015-to-2016>

- 1.4 It should be noted that there is no expectation that local authorities should implement these minimum funding levels in their formula – it is simply a method of allocating schools block funding to the local authority, and it is for the local authority in conjunction with its schools' forum to determine how funding is best passed down to schools to meet local circumstances, and how much needs to be centrally retained. It is however expected that any additional funding will be passed on to schools. As the West Berkshire Schools' Forum agreed to a planned overspend of £166k on the schools block budget in 2014/15, this will be a first call on funding received in 2015/16. The additional resources available in 2015/16 will therefore be minimal.
- 1.5 At the Schools' Forum meeting held on 14th July 2014, it was agreed that there should be no changes to the West Berkshire formula in order to prevent any further turbulence in school budget allocations and to provide a third year of stability. The largest proportion of funding is allocated through the per pupil rate and lump sum and these rates fall close to the national average. The primary/secondary ratio is also at the average. There is no reason to expect that a future national funding formula would replicate the rates used to calculate the minimum funding levels, and schools would not receive these funding rates in their formula as other formula factors not used in the calculation of minimum funding levels need to be funded and deductions still need to be made for centrally retained services. Applying these rates would move funding currently allocated through the basic per pupil rate to the deprivation and prior attainment funding rates, and overall move more than £1m of funding out of the Secondary sector. As the move to national rates will be a phased introduction, it is proposed that we wait for this and keep our funding rates the same for now rather than move to pre-empted national rates. There are therefore just a few minor amendments to be considered which are set out in this document.
- 1.6 Schools are invited to make comments on the proposed amendments and allocation of the additional funding. If you **do not agree** with any proposal (each proposal is highlighted in a box within the text), or have comments/different proposals to make, please e-mail your response to Claire White, Schools' Finance Manager cwhite@westberks.gov.uk by **11th September 2014**. In order for the Schools' Forum to consider a response, it should be accompanied by clear rationale on why you disagree with a proposal or why a proposal you are making is a better solution and fair and equitable for all schools in West Berkshire, and not just for your own individual school. If we do not hear from you we will assume that you are happy with all the proposals in this document.

2. Current Formula

- 2.1 **Appendix A** is an extract from the DfE documentation detailing the allowable funding factors. The following table summarises the current West Berkshire formula, and for the main factors, the 2014/15 average funding rate for all local authorities:

Factor	Rate	Units	Funding	National
Basic Entitlement:				
Primary	£2,919	12,600	£36,779,400	£2,880
Secondary KS3	£4,346	5,439	£23,637,894	£3,950
Secondary KS4	£4,346	3,807	£16,545,222	£4,502
Prior Attainment:				
Primary	£284	2,710	£769,563	
Secondary	£2,063	2,063	£2,320,785	
Deprivation:				
Primary FSM Ever 6	£875	1,744	£1,526,385	
Primary IDACI Band 1	£40	369	£14,749	
Primary IDACI Band 2	£120	765	£91,746	
Primary IDACI Band 3	£240	489	£117,247	
Primary IDACI Band 4	£240	84	£20,184	
Primary IDACI Band 5	£240	7	£1,675	
Primary IDACI Band 6	£240	0	0	
Secondary FSM Ever 6	£670	1,503	£1,006,762	
Secondary IDACI Band 1	£60	336	£20,167	
Secondary IDACI Band 2	£180	531	£95,647	
Secondary IDACI Band 3	£360	562	£202,187	
Secondary IDACI Band 4	£360	34	£12,208	
Secondary IDACI Band 5	£360	8	£2,862	
Secondary IDACI Band 6	£360	1	£360	
English as an Additional Language:				
Primary EAL 3	£345	559	£192,869	
Secondary EAL 3	£345	79	£27,303	
Looked After Children	Not used			
Pupil Mobility	Not used			
Rates:				
Primary	Actual		£630,769	
Secondary	Actual		£322,950	
Lump Sum:				
Primary	£126,400	66	£8,342,400	£127,460
Secondary	£126,400	10	£1,264,000	£137,760
Sparsity				
Primary	Not used			
Secondary	£100,000	1	£100,000	
Split Sites	Not used			
Post 16	Not used			
Exceptional Premises	Not used			
Minimum funding Guarantee/Cap on Gains:				
Primary			£286,442	
Secondary			£47,356	
TOTAL			£94,379,132	
Primary/Secondary Ratio			1.27	1.27
Percent of Funding through basic entitlement			82%	76%
Percent of funding through pupil Led			88%	90%

2.2 The main concern with the current formula continues to be that it does not deliver sufficient funding for the viability of our very small schools (less than 90 pupils). Despite support from the local MP, a visit to the DfE, and providing alternative solutions to the DfE direct and through their consultation, no changes have been made to the regulations for 2015/16 that will enable most of our very small primary schools to be eligible for “sparsity” or any other form of additional funding. Additional funding can now be made to very small secondary schools, but this is for schools with less than 350 pupils, so none of our secondary schools qualify. No changes regarding West Berkshire’s use of the sparsity factor are therefore proposed.

3. Formula Proposals for 2015/16

a) Removal of the Gains Cap

In order to pay for the minimum funding guarantee (MFG) in 2013/14 and 2014/15, local authorities needed to place a cap on the per pupil funding increase where schools benefitted from the change in the formula. When the new formula was introduced for 2013/14 the DfE stated that the MFG would be for 2 years only, thus the cap on gains would apply for just 2 years. The cap was set at 2.4% in West Berkshire, which partly offsets the cost of the MFG (£230k of a total £563k in 2014/15). The DfE will now continue the MFG protection, and in 2015/16 funding per pupil cannot drop by more than 1.5%. However, schools with a gains cap will have been planning their budgets assuming the cap would be removed in 2015/16. It is therefore proposed to no longer operate the gains cap in 2015/16. **Appendix B** shows the schools affected and the likely cost would be £52k, based on the same pupil numbers and formula as the current year.

1. Do you agree that the Gains Cap should be removed? If not, please let us know with your reasons why.

b) Funding Rate for Deprivation and Prior Attainment

The current methodology for these factors is that the total funding distributed each year is kept the same (separate funding amounts maintained for primary and secondary), with the funding rate being adjusted according to the number of eligible pupils. Therefore if the number of eligible pupils increases, the funding received for each eligible pupil decreases. If the numbers of eligible pupils increases, it is perhaps fairer to keep the same funding rate so that a similar level of support per pupil can be maintained by the school. It is therefore proposed to keep the same funding rates for 2015/16, even if this requires additional funding and changes the primary/secondary ratio of funding. If the numbers of eligible pupils for funding decreases, the option is to increase the funding rate or maintain the current rate reducing the overall funding being distributed via these factors.

2. Subject to available funding, do you agree that the funding rates for deprivation and prior attainment should remain the same for 2015/16 and not change according to the numbers of eligible pupils? If not, please let us know with your reasons why.

c) Exceptional Premises Factor

The current regulations allow for the local authority to make requests to the Education Funding Agency (EFA) to include an exceptional premises factor. The criteria set by the EFA is that the nature of the school premises give rise to significant additional costs greater than 1% of the school's total budget allocation and that such costs affect fewer than 5% of the schools (including academies) in the authority. Examples of costs that have been approved by the EFA are for rents, joint use of leisure facilities by contractual agreement, and listed buildings. Schools should consider whether they may meet the criteria and demonstrate that the criteria are met e.g. submit a copy of the contract containing the contract sum. If satisfied that the school meets the criteria, the Schools' Forum will consider whether to include in the funding formula at full cost, a percentage of the full cost, or the cost exceeding the 1%, and if agreed will be submitted to the EFA for their approval.

3. If you consider that your school meets the criteria for exceptional premises costs please provide details.

d) Increasing the Per Pupil Funding

After the above has been applied, plus any increases to funding for rates at actual cost, it is proposed that should there be any remaining funding in the schools block it is allocated to schools through the per pupil funding rate. The final rate cannot be determined until we have the October census data, and as it is likely to be minimal if at all, no increase has been included in the exemplification.

4 Do you agree that if there is any remaining additional funding then this should be allocated on a per pupil basis? If not, please let us know with your reasons why.

4. Formula Exemplification for 2015/16

4.1 **Appendix C** shows the formula exemplification for 2015/16 using the same pupil numbers as 2014/15. As the only change that can be modelled at this stage is the removal of the gains cap, there is no change to school budget allocations prior to the application of the Minimum Funding Guarantee (MFG), so the exemplification just shows schools the effect of the continuation of the MFG and removal of the gains cap. The final funding rates will be dependent on the final funding allocation received by the LA and whether there is enough funding to maintain the deprivation and prior attainment rates, and whether any funding is allocated through the exceptional premises factor. Individual school allocations will be dependent on the October 2014 census data.

Appendix C is also provided as a separate spreadsheet, and by entering the school cost centre in the orange box of the "school sheet" tab this will display the detailed formula for the school alongside the current funding received for each factor. Schools can also enter their expected pupil numbers for October 2014 (yellow boxes) to see their likely funding for 2015/16 and beyond based on the current funding rates. The sheets do not include any high needs funding for individual pupils i.e. top ups (and resource unit place funding), which is paid outside the formula, as top up funding is variable and follows the pupil.

5. Additional Funding Outside the School Formula

5.1 The funding regulations allow for a few exceptional circumstances to be funded outside the formula, and for each fund the Schools' Forum needs to agree the clear criteria setting out the circumstances in which a payment could be made and the basis for calculating the sum to be paid. These will be reviewed during the Autumn term with a final decision made in January 2015. Should schools have any comments on the current criteria applied they should respond as part of this consultation. They are attached alongside this document.

5.2 The funds to be reviewed are as follows:

- Growth Fund – support for schools required to provide extra places in order to meet basic need within the authority
- Falling Rolls Fund – to support good or outstanding schools with falling rolls where local planning data shows that the surplus places will be needed in the near future
- Primary Schools in Financial Difficulty
- Schools with a disproportionate number of high needs pupils which cannot be reflected adequately in their formula funding. This needs to be made through a formula.

5. If you have any comments/suggestions on the criteria set to access the additional funds please provide details

5.3 **Appendix D** is an extract from the DfE documentation summarising other funding allocations that schools receive – either as a formula or as a grant.

5.4 There are no proposals to change high needs funding (top ups, resource units). Place funding of £10,000 for resource units remains for 2015/16, and the number of places to be funded will remain the same unless there are exceptional circumstances. The move to a system of place funding based on actual places filled in the previous academic year has been delayed until at least 2016/17. The DfE will however shortly be consulting on changing the place funding for alternative provision (PRUs) from £8,000 to £10,000 per place from September 2015.

5.5 There are no proposals to change early years funding in 2015/16, though the DfE is still committed to achieving a national early years funding formula in the future. There will however be the introduction of an early year's pupil premium, and the DfE is currently at consultation stage on this.

5.6 No announcement has been made yet on the likely Pupil Premium Grant (PPG) rates or arrangements for 2015/16.

6. De-delegations 2015/16

6.1 From 2013/14 schools received funding for newly delegated central services. For some services (where offered by the local authority), maintained primary and secondary schools can collectively opt for the service to be de-delegated – which means that the funding continues to be centrally retained for the benefit of all maintained primary and secondary schools, and individual schools cannot make that choice for themselves (Academies may be given the

option to buy into the service, as can Nursery and Special schools and PRUs). The de-delegations need to be reconsidered on an annual basis.

6.2 The relevant Schools' Forum representatives for each phase will vote on whether each service is to be de-delegated or not. Each of these services was reviewed at the Schools' Forum meeting on 14th July, and the papers and minutes can be found on the West Berkshire Schools' Forum webpage.² The current view of Schools' Forum Members is as follows:

Service to De-delegate	Primary View	Secondary View
Behavioural Support	Yes	Yes
Ethnic Minority Support	Yes	Yes
Trade Union Local Representation	Yes	Yes
Contingency for schools in financial difficulty	Yes	No

6.3 **Appendix E** provides an indication of the likely charges – the unit charges per pupil and the total per school based on the data from the October 2013 census (final charges will be based on the October 2014 census data).

6.4 The final decision will be made by the Schools' Forum on 29th September. Schools may wish to contact their Schools' Forum representative direct to express their view, or respond as part of this consultation.

6. If you do not agree with any of the above decisions on the de-delegation of services, please let us know with your reasons why

7. Timetable

7.1 The timetable for finalising the formula and schools budgets for 2015/16 is as follows:

Consultation with schools	26 th August to 11 th September 2014
Heads Funding Group consider the responses from schools and make recommendation to Schools' Forum	18 th September 2014
Schools' Forum agree the formula to recommend to the Council. Vote taken on de-delegations	29 th September 2014
Council's Executive agree school formula for 2014/15	9 th October 2014
Submission of formula to Education Funding Agency	31 st October 2014
October census data issued and funding allocation received – able to finalise formula	Mid December
Schools' Forum set the funding rates for the formula	19 th January 2015
Final formula submitted to Education	20 th January 2015

² <http://decisionmaking.westberks.gov.uk/mgCommitteeDetails.aspx?ID=335>

Funding Agency	
Confirmation of final budget allocations to maintained schools	27 th February 2015

Annex's

Annex A – Allowable Funding Factors

Annex B – Cap on Gains and Minimum Funding Guarantee

Annex C – Proposed Formula f2015/16 - Exemplification for Individual Schools

(also provided as separate spreadsheet for schools to see their own formula budget allocation detail and for their own modelling purposes)

Annex D – Other Funding Allocations

Annex E – Proposed De-delegations for 2015/16

Allowable Funding Factors

Factor	Further information – 2014-15 position	Changes for 2015-16
<p>1. Basic entitlement A compulsory funding factor that assigns funding to individual pupils, with the number of pupils for each school or academy based on the October pupil census.</p>	<p>Funding allocated according to an age-weighted pupil unit (AWPU). A single rate for primary age pupils, which must be at least £2,000. There may be different rates for key stage 3 and key stage 4, with a minimum of £3,000 for each. Local authorities may choose to increase the pupil number count where schools had previously had higher reception pupil numbers in January than in the October census.</p>	None
<p>2. Deprivation A compulsory factor</p>	<p>Local authorities may choose to use free school meals and/or the Income Deprivation Affecting Children Index (IDACI). Free meals can be measured either at the previous October census or “ever 6” – the number of pupils entitled to free meals at any time in the last 6 years – but not both. The IDACI measure uses 6 bands and different values can be used for each band. There may be separate unit values for primary and secondary.</p>	None
<p>3. Prior attainment An optional factor (although it is used by nearly all local authorities). It acts as a proxy indicator for low level, high incidence special educational needs</p>	<p>May be applied for primary pupils identified as not achieving the expected level of development within the early years foundation stage profile (EYFSP) and for secondary pupils not reaching L4 at KS2 in either English or maths.</p> <p>The EYFSP changed in 2013, so a weighting may be used to ensure that funding delivered through the primary prior attainment factor is not disproportionately affected by the year groups (years 1 and 2) assessed under the new framework. For pupils assessed using the old profile (years 3 to 6), local authorities will continue to be able to choose between two EYFSP scores, targeting funding to either all pupils who achieved fewer than 78 points; or all pupils who achieved fewer than 73 points on the EYFSP.</p> <p>In 2012 the KS2 English assessment methodology was changed and now includes a reading test, a new grammar, punctuation and spelling test and teacher assessed writing.</p> <p>For those assessed at KS2 up to 2011, the English element of the KS2 measure will identify those pupils who fail to achieve a level 4 in English.</p> <p>For pupils assessed at KS2 from 2012 onwards and who have been part of these new arrangements, the English element of</p>	None

	the KS2 measure will identify those who do not achieve a level 4 in either the reading or teacher assessed writing elements	
4. Looked-after children An optional factor	A single unit value may be applied for any child who has been looked after for one day or more as recorded on the local authority SSDA903 return at 31 March 2014. This data is mapped to schools using the January school census, enabling identification of the number of looked-after children in each school/academy.	None
5. English as an additional language (EAL) An optional factor	EAL pupils may attract funding for up to 3 years after they enter the statutory school system. Local authorities can choose to use indicators based on one, two or three years and there can be separate unit values for primary and secondary	None
6. Pupil mobility An optional factor	This measure counts pupils who entered a school during the last three academic years, but did not start in August or September (or January for reception pupils). There is a 10% threshold and funding is allocated based on the proportion above the threshold – so if a school has 12% mobility, then 2% of pupils would attract funding.	None
Proportion allocated through pupil-led factors	Local authorities must allocate at least 80% of the delegated schools block funding through pupil-led factors (the factors in lines 1-6 above, and London fringe uplift where relevant).	None
7. Sparsity An optional factor	Pupils are allocated to their nearest school. For each school, the average distance as the crow flies to those pupils' second nearest school is calculated. Schools can only qualify for sparsity funding if this distance is greater than 2 miles for primary, middle or all-through and 3 miles for secondary, and if they have fewer than 150 pupils for primary or 600 pupils for secondary, middle or all-through. Local authorities can narrow the criteria (set a greater distance or smaller maximum size). The maximum amount which can be allocated to an individual school through this factor is £100,000 (including fringe uplift). Local authorities can choose whether to use a single amount for all sparse schools, or to use a tapered amount which increases the smaller the school.	For 2015-16, the average size of year groups within the school will determine eligibility. Schools will only qualify if total pupils divided by the number of year groups are below the threshold for the phase, which are: <ul style="list-style-type: none"> • Primary: 21.4 • Secondary: 120 • Middle: 69.2 • All-through: 62.5. Different sparsity amounts (up to the £100,000 maximum) can be specified for primary, middle, all-through and secondary schools.

		In exceptional circumstances, local authorities can apply to SoS to target up to an additional £50,000 of sparsity funding at very small secondary schools where the total number on roll is 350 or less, where the sparsity distance is 5 miles or more, and where pupils in years 10 and 11 are present.
8. Lump sum An optional factor (although in 2014-15 it was used by all local authorities)	Local authorities can set different lump sums for primary and secondary (middle schools receive a weighted average based on the number of year groups in each phase). The maximum lump sum is £175,000, including London fringe uplift. Where schools amalgamate, they will retain 85% of the total lump sums in the year after the amalgamation (or in the same year if they amalgamate on 1 April) instead of receiving just a single lump sum immediately. Local authorities may apply to vary the additional payment in exceptional circumstances. Where schools amalgamate after 1 April, the new school will receive funding equivalent to the formula funding of the closing schools added together for the appropriate proportion of the year and will receive the 85% allocation in the following year.	Local authorities may apply for an exceptional factor to pay a further allowance to amalgamating schools in the second year after amalgamation. Local authorities may also wish to apply to exclude the exceptional factor payment from the MFG baseline.
9. Split sites An optional factor	The purpose of this factor is to support schools which have unavoidable extra costs because the school buildings are on separate sites. Allocations must be based on objective criteria, both for the definition of a split site and for how much is paid	None
10. Rates An optional factor (although in 2014-15 it was used by all local authorities)	These must be funded at the authority's estimate of the actual cost. Adjustments to rates may be made outside of the funding formula; however they must be reflected as being part of the Individual Schools Budget (ISB). An additional allocation could be made to a school (e.g. from balances brought forward). This should be reflected in the Section 251 outturn statement and in each school's accounts. The effect on the school will be zero since the rates adjustment will be offset by a change in the cost of the rates.	None

<p>11. Private Finance Initiative (PFI) contracts An optional factor</p>	<p>The purpose of this factor is to support schools which have unavoidable extra premises costs because they are a PFI school and/or to cover situations where the PFI “affordability gap” is delegated and paid back to the local authority. Allocations must be based on objective criteria, capable of being replicated for any academies in the authority area</p>	<p>None</p>
<p>12. London fringe An optional factor, but only for the five local authorities to which it applies (Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex)</p>	<p>The purpose of this factor is to support schools which have to pay higher teacher salaries because they are in the London fringe area, and where only part of the authority is in this area. It is applied as a multiplier to relevant factors.</p>	<p>None</p>
<p>13. Post-16 An optional factor, but can only be used where the local authority had such a factor in 2014-15</p>	<p>A per-pupil value which continues funding for post-16 pupils up to the per pupil level that the authority provided in 2014-15.</p>	<p>None</p>
<p>14. Exceptional premises factors Local authorities can apply to EFA to use exceptional factors relating to premises. The most frequently approved factors are for rents and for joint-use sports facilities.</p>	<p>The exceptional factors must relate to premises costs and applications should only be submitted where the value of the factor is more than 1% of a school’s budget and applies to fewer than 5% of the schools in the authority’s area. Any factors which were used in 2014-15 can automatically be used in 2015-16 provided that the above criteria are still met.</p>	<p>A further school or schools may receive the factor if it meets the existing approved criteria, provided the additional factor still applies to fewer than 5% of schools in the area.</p>

