

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR CHILDREN'S SERVICES

12 April 2016

Report of the Strategic Director for Children's Services

Joint Use Provision – Etwall John Port School/South Derbyshire District Council

1 Purpose of the Report

To seek approval to consult South Derbyshire District Council and Etwall John Port School on a proposal to cease the current financial support in respect of increasing participation in sport.

2. Information and Analysis

2.1 Context

The Comprehensive Spending Review and associated Local Government Finance Settlement, announced in December 2015, provide clear indications of likely levels of Government support up to 2019-20.

The ability of the County Council to fund services is influenced by a number of factors, one of the most significant of which is the availability of support from Government in the form of Revenue Support Grant (RSG). Throughout the current period of cuts in public sector spending, since the global financial crisis in 2008, the Government has consistently reduced its support to local authorities, and by 2019-20, it is forecast by the Department for Communities and Local Government that the County Council's support through RSG will have fallen to around £13million and the County Council is expecting this support to end in totality in the following year (2020-21). By way of comparison, the County Council received £98.050 million of RSG in 2015-16.

This will bring to an end decades of support to local authorities through the allocation of a large non-ring fenced Government grant; other, less significant, grant streams are also expected to reduce and some to end over the forthcoming five years. By 2021-22, it is envisaged the vast majority of the County Council's funding will come from Council Tax and Business Rates, topped up by direct charges for services where appropriate.

The reduction in Government grants is only part of the problem faced by the County Council; there are significant pressures, particularly in Adult Care which require the County Council to allocate approximately £20million to that service alone in each of the next five years and probably around £15million a year thereafter. The pressures in Adult Care are a combination of additional cost

arising from the Chancellor of the Exchequer's announcement about the introduction of a National Living Wage and increasing numbers of clients requiring support and the increasingly complex needs of those clients.

In mitigation, the Government has announced that councils will be able to increase their Council Tax by an additional 2% per annum in each of the next four years and there is provision for further payments to be received from the Better Care Fund, potentially reaching £25million per annum by 2019-20. However, neither of these measures will offset the pressures in Adult Care on an annual basis and are not available to help prevent savings being required in other service areas.

Overall, the County Council's revised Five Year Financial Plan indicates that cuts of at least £108.9 million are still required from 2016-17 until 2020-21. This is in addition to cuts identified in the period 2010-11 to 2015-16.

In the last five years, the County Council has had to face unprecedented reductions in its finances. During this period, Children's Services has seen its budget fall from £126.8 million to £95.3 million, a reduction of almost 25%. The County Council's need to make further cuts means that the Children's Services budget could ultimately reduce to circa £70 million, around half of the 2010-11 budget. Consequently, the service has no alternative but to consider implementing savings in key service areas. It is important to note that the pressing financial position is the driver for the changes set out in this paper; the services themselves are of a high quality and are valued by service users.

2.2 Proposal

For many years the Authority has been party to a Joint Use Agreement with South Derbyshire District Council and the Governing Body of Etwall John Port Secondary school which governs the management and control of Etwall Leisure Centre.

Prior to 2012, the Authority contributed approximately £8,000 per annum in return for which Derbyshire primary schools receive exclusive use of the swimming pool during school hours. In 2012, the Cabinet Member for Education agreed that a further financial contribution of £32,000 per annum would be paid to help the Council meet its key targets of reducing obesity and increasing active participation in sport. The Joint Use Agreement was amended to reflect this payment.

Since the additional contribution was agreed, the financial position of the Authority has become even tighter, as described in 2.1 above, and all areas of non-statutory spending have to be reviewed. In light of the reduced resources, and a revised Council Plan which now focuses on other areas of community health e.g. children's mental health and wellbeing, reducing tobacco consumption and tackling liver disease, it is proposed that the financial contribution in respect of sport and obesity should cease.

It is proposed that the existing Joint Use Agreement be amended to remove reference to the above financial contribution. Changes to the Agreement require the consent of all parties and it is requested that the Strategic Director be

authorised to consult with South Derbyshire District Council and John Port School on this matter.

Until the consultation is concluded, it is not certain when the savings would materialise but it is hoped that they would be realised from April 2017. If an agreed position cannot be reached, then the alternative would be to terminate the Joint Use Agreement and put in place alternative arrangements in respect of primary schools' swimming. Termination of the Agreement requires 12 months' notice.

As part of the consultation process the Council will consider any representations from the District Council and School regarding the impact of the proposed removal of funding. It may be necessary to undertake wider consultation as a result.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, health, property and transport considerations.

4. Key Decision

No.

5. Call In

Is it required that call-in be waived in respect of the decisions being proposed in the report? No.

6. Background Papers

Joint Use Agreement files held by Legal Services and Children's Services Accountancy.

7. Officer's Recommendations

That the Cabinet Member:

- 7.1 Authorises the Strategic Director for Children's Services to consult with South Derbyshire District Council and Etwall John Port School Governing Body regarding the proposal to cease County Council funding for the active participation in sport and reducing obesity elements of the Joint Use agreement;
- 7.2 Agrees to receive a further report on the outcome of the consultation.

JANE PARFREMENT
Strategic Director for Children's Services