



TRAFFORD
COUNCIL

**AGENDA PAPERS MARKED 'TO FOLLOW' FOR
EXECUTIVE**

Date: Monday, 16 March 2015

Time: 6.30 pm

Place: Council Chamber, Trafford Town Hall, Talbot Road, Stretford M32 0TH

A G E N D A	PART I	Pages
7.	ESTABLISHMENT OF "FAIR PRICE FOR CARE" IN RELATION TO ADULT SOCIAL CARE COMMISSIONED SERVICES FOR THE 2015-16 FINANCIAL YEAR	1 - 22
	To consider a report of the Executive Member for Adult Social Services and Community Wellbeing.	
	<u>PLEASE NOTE:</u> This report is in two components:	
	a) Residential and Nursing Care (with Appendix)	
	b) Homecare	
8.	TRAFFORD SPECIAL EDUCATIONAL NEEDS AND DISABILITY (SEND) POLICY	23 - 78
	To consider a report of the Executive Member for Children's Services.	
13.	REVENUE BUDGET MONITORING 2014/15 PERIOD 10	79 - 128
	To consider a report of the Executive Member for Finance and Director of Finance.	

17. EXCLUSION RESOLUTION

Motion (Which may be amended as Members think fit):

That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

PART II

19. EDUCATION AND EARLY YEARS CAPITAL PROGRAMME 2015

129 - 148

To consider a report of the Executive Member for Children's Services.

THERESA GRANT
Chief Executive

Membership of the Committee

Councillors S. Anstee (Chairman), M. Cornes, M. Hyman, J. Lamb, P. Myers, J.R. Reilly, A. Williams and M. Young (Vice-Chairman).

Further Information

For help, advice and information about this meeting please contact:

Jo Maloney,
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Email: joseph.maloney@trafford.gov.uk

This agenda was issued on Friday 6th March 2015 by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall; Talbot Road, Stretford, Manchester, M32 0TH

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TRAFFORD COUNCIL

Report to: Council Executive
Date: 16th March 2015
Report for: Decision
Report of: Executive Member Adult Social Care and Community Wellbeing

Report Title

Residential and Nursing Care: Review of the 'Fair Price for Care' in Trafford

Summary

The report describes the process undertaken to engage Trafford's Residential and Nursing Home providers in the identification of a 'Fair Price for Care'. It outlines the methodology used. This is the fourth year we have applied this approach.

Consideration is given to both national and local factors that are impacting on the market, taking account of both cost pressures and mitigation. Work undertaken over the last 3 years to assess a 'fair price for care' in Trafford has led to a cumulative increase of 10.1% in residential and nursing fees paid by the Council. Trafford's rates when benchmarked against other Greater Manchester (GM) authorities are amongst the highest in the sub-region.

The recommendation is based on balancing the cost pressures in the market set out in Section 4.3 and the outcome of the formula applied in Appendix 1 against the following factors;

- Affordability in the context of the financial challenges faced by all public sector organisations
- A 10.1% cumulative increase over the last 3 years leading to Trafford paying amongst the highest rates compared to our neighbours.
- Inflation at a record low of 0.3% in January 2015 with a recent downward trend in energy and food costs
- Expansion of the local market with new providers bringing additional capacity in Trafford. On average there are approximately 70 spare beds each week.

Taking all of this into account the recommendation to Executive is to approve a 0% inflationary uplift for the Residential and Nursing market for 2015-16,

Recommendation

That Executive approve a 0% inflationary uplift for the Residential and Nursing Care market for 2015-16 for the reasons set out in this report. 5

Contact person for access to background papers and further information:

Name: John Pearce, Director Service Development

Extension: x5100

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	The report impacts on the following corporate priorities; <ul style="list-style-type: none">• Supporting Vulnerable People• Low Council Tax and Value for Money
Financial	The recommendation for an inflationary uplift of 0% within the residential sector does not have any financial implications.
Legal Implications:	Legal framework is set out in Section 2 of the report
Equality/Diversity Implications	The equality and diversity implications been taken into account.
Sustainability Implications	Not applicable
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	Not applicable
Health & Wellbeing Implications	Market analysis indicates there is capacity within Trafford to enable access to suitable provision to support health and wellbeing of residents.
Health and Safety Implications	Not applicable