Annex B

Cap on Gains and Minimum Funding Guarantee

School Formula - Cap on Gains and Minimum Funding Guarantee						
School	Cap on Gains @ 2.4%		MFG @ -1.5%		Net	
	2014/15 Actual	2015/16 based on same pupil numbers & formula	2014/15 Actual	2015/16 based on same pupil numbers & formula	2014/15 Actual	2015/16 based on same pupil numbers & formula
		91000 Aldermaston Church of England Primary School		0		0
91100 Basildon Church of England Primary School	0	0	0	0	0	0
91300 Beedon Church of England Controlled Primary School	0	0	10,892	8,729	10,892	8,729
91400 Beenham Primary School	0	0	0	0	0	0
91200 Birch Copse Primary School	0	0	0	0	0	0
91500 Bradfield Church of England Primary School	0	0	0	0	0	0
91600 Brightwalton Church of England Aided Primary School	0	0	0	0	0	0
91700 Brimpton Church of England Primary School	0	0	20,814	18,616	20,814	18,616
91800 Bucklebury Church of England Primary School	-2,507	0	0	0	-2,507	0
91900 Burghfield St. Mary's Church of England Primary School	-1,218	0	0	0	-1,218	0
92000 Calcot Infant School & Nursery	-18,713	-573	0	0	-18,713	-573
92100 Calcot Junior School	-60,195	-43,755	0	0	-60,195	-43,755
95600 Chaddleworth St. Andrew's Church of England Primary School	-11	0	0	0	-11	0
92400 Chieveley Primary School	0	0	0	0	0	0
95900 Cold Ash St. Mark's Church of England Primary School	0	0	0	0	0	0
92200 Compton Church of England Primary School	0	0	6,496	0	6,496	0
92300 Curridge Primary School	-2,033	0	0	0	-2,033	0
92500 Downsway Primary School	0	0	0	0	0	0
92800 Enborne Church of England Primary School	-2,852	0	0	0	-2,852	0
92900 Englefield Church of England Primary School	0	0	4,188	0	4,188	0
93000 Falkland Primary School	0	0	50,913	29,973	50,913	29,973
93100 Fir Tree Primary School & Nursery	0	0	0	0	0	0
93200 Francis Baily Primary School	0	0	116,631	90,443	116,631	90,443
93400 Garland Junior School	-1,927	0	0	0	-1,927	0
93500 Hampstead Norreys Church of England Primary School	0	0	2,425	0	2,425	0
93600 Hermitage Primary School	0	0	0	0	0	0
93700 Hungerford Primary School	0	0	0	0	0	0
92700 The Ilsleys' Primary School	0	0	152	0	152	0
93800 Inkpen Primary School	0	0	5,811	2,031	5,811	2,031
93900 John Rankin Infant & Nursery School	-7,890	0	0	0	-7,890	0
94000 John Rankin Junior School	-11,051	0	0	0	-11,051	0
94100 Kennet Valley Primary School	0	0	0	0	0	0
94200 Kintbury St. Mary's Church of England Primary School	0	0	42,565	34,786	42,565	34,786
94300 Lambourn Church of England Primary School	0	0	0	0	0	0
94400 Long Lane Primary School	0	0	0	0	0	0
95800 Mortimer St. Johns Church of England Infant School	-2,908	0	0	0	-2,908	0
97500 Mortimer St. Mary's Church of England Junior School	0	0	0	0	0	0
94500 Mrs. Bland's Infant & Nursery School	0	0	0	0	0	0
94600 Pangbourne Primary School	0	0	0	0	0	0
94700 Parsons Down Infant School	0	0	5,196	0	5,196	0
94800 Parsons Down Junior School	0	0	0	0	0	0
94900 Purley Church of England Infants School	-2,304	0	0	0	-2,304	0
95000 Robert Sandilands Primary School & Nursery	0	0	424	0	424	0
95100 Shaw-cum-Donnington Church of England Primary School	0	0	48,181	43,407	48,181	43,407
95200 Shefford Church of England Primary School	0	0	13,304	11,980	13,304	11,980
95300 Speenhamland Primary School	0	0	0	0	0	0
95400 Springfield Primary School	0	0	2,230	0	2,230	0
95500 Spurcroft Primary School	0	0	0	0	0	0
95700 St. Finian's Catholic Primary School	-16,347	-2,797	0	0	-16,347	-2,797
97700 St. John the Evangelist Infant & Nursery School	0	0	0	0	0	0
97800 St. Joseph's Catholic Primary School	-14,739	0	0	0	-14,739	0
96200 St. Nicolas Church of England Junior School	-3,001	0	0	0	-3,001	0
96100 St. Pauls Catholic Primary School	-10,366	0	0	0	-10,366	0
96300 Stockcross Church of England Primary School	0	0	5,629	749	5,629	749
96400 Streatley Church of England Voluntary Controlled Primary School	0	0	0	0	0	0
96500 Sulhamstead and Ufton Nerve Church of England Voluntary Aided Primary School	0	0	0	0	0	0
99700 Thatcham Park Church of England Primary School	0	0	9,612	0	9,612	0
96600 Theale Church of England Primary School	0	0	0	0	0	0
96700 Welford and Wickham Church of England Primary School	0	0	15,289	11,104	15,289	11,104
96800 Westwood Farm Infant School	0	0	0	0	0	0
96900 Westwood Farm Junior School	0	0	0	0	0	0
97000 Whitelands Park Primary School	-17,248	0	0	0	-17,248	0
98700 The Willows Primary School	-25,773	-5,132	0	0	-25,773	-5,132
99400 The Winchcombe School	0	0	103,019	87,475	103,019	87,475
97300 Woolhampton Church of England Primary School	0	0	0	0	0	0
97400 Yattendon Church of England Primary School	0	0	23,752	19,654	23,752	19,654
98900 Denefield School	-28,553	0	0	0	-28,553	0
98800 The Downs School	0	0	5,368	0	5,368	0
99000 John O'Gaunt School	0	0	70,541	42,103	70,541	42,103
99100 Kennet School	0	0	0	0	0	0
99200 Little Heath School	0	0	0	0	0	0
99300 Park House School	0	0	0	0	0	0
99800 St. Bartholomew's School	0	0	0	0	0	0
99500 Theale Green School	0	0	0	0	0	0
99900 Trinity School	0	0	0	0	0	0
99600 The Willink School	0	0	0	0	0	0
PRIMARY TOTAL	-201,082	-52,258	487,523	358,948	286,442	306,690
SECONDARY TOTAL	-28,553	0	75,909	42,103	47,356	42,103
TOTAL ALL SCHOOLS	-229,634	-52,258	563,432	401,051	333,798	348,793

Other Funding Allocations

Factor	Further information	Changes for 2015-16
<p>Early years funding This applies to schools or academies with a nursery class</p>	<p>This is paid directly by local authorities to all early years providers, including academies and maintained schools, through the early years single funding formula (EYSFF). Most funding is calculated by multiplying a base rate by the number of hours of provision counted on a termly basis or during the year. For 3 and 4 year olds, there is a mandatory supplement for deprivation and there can be other supplements, such as for quality. Whereas the 5-16 formula uses lagged pupil numbers, early years funding is based on actual hours during the current year.</p>	<p>No changes to the formula, although DSG funding to local authorities for 2 year olds will be based on participation instead of demographic information.</p>
<p>Post-16 mainstream funding</p>	<p>Calculated by the EFA according to a national formula</p>	<p>None</p>
<p>High needs place funding This applies to mainstream schools or academies with a designated special unit or resourced provision.</p>	<p>£10,000 place funding is provided for each agreed pre-16 high needs place. This is paid directly to academies by the EFA, and forms part of the budget share for maintained schools. Post-16 high needs places – in special units, resourced provision or sixth forms – are funded through the national post-16 formula. Funding for academies is paid directly by the EFA. Where place funding is payable to maintained mainstream schools for Post-16 pupils, it forms part of the sixth form grant that the local authority pays to its school sixth forms on behalf of the EFA.</p>	<p>None</p>
<p>High-needs top-up funding</p>	<p>For pre-16 pupils, this is paid directly by the commissioning local authority for high needs pupils where the total cost exceeds the following thresholds. In the case of special units, the cost threshold is £10,000 and includes the costs of all pupils' basic educational entitlement, which is funded through the place funding; if the pupil is not in a unit, the cost threshold is £6,000, which only covers the costs of additional SEN support. Schools are expected to meet any cost of support below these thresholds from their budget allocations. For post-16 pupils, the top-up funding is paid in addition to the amounts paid to providers through the national post-16 formula.</p>	<p>None</p>

<p>Pupil premium</p>	<p>A premium is payable for each pupil who has been eligible for free meals at any time in the last 6 years, or is looked after / adopted from care after 2005, or who has been a service child in the last four years (including children whose parents had died in service and who are in receipt of pensions under the Armed Forces Compensation Scheme (AFCS) and the War Pensions Scheme (WPS)). Allocation is based on the spring census preceding the financial year.</p> <p>Rates for 2014-15 are:</p> <ul style="list-style-type: none"> • £1,300 Primary age pupils • £ 935 Secondary age pupils • £1,900 Looked-after children / adopted from care • £ 300 Service children 	<p>Rates for 2015-16 will be confirmed in due course. An early years pupil premium will be introduced for 3 and 4 year olds.</p>
<p>Education services grant (academies only)</p>	<p>This funding is provided to academies for services previously provided by their local authority – for example, school improvement and asset management. The 2014-15 rate is £140 per pupil, although some protections apply where academies have received a higher level of funding through the former LA Block LACSEG calculations. Local authorities also receive ESG for their maintained school pupils at £113 for each pupil in 2014-15.</p>	<p>Rates for 2015-16 will be confirmed in due course.</p>
<p>Universal infant free school meals grant</p>	<p>This funding is available from September 2014 to provide all infant-age pupils with a free school meal</p>	<p>Rates for 2015-16 will be confirmed in due course</p>

Annex E

Proposed De-delegations 2015/16

Cost Centre	School	De Delegation Amounts from April 2015						
		Data		Behaviour Support	Ethnic Minority Support	Trade Union Representation	Contingency Financial diff	TOTAL
		Pupil No's	EAL Pupils	Pupil No's	EAL Pupils	Pupil no's	Pupil No's	
			Primary £:	£15.21	£423.35	£3.12	£9.53	
	Sec'y £:	£8.08	£1,393.75	£5.30	£9.53			
91000	Aldermaston Church of England Primary School	177	6	2,692	2,386	552	1,687	7,319
91100	Basildon Church of England Primary School	138	0	2,099	0	431	1,315	3,845
91300	Beedon Church of England Controlled Primary School	41	0	624	0	128	391	1,142
91400	Beenham Primary School	94	1	1,430	504	293	896	3,123
91200	Birch Copse Primary School	417	4	6,343	1,484	1,301	3,974	13,101
91500	Bradfield Church of England Primary School	157	0	2,388	0	490	1,496	4,374
91600	Brightwalton Church of England Aided Primary School	103	1	1,567	501	321	982	3,371
91700	Brimpton Church of England Primary School	41	0	624	0	128	391	1,142
91800	Bucklebury Church of England Primary School	126	1	1,916	485	393	1,201	3,995
91900	Burghfield St. Mary's Church of England Primary School	194	4	2,951	1,530	605	1,849	6,935
92000	Calcot Infant School & Nursery	231	28	3,514	11,760	721	2,201	18,196
92100	Calcot Junior School	228	7	3,468	2,963	711	2,173	9,316
95600	Chaddleworth St. Andrew's Church of England Primary School	23	0	350	0	72	219	641
92400	Chieveley Primary School	186	4	2,829	1,505	580	1,773	6,687
95900	Cold Ash St. Mark's Church of England Primary School	183	2	2,783	993	571	1,744	6,092
92200	Compton Church of England Primary School	145	2	2,205	1,040	452	1,382	5,080
92300	Curridge Primary School	101	1	1,536	491	315	963	3,305
92500	Downsway Primary School	211	5	3,209	1,963	658	2,011	7,842
92800	Enborne Church of England Primary School	58	1	882	512	181	553	2,127
92900	Englefield Church of England Primary School	109	2	1,658	992	340	1,039	4,029
93000	Falkland Primary School	448	12	6,814	5,210	1,398	4,269	17,692
93200	Francis Bally Primary School	528	19	8,031	7,965	1,647	5,032	22,675
93400	Garland Junior School	191	2	2,905	847	596	1,820	6,168
93500	Hampstead Norreys Church of England Primary School	101	0	1,536	0	315	963	2,814
93600	Hermitage Primary School	202	2	3,072	977	630	1,925	6,605
93700	Hungerford Primary School	409	7	6,221	3,074	1,276	3,898	14,468
92700	The Ilisleys' Primary School	58	0	882	0	181	553	1,616
93800	Inkpen Primary School	79	0	1,202	0	246	753	2,201
93900	John Rankin Infant & Nursery School	232	16	3,529	6,727	724	2,211	13,191
94000	John Rankin Junior School	236	6	3,590	2,584	736	2,249	9,159
94100	Kennet Valley Primary School	195	23	2,966	9,946	608	1,858	15,379
94200	Kintbury St. Mary's Church of England Primary School	154	1	2,342	509	480	1,468	4,800
94300	Lambourn Church of England Primary School	189	8	2,875	3,457	590	1,801	8,723
94400	Long Lane Primary School	263	7	4,000	2,867	821	2,506	10,194
95800	Mortimer St. Johns Church of England Infant School	169	10	2,570	4,174	527	1,611	8,882
97500	Mortimer St. Mary's Church of England Junior School	230	2	3,498	847	718	2,192	7,255
94500	Mrs. Bland's Infant & Nursery School	172	8	2,616	3,280	537	1,639	8,072
94600	Pangbourne Primary School	188	4	2,859	1,521	587	1,792	6,759
94700	Parsons Down Infant School	251	15	3,818	6,251	783	2,392	13,243
94800	Parsons Down Junior School	290	13	4,411	5,504	905	2,764	13,583
94900	Purley Church of England Infants School	69	10	1,049	4,260	215	658	6,182
95000	Robert Sandilands Primary School & Nursery	213	21	3,240	8,870	665	2,030	14,804
95100	Shaw-cum-Donnington Church of England Primary School	84	0	1,278	0	262	801	2,340
95200	Shefford Church of England Primary School	23	1	350	464	72	219	1,104
95300	Speenhamland Primary School	261	34	3,970	14,227	814	2,487	21,498
95400	Springfield Primary School	289	8	4,396	3,481	902	2,754	11,533
95500	Spurcroft Primary School	373	16	5,673	6,843	1,164	3,555	17,235
95700	St. Finian's Catholic Primary School	190	0	2,890	0	593	1,811	5,293
97700	St. John the Evangelist Infant & Nursery School	178	12	2,707	5,066	555	1,696	10,025
97800	St. Joseph's Catholic Primary School	205	22	3,118	9,423	640	1,954	15,134
96200	St. Nicolas Church of England Junior School	253	10	3,848	4,234	789	2,411	11,282
96100	St. Pauls Catholic Primary School	330	59	5,019	25,177	1,030	3,145	34,370
96300	Stockcross Church of England Primary School	107	1	1,627	498	334	1,020	3,479
96400	Streatley Church of England Voluntary Controlled Primary School	95	2	1,445	993	296	905	3,640
96500	Sulhamstead and Ufton Nervet Church of England Voluntary	104	0	1,582	0	324	991	2,897
99700	Thatcham Park Church of England Primary School	382	10	5,810	4,030	1,192	3,640	14,673
96600	Theale Church of England Primary School	232	8	3,529	3,455	724	2,211	9,918
96700	Welford and Wickham Church of England Primary School	87	1	1,323	498	271	829	2,922
96800	Westwood Farm Infant School	169	10	2,570	4,209	527	1,611	8,917
96900	Westwood Farm Junior School	219	4	3,331	1,619	683	2,087	7,721
98700	The Willows Primary School	251	38	3,818	15,991	783	2,392	22,984
99400	The Winchcombe School	275	39	4,183	16,484	858	2,621	24,146
97300	Woolhampton Church of England Primary School	98	0	1,491	0	306	934	2,730
97400	Yattendon Church of England Primary School	82	0	1,247	0	256	781	2,285
98800	The Downs School	901	1	7,280	1,394	4,775	8,587	22,036
99000	John O'Gaunt Community Technology College	376	1	3,038	1,394	1,993	3,583	10,008
99200	Little Heath School	1,296	8	10,472	11,167	6,869	12,351	40,859
99600	The Willink School	821	4	6,634	5,582	4,351	7,824	24,391
98900	Denefield School	848	14	6,852	19,513	4,494	8,081	38,940
93100	Fir Tree Primary School & Nursery	169	21	2,570	8,688	527	1,611	13,396
99100	Kennet School	1,393	6	11,255	8,209	7,383	13,275	40,123
99300	Park House School	773	16	6,246	22,358	4,097	7,367	40,067
99800	St. Bartholomew's School	1,239	8	10,011	11,159	6,567	11,808	39,544
99500	Theale Green Community School	899	1	7,264	1,378	4,765	8,567	21,975
99900	Trinity School & Performing Arts College	700	20	5,656	28,143	3,710	6,671	44,180
97000	Whitelands Park Primary School	314	8	4,776	3,311	980	2,992	12,060
PRIMARY TOTAL		12,117	531	184,300	224,670	37,805	115,475	562,250
SECONDARY TOTAL		3,394	14	27,424	19,537	17,988	32,345	97,293
ACADEMY TOTAL		6,335	86	54,631	102,759	32,523	60,373	250,285
TOTAL ALL SCHOOLS		21,846	630	266,354	346,966	88,316	208,192	909,828

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Agenda Item 8.

Title of Report:	Proposal for Berkshire Shared Adoption Service
Report to be considered by:	Executive
Date of Meeting:	9 October 2014
Forward Plan Ref:	EX2738

Purpose of Report:

The report outlines a proposal for establishing a Berkshire Shared Adoption Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead). This is being suggested as a cost neutral way of improving services and responding to new legislative requirements.

Recommended Action:

1. To approve the transfer of the Council's Adoption Service into a Berkshire Shared Service (West Berkshire, Bracknell Forest, Wokingham, Royal Borough of Windsor and Maidenhead) hosted by the Royal Borough of Windsor and Maidenhead (RBWM). The new arrangement to commence from 1st November 2014.
2. To agree that a Management Board is established by representatives from all four Local Authorities which will provide direction and monitoring for the new shared service.

Reason for decision to be taken:

To allow the Council to enter into a formal shared service arrangement.

Other options considered:

A number of other options have been considered and they are explored in section 3 of this report.

Key background documentation:

Shared Adoption Service Report 13th February 2014

The proposals contained in this report will help to achieve the following Council Strategy priority:

CSP1 – Caring for and protecting the vulnerable

The proposals will also help achieve the following Council Strategy principle:

CSP8 - Doing what's important well

Portfolio Member Details	
Name & Telephone No.:	Councillor Irene Neill - Tel (0118) 971 2671
E-mail Address:	ineill@westberks.gov.uk
Date Portfolio Member agreed report:	September 2014

Contact Officer Details	
Name:	Mark Evans
Job Title:	Head of Children's Services
Tel. No.:	01635 519735
E-mail Address:	mevans@westberks.gov.uk

Implications

Policy:	None
Financial:	The proposals contained within this report are cost neutral
Personnel:	Whilst it is proposed that three posts be deleted from the establishment there are no external staff transfers or redundancies arising.
Legal/Procurement:	The draft shared service agreement has been reviewed by Legal Services.
Property:	None
Risk Management:	None

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?	<input type="checkbox"/>			X
• Is it a major policy, significantly affecting how functions are delivered?	<input type="checkbox"/>			X
• Will the policy have a significant impact on how other organisations operate in terms of equality?	<input type="checkbox"/>			X
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?	<input type="checkbox"/>			X
• Does the policy relate to an area with known inequalities?	<input type="checkbox"/>			X
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia				<input type="checkbox"/>
Not relevant to equality				X

Is this item subject to call-in?	Yes: X	No: <input type="checkbox"/>
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Executive Summary

1. Introduction

- 1.1 The purpose of this report is to outline the proposal for establishing a Berkshire Shared Adoption Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead).
- 1.2 This is the second report to be presented on this subject. The first in February, described the principles underpinning the work to develop a new shared adoption service. This paper provides the additional detail required to make a final decision. This includes the proposed legal agreement, service specification and funding arrangements.
- 1.3 The paper sets out the rationale for developing a shared adoption service across Berkshire. The drivers for these proposed changes are a combination of changes in government policy and the potential to deliver improvements in the quality of service by pooling resources.

2. Proposals

- 2.1 The transfer of the Council's Adoption Service into a Berkshire Shared Service, hosted by RBWM, as it offers an opportunity to improve the service, provide greater resilience and meets the government's agenda without incurring increased costs.
- 2.2 The Shared Service would be an expansion of the already successful Pan Berkshire arrangement through the Berkshire Adoption Advisory Service, currently hosted by RBWM and will commence on 1st November 2014.
- 2.3 A Management Board would be established by representatives from all four council to provide direction and monitoring for the new shared service. The representative from West Berkshire will be the Head of Children's Services.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 Adoption is a key priority for the government and an important resource in improving the quality of lives for some of most vulnerable children. Working together across the Berkshire Local Authorities offers a real opportunity to improve both the quality and scale of our work in this area. The shared service, if agreed will be developed as an extension of the already successful Berkshire Adoption Advisory Service.

Executive Report

1. Introduction

- 1.1 The purpose of this report is to outline the proposal for establishing a Berkshire Shared Adoption Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead).
- 1.2 This is the second report to be presented on this subject. The first in February, described the principles underpinning the work to develop a new shared adoption service. This paper provides the additional detail required to make a final decision. This includes the proposed legal agreement, service specification and funding arrangements.