1.0 Background

- 1.1 Trafford's current residential and nursing market has developed over a number of years. The market in 2005 was deemed to be unable to support the future needs of Trafford residents but this has now progressed to a far more diverse market with several new providers having entered into the market. This has subsequently expanded the offer giving a wide range of choice for the residents of Trafford.
- 1.2 Residential and Nursing Care in Trafford is of a high overall standard as a result of many years' work to develop and stimulate the market and the skills of the sector's workforce. This is underpinned by Trafford's market management approach which is robust in nature and multi-tiered in relation to the monitoring of service provision.
- 1.3 Each year Trafford Council supports existing placements and makes new placements at a cost of approximately £14.6 million. This constitutes approximately 30% of the Adult Social Services 2015-16 Budget.
- 1.4 In 2012, Trafford Commissioners undertook a detailed review of the Residential and Nursing Care market and as part of this work started the process of engagement with providers to determine a 'fair price for care' in Trafford.
- 1.5 Following a number of initial meetings, it was agreed that in order to carry out this piece of work to determine the 'fair price of care' residential and nursing, providers would work with the Council and each other to develop a framework based on the work of Laing and Buisson. This work established the current Trafford model to engage annually with providers on a 'fair price for care'.
- 1.6 The market capacity in Trafford has fluctuated over the past twelve months with a particular demand in relation to individuals who have dementia. There are currently 39 Residential and Nursing homes operating in Trafford, offering a total of 1271 residential and nursing beds. In the first part of 14/15 bed availability did drop on occasion to 35 vacancies each week. However, following a number of developments, in the last half of this financial year, the average number of available beds has risen and there is now an average of 70 beds/ placements vacant across the borough each week.
- 1.8 A recent piece of work carried out to determine the level of self funders, highlighted that over half of the available beds within Trafford are occupied by 'self funders'.
- 1.9 Residential Care Homes

Establishment	Provider	Location
Ann Challis Residential Home for Ladies	Jem Care Ltd	Urmston
Bickham House	Bickham House Trustees	Bowdon
Claremont Residential Home	Claremont Residential Home Ltd	Sale
De Brook Lodge	Ideal Care Homes Ltd	Flixton
Dover House Residential Home	Mrs C Conchie	Stretford
Fairways Residential Home	Knoll Care Partnership Ltd	Flixton
Ferrol Lodge	Mr Ian Nicoll	Sale
Handsworth	Methodist Homes for the Aged	Bowdon
Haylands	Jem Care Ltd	Urmston
Heathside	Mr & Mrs Meehan	Altrincham

Establishment	Provider	Location
Kara House	Trinity Merchants Ltd	Sale
Kilpeacon House	Mr & Mrs J R Skeath	Altrincham
Lynwood Lodge	Trinity Merchants Ltd	Sale
Mayfield	Stephen & Julie Gilmour	Sale
Oldfield Bank	Mr & Mrs L Leavy	Altrincham
Ravencourt	Miss B Richardson & Mrs J Richardson	Altrincham
The Cedars RH	The Cedars Rest Home Ltd	Bowdon
The Conifers Rest Home	Conifers Care Group	Old Trafford
The Knoll	Knoll Care Partnership Ltd	Flixton
Serendipity	Ideal Care Homes Ltd	Urmston
Victoria RH	Trinity Merchants Ltd	Sale
York Lodge RH	Mr Alan Machen and Mrs Ann Crowe	Urmston

1.10 Nursing Care Homes

Establishment	Provider	Location
Allingham House	New Care Projects LLP	Timperley
Beech House (Partington)	Rosewood Healthcare	Partington
Beverley Park	Beverley Park Nursing Home Ltd	Stretford
Bradley House NH	Bange Nursing Homes Ltd	Sale
Brookfield NH	Mrs M J Chell	Urmston
Faversham	Miss A Burke and Mrs A Wynn	Flixton
Flixton Manor	Flixton House Ltd	Flixton
Lady of the Vale	Sisters of St Joseph	Bowdon
Lime Tree House	Mountlands Trust Ltd	Sale
Manor Hey Care Home	New Care Projects LLP	Sale
Shawe House NH	Shawe House Nursing Home Ltd	Flixton
Shawe Lodge	Shawe House Nursing Home Ltd	Davyhulme
Sunrise Senior Living of Hale Barns	Sunrise Senior Living Ltd	Hale Barns
Timperley Care Home	Kingsley Healthcare	Timperley
Urmston Cottage	Urmston Cottage (MCR) Ltd	Urmston
Woodend N and R	Bupa Care Homes	Altrincham
Wyncourt	Mr & Mrs H Mattinson	Timperley