2. Drivers for a Shared Service Arrangement

- 2.1 A shared service is a way of improving the efficiency, effectiveness and resilience of an adoption service. The timely recruitment of a larger pool of adopters improves the opportunities for the placement of children, particularly older, harder to place children. As more adopters will be recruited, more children will be linked with prospective adopters at a much earlier stage.
- 2.2 The supply of approved adopters has not kept pace with demand particularly for adopters for older children, sibling groups and those with disabilities or complex needs. This new service will introduce new ways of finding families for these children through the introduction of Diligent Family Finding Project (concept developed in the US to maximise the prospects of finding appropriate families quickly for children).
- 2.3 The Children and Families Act 2014, which came into force in March 2014, requires Local Authorities to implement additional requirements such as 'foster to adopt' which is a challenge for smaller LA's to implement. In addition the Act introduces the 26 week limit on Court Care proceedings which results in adoption workers needing to produce detailed court reports on family finding and to give evidence in court. There is an expectation that the evidence will include national recruitment data as well as local information. A larger team, devoted solely to the task of adoption will greatly assist this new task.
- 2.4 The new Joint Service will establish an adoption website to promote the service and support the proposed increase in recruitment. The website will be easily accessible, positive in its approach and will launch the service as dynamic and progressive, thus encouraging potential adoptive parents to engage with the service at the start of their journey to adoption.
- 2.5 Currently, the six Berkshire Unitary Authorities are part of the Berkshire Consortium of Adoption Agencies and they jointly fund the Berkshire Adoption Advisory Service (BAAS). The Royal Borough of Windsor and Maidenhead hosts the BAAS and therefore the BAAS can legally act as part of the adoption agency of this Council. BAAS manages all the adoption panel function for the six Berkshire LA's, plus provides other services such as the letterbox exchange, best interest advice for children with adoption as the plan, charring disruption meetings, birth parent project, training for staff, adopters and wider family members, amongst other tasks. This service has always been highly rated by Ofsted with other LA's being

referred to it due to their high standard of services provided. It is proposed that this new service is an extension of that which is already provided by RBWM.

- 2.6 The coalition Government continues to be hugely focused on adoption. Edward Timpson, Children's minister, addressing a national conference in May 2014, stated that The Children and Families Act will sweep away many of the identified barriers to adoption and overall there's been a much stronger focus on wider recruitment and better support for adopters. This Council does need to do much more to recruit and support adoptive families but this is clearly a challenge against a background of reducing budgets.
- 2.7 The Government has recently established a National Adoption Leadership Board, chaired by Sir Martin Narey and drawing representation from the ADCS, LGA and SOLACE. This Board will closely monitor adoption performance, seek improvements and eliminate unnecessary delay. As part of this development, the Board has requested that each region establishes its own Board and feed into the national one.
- 2.8 It is therefore necessary that we do all we can to reduce any delay and the establishment of this wider adoption service will support that aim.

3. Alternative Options Considered

- 3.1 Joining with another LA partner -it is unclear which of the counties bordering Berkshire would be best placed to enter negotiations with, and additionally, the Berkshire agencies have a good reputation in relation to adoption and this needs to be maintained. Agencies outside Berkshire tend to be larger shire counties and the joining up of the Berkshire Agencies would offer more opportunities to join regionally in the future if this was appropriate.
- 3.2 Joining with a Voluntary Adoption Agency (VAA) Partner - most Voluntary Adoption Agencies (VAA's) specialise in recruiting adopters but the pan Berkshire proposal will also include family finding for Berkshire children and in this area, the Berkshire agencies have considerably more experience. According to the LGA, VAA's currently supply no more than 20% of approved adopters and there is little evidence to suggest that they have the capacity or the appetite to reach deeply into the LA market. There does not appear to be any additional benefits for joining with a voluntary agency, given that Berkshire already works closely with the two VAA's in this area (PACT and Cabrini) and their resources would still be available to us.
- 3.3 No change - this is not considered to be a viable option as the expectations in relation to the recruitment of adopters and placing of children are significantly increasing. The West Berkshire team is small and lacks the capacity to deliver many of the new requirements (faster adopter approvals, fostering to adopt etc). If we do not change we will be unable to meet the needs of our looked after children or prospective adopters.

4. Supporting Information

- 4.1 The need to speed up the adoption process has led the Government, over the past few years, to suggest that there should be fewer organisations involved in adoption recruitment and it encourages Local Authorities to join together to deliver improvements. The Berkshire local authorities at present provide individual adoption

services with consequent duplication of activities and costs and are not in a position to respond to change as rapidly as a larger service could. Local authorities who have joined their services, the Tri-Borough in London and Wigan, St Helens and Warrington (WWISH) have seen improved services in a relatively short time.

- 4.2 The Berkshire Consortium adoption agencies have a good reputation in the field of adoption and the most recent OFSTED reports are testament to this. Individual agencies in Berkshire cannot place the majority of their children with their own adopters and, while it is possible to recruit from outside agency boundaries and therefore place children with locally recruited adopters, this does not meet the need for all children who have a plan for adoption. Whilst there have always been elements of the Berkshire Adoption Services which work well together, there is considerable pressure to provide more flexible and responsive services.
- 4.3 One of the drawbacks of having separate Berkshire Adoption Agencies is that prospective adopters can approach a number of them before deciding on where to apply and therefore duplicating the initial work of responding to each enquiry. Additionally, there is no formal agreement between agencies when adopters approach one agency and that agency cannot accept them, for them to be referred to one that has the resources to assess them. Smaller agencies do not have the resources to recruit and assess all adopters who might apply so therefore they are selective in whom they chose to accept. This challenge is particularly evident in Local Authorities, including West Berkshire, which have joint fostering and adoption teams where the demands of finding foster homes for children coming into care can sometimes take precedence over adoption work.
- 4.4 Whilst efforts have been made to undertake county wide adoption recruitment, there is no Berkshire wide strategy for on-going recruitment; particularly for older children and this means that most approved adopters are childless couples who wish to adopt very young children. Older children, even those over the age of three are now harder to place, as are sibling groups. They are waiting too long and, although permanence through adoption may be the initial plan, they are sometimes being placed in long-term foster care as no adoptive placements are available. The same is true in the area of family finding. This new service could focus on this sort of need and find appropriate families.
- 4.5 The new statutory requirement within the Children and Families Act 2014 around concurrent planning and foster to adopt will challenge smaller Local Authorities. The placement of very young children with foster carers, who may then go on to adopt, is a new way of working which will need careful planning. The training of these prospective adopters is key as whilst the outcomes can be very positive for the child and adopter, the legal process can throw up many challenges which the prospective adoptive families may have to deal with before the final adoption order is made, if this is the outcome.
- 4.6 West Berkshire has been successful in the recruitment of adopters and the placing of children for adoption over recent years. The number of adoptions has been relatively stable with six in 2013/14, seven in 2012/13, two in 2011/12 and five in 2010/11. Many of the children adopted have been aged between six months and three years. Over the same period we have significantly increased the number of children placed on Special Guardianship Orders with ten in 2013/14, four in 2012/13, five in 2011/12 and two in 2010/11.

- 4.7 As of March 2014, there were 20 children for whom permanence outside the birth family was the plan. For two Adoption Orders have been granted, seven had either been placed for adoption but not yet adopted or have a family identified. 13 children had plans for a Special Guardianship Order. The children waiting the longest tend to be older and have some form of special needs. It is for these children that it is envisaged that the new proposed service will find permanent families in a more timely manner. Some of these children are in an in house foster placement which costs approximately £300-£350 per week and whilst some (at present two) are in an Independent Foster Agency placement which costs £700-£800 per week. In addition, each child in care has to have an allocated social worker to visit regularly and an Independent Reviewing Officer to review the placement every six months. These are no longer needed when a child is adopted or subject to a Special Guardianship Order. For a few children, such as those with special needs, adoption allowances are payable and support is needed by the post adoption worker.
- 4.8 The shared service proposes to waive all placement costs between the participating Berkshire authorities in order to achieve greater savings and allow freedom of movement across the four LA's. Additionally the service is projected to benefit from an increase of income from VAAs and local authorities outside Berkshire as a result of improved recruitment of adopter families and a nationally accessible website with an online application service. The current cost per placement is £27,000 through VAAs and local authorities outside Berkshire. The service will match children as far as possible within the service and purchase placements as needed outside. At year end, any profit from selling adopters will be shared across the Local Authorities according to the % contribution to the service.
- 4.9 The costs will be broadly similar to what is currently paid for this service. The new service is designed to provide a modest saving for the contributing local authorities, but will also enable an improvement in the quality and resilience of the service. It will also enable the new service to respond to legislative changes and new requirements in relation to adoption which would be very difficult to achieve in our existing small service. The total cost of the new service is £630,460. Funding for the service has been worked out on the basis of children having been matched with adopters over the past five years (2009-2014). The costs therefore per LA's are as follows:-
- | | | |
|------------------|-------|------------|
| West Berkshire | 25.4% | = £160,381 |
| Bracknell Forest | 19.3% | = £121,670 |
| RBWM | 31.6% | = £199,094 |
| Wokingham | 23.7% | = £149,320 |
- 4.10 It is envisaged that this service will recruit more adopters than is needed but there will be occasions when adoptive families are needed to be purchased from other areas. Any surplus made in the service will be distributed according to the percentage contribution from each council. The usage of the service will be reviewed after a three years period and the finance contributions will also be reviewed.
- 4.11 A detailed breakdown of the budget for the new service is included in Appendix A.

- 4.12 The other local authorities will be transferring staff under TUPE arrangements. In West Berkshire the relevant posts are currently vacant and we will be transferring the funding for posts rather than actual staff. Three vacant posts will be deleted (01218, 02113 and 03300) to provide a contribution of £96,980 with the remaining £63,401 being found from non-staffing costs in 70203 (car allowances etc and interagency adoption allowances which will become the responsibility of the new service).
- 4.13 There will be a small saving in the first year of the new shared service (approximately £15k). This has already been factored into the savings Children's Services are required to make in relation to shared services and placements in 2015/16. There is a modest increase in the saving in year's two and three (£7k and 13k), again this is already factored into our savings targets.
- 4.14 The service will be located centrally at Riverdale in Wokingham. Whilst this is a base for the service, staff will hot desk, as needed, in the participating LA's to ensure that information regarding children progressing through the court system is fully known and plans are initiated at an early stage.
- 4.15 A specification for the Service which gives more detailed information is attached at Appendix B. There will be a memorandum of understanding in place which is being developed with our legal department.
- 4.16 There are various aspects of the Adoption Service remaining within the direct control of West Berkshire. These include:-
- Viability assessments of family members in court proceedings. If these progress to full adoption assessments, then this task will be handed over to the new Berkshire-wide Team.
 - The Agency Decision Maker role (ADM). This position rests with the Head of Children's Services. In the new Service, two Heads of Children's Services will rotate on a six monthly basis to approve prospective adopters. They will receive the adoption papers after the adoption panel have made their recommendation and the Head of Children's Services then makes the decision whether or not to grant approval. Approval of the best interest adoption decision for children needing adoption will continue to lie with the ADM for the children from their own Local Authority.
 - Post adoption services will continue to rest with the Local Authority where the adoptive families are living, post the adoption order being made. This will include assessments and support as is the current case.
- 4.17 Ofsted will still inspect West Berkshire as an Adoption Agency as part of the new Single Inspection Format. Some of the areas under scrutiny will still exist within the Locality Teams regarding the identification of children needing adoption alongside the post adoption services. Other aspects will be situated within the new service.
- 4.18 Since the agreement was achieved to continue exploring the setting up of a shared joint service, legal advisors from the four participating local authorities have been working together to establish the legal basis. The draft agreement has been approved by all four areas and is included in Appendix C.

5. Summary

- 5.1 The transfer of the Council's Adoption Service into a Berkshire Shared Service hosted by RBWM, offers an opportunity to improve the service, provide greater resilience and meet the government's agenda without incurring increased costs.
- 5.2 The Shared Service would be an expansion of the already successful Pan Berkshire arrangement through the Berkshire Adoption Advisory Service, currently hosted by RBWM and will commence on 1st November 2014.
- 5.3 A Management Board would be established by representatives from all four council to provide direction and monitoring for the new shared service. The representative from West Berkshire will be the Head of Children's Services.

6. Conclusion

- 6.1 Adoption is key priority for the government and an important resource in improving the quality of lives for some of most vulnerable children. Working together across the Berkshire Local Authorities offers a real opportunity to improve both the quality and scale of our work in this area. The shared service, if agreed will be developed as an extension of the already successful Berkshire Adoption Advisory Service.

Appendices

Appendix A - Shared Adoption Service Budget
Appendix B - Shared Adoption Service Specification
Appendix C - Shared Adoption Service Legal Agreement

Consultees

Local Stakeholders: N/a
Officers Consulted: Corporate Board
Trade Union: N/a

Shared Adoption Service - Draft Budget 17-06-14

Description	2014-15(Oct14- Mar15)	2015-16	2016-17	2017-18
Staff Training	1,500	3,000	3,000	3,000
Corporate Health and DBS	1,500	3,000	3,000	3,000
Staff Recruitment	500	1,000	1,000	1,000
Professional Subscription	250	500	500	500
Gross Salary (incl. on cost)	270,201	540,403	540,403	540,403
Total Employee Costs	273,951	547,903	547,903	547,903
Building Reactive Maintenance	175	350	350	350
Building Service Maintenance	325	650	650	650
Ground Maintenance	325	650	650	650
Electricity	825	1,650	1,650	1,650
Gas	250	500	500	500
Water Charges	120	240	240	240
Business Rates (NNDR)	1,075	2,150	2,150	2,150
Rent	6,620	13,240	13,240	13,240
Cleaning	1,850	3,700	3,700	3,700
Hygiene Services	165	330	330	330
Refuse	50	100	100	100
Premises Insurance	145	290	290	290
Security	1,835	3,670	3,670	3,670
Total Premises Costs	13,760	27,520	27,520	27,520
Staff Public Transport	1,000	2,000	2,000	2,000
Mileage Expenses	15,000	30,000	30,000	30,000
Lump Sum Car Allowance	2,500	5,000	5,000	5,000
Total Transport Costs	18,500	37,000	37,000	37,000
Equipment Purchase	1,000	2,000	2,000	2,000
Printing	6,000	12,000	12,000	12,000
Stationery	500	1,000	1,000	1,000
Books & Publications	500	1,000	1,000	1,000
Marketing/Promotions	5,000	10,000	10,000	10,000
Advertising	10,756	21,511	23,662	26,028
Postage	1,000	2,000	2,000	2,000
Refreshments	1,000	2,000	2,000	2,000
Communication	10,200	20,400	20,400	20,400
Website and IT costs	10,000	20,000	20,000	20,000
Total Supplies & Services	45,956	91,911	94,062	96,428

Income			(108,000)	(135,000)	(162,000)
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Summary

	2014-15 (Oct14- M	2015-16	2016-17	2017-18
Employee costs	273,951	547,903	547,903	547,903
Transport	18,500	37,000	37,000	37,000
Supplies and Services	45,956	91,911	94,062	96,428
Premises (see below-not included in 6%)				
Income	0	(108,000)	(135,000)	(162,000)
Subtotal	338,407	568,814	543,965	519,331
6% admin fee on above	20,304	34,129	32,638	31,160
Premises costs	13,760	27,520	27,520	27,520
Grand Total	372,471	630,463	604,123	578,011

Other One -off costs

Refurbishment Costs (one-off)	24,000
Less funding c/fwrd from BAAS	(16,000)
Net cost (£2k per LA)	8,000
IT Link to other authorities (Social Care Sys	2,000
	10,000

Income projections

	£27,000			
Placements sold outside of shared service		8	9	10
Placements bought outside of shared service		4	4	4
Income from sold placement @ £27k		(216,000)	(243,000)	(270,000)
Expenditure from bought placements @£27k		108,000	108,000	108,000
		(108,000)	(135,000)	(162,000)

Partner contributions

	Based on 5 year placements 2010-2014			
Bracknell Forest	19.3%	121,670	116,590	111,550
RBWM	31.6%	199,090	190,780	182,530
West Berks	25.4%	160,380	153,680	147,040
Wokingham	23.7%	149,320	143,080	136,900
Total	100%	630,460	604,130	578,020

SHARED ADOPTION SERVICE – DRAFT OUTLINE SERVICE SPECIFICATION

1. Purpose

The shared adoption service has been conceived as a way of improving both efficiency and effectiveness in rising to the challenges of the government Adoption Reform Programme. Seeking to build on the success and positive profile of the existing Berkshire Adoption Advisory Service the proposed new service represents a further stage in the development of productive relationships between and amongst participating authorities. In line with government encouragement for local authorities to fully explore the opportunities for collaboration this initiative seeks to meet the needs of four authorities in a manner which delivers results in excess of those which may be achieved by the individual constituent parts.

Participating authorities are:

Bracknell Forest

RBWM

West Berkshire

Wokingham

Vision

It is envisioned that the new Shared Adoption Service will be an outstanding example of partnership working and a service of customer excellence; exceeding customer expectation; working with customers to define the future direction; placing more children, more quickly in secure and loving families. It aims to become the service of choice within the region for those wishing to adopt children and to set the highest standard service delivery with a culture of exceeding expectation at every level.

2. Service Outline

The new shared venture will focus on the main core elements of the work of adoption services within local authorities:

Adopter Recruitment – there is a national shortage of adopters for children with a plan for adoption. Latest estimates are that up to 6,000 children are waiting for an adoptive family and recent legal and policy reforms are aimed at tackling this major shortfall, backed up by a cash injection from central government via ring-fenced grant funding. The activities undertaken by the shared service will include:

- Advertising and recruitment activities
- Information, preparation and training events
- Stage one and stage two adopter assessments

Family Finding – there is a major drive to achieve more adoptions within shorter timeframes in order to reduce delay for children waiting to be adopted. The new shared service will creatively work to achieve positive matches between children and prospective adopters so as to secure permanence at the earliest opportunities. Activities undertaken will include:

- Early identification of adopters
- Fostering for adoption/concurrent planning
- Adoption Activity days
- Profile evenings
- Child specific recruitment
- Diligent Family Finding Project (see new developments)
- Family finding statements and attendance at court

N.B. Post-adoption order support is currently a specific exclusion from this service. Post adoption order services need to link closely with other services in social care and the main focus of the new shared service must be on increasing the number of adopters, increasing placement choice and speeding up the placement of children for adoption. Adoption support will be offered pre adoption order and the joining of post adoption services will be considered over the next year. In any event there will be close liaison between the new service and the post adoption workers within each agency.

3. Service Staff Structure

It is envisaged that the new service will form a separate but complementary provision to the current joint arrangement, The Berkshire Adoption Advisory Service, overseen by a Service Manager. The proposed structure includes a Team Manager, two Assistant Team Managers, eight Social Workers, a Family Support Worker (or SW Assistant) and a 0.5 FTE Recruitment Officer.

Neither the number of current staff nor those in scope have defined the structure of the new service which has been designed in relation to identified need and future requirements alongside a vision to secure more adoption placements for more children including those whose needs are not easily met within current resources.

The recommended legal and HR position is that TUPE will apply and staff in scope are those who spend over 50% of their employed time on adoption work. Formal consultation will be needed with those staff but these account for a small number of posts and currently comprise one Team Manager, one Assistant Team Manager and four social workers, all of whom have indicated a wish to join the new Shared Adoption Service.

The Service Manager post has not been included in the staffing budget as the plan is for this post to be shared with the current Berkshire Adoption Advisory Service on a 40/60 split, thus removing the need for an additional post and the need for additional funding.

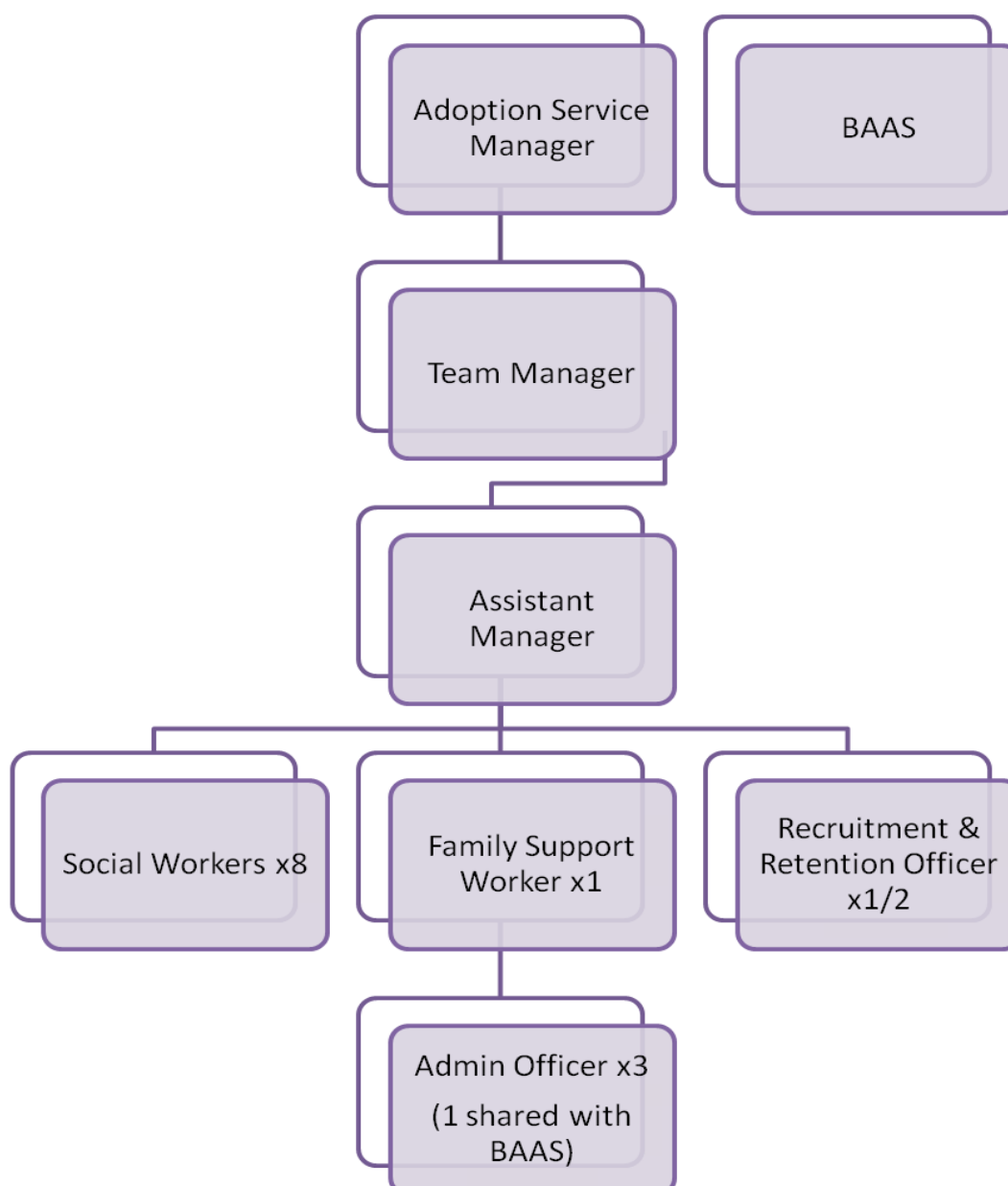
The Assistant Team Manager (ATM) will be a case holder for the assessment of adopters and will also undertake the management and supervision role overseen by the Team Manager. Additionally they will be expected to step in when there is delay in cases due to staff absence or sickness, thus

ensuring that the service standards are maintained. Currently one ATM is in scope for transfer to the service.

It is unlikely that all social work posts will be filled with permanent staff. The service will utilise vacant posts to employ experienced sessional social workers to undertake adoption assessments. This flexibility will ensure that adopters do not wait for their case to be allocated and will enable the service to increase the number of adopters recruited and focus employed staff where they are most needed.

Staff will be encouraged to make use of Smarter Working practices to enable them to work in a focussed way with social workers across the four local authorities, develop trusting professional relationships which benefit children and also to become experts in their field, thus ensuring that adoption practice is maintained at the highest level.

Shared Adoption Service Structure



4. Levels of Need – Service Volumes

In considering the level of need between the four agencies, the number of children, matches and adopters approved during the four year period from 2010 to 2014 was used.

By far the biggest rise was in the number of adopters approved, up 56% from 32 in the year 2012-2013 to 50 in 2013-2014 bolstered by the Adoption Reform Grant and the sessional employment of additional temporary staff to undertake assessments. This additional funding will not be available for the new shared service and consequently just adding to the number of adopters recruited in 2012-2013 is not possible. Over a four year period each agency averaged the same number of adopters, 8 per year, making a total of 32 and it is this average figure which has been taken as the starting point for the shared service and 20% improvement added in the first and subsequent years. The number of social work staff for the service was worked out on the average time for family finding and undertaking adopter approvals on an average of 50 assessments per year. The figures below consider the first three years of operation.

Whether it is possible to recruit more than 55 adopters will depend on the numbers and ages of children needing placements and whether the service is successful in making early placements, neither of which is possible to accurately predict.

A 20% increase in adopter numbers year on year would see the following figures achieved:

- To recruit and approve a minimum of 38 adopters within 2015-16 (20 % increase on the average)
- To recruit and approve a minimum of 46 adopters within 2016-17 (20% increase on previous year)
- To recruit and approve a minimum of 55 adopters within 2017 -18 (20% increase on previous year)

Four year average for all agencies from April 2010 to March 2014 (figures rounded)

	Children	Matches	Adopters
2010-11	36	20	18
2011-12	32	18	26
2012-13	35	28	32
2013-14	39	32	50
TOTAL	142	98	125
4 year Average	36	25	32

The current plan to have only four adopters used by external agencies in the first full year of operation is conservative. The new shared service is tasked with placing children more quickly in order to stop the plan for adoption being changed and to increase the opportunities for placing children, who in the past, may not have been considered for adoption due to a lack of resources. For each child placed, there will be a knock on reduction in fostering costs for each agency and the 'income' target will be revised following the first year of operation when accurate data on progress will be available.

Average for each Agency from April 2010 to March 2014 (figures rounded)

	Children	Matches	Adopters
Bracknell Forest	11	6	8
RBWM	10	8	8
Wokingham	5	5	8
West Berkshire	10	6	8
4 year Average	36	25	32

The age of children at the time the adoption plan was made during 2013-2014 was as follows:

- 30% of children were aged under one year
- 16% aged 1-2 years
- 8% aged 2-3 years
- 11% aged 3-4 years
- 14% aged 4-5 years
- 5% aged 5-6 years
- 11% aged 6-7 years
- 5% aged over 7 years

In total 46% of all children with an adoption plan were aged under 2 years, 79% were under 5 years and 21% were aged over five years.

5 Service Delivery Benefits

It is expected that a new, larger and more coherent service will deliver the following practice benefits:

- Economies of scale – e.g. one single recruitment effort
- Removal of arbitrary geographical boundaries
- Wider pool from which to achieve suitable matches
- Opportunities for innovation and models of best practice
- Builds on success of BAAS and “what works”
- Provide objectivity beyond individual Local Authority perspective
- Secure a focus on a critical area of practice and shares risk

New Developments

Diligent Family Finding Project – the shared service will introduce a new and innovative scheme to support the placement of older children for adoption, provide information for their future and support their need for a decision about future permanence. The aim of this project will be to speed up the time it takes to place older children or those who have been waiting for a permanent adoptive family. This intensive programme will take place over a period of 12 to 20 weeks. It will

work with the children deemed hardest to place and those who have behavioural and emotional difficulties. The project will require:

- Fortnightly meetings between the child's professional team for 12 to 20 weeks
- Concentrated support from those working with the child
- A focus on actively preparing the child for adoption, including their mental health and educational needs

It will involve:

- a focussed and diligent search to reconnect the child with people who may be able to provide them with a sense of connectedness, information and history, this may include former foster carers, friends or relatives
- General, targeted and/or specific recruitment and support services
- Examination of all areas of the child's life that impact on their readiness for adoption

Adopter Consultation Group – This group will provide advice and consultation for the Shared Service in relation to developing the service in conjunction with service users and their families. It is anticipated that adopted children and young people will also be enabled via this group to contribute.

Fostering for adoption (also known as Foster to Adopt)

The Children and Families Act 2014 requires local authorities to consider fostering for adoption for all children with an adoption plan. The aim is to encourage the earlier placement of children with adopters who are also approved as foster carers. Children can be placed before the court has made the decision that a child can be placed for adoption or after the decision has been made. Currently this is used in only a handful of cases and there is often reluctance on the part of adopters to consider this option due to concern about the risk that the child may not remain with them. It is the intention of the new service to ensure that all practitioners and prospective adopters have a clear educated understanding of fostering to adopt and to specifically recruit and train prospective adoptive parents who will consider fostering for adoption.

The success of fostering for adoption relies heavily on early referrals for family finding often prior to the decision that adoption will be the plan as placements with foster carers willing to proceed to adoption can be made while the local authority is 'considering adoption'. It is the experience of the BAAS that any referral process needs to be proactive and as easy as possible. With this in mind the new Shared Adoption Service will have a number of ways of identifying children in need of adoption at an early stage:

- The four local authorities share a joint legal team involved in all decisions to commence the Public Law Outline for children prior to Care Proceedings. The new Shared Adoption Service will be in a position to utilise this existing relationship to promote earlier identification of children for whom adoption **may** be appropriate and consequently to promote fostering for adoption.
- Family finders will link with individual local authorities and utilise hot desk in those areas to develop supportive working relationships with social workers, attend permanency planning meetings where plans are made and support early referrals

- All child permanence reports are already routed via the BAAS Service Manager and these are the documents used to family find for children. This will continue to be the case for the new service, thus ensuring both the quality of these reports and providing a check that a referral has been made to the shared adoption service
- There will be a formal referral process by telephone but the Shared Adoption Service will also endeavour to chase up referrals if the need is identified through other sources

A Shared Adoption Service Website

It is proposed that during the first year of operation a standalone website will be developed to promote the service and support the proposed increase in recruitment. The aim will be to set up a website that is easily accessible, positive in its approach and launches the service as dynamic and progressive, thus encouraging potential adoptive parents to engage with the service at the start of their journey to adoption.

6 Finance

The cost of the service per local authority has been worked out using the previous five years placement figures plus an increase of 20%. The percentage costs can be seen at Appendix 1. Built into the operating budget is a sum for adopter recruitment which will support the service in widening recruitment, encouraging prospective adopters who may not have previously come forward, including older people and those who are already parents. The latest recruitment and engagement techniques will be employed to promote the service.

7 Governance and Leadership

It is agreed that RBWM will be the host authority for employment of staff and related HR purposes, though some staff will transfer under the provisions of TUPE.

However, the leadership and governance of the Shared Service will be vested in a Management Board who will have executive authority for the operation of the service. The composition of the management body will be determined and agreed by each partner authority and will be comprised of officers who are able to make decisions and provide direction for the Shared Adoption Service. For the first year of operation, meetings will be held three monthly and at intervals of no more than six monthly or as defined by the board after this initial period.

The Management Board will be responsible for the appointment of the Service Manager, service delivery outputs and outcomes and for monitoring all aspects of the service, including financial monitoring.

The Shared Service will be developed and operated under the terms of an agreement to which each participating authority will become a party, this sets out the responsibilities of the host authority, indemnifies the parties in respect of the agreement ending and sets out the cost schedule for the Shared Adoption Service. (Agreement attached to this Specification).

Decision making in relation to children who should be adopted and matching of children with approved prospective adopters will remain with the Agency Decision Maker in the child's agency, as is currently the case.

The approval of prospective adopters will be shared among the four Agency Decision Makers and will be rotated on a six monthly basis.

Ofsted inspections

The new Shared Adoption Service will contribute to the Ofsted inspections in each of the four local authorities as has been the case for the current BAAS shared service. In relation to adoption performance the Shared Adoption Service will support the teams in the four local authorities to ensure that:

- Adoption is considered for all children who are unable to return home or to their birth family and need a permanent alternative home
- The Shared Service demonstrates a sense of urgency and care in all adoption work to support the placement of all children with their adoptive family at the earliest opportunity
- Recruitment, preparation, prompt assessment, training and support of adopters enables them to meet the needs of children and young people and keep them safe
- Support the placement of children with their siblings where this is in their best interests
- Recruit sufficient families to accommodate sibling groups, older children and those with complex needs

9. Venue

The Shared Adoption Service will be located centrally at Riverdale in Wokingham. This is a council site staffed by workers from Children's Services and with easy access to and from the road and rail network in Berkshire. The area to be used by the service includes sufficient space for hot desk working, a reception area and two small meeting areas available for private discussion and one to one meetings. Staff will be supported to employ Smarter Working practices to meet the needs of the service and will also have the opportunity to work from offices sited in any of the four local authorities involved in the shared service.

SERVICE OBJECTIVES/TARGETS

- To recruit and approve a minimum of 38 adopters within 2015-16 (an 20 % increase on the average)
- To recruit and approve a minimum of 46 adopters within 2016-17 (20% increase on previous year)
- To recruit and approve a minimum of 55 adopters within 2017 -18 (20% increase on previous year)
- The Shared Adoption Service will take all reasonable steps to place every child who has a plan of adoption within four months of the decision that they should be placed for adoption
- The stage one and stage two assessment process will be completed within six months and where this is not possible the reasons will be recorded and shared with the prospective adopters

- The Service will aim for 100% good or above rating for all preparation courses it provides
- The Service will recruit a sufficient and diverse range of adopters to meet the needs of children identified as requiring adoption, both locally and nationally, including adopters for:
 - Sibling groups
 - Older children
 - Those with complex needs
 - Black and minority ethnic children
- The shared service will provide a service of excellence and will ensure that all staff understand and adhere to the Customer Care Standards of the Shared Service
- Services will be shaped, developed by and will learn from the experience of those using the service. Every effort will be made to include children in this process having regard for their age and understanding.
- The service will have a responsive and inclusive recruitment strategy
- The service will report activity to each agency on a six monthly basis so it can be shared with elected members in their corporate parenting role
- The service will support the work of the teams in all four Boroughs to ensure that adoption is considered for every child who cannot live within their birth family or in a kinship placement
- The service will consider fostering for adoption for every child and will ensure the establishment of an earlier referral process via the Joint Legal Team
- All prospective adopters will be encouraged to consider Fostering for Adoption/concurrent placements and will receive training to support them in this decision.
- The service will also promote the use of concurrent placements in liaison with fostering teams in the four Boroughs
- In the first year of operation the service will develop a Diligent Family Finding Project to support the early placement of older children and those who have not achieved an adoptive placement
- Preparation groups and information sessions will be held at least monthly within the consortium area and thoroughly prepare prospective adopters to meet the needs of children and young people
- The service will provide expertise in adoption which will support the development of knowledge by workers across the four Boroughs
- The service will aim for at least 'good' performance against the key adoption score card measures and within Ofsted inspections and will work closely to learn from the work being undertaken by the Adoption Leadership Board

Appendix C

Dated: _____ **2014**

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD (1)

-and-

BRACKNELL FOREST BOROUGH COUNCIL (2)

-and-

WEST BERKSHIRE COUNCIL (3)

-and-

WOKINGHAM BOROUGH COUNCIL (4)

AGREEMENT

**relating to the provision of
a Shared Adoption Service**

THIS AGREEMENT is made the day of 2014
BETWEEN ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD of Town Hall St Ives Road
Maidenhead Berkshire SL6 1RF (“RBWM”) and BRACKNELL FOREST BOROUGH COUNCIL of
Town Square Bracknell Berkshire RG12 1AQ (“BFBC”) and WEST BERKSHIRE COUNCIL of
Council Offices Market Street Newbury Berkshire RG14 5LD and WOKINGHAM BOROUGH
COUNCIL of Shute End, Wokingham RG40 1WH (“WBC”) and collectively known as “the
Parties”

RECITALS

1. The Parties have agreed to provide a Shared Adoption Service upon the terms hereinafter set out under a joint arrangement hosted by RBWM.

NOW IT IS HEREBY AGREED AND DECLARED AS FOLLOWS

1. **DEFINITIONS**

1.1. In this Agreement where the context allows:

- | | |
|------------------------------|---|
| “Authorised Manager” | mean the officers designated by the Parties to act on their behalf for the purposes of the Agreement |
| “the Approved Budget” | means the budget approved by the Parties for the provision of the Service |
| “CEDR” | means the Centre for Dispute Resolution |
| “Proper Level of Competence” | means the level of professional competence reasonably and properly expected |
| “Finance Officers” | means those officers designated by the Parties for the purposes of S.151 of the Local Government Act 1972 or any replacement thereof from time to time in force |

"Financial Year"	the period commencing on the 1 April and ending on the succeeding 31 March
"Local Government Ombudsman"	means the person or persons appointed for the purposes of Part 3 of the Local Government Act 1974 (as amended)
"the Parties"	means Parties to this Agreement
"the Payment Dates"	means the 31st June, 30 th September, 31 st December and 31 st March in each Financial Year
"the Services"	means the Services described in the Specification annexed to this Agreement as Appendix 'A'
"the Team"	means those members of staff employed by RBWM for the purpose of providing the Services pursuant to Clause 3 hereof
"the Team Principal"	means the member of staff appointed by Royal Borough of Windsor and Maidenhead to manage the Team on a day-to-day basis

“the Term” means the term of the Agreement which will be three years with an option to extend by further periods of three years each, by written agreement between the Parties and subject to satisfactory performance.

“TUPE” means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time any relevant European Directives.

“Working Day” means between 9.00 a.m. and 5.00 p.m. Mondays to Fridays inclusive and excluding statutory and public holidays

2. **THE SERVICE**

- 2.1 Subject to the provisions of this Agreement RBWM shall host the Services within the Approved Budget.
- 2.2 It is acknowledged that the Parties may have differing policies and practices for those areas of Social Services work in connection with the provision of the Services and it is agreed that the Team shall operate in accordance with RBWM’s policies and practices which are available from RBWM upon reasonable request
- 2.3 Although employed by RBWM, it is accepted by the Parties that the Team will have professional responsibilities to all Parties
- 2.4 Any financial losses or increases in expenditure which are due to the failure by RBWM to comply with the terms of this Agreement shall be borne by RBWM

3. **STAFFING**

- 3.1 RBWM will employ and the Parties will agree office accommodation for staff in the Team. RBWM will be responsible for paying salaries and incidental salary costs (including employers' national insurance and superannuation contributions, subsistence, car allowances, expenses, indemnity insurance and the cost of training) and will provide office equipment and supplies.
- 3.2 RBWM will employ such professional and support staff as required to provide the Services.

4. **THE BUDGET**

- 4.1. The Approved Budget shall be the subject of a three yearly review by the Parties having regard to any increases in the cost of providing the Services and in particular (but not limited to):
- 4.1.1. the forecast rate of inflation for the Financial Year in question agreed upon by the Finance Officers;
 - 4.1.2 the changes to salaries and wages and other terms and conditions of employment of the relevant staff brought about by national and local negotiations;
 - 4.1.3. changes in law or practice relating to the delivery of the Services;
 - 4.1.4 other material changes in the cost of the provision of the Services outside the control of RBWM.
- 4.2. The Parties shall use their reasonable endeavours to carry out such a review by March in the year preceding the date of operation of the review and RBWM shall notify the Parties of any increase in the sums payable under Clause 6 upon completion of the review.
- 4.3 The date of operation of the review shall be the 1st April every third year.
- 4.4 In addition to and without prejudice to Clauses 4.1 to 4.3 RBWM reserves the right to make reasonable increases in charges to the Parties at any time where unforeseen changes occur which result in RBWM reasonably incurring additional costs. Any increases in charges under this clause 4.4 must be demonstrated by RBWM as being justified and the Parties shall be entitled to request RBWM to provide any supporting documentation or other information. If in the reasonable opinion of the Parties the increase in charges is unjustified then the Parties shall meet and discuss.

4.5 Where the Parties fail to agree any aspect of the review the matter(s) shall be referred to the four Directors of Childrens Services and in the event there is still a dispute the matter shall be escalated in accordance with the procedure detailed in Clause 14.3.

5. **PAYMENT**

5.1. The charges for the provision of the Services will be set from year to year upon agreement with the Parties

5.1. Within 3 (three) months of the end of each Financial Year RBWM shall provide to the Parties details of the actual cost of the Services and any under or over payment as may have been made the Parties shall be carried forward to the next Payment Date PROVIDED THAT at the end of the Agreed Period any such underpayments shall be paid by the Parties to RBWM within 30 (thirty) days of notice thereof and any overpayments made shall be reimbursed by RBWM to the Parties within 30 (thirty) days of notice thereof.

5.2. Failure to make a payment on or before the Payment Dates or in accordance with Clause 5.2 shall incur an additional payment for each month or part of a month during which the payment is unpaid at a rate per annum equivalent to 2% (two percent) above the base rate of RBWM's bank for the time being in force at the date upon which the payment first becomes overdue.

5.3. All sums payable under this Agreement unless otherwise stated are exclusive of VAT and other duties and taxes.

5.4. Should any VAT or other duty or tax become due or payable in respect of such sums, it shall be payable in addition to such sums.

6. **VARIATIONS TO THE SERVICE**

6.1 Subject to Clause 6.2 below no variation resulting in additional costs to the Services shall be made by RBWM unless agreed in writing by the Parties.

6.2 The cost of any variations agreed by the Parties shall be added to the Approved Budget and an adjustment made to the payments due from the Parties under Clause 6 with effect from the next of the Payment Dates.

7. **ASSIGNMENT AND SUB-CONTRACTING**

7.1 RBWM may not assign all or any part of its obligations under this Agreement.

7.2 RBWM may not sub-contract all or any part of its obligations under this Agreement without the prior written consent of the Parties.

7.3 For the avoidance of doubt it is agreed that provision of the following goods services and facilities by means of contracts with external contractors shall not be regarded as a breach of Clause 7.2.

7.3.1 stationery;

7.3.2 computer services;

7.3.3 electric, gas, water and telephone services;

7.3.4. supply of fuels;

8. **INDEMNITY AND INSURANCE**

8.1. RBWM will indemnify the Parties against all actions, claims and losses in respect of personal injury (including injury resulting in death), loss of or damage to property caused or contributed to by the negligence of RBWM or its employees or agents. This indemnity shall apply to direct losses only.

8.2. RBWM will maintain such insurances as will be necessary to cover its liabilities under Clause 8.1 with a reputable insurance company with whom RBWM places its insurance requirements in carrying out its statutory functions.

8.3. The Party providing accommodation will take out and maintain such insurance required in respect of any building and shall indemnify the other Parties for any claim arising from the use thereof where such use is required by the Agreement

9. **DECISIONS**

9.1 Where any question arises concerning the operation of the Services which RBWM considers is outside the normal operation of the Services (other than questions arising in connection with the Approved Budget and variations) RBWM shall consult the Parties and shall take account of the results of such consultation before making any decision with regard to that question.

10. **REDEPLOYMENT OF STAFF**

10.1 In the event that Services do not continue to be provided at any time and without prejudice to the application of TUPE the Parties shall make every possible effort between them to redeploy where practicable the staff engaged under clause 3 above to one or more of the Parties to the posts engaged in the provision of the Services or similar services operated by the Parties provided that any such

redeployment shall only occur with the consent of the member or members of staff concerned.