2. Legal Framework

2.1 The legal framework governing care and support in England has recently undergone fundamental reform. The Care Act 2014, in effect as from 1st April 2015, replaces the piecemeal legislation across the previous sixty years. The Care Act 2014, gives effect to, amongst other things, the following provisions:

- Requiring the Council to promote individual wellbeing and apply the wellbeing principle in all cases where a local authority is carrying out a care and support function, or making a decision, in relation to a person.
- The Council is responsible for preventing, reducing or delaying care and support needs
- Requires that the Council must promote the efficient and effective operation of a market of services for meeting care and support needs. The Act places new

duties on local authorities to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves, or in other ways.

- Specifies the requirements of a personal budget prepared for each adult needing care or support itemising the cost of meeting assessed need and individual financial assessment in terms of actual payment
- Entitles an adult to express a preference for particular accommodation

2.2 In addition to these provisions, the Council will have a new responsibility for market shaping as prescribed by the Act. Supplementing the Care Act 2014, there is further legislative provision and Statutory Guidance which has been issued by the Department of Health. The relevant regulations are Care and Support and Aftercare (Choice of Accommodation) Regulations 2014 (the Choice Regulations”) which state that a Local Authority has to meet the provision of preferred accommodation. The effect of the Act, regulations and guidance, is to require the Council to facilitate and shape their market for adult care and support as a whole.

2.3 The statutory guidance issued under the Care Act 2014 states that Local Authorities must focus on outcomes when pursuing market shaping and commissioning. This is set out in the Guidance. These include:

- Councils should have regard to guidance on minimum fee levels
- Councils must not undertake any actions which may threaten the sustainability of the market as a whole
- Council should assure themselves and have evidence providers deliver services through staff remunerated so as to retain an effective workforce

2.4 The above will replace the current legal framework under the National Assistance Act 1948. The provisions of the National Assistance Act and Choice of Accommodation directions framework is set out below. Under the National Assistance Act 1948, the Council has a duty to make arrangements for providing residential accommodation and care for persons who by reason of illness and disability are in need of care and attention which is not otherwise available to them. The Council may discharge that duty by making arrangements with private providers of residential accommodation for those assessed to need it. The Council is also required, under s7a of the Local Authority Social Services Act 1970 to exercise its social services functions in accordance with Secretary of State’s directions. The directions are the National Assistance Act 1948 (Choice of Accommodation) 1992 LAC (92) 27 (“the Choice Directions”). Under the Choice Directions, the Council is not required to place a person in their preferred accommodation if (amongst other things) to do so would cost the council more than it would usually expect to pay for accommodation for someone with the individual’s assessed needs.

2.5 The directions are further supplemented by the Local Authority Circular 2004 (20), issued under s 7 (1) of the 1970 Act (“the Circular”). The Circular says that the usual cost should be set by councils at the start of a financial or other planning period, to be sufficient to meet the assessed care needs of supported residents in residential accommodation. A council should set more than one usual cost where the cost of providing residential accommodation to specific groups is different. In setting and reviewing their usual costs, councils should have due regard to the actual costs of providing care and other local factors. Councils should have due regard to the best value requirements under the Local Government Act 1999.