11. **MONITORING AND REVIEW**

- 11.1 RBWM shall keep adequate and comprehensive records relating to the provision of the Services and shall make such records available for inspection at reasonable times and on reasonable notice by any authorised officer employed by the Parties (in so far as such records apply to the area of the Party concerned) and where required to do so by law under the Freedom of Information Act.
- 11.2 Unless otherwise agreed, at intervals of not more than 6 (six) months, the Authorised Managers (or his or her representative) in each of the Parties shall meet to review the Services.
- 11.3 Unless otherwise agreed, in March of each Financial Year the Authorised Manager for the Parties will review the working of the arrangement to agree:
- 11.3.1 forecast work levels for the following financial year;
 - 11.3.2 the resulting provisional annual charges to each of the Parties;
 - 11.3.3 year-end adjustments for the preceding year;
 - 11.3.4 any aspects of these arrangements which require consideration and review.
- 11.5 Upon reasonable request RBWM shall provide the Parties with any other information reasonably required to monitor and review the performance of the Team.

12. **OMBUDSMAN**

- 12.1 If a complaint relating to the provision of the Services is made, RBWM shall co-operate fully in dealing with such a complaint and shall, in particular co-operate in responding to any enquiries or investigations by the Local Government Ombudsman.
- 12.2 Any findings or recommendations made by the Local Government Ombudsman shall be adhered to forthwith by RBWM provided that the cost incurred in so doing shall be borne by such of the Parties determined as responsible by the Local Government Ombudsman.

13. **INTELLECTUAL PROPERTY**

13.1 The Parties agree not to cause or permit anything which may damage or endanger the intellectual property of the Parties or any one of them or their respective titles to it or assist or allow others to do so.

14. **DEFAULT IN PERFORMANCE**

14.1 Where the Parties consider that the Proper Level of Competence has not been satisfied by RBWM in the provision of the Services, the Parties and RBWM will attempt in good faith to resolve the issue promptly at a meeting held under Clause 11.2 or 11.3 and if the Parties remains dissatisfied with the performance of the Services then its Authorised Manager shall formally raise the matter in writing with the Authorised Manager of RBWM. The Authorised Manager of RBWM will respond in writing within 10 (ten) Working Days. If the Parties are not satisfied with the response then their Authorised Managers and the Authorised Manager of RBWM shall meet within a further 10 (ten) Working Days at a mutually agreed time and place to try and resolve the issue. In the event that a resolution is not agreed within 5 (five) Working Days of the said meeting then the issue shall move to Stage One of the Dispute Resolution Process set out in Clause 14.2 below.

14.2. Stage One

If the issue has not been resolved under Clause 14.1 the Authorised Managers of the Parties shall refer the matter to their respective senior managers who shall have the authority to settle the dispute. The said senior managers shall within 10 (ten) Working Days of the meeting referred to in Clause 14.1 prepare and exchange memoranda, stating the issues in dispute, their positions and summarising the negotiations which have taken place and attaching relevant documents. The senior managers of the relevant Parties will meet for negotiations within 10 (ten) Working Days of receipt of the memoranda and documents referred to above at a mutually agreed time and place. If the matter has not been resolved within 5 (five) Working Days of the meeting of the senior managers, then dispute shall move to Stage Two of the Dispute Resolution Process set out in Clause 14.3 below.

14.3 Stage Two

- 14.3.1 Within 10 (ten) Working Days of the meeting referred to in 14.2 above, either the Parties or RBWM may serve Notice (“the Notice”) on the other that the matter shall be referred to the determination by mediation, in accordance with the CEDR Model Mediation Procedure 9th (A) Edition (February 2004) (the 'Model Procedure') or such later edition as may be in force from time to time. If the Parties cannot agree on the identity of the Mediator then either party may request CEDR to appoint one.
- 14.3.2 The Model Procedure shall be amended so that: -
- 14.3.2(a) any Party may make a written statement of its case to the Mediator prior to the commencement of the mediation. This is subject to the proviso that any such statement shall be provided to the Mediator not less than 10 (ten) Working Days before the mediation is to commence (or such other period as may be agreed by the Mediator); and
 - 14.3.2(b) the Mediator shall be instructed to provide any Party with a written report of the result of the mediation within 10 (ten) Working days of the conclusion of the mediation.
- 14.3.4 All parties must: -
- 14.3.4(a) use their best endeavours to ensure that the mediation starts within 20 (twenty) Working Days of the appointment of the Mediator; and
 - 14.3.4(b) pay the Mediator's fee in equal shares.
- 14.4 Any agreement reached as a result of mediation shall be binding on all Parties but if the dispute has not been settled by mediation with 10 (ten) Working Days of the mediation starting then any Party may commence litigation proceedings (but not before then).
- 14.5 No party shall be precluded by this clause 14 from taking such steps in relation to court proceedings as it may deem necessary or desirable to protect its position. This shall normally be limited to issuing or otherwise pursuing proceedings to prevent limitation periods from expiring and applying for interim relief.
- 14.6 All time limits referred to in this Clause 14 may be extended by mutual agreement between the Parties and RBWM.

15. **BREAK**

In the event of reduced funding, withdrawal of funding or the non-availability of funding for the Services, any Party may terminate the Agreement at the end of any Financial Year by serving at least 6 (six) month's Notice on the other Parties expiring on 31st March in that year. This right to terminate does not remove the obligation contained in Clause 11 (Redeployment of Staff) or Clause 20 (TUPE)

16. **TERMINATION**

16.1 If there should be further repeated serious failure to provide the Services to the Proper Level of Competence, any Party may serve a Notice of Intended Withdrawal ("the Notice of Intended Withdrawal") stipulating:

(a) either in what way the course of action determined under Clause 14 above has not been Properly implemented or what steps the Parties acting reasonably consider necessary to improve the Services such that it achieves the Proper Level of Competence; and

(b) a reasonable period of time within which action must be implemented. In assessing whether a period of time is reasonable there shall be taken into account any period of time which is reasonably necessary to comply with any appropriate disciplinary/competency procedures of RBWM, but the period shall not in any event extend beyond 2 (two) calendar months from the date of the Notice of Intended Withdrawal was served.

16.2 If the action has not been fully implemented within the time specified in the Notice of Intended Withdrawal the Parties may upon 4 (four) weeks' written notice withdraw from this Agreement.

16.3 If any of the Parties has failed to pay RBWM the Payment on time or any one of the Parties has committed a substantial breach of any material term of this Agreement, then RBWM may terminate the Agreement by giving the Parties not less than 1 (one) month's written Notice.

16.4 None of the Parties to this Agreement shall use the provisions of this Clause 16 vexatiously or frivolously or so as to withdraw unreasonably from this Agreement.

17. **ADDITIONAL COSTS**

17.1 If RBWM should wilfully totally or largely fail to provide the Services to the Parties during any period (but allowing for de minimis periods when members of the

Team may be temporarily unavailable) the Parties may give notice to RBWM to resume provision of the Service forthwith and if RBWM should fail to comply with such notice the Parties may make alternative arrangements for core services which should be undertaken by the Team until RBWM shall resume provision of the Services and RBWM shall be liable for any expenditure reasonably so incurred by the Parties in excess of the amount which it would have had to pay for the Services under the terms of the Agreement.

18. DATA PROTECTION ACT 1998

18.1 RBWM shall comply in all respects with the provision of the Data Protection Act 1998 together with any subsequent amendment or re-enactment thereof. The provisions of this clause shall apply during the term of the Agreement and indefinitely after expiry or termination.

19. FREEDOM OF INFORMATION ACT (FOIA)

19.1 All Parties recognise that they are subject to legal duties which may require the release of information under the FOIA or any other applicable legislation governing access to information, and that they may be under an obligation to provide information on request. Such information may include matters relating to, arising out of or under this Agreement in any way.

19.2 Each Party will assist the others to enable them to comply with their obligations. In particular, all Parties acknowledge that they are entitled to any and all information relating to the performance of this Agreement or arising in the course of performing this Agreement. In the event that a Party receives a request for information under the FOIA or any other applicable legislation governing access to information, and requests the any other Party's assistance in obtaining the information that is the subject of such request or otherwise, the other Party will respond to any such request for assistance at its own cost and promptly, and in any event within 7 (seven) days of receipt of the request for information.

20. TUPE

20.1 The Parties recognise and acknowledge that at the time of entering into this Agreement that the Transfer of Undertakings (Protection of Employment)

Regulations 2006 (“TUPE”) will apply in respect of this Agreement and may apply on termination of this Agreement.

20.2 Where TUPE applies to this Agreement, the Parties agree to share costs equally in relation to but not limited to all redundancy payments, actions, proceedings, claims, expenses and awards, costs and all other liabilities whatsoever in any way connected with any act or omission including

20.2.1 any claim or demand by any Transferring Employee (whether in contract, tort, under statute, pursuant to European Law or otherwise) whether arising before or after the Commencement Date in connection with this Agreement;

20.2.2 any failure by the Parties to comply with their obligations under Regulations 13 or 14 of TUPE or any award of compensation under Regulation 15 of TUPE save where such failure arises from the failure of RBWM to comply with its duties under Regulation 13 of TUPE;

20.2.3 any claim (including any individual entitlement under or consequent on such a claim) by any trade union or other body or person representing any Transferring Employee arising from or connected with any failure by the Parties to comply with any legal obligation to such trade union, body or person.

20.2.4 The provisions of this Clause 20 shall apply during the continuance of this Agreement and indefinitely after its Termination

IN WITNESS whereof the Parties have caused their respective Common Seals to be hereunto affixed the day and year first before written:

The COMMON SEAL of
ROYAL BOROUGH of WINDSOR AND MAIDENHEAD
was hereunto affixed in the presence of:-

Authorised Signatory

The COMMON SEAL of
BRACKNELL FOREST BOROUGH COUNCIL
was hereunto affixed in the presence of:-

Authorised Signatory

The COMMON SEAL of
WEST BERKSHIRE COUNCIL
was hereunto affixed in the presence of:-

Authorised Signatory

The COMMON SEAL of
WOKINGHAM BOROUGH COUNCIL
Was hereunto affixed in the presence of:-

Authorised Signatory

Agenda Item 9.

Title of Report:	Looked After Children - 'Staying Put' Policy
Report to be considered by:	Executive
Date of Meeting:	9 th October 2014
Forward Plan Ref:	EX2894

Purpose of Report: To establish a policy for managing requests from Looked After Children who wish to remain in their foster care placement past the age of 18.

Recommended Action:

1. To adopt the recommended policy.
2. To note the financial risk should the new funding from the Government not prove sufficient to meet the expected costs.

Reason for decision to be taken: To enable a clear policy to be established.

Other options considered: None

Key background documentation: None

The proposals contained in this report will help to achieve the following Council Strategy priority:

CSP1 – Caring for and protecting the vulnerable

The proposals will also help achieve the following Council Strategy principles:

CSP5 - Putting people first

CSP8 - Doing what's important well

Portfolio Member Details

Name & Telephone No.: Councillor Irene Neill - Tel (0118) 971 2671

E-mail Address: ineill@westberks.gov.uk

Date Portfolio Member agreed report: 25th August 2014

Contact Officer Details

Name: Mark Evans

Job Title: Head of Children's Services

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Implications

- Policy:** This report seeks to establish a 'Staying Put' policy for Looked After Children wishing to remain in their foster care placement past the age of 18.
- Financial:** Whilst the Council has always taken a supportive approach to young people wishing to remain with foster carers past the age of 18, recent government regulations and guidance requires local authorities to promote the extension of foster care placements. The costs will clearly vary according to the wishes of the cohort of young people in foster care reaching 18 each year but the modelling suggests around £210k per annum. The Government has indicated that they will provide additional funding to meet this new burden however no indication of the funding level has yet been received.
- Personnel:** None.
- Legal/Procurement:** The Planning Transition to Adulthood for Care Leavers 2010 (Regulations and Guidance) requires each local authority to have a 'Staying Put' Policy.
- Property:** None
- Risk Management:** The key risk is that the funding from central government fails to materialise or is not of a sufficient level to meet the expected costs.

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia				<input type="checkbox"/>
Not relevant to equality				<input type="checkbox"/>

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
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Executive Summary

1. Introduction

- 1.1 The Children and Young Persons Act 2008 and the Planning Transition to Adulthood for Care Leavers 2010 (Regulations and Guidance) requires each local authority to have a 'Staying Put Policy' that sets out arrangements to promote the extension of foster care placements beyond a young person's eighteenth birthday. The Council have never formally adopted a 'Staying Put' policy.

2. Proposal

- 2.1 This report proposes the adoption of a 'Staying Put' policy that is in line with the latest government guidance and would provide the best outcome for this very small number of young people for whom the Council had previously acted as Corporate Parent.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 It is important that the Council establishes a clear policy for how it deals with young people who were previously in its care as children and now wish to remain living with their former foster carer. As well as providing clear guidance to the young person, the carer and the officers involved, a clear policy would be essential should the Council find itself subject to any form of legal challenge around decisions taken.

Executive Report

1. Introduction

- 1.1 The Children and Young Persons Act 2008 and the Planning Transition to Adulthood for Care Leavers 2010 (Regulations and Guidance) requires each local authority to have a 'Staying Put Policy' that sets out arrangements to promote the extension of foster care placements beyond a young person's eighteenth birthday. This requirement has been recently enforced by the Government's policy announcement 'Improving the adoption system and services for looked after children'.
- 1.2 Whilst Children's Services have been following best practice in this area, the Council have never formally adopted a 'Staying Put' policy.

2. Policy Summary

- 2.1 The proposed 'Staying Put' policy and procedure is attached as Appendix A. The following paragraphs are intended to provide a brief summary of the key points.
- 2.2 Looked After Children (LAC) tend to experience a very compressed transition from childhood to adulthood when compared with young people living in the family home. The 'Staying Put' policy seeks to give the young person the opportunity to experience a more normal transition by enabling them to stay in their care placement past their eighteenth birthday.
- 2.3 The opportunity to remain in their current care placement would require the agreement of the Carer
- 2.4 If the young person and the Carer are in agreement to a 'Staying Put' arrangement then a formal agreement is put in place detailing the responsibilities and implications for both parties.
- 2.5 Both the young person and the Carer would continue to receive professional support from the Council to ensure the placement is working as intended.
- 2.6 There are a range of financial and other implications for the Carer when the young person becomes an adult and guidance is provided to ensure they understand the changes.
- 2.7 Each year there are a small number of LAC with disabilities who when they reach 18 become eligible for adult social care services. A protocol has been agreed between Children's Services and Adult Social Care to ensure that these young people are not prevented from enjoying the benefits of a 'staying put' arrangement. As a result it may also be necessary to register the 'Staying Put' service with the Care Quality Commission.
- 2.8 The guidance in relation to 'Staying Put' does not apply to residential care for young people. This is for a range of complex regulatory reasons and the focus of the guidance is upon the relationship between care leavers and their foster carers. Children's Services will consider requests for 'Staying Put' type arrangements when a young person requests it and their placement is able to provide it. Many providers are starting to develop step down and move on accommodation to facilitate this and

will all always assess their ability to meet a young persons needs where they exist and they are the young person's preferred option.

3. Financial support for the Carer

- 3.1 For the first year of a 'staying put' arrangement the payments received by the Carer will match the Foster Carer allowances. As the young person progresses towards independent living the payments made by the Council will reduce as the young person would be expected to contribute towards their living costs.
- 3.2 There are a significant number of variables that impact on the sources of financial support for the Carer and these are covered in section 9 of the policy document (appendix A).

4. Financial Implications for the Council

- 4.1 The costs will vary each year depending upon the number of young people who enter into a 'staying put' agreement and their particular circumstances. Some modelling work has been undertaken, provided as Appendix B, that suggests costs of around £210k per annum.
- 4.2 Children's Services have made every effort to agree to 'staying put' requests but clearly with the ever increasing number of LAC it is becoming difficult to manage this within existing budgets and this change of Government policy will put upwards pressure on budgets.
- 4.3 When making policy statements in this area the Government stated that they would be providing financial support to councils, unfortunately at this time we have no indication of how much that might be.
- 4.4 Whilst enabling LAC to enjoy a more normal transition to adulthood is in their best interest there is an operational downside in terms of in a number of cases it will effectively be removing the availability of a foster carer for a 3 year period. The knock on impact of this is that it may result in the use of more expensive placements with Independent Fostering Agencies being necessary. Proposals to enhance the capacity of our foster care arrangements have recently been approved and therefore this should help mitigate this risk.

5. Summary

- 5.1 The Council is required to have a 'staying put' policy in place.
- 5.2 The proposed policy formalises existing practice whereby if both the young person and the carer are in agreement the Council does everything possible to establish a 'staying put' agreement.
- 5.3 The latest Government guidance makes it clear that they expect young people to be able to remain in their foster care home until the age of 21. What is less clear is the level of funding that will be provided to support this new burden.

Appendices

Appendix A - Staying Put Policy and Procedure
Appendix B - Financial Modelling
Appendix C - Protocol for LD Children 'staying put'

Consultees

Local Stakeholders: N/a

Officers Consulted: Mark Evans - Head of Children's Services
Shannon Coleman-Slaughter - Finance Manager
Mel Brain - Housing Strategy and Operations Manager
Alison Love - Adult Care Service Manager
Corporate Board

Trade Union: n/a

Looked After Children – ‘Staying Put’ Policy and Procedure.

Document Control

Document Ref:		Date Created:	3rd March 2014
Version:	V4	Date Modified:	7 th April 2014
Revision due			
Author:	Caroline Simmonds		
Owning Service	Children's Services		
Equality Impact Assessment: (EIA)	Date undertaken:	3rd March 2014	
	Issues (if any):	None	
Chief Executive	Sign & Date:		
Corporate Director (Community Services)	Sign & Date:		

Change History

Version	Date	Description	Change ID
1	3/3/14	Original	
2	31/3/14	Reformatting	
3	01/04/14	Minor modifications	
4	07/04/14	Minor modifications	

DRAFT POLICY – NOT YET APPROVED BY EXECUTIVE

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DRAFT

1. Introduction

- 1.1 The Care Matters initiative, the Children and Young Persons Act 2008 and the Planning Transition to Adulthood for Care Leavers 2010 (Regulations and Guidance) require each local authority to have a 'Staying Put' Policy that sets out arrangements to promote the extension of foster care placements beyond a young person's eighteenth birthday. This requirement has been modified by in the light of Government Policy 'Improving the adoption system and services for looked after children'. West Berkshire Council is committed to improving outcomes for care leavers and helping to prevent social exclusion. The Council has therefore developed the following policy in order to ensure that young people aged 18+ can have the opportunity to 'Stay Put' thus providing them with the continuity of support needed to improve their life chances.
- 1.2 Many young people who have been looked after by the local authority experience a compressed transition from childhood to adulthood and the option to Stay Put seeks to protract this period and give the young person a more normal experience of moving into adulthood. Staying Put fits within West Berkshire's aspiration to be a good corporate parent to all young people to whom it has provided a substitute family.
- 1.3 This policy sets out the conditions required to extend a fostering arrangement beyond a young person's eighteenth birthday, including the associated financial implications, the social care requirements associated with extending former fostering arrangements and the consequential Income Tax, National Insurance and Welfare Benefit issues.

2. Key aims

- 2.1 The key aims of the Staying Put Policy as stated by the Department of Education are to:
 - Enable young people to build on and nurture their attachments to their carers, so that they can move to independence at their own pace and be supported to make the transition to adulthood in a more gradual way just like other young people who can rely on their own families for this support
 - Provide the stability and support necessary for young people to achieve in education, training and employment
 - Give weight to young people's views about the timing of moves to greater independence from their final care placement.

3. Objectives

- 3.1 The Staying Put Scheme meets objectives within the Children Act 1989 and the Children (Leaving Care) Act 2000 to improve the life chances of young people in and leaving local authority care. The guidance of Children (Leaving Care) Act recommends converting foster placements at 18 into supported lodgings. The Staying Put Arrangement promotes the Act's main aims to young people, which are:-
- To delay young people's discharge from care until they are ready and prepared
 - To improve the assessment, preparation and planning for leaving care
 - To provide better personal support for young people after leaving care
 - To improve the financial arrangements for care leavers
- 3.2 This scheme also fits within the Public Service Agreement 2 National Indicators 147 and 148, which identify whether:-
- The young person is living in suitable accommodation
 - The young person is in Education, Employment or Training
- 3.3 Staying Put contributes to the aims of West Berkshire's Children and Young People's Plan and in particular gives young people who are in stable and supportive placements the opportunity to pursue education, training and employment in order to participate both socially and economically as citizens, without the disruption of having to move into 'independence' during this critical period of their lives.
- 3.4 Staying Put can also contribute to reducing the role of the Personal Adviser or social worker by taking into account the relationship and support provided by the former Foster Carer to the young person, enabling West Berkshire staff to work with other Care Leavers who may be living independently with less support and in more disadvantaged circumstances.
- 3.5 Staying Put reflects West Berkshire's and the Government's determination to improve the experiences of children in care, to challenge the poor outcomes historically experienced by young people in care, and to reduce the gap between the quality of life of young people in the care of the local authority and those raised in supportive families.

Staying Put Procedure

This procedure relates to the process to be followed when making arrangements for a young person in care to remain with the Foster Carer post the age of 18. This is a Staying Put Arrangement.

4. Entitlement to Stay Put

- 4.1 In West Berkshire the Stay Put arrangement applies to all young people who were previously eligible children living in foster care, and who were looked after immediately prior to their eighteenth birthday regardless of whether the young person is undertaking full or part time education, training or employment or none of these activities.
- 4.2 The young person can stay put until their 21st birthday or if they are on an agreed programme of education or training on their 21st birthday when the course is completed.
- 4.3 When an eligible young person has a disability and will be supported by adult services their placement could become a Shared Lives / Staying Put placement. In this case, where this policy and procedure refers to Staying Put it will include Shared Lives.
- 4.4 When a young person goes off to university, if the hosts are able to provide accommodation, they could return during the vacations, the council is not able to hold places open for young people and this will only be possible if the host has the capacity. The council will pay the same rate as for a 20 – 21 year old and if the student is working they will be expected to contribute towards the cost of the placement.

5. Establishing Staying Put Arrangements

- 5.1 The option of Staying Put should be identified within the young person's first Care Planning / Pathway Plan completed after their 17th birthday. The transition or leaving care worker should inform their manager if a Staying Put Arrangement has been identified as an option and is being considered by the young person and foster carers. The manager must inform the Service Manager and Family Placement Team.
- 5.2 An arrangement to Stay Put must be agreed by both the young person and the foster carers. Advice about the differences between a foster placement and a Staying Put Arrangement should be given to the Young Person and Carers by the transition or leaving care worker, in order for both parties to make an informed decision about proceeding with the arrangement.
- 5.3 Occasionally young people or carers may change their minds after making an initial decision about Staying Put. The system should always allow both young people and foster carers to change their minds about establishing a Staying Put Arrangement, but care should be taken to avoid disruption to a young person's education at a critical time.
- 5.4 The appropriate worker will convene a Staying Put Support meeting immediately prior to the young person's 17th birthday, and in collaboration with the young person and foster carer and the Family Placement Social worker complete a Staying Put Agreement. The purpose of the Staying Put Agreement meeting is for both the former

foster carers and the young person to appreciate what is expected of each other. See Annex 1

- 5.5 The young person will be expected to contribute to the cost of their placement through any wages, housing or other benefits. The worker will look at the young person's budget to establish what their contribution will be to the cost of the Staying Put arrangement. Where appropriate the worker will help the young person to maximise their entitlement to benefits. Consideration should also be given to ensure that applications for benefits do not discourage a young person from obtaining or maintaining part or full-time employment.
- 5.6 The worker will, in conjunction with the young person, follow up these claims for benefits until a decision has been made and a payment commences. In certain circumstances it may be necessary for the Worker to agree with the Service Manager contingency arrangements so that the former carer's remuneration is not disrupted.
- 5.7 Safeguarding arrangements need to be put in place when a young person becomes 18 and is Staying Put and where foster children remain living in the household. A criminal record check should be undertaken and safeguarding strategies be discussed.

6. Professional role

- 6.1 The young person will continue to have a named worker provide them with support while they are in a Staying Put placement. They will complete Pathway Plans and will work the carer to support the young person to develop the skills they will need in adult life. The worker will ensure that the young person understands the terms of the Staying Put Agreement. This may include reinforcing what the young person is expected to purchase from their salary, benefits or Disability Living Allowance (DLA), supporting the young person to apply for relevant funding and benefits, and helping them to establish a method of making any regular payments such as Local Housing Allowance to the former carer according to the terms of the agreement.
- 6.2 For West Berkshire carers, the Supervising Social Worker will continue to provide support to the carer. The Family Placement Team's role will involve supporting the carer to understand the nature of the Staying Put Arrangement, their entitlement to funding and advise the carer about their changing role with the young person under the Staying Put Arrangement. They will provide written advice about tax and national insurance implications and personal liability insurance will be given to the foster carers and where appropriate they will be referred to the Citizens Advice Bureaux for guidance.
- 6.3 For Foster Carers who work for an Independent Fostering Agency, West Berkshire will either negotiate with the agency to continue to provide support for the carer or will provide support themselves. They will support the carer to understand the nature of the Staying Put Arrangement and their changing role with the young person under the Staying Put Arrangement.

7. Changing status

- 7.1 When a foster carer has a young person staying put in their house West Berkshire would want them to remain registered as a foster carer. This will bring them the support of the Family Placement team and the foster care association. While the role will change the council would want to maintain the same quality of care for the young person.

- 7.2 Where a house-hold continues to have children in foster placement the foster carers will need to return to fostering panel due to changes in circumstances as the young person staying put will have reached adulthood and will be an adult member of the household.
- 7.3 The young person will need a licence agreement from the carers which sets out the nature of the licence agreement and a breakdown of the costs. This will be used by the Housing Benefits Department to maximise the housing benefit for the young person. In addition a Staying Put agreement will be put in place setting out the expectations for the of both the carer and the young person this will be developed with the support of the young persons worker.
- 7.4 The foster carer will have been supporting the young person in their care and helping them to develop self help and independent living skills during the time they have been living with them. This role will different as the young person becomes older and moves towards adulthood. The Pathway Plan will clearly set out the areas for development and what the young person needs to do to achieve those goals. All young people will need to be encouraged to become as independent as possible.
- 7.5 The carer will need to ensure that their where appropriate their tenancy, mortgage and household insurance allows for them having a young person living with them.

8. Financial Guidance

- 8.1 Former foster carers will be given information about the income tax and national insurance implications of the Staying Put Arrangement. Former carers can qualify for care relief for Staying Put if it is an arrangement that has been made by the local authority and payment is made by the local authority. Guidance is available on Her Majestys Revenue and Customs (HMRC) Help Sheet 236 or from “Staying put”, Arrangements for Care Leavers aged 18 and above to stay on with their former foster carers – Department of Education (DfE), Department for Work and Pensions (DWP) and HMRC Guidance, May 2013
- https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/201015/Staying_Put_Guidance.pdf
- 8.2 HMRC have stated that the same arrangements that apply to Adult Placement 'Shared Lives' carers should apply to former foster placements if the carer continues to provide support, and continues to receive the same level of payment.
- 8.3 For carers who are in receipt of welfare benefits, advice will be given about whether Staying Put payments will be disregarded or considered as income for means tested benefits. These payments may include:
- Rent payments paid to the carer
 - Payments from the young person to the carer
 - Payments from West Berkshire to the carer (made under The Children Act 1989)

- 8.4 A young person may not be able to claim Local Housing Allowance if the Carers are already in receipt of Housing Benefit or Local Housing Allowance to meet their own housing costs.
- 8.5 In circumstances where all the funding for a Staying Put Arrangement comes from the Communities Directorate budget, the payment can be made under Section 24 of The Children Act 1989 or 'Shared Lives'. In these circumstances, a letter should be written to the former carer by the Manager confirming that payments are being made under Section 24 of the Children Act 1989 or 'Shared Lives', and that the payment should be disregarded for income tax and benefit purposes.
- 8.6 Legislation regarding the treatment of payments to the carer is complex, and individual financial circumstances vary, and it may be necessary to advise the carer to seek specialist advice (from Citizens Advice Bureau, for example) about their specific circumstances and the effect of the Staying Put Arrangement on their tax, national insurance, welfare benefits, and working tax credit or child tax credit.
- 8.7 West Berkshire will support carers and ensure that their entitlements are not affected by allowing a young person to 'Stay Put'. In line with guidance from the DWP West Berkshire has distinguished between the four broad groups of carers within the "Staying Put" Scheme:
- a. Carers who are not in receipt of any means tested benefit where setting a commercial rent and young people claiming Housing Benefit would not have an impact on the "Staying Put" carers. In these circumstances young people claim Housing Benefit as a contribution towards the "Staying Put" arrangement for the rent element. The fact that this is a commercial arrangement and the "Staying Put" carers receive part of the payment from section 23C and part from the young person, via contributions, or housing benefit is immaterial as the carer is not claiming benefits.
 - b. Carers who are receipt of Pension Credit where income from 'Boarder' arrangements are disregarded in calculating their entitlement to Pension Credit and Housing Benefit. In these circumstances young people claim Housing Benefit as a contribution towards the "Staying Put" arrangement for the rent element. The fact that there is a commercial arrangement is immaterial as those in receipt of Pension Credit have any income from a 'Boarder' arrangement ("Staying Put") disregarded.
 - c. Carers who are in receipt of a means tested benefit where Children's Services continues to pay the entire allowance to the "Staying Put" carer from section 23C. This is not therefore deemed a commercial arrangement and as the payment is

wholly from section 23C it does not affect or have any impact on the carer's own benefits.

- d. Carers who are in receipt of a means tested benefit where young people claim Housing Benefit as a contribution towards the "Staying Put" arrangement for the rent element and Children's Services provide the remainder from Section 23C, and an additional compensatory payment from section 23C equivalent to the amount of benefit lost by the carers. Whilst this does become a commercial arrangement and carers lose an element of their means tested benefits, the payment made by Children's Services to compensate for the lost amount of benefit will, itself, be disregarded if it is paid from section 23C.

- 8.8 Early planning by the worker and identification of the benefits and financial circumstances of individual carers is critical to ensure that appropriate plans and arrangements are in place for both the carer and the young person.
- 8.9 If the carers are tenants themselves, it is advisable for them to check their tenancy agreement and ensure that their lease allows them to have a lodger. If the carers are mortgage payers it is advisable for them to check whether having a lodger is within the terms and conditions of their mortgage lender and insurer.
- 8.10 It is advisable for carers to inform the Insurance Company providing their household insurance when a young person is no longer a fostered child but remaining in their home as an adult lodger, and to check that existing insurance arrangements still provide adequate household cover under this arrangement. Foster Carers are currently covered for legal protection insurance provided and paid for by West Berkshire Council the case of an allegation made against them by a foster child. Carers must be informed that this legal protection insurance cover does not continue under a Staying Put Arrangement.
- 8.11 Key information and training will be offered to carers in the lead up to a post 18 Staying Put Arrangement. Carers will continue to be registered as carers and under go an annual review and comply with the National Standards.
- 8.12 See appendix 3 for guidance from the DWP and appendix 4 for guidance from HMRC (information accurate as at March 2014).

9. Funding support and funding sources

- 9.1 For West Berkshire carers the total package of financial support will, in the first year, match the foster allowance made to carers however for young people who are moving towards independent living, payment will be on a sliding scale and reduce as the young person becomes more independent. Where appropriate the young person will be expected to make a contribution to their living costs. For young people who are supported by the Council's Disabled Children Team (DCT) individual fees will be

agreed according to their need and the contributions they can make from their payments.

- 9.2 For young people who have specific needs and are in Independent sector fostering rates will be negotiated to reflect the level of support the young person will need. In these cases payment will be approved by the Resource Panel or the Head of Service.
- 9.3 Where the young person is staying put and is receiving Job Seekers Allowance (JSA) or Income Support they will retain this funding and it will be deducted from the carer's payment. This will enable the young person to purchase things that would previously have been included in the fostering allowance, and is intended to enable the young person to develop budgeting skills. This would include clothes and toiletries, and should cover social and leisure activities.
- 9.4 The financial package for the former foster carer from the authority will be equivalent to that received through fostering allowance excluding housing benefit and the JSA or income support allowance which are paid to the young person. Make up of payment and payment scales for local foster placement:

	Up to 18	18 - 19	19 - 20	20 - 21
Fostering	£373.59			
Leaving Care	N/A	£248.67	£198.67	£148.67
Housing Benefit	N/A	£ 68.12	£ 68.12	£ 68.12
Young Person	N/A	£ 10	£ 10	£ 10
Total	£373.59	£326.79	£276.79	£226.79

- 9.5 As set out in 9.1 above payments for young people with disability will be individually arranged and agreed through the Resource Panel.
- 9.6 When a young person is Staying Put they will be responsible for providing their own clothing, toiletries, equipment for college or work and transport, this will be funded through their salary, JSA or education bursary. JSA is currently £56.80, £10 will be paid to the carer towards living costs and the young person will keep £46.45. However if the young person's total average income through benefits, DLA and any work they do exceeds £56.80pw (over a 6 week period) they will be expected to contribute 50% of their income over £56.80 towards the placement costs up to a maximum of £50 per week contribution. Amounts payable would be adjusted if the young person is in receipt of additional income.
- 9.7 The young person can usually claim Local Housing Allowance (LHA) and as a Care Leaver will be exempt from the single room rent restriction. The LHA is usually paid direct to the young person and they will be expected to maintain arrangements to pay this to the former carer.

9.8 If the young person does not make these payments of LHA to the carers:

- It will result in the placement ending
- It may impact on their future ability to claim LHA
- If the failure to pay results in the Staying Put Arrangement being terminated the young person may be considered to be 'intentionally homeless' by the local housing authority

9.9 In certain circumstances LHA can be paid direct to the landlord if the claimant is vulnerable and likely to have difficulty in managing their financial affairs or if the tenant has built up rent arrears of eight weeks or more. (See Housing Benefit Local Housing Allowance Guidance Manual October 2007).

9.10 If the young person cannot claim LHA the Local Authority will compensate by paying an amount equivalent to LHA to the former carers.

10. Administration

10.1 The Pathway Plan should identify an intention to establish a Staying Put Arrangement. A Staying Put Agreement should be completed before the Staying Put Arrangement begins.

10.2 The Service Manager must be informed of and approve payment no less than one month before the young person's 17th birthday. The worker must ensure all financial arrangements are conveyed to accountancy and exchequer. If they young person is deemed vulnerable arrangements should be made to pay housing benefit directly to the carer or Children's Services as agents.

10.3 Staying Put Agreement (See appendix 1) and a Licence Agreement (see appendix 2) should be completed prior to the commencement of the Staying Put Arrangement.

11. Young people's contribution

11.1 If the young person is employed or has an income of more than £53.45 per week (figure accurate as at March 2014) they will be expected to make a contribution to the Staying Put Arrangement. If a young person's income varies on a weekly basis, it may be averaged over a six week period to determine the level of the young person's contribution to the Staying Put Arrangement.

11.2 The young person will keep the equivalent JSA of their income. It is intended that this money will be managed by the young person and used for things like toiletries and clothes, which will previously have been provided for the young person by the foster carer, from the fostering allowance. They would be expected to contribute 50% of the next £100 of their income, up to a maximum contribution of £50 per week.

- 11.3 The worker will continue to encourage the young person to access employment. This may mean the contribution from the community services will be higher as they may be unable to claim LHA.
- 11.4 Where a young person's level of income is so low that they are unable to contribute the former foster carer will suffer no detriment, and if necessary the council will make the provision where it cannot be found from another source.
- 11.5 Financial arrangements will be reviewed at a minimum on an annual basis, or earlier if there is a significant change in financial circumstances.

12. Monitoring and reviewing arrangements

- 12.1 Staying Put Arrangements should, as a minimum, be reviewed every six months. The review will be organised by the social worker and should cover any problems or difficulties which have emerged and also identify what is working well.
- 12.2 A review can be arranged earlier by agreement between the young person, carers, and the professionals involved.
- 12.3 The young person and carers can also access advice at other times from the Leaving Care Worker, Transition Worker and/or Family Placement Support Worker.

13. Ending the Staying Put Arrangements

- 13.1 The Staying Put Arrangements will end when the young person no longer meets the criteria for placement, if the young person breaches the agreement and it can also be ended by the young person or former carer giving relevant notice. Both parties should give as much notice as possible, and this should in most circumstances be a minimum of 28 days notice. The licence agreement allows for the ending of the arrangement with 7 days notice for a breach of the agreement, but this minimum should only be used in exceptional circumstances.
- 13.2 Planning will be undertaken, through the Pathway Plan, to ensure young person can move on into suitable accommodation at the end of Staying Put.

Staying Put Agreement for

Developing Networks of support. Who will be able to help and support in the long term? Groups, Clubs, Religious organisations, individuals.

The young person will:

The Staying Put carer will:

House hold tasks – self help skills, i.e. shopping, cooking, cleaning, laundry, personal hygiene

The young person will:

The Staying Put carer will:

Finance: contributions to the placement, managing a budget, bank accounts, credit cards, loan agreements and mobile phone contracts. Income and benefits.

The young person will:

The Staying Put carer will:

Education, employment and training activities

The young person will:

The Staying Put carer will:

Friends visiting and staying at the address. Staying away for nights/weekends and informing carers of movements.
The young person will:
The Staying Put carer will:
Health arrangements i.e. registered with the doctor, attend appointments at the Edge or CAMHs, visit the dentist.
The Staying Put carer will:
Issues related to younger foster care children in placement, i.e. safeguarding, being a positive role model and time keeping.
The young person will:
The Staying Put carer will:
Non accidental damage in the home, what are the expectations how will the Staying Put host be compensated.
The young person will:
The Staying Put carer will:
Moving on arrangements, tenancy rights and responsibilities, going on the

housing register,

The young person will:

The Staying Put carer will:

Ending the arrangements

The Staying Put Arrangements will end when you are 21 or if break the agreement and it can also be ended by you giving relevant notice. You and you host should give as much notice as possible, and this should be a minimum of 28 If you break the agreement your placement can be ended in 7 days although this is a minimum will only be used in exceptional circumstances.

I agree to the conditions set out in this contract and agree that where appropriate my Staying Put carer and Social Worker can share information about me.

Signed: Date:

Care Leaver

Signed: Date:

Staying Put carer

Signed: Date:

Leaving Care Worker

Signed: Date:

Family Placement Team

Licence agreement

Guidance from - Department for Work and Pensions Definitions

The specific DWP legislation covering “Staying Put” arrangements highlights that (1) where a young person continues to reside with their former foster carer after their eighteenth birthday on a non-commercial and familial basis, and (2) where the child was looked after immediately prior to their eighteenth birthday, and (3) where the payments are made by the local authority to the carer under section 23C of the Children Act 1989, the payments are disregarded in calculating the carers entitlement to means tested benefits.

When a commercial arrangement is made, i.e. any element of the cost of the arrangement comes from a source other than section 23C; the non-section 23C element will be taken into account in the calculation of the “Staying Put” carers own means tested benefit claim.

Additionally, the disregard is lost on the whole payment (section 23C and non section 23C elements) when the young person first leaves the Staying Put arrangement, should the young person return to their former foster carer/Staying Put Carer or, move to another carer after their 18th birthday.

Therefore the DWP Staying Put frame work primarily applies to a young person remaining with their former foster carer on a familial basis, where no commercial arrangement applies and until they first leave the arrangement, or until the age of 21, or until the end of an agreed programme of education or training being undertaken on the young persons 21st birthday if they continuously live in the arrangement.

Benefit Issues for “Staying Put” Carers’

This section covers the rules regarding payments to “Staying Put” carer/s that are in receipt of a means tested benefit/s.

Payments made to the “Staying Put” carers from the Local Authority Children’s Services under section 23C of the Children Act 1989 via the young person, or directly to the carer/s on behalf of the young person are disregarded when calculating the carer’s entitlement to means tested welfare benefits. The section 23C payment is disregarded in its entirety in circumstances where young people continue to live as a member of their former foster carer’s family on a non-commercial basis. Where young people contribute to the arrangement and/or claim housing benefit (which requires a commercial arrangement) they cannot continue to be deemed to be living solely in a familial arrangement and therefore any element of the payment from a source other than the section 23C element is taken into account when calculating the impact on the “Staying Put” carers own welfare benefit claim. The section 23C element will always be disregarded when calculating the “Staying Put” carer’s welfare benefit entitlement.

Where meals are provided in the “Staying Put” arrangement

Where a commercial arrangement applies and Housing Benefit is paid to the young person based on a rent officer determination, all non-section 23C payments regardless of their source (Supporting People [or successor funding framework] payments, contributions from the young person, including Housing Benefit) will be counted as income under the ‘Boarder’ rules. Under these rules the first £20.00 and 50% of the remainder is disregarded. For example, if a carer receives £220.00 per week in total for the “Staying Put” arrangement of

which £100.00 is paid by the local authority under section 23C, the amount taken into account by the DWP will be £120.00. Of the £120.00, £20.00 and a further £50.00 (50%) is disregarded, therefore the carer will be deemed to have a £50.00 per week income from the 'Boarder' ("Staying Put") arrangement and they will lose £50.00 of their benefit. This arrangement would apply to each young person if two or more young people aged eighteen or over remain in the placement.

Note:

The local authority could make a compensatory payment of £50.00 from section 23C (that would be disregarded by the DWP) which would negate the loss of the carer's benefit.

Non-Dependent Deductions

In certain circumstances where a "Staying Put" carer is in receipt of Housing Benefit a Non-dependent Deduction may apply in respect of the "Staying Put" young person. Non-dependent Deductions are normally applied to a person's Housing Benefit claim in relation to people who are working and have an income. The level of non-dependent Deduction would relate to the income of the young person. This would still be the case if the Local Authority the Staying Put carers the full cost of the arrangement from section 23C and the young person does not make a contribution to the cost of the arrangement, either through Housing benefit or personal contribution. It is also important to note in this circumstance that if the young person claims housing benefit, or makes a contribution to the Staying Put arrangement it would become a commercial arrangement and the income would be treated as 'Boarder or Sub-tenant' income on the non section 23C element.

Young people aged 18 – 25 in receipt of Income Support, income based JSA and income related Employment and Support Allowance are unlikely to have a NND applied to their 'Staying Put Carers Housing Benefit claim.

Pension Credits

Where the "Staying Put" carer is over the pension credit age (the pension credit entitlement age is rising from 60 to 65 between 2010-2020) and is in receipt of Pension Credit more generous disregard rules regarding income from 'Boarder Arrangements' apply and should be explored. In practice, the whole amount paid (in respect of a 'Boarder Arrangement' to the carer in receipt of Pension Credit is likely to be disregarded, regardless of the young person claiming Housing Benefit and the source of the payment.

The Treatment of Benefits

Payments from Children's Services to young people under section 17, section 20, section 23, section 24 and section 31 (Children Act 1989) do not count as income for benefit purposes. Payments made to young people and passed to former foster carer/s from section 23C (Children Act 1989) are disregarded in the assessment of the former foster carer/s'

income for benefit purposes, if the young person was formerly in the claimant's care, is aged 18 or over and continues to live with the claimant within a non-commercial family type arrangement. If the arrangement is a commercial one the section 23C disregard ceases on any non-section 23C disregard ceases on any non-section 23C element of the source of payment.

Council Tax and Council Tax Benefit

The position regarding Council Tax will vary depending on the circumstances of the carers, the number of adults in the household and the activity that the young person is engaged in. Within local authorities' "Staying Put" policies, the treatment of council tax liability and council tax benefit will need to be addressed.

- Young people undertaking full time education are 'invisible' for council tax purposes.

In circumstances where "Staying Put" carers qualify for a 25% single person reduction or full Council Tax Benefit and the situation of the young person has an impact on the discount or Council Tax Benefit, the local authority policy will need to set out how this change will be addressed, dealt with and/or impact on the "Staying Put" payments to carers. From April 2013 national Council Tax Benefits will be abolished and will be replaced by a council tax reduction scheme administered by, and reflect, individual local authority priorities.

Guidance from - HM Revenue and Customs Definitions

HMRC have defined “Staying Put” more broadly than the DfE and DWP to ensure compatibility with legislation covering all four countries within the United Kingdom. This can be advantageous to both carers and young people where a young person wishes to return to the same or, another arrangement after they left their original “Staying Put” arrangement.

The term “Staying Put” (HMRC) is therefore used to define arrangements where:

1. A young person was looked after immediately prior to their eighteenth birthday;
2. The young person has a Pathway Plan;
3. A proportion of the allowance paid to the “Staying Put” carer/s is paid by the Local Authority;
4. “Staying Put” arrangements can extend until:
 - the young person reaches their twenty-first birthday;

or

- the young person completes the agreed programme of education or training being undertaken on their twenty-first birthday.

Some slightly different rules also apply to ensure arrangements in Scotland are catered for.

Note:

This broader HMRC definition would allow for a young person to return to an arrangement (“Staying Put”) for example during a university vacation. Additionally, all other HMRC requirements would need to be met, i.e.:

- the young person was looked after immediately prior to their 18th birthday;
- the young person is aged 18 to 21, or, if 21 or over is continuing a programme of education or training;
- the young person has a pathway plan;
- a proportion of the allowance is paid for by the local authority.

This broader definition can therefore mean that any person/carer can be defined as a Staying Put carer, from an HMRC, perspective, in circumstances when the 4 criteria above are met. The carer does not need to be a registered foster carer or former foster carer. In circumstances where Children’s Services define a person as a Staying Put carer, by paying them an allowance, as in the above situation, the responsible local authority will need to ensure the appropriate safeguarding arrangements are appropriate to meet the young person’s needs and that the monitoring and support for the Staying Put carer is also satisfactory.

Income Tax and National Insurance

The rules governing Income Tax and National Insurance issues for former foster carers changed on 6th April 2010 from Adult Placement Care arrangements to Qualifying Care Relief Shared Lives Carers' arrangements.

HMRC has confirmed that where a "Staying Put" arrangement meets the qualifying criteria as set out in the 'Terminology Section' (and where the young adult continues to be cared for as a member of the carer's family) it will be treated under the new Qualifying Care Relief 'Shared Lives Carers' rules. In effect, these rules extend the Income Tax and National Insurance rules that apply to foster carer/s to "Staying Put" carers.

In order to qualify for the HMRC Qualifying Care Relief – 'Shared Lives Arrangements' young people are required to 'share the individual's ("Staying Put" carers) home and daily family life during the placement' i.e. live as a 'member of the carer's family' If the "Shared Lives Arrangements" do not apply, the "Rent a Room" rules may apply or the normal tax rules will apply.

"Staying Put" carers will be covered by the Qualifying Care Relief system where they provide a "Staying Put" arrangement for a young person who was looked after immediately prior to the young person's 18th birthday. Qualifying Care Relief can continue until the young person reaches the age of 21, or, until they complete a programme of education or training. A young person below the age of 21 does not have to be engaged in education or training for the Qualifying Care Relief system to apply to their carers.

The Qualifying Care Relief system provides for foster carer/s and/or "Staying Put" carer/s to earn up to a given amount without paying Income Tax or Class 4 National Insurance Contributions on their caring income. The Income Tax free allowance consists of two elements. Firstly, a fixed amount per foster care or "Staying Put" household per year (for 2013 -2014 this is set at £10,000). Secondly, an additional amount per week per child (£200 per week under the age of eleven [0-10], £250 per week age eleven to their eighteenth birthday [11-17] 2013-2014) and £250 per week per adult aged eighteen to twenty-first birthday [18-20] or until the end of the programme of education or training, as defined as "Staying Put" by HMRC (see terminology section).

The £10,000 per year applies once per household regardless of how many foster children or "Staying Put" young people are placed. The additional amount applies per child/young person per week. Where there is more than one paid "Staying Put" carer in the household, the allowance is shared equally by both carers.

The tax free allowance is only available to households with three or fewer placements. However, foster care placements are excluded for this purpose, and sibling groups are counted as one placement.

The tax free allowance only applies to the "Staying Put" carer's income from caring. If they have income from other sources, they will pay tax on that income in the normal manner.

If the "Staying Put" carer/s exceeds the allowance they will have a choice of using the 'simplified' method or the standard profit and loss method to calculate their taxable profits.

The carer/s will also be liable to pay Class 4 National Insurance Contributions on their taxable profit. Under the simplified method, a carer's taxable profit is the income they receive from caring which exceeds their tax free allowance. Where foster carer/s or "Staying Put" carer/s do incur an Income Tax and Class 4 National Insurance liability and they have not used their personal allowance this can be used to off-set this liability.

If the carer/s have claimed the tax free allowance (used the simplified method), they may not also claim the 'Rent a Room' relief.

Individual carers can consult their local HMRC office for guidance on their circumstances and liabilities.

In practice HMRC will treat the taxable profit from foster care or "Staying Put" care as earnings from self-employment for National Insurance Contributions purposes.

"Staying Put" carer/s as well as foster carer/s should note that they may be able to claim Working Tax Credits which are administered by HMRC. Fostering/"Staying Put" care is counted as work for Working Tax Credit purposes. The carer's taxable income is included in the total household income that is used to assess the amount of tax credits that they are entitled to. So, where the carer is paid less than their tax free allowance, their income from caring for tax credits purposes is also nil.

HMRC is aware that a number of foster carers and "Staying Put" carers may not have registered for Class 2 National Insurance Contributions because they make little or no taxable profit. Foster care and "Staying Put" care is deemed as self-employment and as such carer/s should register as self-employed. All self-employed people aged 16 and over who are below State Pension age are liable and must register to pay Class 2 National Insurance Contributions. Failure to do this may affect their entitlement to Employment and Support Allowance, Maternity Benefit, State Pension and Bereavement Benefit. However, self-employed carers may be able to apply for Carers Credits which have replaced Home Responsibilities Protection, and those with low taxable profits may be able to apply for a Small Earnings Exemption.

To claim a carers credit, foster carers/"Staying Put" carers must complete form CF411A available from HMRC (www.hmrc.gov.uk).

If carers have not previously registered as self employed they can obtain further information by calling the Newly Self-employed Helpline on **0845 915 4515**.

SUMMARY		2014/15	2015/16	2016/17	2017/18	2018/19 onwards
Summary of Costs Based on the Assumption that each Staying Put "intake" year will be similar to 2014/15. Children who are expected to transit into ASC are ignored as their costs are picked up already.	Weekly Cost:2014/15 intake	1,056	1,879	846	411	
	(from table 2015/16 intake		1,056	1,879	846	411
	2016/17 intake			1,056	1,879	846
	2017/18 intake				1,056	1,879
	2018/19 intake					1,056
		1,056	2,935	3,781	4,192	4,192
Annual Costs		55,060	153,031	197,141	218,571	218,571

			Team	Placement	Type	Cost of placement per week	Staying put?	Additional info	Most Likely Cost 2014.15	Most Likely Cost 2015.16	Most Likely Cost 2016.17	Most Likely Cost 2017.18	Most Likely Cost 2018.19	Total	Notes
			DCT	Foster	IFA	£1,419.72	Yes	Until 21	0.00					0.00	Would be picked up in ASC
			DCT	Foster	IH	£515.70	Yes	Until 21	0.00					0.00	Would be picked up in ASC
			DCT	Foster	IH	£752.45	Yes	Until 21	0.00					0.00	Would be picked up in ASC
			DCT	Res			N/A	N/A	0.00					0.00	
			LC	Foster	IH	£558.24	No		0.00					0.00	
			LC	Foster	IH	£381.09	No		0.00					0.00	
			UASC	Foster	IH	£377.34	Yes	Probably 2 more years. Uni locally, so living in area	121.27	224.29	174.29	76.17		596.01	Assumed will stay put until 21st birthday based on table in draft document. This is in Yr 1 council pay equivalent to foster care rates less HB and JSA equivalent, but in year 2 pays £50 per week less, and a further £50 less in year 3)
			UASC	Foster	IH	£381.09	Yes	Probably 2 more years. Uni locally, so living in area	117.86	224.97	174.97	78.20		596.01	
			UASC	Foster	IH	£381.09	Poss		30.66	118.17	93.17	56.01		298.01	Use 50% to 21st birthday
			UASC	Foster	IH	£377.34	Poss		123.31	99.54	74.54	0.61		298.01	Use 50% to 21st birthday
			LC	Foster	IH	£377.34	No		0.00					0.00	
			UASC	Foster	IFA	£725.00	Yes	Probably 18 months. Uni locally, so living in area	276.16	576.99	0.00	0.00		853.15	Assumed rate stays at £725 for Carer less HB and income equivalent to JSA in 1st year (£600). In 2nd year carer receives £50 less.
			LC	Res			N/A							0.00	
			LC	Family Fostering		£490.40	Yes	Probably to 21	90.12	353.15	303.15	200.02		946.44	Assumed rate stays at £490.40 for Carer less HB and income equivalent to JSA in 1st year (£365.48). In 2nd year carer receives £50 less, and third year £50 less again.
			LC	Res			N/A							0.00	
			LC	Foster	IH	£376.09	Poss	Possibly 2 yrs	296.35	281.45	25.78			603.58	Costs for 2 years, based on table in draft document (as above)
			LC	SL			N/A							0.00	
			LC	Res			N/A							0.00	
			LC	SL			N/A							0.00	
Weekly Costs									1055.74	1878.55	845.90	411.01		4,191.20	

Teams

DCT – Disabled Children's Team
 UASC - Unaccompanied Asylum Seeking Children
 East - East Locality
 W/C - West Central Locality
 LC - Leaving Care

Fostering Types

IFA Independent Fostering Association
 IH In house fostering

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Protocol for 'Staying Put' requests in respect of Looked After Children with a disability

Each year there are a small number of Looked After Children with a disability that transition into Adult Social Care (ASC). In the event of one of these young people staying with their former foster carer past the age of 18 the following process will be followed;

A discussion will be had with the Carer regarding the options of entering into a Staying Put agreement or moving to a Shared Lives arrangement.

If the decision is that Staying Put is the best option then everything in the 'Looked After Children – Staying Put Policy and Procedure' document will apply with the following additions.

Children's Services and ASC will work jointly on the Staying Put arrangement and the case will be put forward to the ASC Funding Panel at the earliest opportunity in order to provide certainty for all parties involved.

Whilst Social Worker support for the Foster Carer will continue to be provided by Children's Services, the Social Worker support for the young adult will be provided by Adult Social Care or the Leaving Care Social Worker.

The costs of the Staying Put arrangement will be met by ASC. However payments will be organised via Children's Services and either charged direct by using an ASC cost centre or recharged to ASC by way of a monthly internal transfer.

ASC will meet the cost from the LD Commissioning budget.

If the decision is that Shared Lives is the best option then the young person will transition to ASC in the normal way and they will take responsibility for the social worker support to both the carer and the client. All costs will be met directly by ASC.

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Agenda Item 10.

Title of Report:	Local Government Association Peer Challenge - West Berkshire
Report to be considered by:	Executive
Date of Meeting:	9 October 2014
Forward Plan Ref:	EX2893

Purpose of Report: To publish the results of the LGA Peer Challenge for West Berkshire Council.

Recommended Action: To note the report and the actions that are being taken to address the recommendations within it.

Reason for decision to be taken: To raise the visibility of the report and enable debate of the content and recommendations.

Other options considered: None.

Key background documentation: LGA Peer Challenge Final Letter - July 2014.

The proposals will help achieve the following Council Strategy principle:

CSP8 - Doing what's important well

Portfolio Member Details	
Name & Telephone No.:	Councillor Gordon Lundie - Tel (01488) 73350
E-mail Address:	glundie@westberks.gov.uk
Date Portfolio Member agreed report:	25 September 2014

Contact Officer Details	
Name:	Nick Carter
Job Title:	Chief Executive
Tel. No.:	01635 519101
E-mail Address:	ncarter@westberks.gov.uk

Implications

- Policy:** The LGA Peer Challenge has no policy implications for the Council although the recommendations do have implications for some of the Council's governance arrangements.
- Financial:** None.
- Personnel:** None.
- Legal/Procurement:** None.
- Property:** None.
- Risk Management:** The recommendations from the Peer Challenge do not pose major risks for the Council. They are all put forward to enhance the Council's overall efficiency and effectiveness, but will require resources to make it happen.

Is this item relevant to equality?	Please tick relevant boxes	Yes	No ✓
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia			<input type="checkbox"/>
Not relevant to equality			<input type="checkbox"/>

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 This paper sets out the results of the LGA Peer Challenge which was undertaken here in early July. The resulting letter from the LGA paints a positive picture with a small number of recommendations being made. The purpose of this paper is to set out these recommendations, facilitate debate and then set out how it is proposed to implement the recommendations.

2. Proposals

- 2.1 The report highlights the current strengths of the Council's current leadership, governance and financial planning arrangements and sets out a number of suggested areas for attention, namely;

- (1) the need for a consistent, shared narrative across the Member and officer Leadership;
- (2) consider opportunities for joint 'top team' development for the political and managerial leadership of the Council and achieve a common understanding of the roles of Members and officers;
- (3) create more time for strategic thinking and assess the value of formal and informal meeting structures;
- (4) consider the creation of a single programme broad to direct all major transformational activity across the Council;
- (5) review Overview and Scrutiny arrangements;
- (6) create an environment which fosters more innovation and consider mechanisms to encourage staff to make suggestions;
- (7) seek to strengthen relationships with health;
- (8) consider opportunities for more income generation;
- (9) demonstrate that you value staff.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 The LGA Peer Challenge highlights the Council as having some real strengths although it states it cannot afford to be complacent regarding the future challenges that lie ahead. Work has already begun on addressing some of the recommendations highlighted in the letter and all of the recommendations will be built into the new Council Plan 2015-2018 which is currently being written.

Executive Report

1. Introduction

- 1.1 The Local Government Association (LGA) launched its offer of 'sector led improvement' in 2011. It reflected the Coalition's desire to abolish the Audit Commission and reduce the inspection burden that has been placed on local Government by previous Governments. The Peer Challenge has become the primary means for delivering sector led improvement. There are a number of different types offered but all local authorities are meant to have had a corporate Peer Challenge undertaken by 2015.
- 1.2 There are a number of core elements to a corporate peer challenge including leadership, governance, financial sustainability and capacity. There is also the opportunity to tailor the challenge to an individual authority's own needs and Members will note that these are set out on page 2 of the Peer Challenge letter which is set out in Appendix A.
- 1.3 The letter has been written as a self contained report and is attached at Appendix A for Members information. It is relatively brief and so has not been replicated here.
- 1.4 The report has been placed on the Executive agenda to formally recognise its existence and provide an opportunity for further debate. A copy has already been made available to all staff and Members and is available to the public via the Council's website.
- 1.5 The recommendations in the report which are set out below are already being acted upon and will be taken up as part of the new Council Plan 2015-2018 which is currently being prepared.

2. Findings

- 2.1 The Review highlights a number of the Council's strengths alongside recommendations which are set out below;
 - (1) develop a consistent, shared narrative across the Member and officer leadership of the Council to describe the future direction and priorities and reflect this in your Council Strategy 2015-19;
 - (2) consider opportunities for joint 'top team' development for the political and managerial leadership of the Council and achieve a common understanding of the roles of Members and officers;
 - (3) consider how to release more time for strategic thinking, and planning in particular for the Chief Executive and other senior officers, including assessing the value of different elements of your formal and informal meeting structures;
 - (4) consider the establishment of a single programme board to direct all major transformation activity across the Council. This could replace some of your current arrangements;

- (5) review for your Overview and Scrutiny arrangements, including opportunities for more pre-decision scrutiny and policy development aligned to Council priorities, the use of informal 'task and finish' groups and strengthening partnership scrutiny, including of health;
- (6) create an environment which fosters more innovation and consider mechanisms to encourage staff to make suggestions, support their implementation and showcase success. Be prepared to invest more time in learning from elsewhere;
- (7) continue to pay attention to strengthening your relationships with the health sector to support the integration of health and social care and ensure the effectiveness of your Health and Wellbeing Board;
- (8) consider opportunities for more income generation, including the structures and systems to support this;
- (9) demonstrate that you value staff - acknowledge their contribution and celebrate their successes and those of the Council more, in West Berkshire and with the sector more generally.

2.2 A copy of the Peer Challenge letter is set out in full at Appendix A.

Appendices

Appendix A – West Berkshire Council – Corporate Peer Challenge – Final Letter

Consultees

Local Stakeholders: None.

Officers Consulted: Corporate Board

Trade Union: None – a copy of the report has already been made widely available to staff and Members and has also been published on the website. The report is the work of the Peer Challenge Team and as such the Council has not sought to comment on it or amend it.

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Nick Carter
Chief Executive
West Berkshire Council
Council Offices
Market Street
Newbury RG14 5LD

13th August 2014

Dear Nick

**West Berkshire Council
Corporate Peer Challenge – 1st to 4th July 2014**

On behalf of the peer team, I would like to say what a pleasure and privilege it was to be invited into West Berkshire Council to deliver the recent corporate peer challenge as part of the LGA offer to support sector led improvement.

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at West Berkshire were:

- Jo Farrar, Chief Executive – Bath & North East Somerset Council
- Councillor Roger Phillips, Cabinet member for Enterprise & Culture – Herefordshire Council
- Nicola Perry, Head of Policy & Performance – Luton Borough Council
- Zoe Glacken, National Management Trainee - LGA
- David Armin, LGA peer challenge manager.

Scope and focus of the peer challenge

You asked the peer team to provide an external ‘health-check’ of the organisation by considering the core components looked at by all corporate peer challenges:

1. Understanding of the local context and priority setting: Does the council understand its local context and has it established a clear set of priorities?
2. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

3. Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?
4. Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
5. Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

Within this framework you asked us to give particular attention to how well prepared the council is to meet future challenges by considering the following issues:

- Are you ensuring that your reduced resources are fully aligned to strategic priorities?
- How well are you set-up politically, managerially and in terms of staff employment to address the future challenges?
- Do you enable sufficient innovation and creativity, and are you sufficiently outward-looking to meet these challenges?
- Is scrutiny effective and adding value to your governance structures?
- Are you taking partners and the community with you?

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent four days onsite in West Berkshire, during which they:

- Spoke to more than 70 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 25 meetings and additional research and reading.
- Collectively spent more than 220 hours to determine their findings – the equivalent of one person spending more than six weeks in the council.

This letter provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (1st to 4th July

2014). In presenting feedback to you, we have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

Summary of feedback: overall observations and messages

West Berkshire is a council which benefits from solid, well respected leadership and is a trusted partner among other councils across Berkshire and key partners locally including the police, further education and the Thames Valley Berkshire LEP – one person spoke of ‘Team West Berkshire’. The Chief Executive is experienced and respected within the council and externally. The Leader, who has held this position since 2012, provides articulate political leadership and a vision for the future and, with the Executive, is ambitious for the council and West Berkshire and has ideas to take this forward. The senior management team has mainly been with the council for some time – like many staff across the organisation. The council ‘grows its own’ talent which provides significant organisational memory and a commitment to the authority, despite the on-going financial challenges which the council is facing. A number of staff referred to a friendly and supportive culture but one that can rise to a challenge, although it is now feeling strained as resources have to be reduced. Members are challenging the organisation to do things differently in the light of an uncertain future.

The council has a track record of sound financial management and has been able to secure the necessary savings to date – some £26 million over the four years to 2013-14 – in a measured way, which gives confidence in its ability to deliver the further £15 million savings it anticipates will be required up to 2016-17. It has strong governance arrangements, processes and procedures which enable it to manage crises well – perhaps best demonstrated in its response to the flooding earlier this year which has been widely praised.

The council shows a good understanding of place – of the location, communication links and businesses based in West Berkshire and of its communities and their ability to help themselves and others. Parish planning processes are well established and widespread – 48 out of 63 parishes have these in place (over 75% of parishes). There is a good awareness of the performance challenges facing the council and the area. Educational attainment is poorer than would be expected for an affluent area, with children from deprived backgrounds doing significantly worse than the national average. The Council has responded to this and is working with schools and other partners to tackle the issues. The leadership is committed to making a difference in this area.

Despite being home to a number of major employers in high tech industries, the Council recognises that a skills gap is developing. The Thames Valley Berkshire

City Deal is focused on this challenge, in particular on 16 to 24 year olds in employment but without formal qualifications. The Council has also placed importance on business retention. Demand for housing and affordable housing remains a challenge.

Although the Council has shown some real strengths, there may be difficulties in meeting the challenges of the future. The emphasis on processes and established ways of doing things, and a 'West Berkshire way' shared by long serving staff, can make it difficult to embrace change and new ways of working and respond flexibly to new problems. We noted perceptions that decision making can take a long time and some staff felt that their ideas and suggestions are not listened to. The council needs to do more to clearly support staff who are working to bring about change. We believe you may need to create more space for strategic and creative thinking. You have rationalised the senior management structure to release significant savings, but the structure of Chief Executive and two Corporate Directors (with 13 Heads of Service reporting to these most senior managers) is limiting your capacity to determine how to respond to future challenges. The Chief Executive is in effect also the corporate director for central services and as such has line reports for up to 14 people. We suggest that this must limit the scope to find space for strategic thinking and makes it more difficult for him to provide the interface between the political leadership of the authority and the council's officers. You may wish to consider how you can create more opportunities for strategic and creative thinking and planning.

While you are confident you can deliver the savings anticipated to be necessary over the next three years, we are less sure of the Council's ability to manage a more significant financial challenge, should this arise, as this would require a more flexible and creative response. One potential risk area, in common with other councils, is adult social care. West Berkshire is one of a few councils whose threshold for social care has been set at Critical. Therefore, implementation of the Care Bill may give rise to significantly greater demand for support and place more pressure on the Council's resources if central government offers less financial support than is currently anticipated. Working on a 'plan B' now, to develop more radical solutions and prepare for integrated working, would mean that the council was better placed to deal with such eventualities and could deliver better services and release resources for other priorities should those eventualities not arise. The importance of successful integration of health and social care services through implementation of the Better Care Fund highlights the importance of good relations with health. We acknowledge that the health economy and geography across Berkshire is complex (the two Clinical Commissioning Groups are not coterminous, one includes Reading for example), but the Council should continue to work to strengthen relationships with health and to ensure that your Health and Wellbeing Board is effective.

Overlaid across these challenges is the need to ensure members and officers work effectively together. We sense that members are frustrated and have a perception that officers are not delivering their priorities in the way they feel best and are therefore identifying solutions to the problems they want to tackle. Officers are not clear what members want them to achieve and why - and experience this member involvement in some instances as inappropriate, with too much interest in the detail of implementation. The resolution of these issues will require clear and consistent communication of what members want to achieve for West Berkshire; the development of a shared narrative with senior officers; and a common understanding of the complimentary but distinct roles of members and officers. Members and officers are both real assets for West Berkshire, it is essential to create an environment where members are confident that the priorities they set will be delivered; and where officers are accountable for delivery and have the freedom to manage this. Your shared narrative needs to be clear about priorities; that finances will continue to be challenging and flexible solutions to problems will be supported – while retaining the benefits of strong processes and governance arrangements.

To conclude, West Berkshire is a strong authority which has been managed well given recent financial challenges. The development of a strong narrative will allow the council to celebrate successes and share experiences and achievements more generally. Alongside this you should invest more time in learning from elsewhere to open up the 'West Berkshire way'.

We discuss aspects of these key issues and some other matters in more detail in the remainder of this letter and suggest some potential solutions for your consideration.

Summary of feedback: current performance, ability and capacity to deliver future ambitions

Understanding of local context and priority setting

As noted above, the council has a good understanding of place – of its communities and of the opportunities presented by West Berkshire's location on key road and rail links, and proximity to Heathrow and the M4 / Thames Valley corridor to London. Your strategic and businesses planning processes are informed by an analysis of trends in demography and performance which help you to set targets and develop service plans to deliver the council's priorities. Such analysis and comparison of projected performance against target provides the opportunity for you to both understand the challenges which the council faces and performance manage delivery.

You recognise that you have a largely articulate and capable local population with a high level of engagement with voluntary activities. Through your Strategic Plan you intend to harness this to help people to help themselves and others, so that the council's resources can be targeted at the more vulnerable people in the district. This understanding of place informs your contribution to partnership working. You are seen to be influential in the Thames Valley Berkshire LEP where you have helped secure a focus on issues of concern to West Berkshire – such as tackling the skills gap to help secure employment opportunities for local people in high tech industries through the recent City Deal – whilst also developing the partnership itself.

At the heart of your planning processes is a four year strategic plan which is subject to an annual review. The Council Strategy 2014-18 sets your broad direction – with the detail of what is to be achieved sitting in the service delivery plans which together provide the Council's delivery plan. These service delivery plans provide a great deal of numerical detail of the service targets to be delivered but with relatively little narrative about how these will be achieved. We suggest this can make the council's and services' actual priorities a little difficult to discern and may contribute to the uncertainty we found in some quarters about how priorities are being re-aligned in the light of the continuing need to make savings. The 'Golden Thread' from personal objectives, through to service plans and then the Council Strategy could be more apparent. The major refresh of your Strategic Plan for 2015-19 gives you an important opportunity to be clearer about your priorities and to enable you to target resources in key areas should the financial environment become more challenging. This prioritisation will be an important element in developing a shared narrative for members and senior officers.

The parish planning process is well established, assisted by guidance and support from the council, and relationships with parish and town councils are generally good. However, there remains a perception that the council is Newbury and Thatcham-centric and that you could use the parish planning process, the annual conference and other meetings with local councils across West Berkshire to strengthen engagement.

As noted previously, you will need to work hard to strengthen your relationships with health, to provide the basis for successful integration of health and social care which should enable both better outcomes for service users and carers and deliver savings. We know you are taking a programme management approach to oversee the changes in social care, utilising the experience the council is developing in project and programme management. We encourage you to take a cross-council approach to this work and ensure that its significance is understood. Some councils have given a leading role in such work to their Chief Financial Officer, alongside their Director of Adult Social Care, to make a clear statement of its corporate significance and in recognition of the potential impact on the authorities' finances.

Financial planning and viability

The council has a track record of strong financial management which has enabled it to consistently spend within overall directorate budgets, limiting the use of reserves to support revenue spending. You have delivered savings of around £26 million in the four years to 2013-14 using Controlled Expenditure Limits (CELs) for Directorate and service budgets which set cash limits that managers must operate within. Many members come from organisations which give them a good understanding of financial management. The section 151 officer maintains a record of significant financial risks, including deficits which may arise from falling rolls at a secondary school, the provision of special educational needs and disabilities services and children's services reforms, along with cost pressures in adult social care, and considers that the general fund reserves of £7.5 million are adequate for 2014-15.

Savings of approximately £5 million per annum are required to achieve a net budget requirement of £126 million in 2016-17 without use of reserves. Your track record of delivering savings through the CEL process gives confidence that this can be achieved. The plan is that £2 million per annum will come from Communities directorate; £1 million from Resources and £2 million from Environment. Within Communities, £1.5 million is envisaged to come from 'Plan A' that is looking to release efficiency savings from transformation in adult social care including greater integration and new ways of working. This initiative should be supported as a potential exemplar of how more radical approaches may deliver savings while protecting or improving outcomes. If insufficient savings are delivered in this way we understand the CEL process will kick-in. This seems a prudent approach.

However, we are less convinced of your ability to deliver a higher level of savings than anticipated should this be required – for example as a result of rising adult social care costs. You could do more to proactively plan for and prepare people for such an eventuality. Your success in managing budget cuts to date may be causing people to underestimate the potential challenges which may lie ahead through the continuing central government constraints on public expenditure, notwithstanding the prospects for economic growth. This is understood at senior levels but we found less consistent messages elsewhere. We found evidence of capacity, goodwill and an enthusiasm to work with the council among the parish and voluntary sector representatives we spoke to. But there may be a need for more proactive messaging about the potential reductions in council services and funding which may lie ahead, if communities are to take on more responsibilities as part of your strategy to empower people and communities and helping people to help each other. Parish Plans already provide a starting point for promoting community resilience and self-help. We heard from the voluntary sector that they would welcome a stronger corporate relationship with the council, which could be facilitated by the appointment of a voluntary sector champion.

The council has used procurement, including contract renegotiation where appropriate, alongside effective financial management as key elements in its approach to delivering increased efficiency. However, we feel that your procurement resources are thin and approach to this and commissioning is fragmented. We think more could be done to increase capacity here.

The council is piloting a form of zero based budgeting (ZBB) in Highways & Transportation, with a view to rolling it out across the council in a four year programme. Our understanding is that you are using ZBB to look at outcomes in relation to costs and in particular to assess a priority level (1 to 5) and acceptable service standard (gold, silver, bronze) through political decision. As such, it has the potential to be a useful tool to confirm priorities for resource allocation. But it is also an example of where political and managerial understanding and expectations appear to be mismatched. You should clarify the purpose of the exercise so that it can be used to good effect and benefits to the organisation can then be properly assessed.

Political and Managerial Leadership

The council benefits from experienced and well respected officer leadership. The political leadership is bringing new perspectives and an ability to shape and effectively communicate the council's priorities. You demonstrate a commitment to leadership development – for example the Collaborative Leadership programme intended to promote cross-functional working which was commented on favourably by many officers. The Chief Executive's all-staff briefings are valued, and a number we met would like to see similar arrangements, along with team meetings, held more consistently within their service areas.

We noted a lack of common understanding and consistent messages between members and officers during our visit and suggest this is one of the key issues facing the Council. A number of people pointed to a clash of private and public sector cultures, with members becoming frustrated at the time they perceive it takes to get things done, leading to them to seek to impose what officers see as private sector solutions alien to the public sector, and to intervene with junior officers when engagement at a senior level would be more appropriate. We heard from a number of officers that they feel that members tend to focus on detail, rather than give praise and thanks for what has been achieved, and that such recognition is as valued as financial incentives. Members are properly seeking to set the strategic direction, but the organisation may need development to adjust to a more politically assertive leadership.

Members and officers should invest time to understand better their respective roles and perspectives, strengthen informal dialogue and develop a common language which allows members to determine priorities and objectives and for officers to

develop and implement solutions to deliver these. You may wish to consider the Member Development Charter approach as part of a range of political and managerial leadership development activities to help achieve this common understanding. You need to be prepared to make increasingly difficult choices as budget pressures continue to bite, and a dialogue between members and senior officers should help to develop a common message around these challenges.

We feel that you could celebrate and share your successes more. The council's website has recently been refreshed, to give enhanced transactional functionality. There is scope to include more prominent and up-front coverage of good news stories and details of the Council's achievements and to encourage the local media to cover similar stories.

Governance and decision-making

The Council has good processes and procedures, which allow it to get things done when they need to be done – such as in its responses to emergencies such as the recent flooding. However, we also heard that in more routine situations these processes can make it more difficult to get a decision, with issues going up and down the line. We found a perception that strong central control has led to risk aversion among officers.

The council has a number of fora that provide the opportunity for dialogue between officers and members for the development of policy and strategy and the exploration of issues prior to formal decision making. At officer level there are several programme boards which look at the development and implementation of different aspects of council strategy. These are potentially very useful if they are used to develop the shared understanding of member and officer roles and common priorities referred to previously and to improve communication between officers and members. But you may wish to consider if these can be rationalised to make better use of strategic leaders' time and permit more opportunity for strategic thinking in practice. You have preferred to take a pragmatic approach based on specific programme / project management arrangements for particular initiatives. But you may wish to consider a single over-arching programme management board to manage change. This could signal the importance of transformation to meet future challenges, foster cross-functional working, reduce the risk of a silo approach and make better use of senior people's time.

We heard of examples where task and finish scrutiny reviews, such as of Domestic abuse and Flooding response, where officers and members work together had added value. But in general we sensed a frustration with scrutiny – that it takes time without relevance to the council's priorities, dwelt on minor issues (such as recruitment to specific posts which could be dealt with by officers) and is increasingly adversarial. The council has reduced the number of commissions,

retaining only the Overview & Scrutiny Management Commission. There is more attention to post-decision scrutiny and call-in, less to policy development and pre-decision scrutiny which may be more constructive. A work programme of policy development reviews, linked to the council's strategic priorities, could add value and enable more engagement of backbench members with strategy development. We found that non-executive members felt disengaged from policy making. A more valued role for scrutiny, along with other briefing arrangements including cross-party leaders briefings could tackle this sense of disengagement. There are opportunities to increase partnership scrutiny. There may be a case to bring back a dedicated Health scrutiny commission, given the importance of developing relationships with and influencing health agendas. More externally focused scrutiny may also be less adversarial.

Capacity

As noted in our key messages, you benefit from many capable officers and members with a real commitment to West Berkshire. The headline messages from your 2013 staff survey remain positive (eg. 67% proud to work for the organisation and 65% would recommend the council as a good place to work). You need to ensure an environment in which this goodwill continues to flourish. The council's capacity is augmented with effective partnerships with many other agencies and local communities. You have shown an ability to see through major and at times difficult change – such as the Timelord flexible working project which will have affected almost all staff to a greater or lesser extent. This enabled you to rationalise your premises and make home working available to many staff. But we heard that the benefits of this may not yet have been fully realised and further investment in ICT would help to deliver this, such as the availability of the 'Openscape' software to give both 'free' and 'fixed' workers access to the same availability information, ensuring that staff should be equally available to customers (internal and external) whether they happen to be working from home or the office.

You have a number of examples of innovation – such as the transfer of your countryside service to the Berkshire Wildlife Trust and the 'First Care' 24 hour nurse-led help line introduced in Social Care to help manage sickness absence and reduce the need to call on agency staff. We found staff with suggestions for improvement – to simplify forms for example to reduce work arising from queries back from service users; invest to save examples and training up staff interested in working in areas where there are skill shortages. But we also heard that many staff did not believe that such suggestions would be listened to. You need to demonstrate that such suggestions will be listened to and good ideas acted upon. Showcasing successful examples would demonstrate a new approach and encourage more innovation (Bath & North East Somerset's '10 in 100' programme illustrates a possible approach).

Staff recognise that training and development opportunities are available and lack of budget is rarely the reason for not being able to access such support. The principle of regular appraisal is supported and found to be of value. But there is a fear that appraisal is becoming too 'tick box', not acknowledging what matters to staff or enabling them to access the right development opportunities. Some feel that the 'human touch' is lacking as the organisation places a premium on process and procedure. The prospect of a form of performance related pay is not seen to motivate staff – thanks and recognition are seen as more important, along with regular team meetings; availability of managers and understanding a consistent and relevant message about the council's direction. Human Resources management was one area where a number of people felt that members were becoming too involved in the detail of implementation rather than setting the strategic direction.

You have skill shortages in some key areas, such as children's social care, but recognise these and are taking action to address them, including consideration of recruitment and retention incentives. There is a sense that capacity is stretched in some key areas (which is not unusual in authorities of a similar size to West Berkshire) which may raise resilience issues in some specialist areas such as community safety that could risk instances of service failure. Clearer priorities, and some difficult decisions about what you will no longer do, may enable you to retain capacity in some key areas. We heard that the appetite for shared services across Berkshire authorities is limited; based mainly on opportunistic partnerships of the willing. One constraint referred to was a reluctance to give up control, so you look to share services where West Berkshire continues to provide the service. Shared services are certainly not a panacea, but are being taken up by an increasing number of authorities to enhance capacity and resilience whilst reducing costs. You may need to be more willing to relinquish direct control if West Berkshire is to reap more of these benefits. You are to provide financial, legal and administrative support to Berkshire Fire & Rescue on a trading basis and you may wish to consider further opportunities for income generation, including investing in your capacity to do so. Following the peer challenge we provided you with some information about Luton Traded Services, the trading arm of Luton Borough Council. Other councils that are successfully trading services as part of an income generation strategy include Oxford City.

Key suggestions and ideas for consideration

The peer team developed some key recommendations for you to consider. These are based on what we saw, heard and read. Drawing on our experience of the sector and knowledge of local government improvement, the following are things we think will help you to make best use of your skills and experience, deliver some quick wins, and develop the strengths you will need to deliver your priorities and meet the challenges ahead:

1. Develop a consistent, shared narrative across the member and officer leadership of the council to describe the future direction and priorities and reflect this in your Council Strategy 2015-19
2. Consider opportunities for joint 'top team' development for the political and managerial leadership of the council and achieve a common understanding of the roles of members and officers
3. Consider how to release more time for strategic thinking, and planning in particular for the Chief Executive and other senior officers, including assessing the value of different elements of your formal and informal meeting structures
4. Consider the establishment of a single programme board to direct all major transformation activity across the council. This could replace some of your current arrangements.
5. Review of your Overview & Scrutiny arrangements, including opportunities for more pre-decision scrutiny and policy development aligned to council priorities, the use of informal 'task & finish' groups and strengthening partnership scrutiny, including of health
6. Create an environment which fosters more innovation and consider mechanisms to encourage staff to make suggestions, support their implementation and showcase success. Be prepared to invest more time in learning from elsewhere
7. Continue to pay attention to strengthening your relationships with the health sector to support the integration of health and social care and ensure the effectiveness of your Health and Wellbeing Board
8. Consider opportunities for more income generation, including the structures and systems to support this
9. Demonstrate that you value staff – acknowledge their contribution and celebrate their successes and those of the council more, in West Berkshire and with the sector more generally.

We have attached a set of slides that summarise the above feedback. The slides are the ones used by the peer team to present its feedback at the end of the onsite visit.

Next steps

You will undoubtedly wish to reflect on these findings and suggestions made with your senior managerial and political leadership before determining how the council wishes to take things forward. As part of the peer challenge process,

there is an offer of continued activity to support this. In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge to date. We will endeavour to signpost you to other sources of information and examples of practice and thinking.

I thought it helpful to include contact details for Mona Sehgal who, as you know, is our Principal Adviser (South East). Mona can be contacted via email at mona.sehgal@local.gov.uk (or tel. 07795 291006). She is the main contact between your authority and the Local Government Association. Hopefully this provides you with a convenient route of access to the Local Government Association, its resources and any further support.

All of us connected with the peer challenge would like to wish you every success in future. Once again, many thanks to you and your colleagues for inviting the peer challenge and to everyone involved for their participation.
Yours sincerely,

David Armin

Peer Challenge Manager
On behalf of the peer challenge team

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Executive Meeting

9 October 2014

Questions and Answers



Public Questions as specified in the Council's Procedure Rules of the Constitution

(a) Question submitted to the Portfolio Holder responsible for Safeguarding by Ms Judith Bunting:

“Can the Council please provide residents of West Berkshire District with assurances that the systems, training and guidance in place in West Berkshire for Council Officers and elected Councillors are sufficiently robust that we could not have an abuse scandal of the type seen in Rotherham, happening here?”

The Leader of the Council answered:

Thank you for the question. I similarly have been asked this, I think probably every Councillor in this room and Officers as well have probably been asked a similar question.

The abuse case in Rotherham was a terrible and tragic case where over a thousand children were abused both sexually and otherwise over a period of many, many years. It is still early on in the process to understanding exactly what happened in Rotherham. There has been an outline review, the Jay Review, which has been done. What the Jay Review highlighted was there was a high level of, at best, complacency and, at worst, indifference to the risks children were under and also, potentially, even collusion and cover up, but that awaits an assessment on another day. It was a failure for a number of agencies to work effectively together that led to that level of abuse.

I am absolutely clear that in West Berkshire Council/Thames Valley area, there is absolutely no risk of a similar scandal as has happened in Rotherham. We are in no way indifferent to sexual exploitation of children and we work extremely effectively with our partners, other agencies such as Thames Valley Police, our Social Workers and others. There is no indifference towards the risk of children or the needs of children who are being abused.

It is not processes and procedures that protect children, particularly in the area of sexual exploitation. Social Workers must work very carefully with the children at risk, build very strong relationships and ensure that they understand the needs of the children and the risks that they are being faced with. Processes and procedures do play a role in ensuring that an authority operates effectively and I think we are diligent in West Berkshire in making sure that we understand what needs to be done to protect the children involved.

Councillors are regularly updated and trained. Indeed we have a training session next week which I am sure many people will be attending on sexual exploitation specifically so that people can understand the work of the Council and how it is done. So it is working with partners, it is effective working by Social Workers, it is working with Thames Valley Police, making sure things like MASH (Multi-Agency Safeguarding Hub) are set up and working effectively that will make sure children are protected.

In summary, whilst children are at risk of sexual exploitation and abuse in every local authority throughout the country, and it would be complacent for us to suggest otherwise, we are extremely diligent in making sure that we do everything we can to understand the risks children are placed under, that we work well with our Social Worker teams to understand that risk and to work with the children to help them, but also that we work well with our partner authorities and

ultimately a very effective Local Safeguarding Children Board in order to make sure that we are operating to the highest standards possible.

The Chairman asked: *“Do you have a supplementary question arising directly out of the answer to your original question. A supplementary should be relevant to the original question and not introduce any new material”*

Ms Bunting answered: *I have no supplementary.*

Members’ Questions as specified in the Council’s Procedure Rules of the Constitution

There were no Member questions received in relation to items not included on the agenda.

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