- 2.6 Under the Care Act 2014 and the Choice Directions, the Council needs to have regard to “Building Capacity and Partnership in Care.”, it refers, more than once, to the need for consultation and cooperation between commissioners and providers of care. It states out that fee setting must take into account the legitimate and current future costs faced by providers as well as the factors that affect those costs and the potential for improved performance and more cost effective ways of working. Local authorities should not use their position to drive down fees. Contract prices should not be set mechanistically but should have regard to providers’ costs and efficiencies, and planned outcomes for people using services, including patients.
- 2.7 Therefore under the NAA 1948 the Council was under a requirement for settling the usual cost with care providers. The Care Act 2014 and guidance does not require this. However, it remains lawful and a useful tool in market shaping and choice regulation compliance.
- 2.8 Therefore, in seeking to identify a usual cost the Council is under very similar obligations under the Care Act to the NAA 1948 which is to consider the cost of care and engage with the providers under the Care Act and guidance as it is under the Choice Direction.

3. Methodology

- 3.1 In order to determine the ‘fair price for care’ for 2015/16, a similar exercise to that carried out in the previous 3 years has been completed. All providers were provided with an opportunity to participate in the consultation. Letters inviting providers to engage in the process were sent out and sessions held with providers. Over the last two years the numbers of providers willing to engage in this process has fallen. This year only seven providers, which included only one nursing home, took part in the exercise despite several attempts to invite providers to engage. Feedback from providers has indicated concerns about sharing commercially sensitive data to populate the model.
- 3.2 The Council invited providers not willing to take part in the group discussions to attend individual meetings in order to capture their views or to make representations in writing. The exercise undertaken to map costs in the system used the same model which was agreed by a sub-group of providers linked to the original determination of the ‘fair price for care’ conducted in 2012.
- 3.3 The approach must be a fair, transparent and reasonable method for determining such a price. The Council must balance a range of factors impacting on market costs against issues such as affordability and benchmarking data against other authorities.

3.4 Key Components of the Trafford Model:-

Trafford’s model mirrors the structure of the Laing and Buisson approach and seeks to calculate the four main components of care costs:

1. Staffing costs
2. Repairs and maintenance costs
3. Other non-staffing current costs, and
4. Capital costs

- 3.5 It was agreed that capital costs would include a reasonable return for investors, including profit. Thus using the approach outlined above it can be reasonably assumed that a “Fair market price” could be calculated.
- 3.6 The main challenge has been capturing the evidence from the market needed to populate the model. Given the timeframe and the potential difficulty to obtain market data it was necessary to use an approach that could collect appropriate data to address the four main components mentioned above in an open and transparent manner.
- 3.7 Therefore an “open book” policy was adopted to capture the data. Given the reservations about being able to collect suitable meaningful data, individual providers volunteered to provide data about how much it costs to provide care in Trafford.
- 3.8 Providers engaging in the process have populated a standard template that captured the four main components of the model. It was agreed that the providers would capture this data from their latest published accounts.
- 3.9 In completing the model the Council and the providers agreed on the calculation of the key variables in the model. These are:-
- The model would calculate a cost per bed per week.
 - A rate of occupancy (or allowance for void beds) would be assumed and that this rate would not be 100%.
 - The cost of capital (rate of return on capital allowed) would be 12%. However in the light of current low level of interest rates it has been proposed this year that a rate of 8% would may be more realistic, which includes profit.
 - The data would be captured from the latest published set of accounts
 - Any inflationary uplift would be agreed to harmonise the data captured from the provider’s accounts to an agreed start date
 - Providers can introduce a notional amount of cost to reflect the management resource input into a home by the owners/providers that would otherwise have to be delivered by a paid employee
- 3.10 Appendix 1 shows calculations based on these factors with the analysis submitted by residential providers and a revised assessment by the Council to generate a ‘fair price for care’ in the residential sector. It has not been able to generate an equivalent for the nursing sector as only 1 provider engaged with the process. This exercise gives us a starting point

4. Market Factors

- 4.1 The Residential and Nursing home market in Trafford has been awarded a cumulative uplift of 10.1% over the last three years (2.6% in 2012/13, 6% in 2013/14 and 1.5% in 2014/15). These increases followed the application of the model undertaken to establish a ‘fair price for care’ and should be set against many neighbouring local authorities who continued to deliver an uplift of 0%. This has

ensured that Trafford Council is currently paying rates amongst the highest rates in Greater Manchester. This in the context of Trafford being the lowest funded authority in GM. The table below shows the benchmarking data collected through this process.

2014 / 15 - £ per week

	Trafford	Bury	Manchester	Rochdale	Salford	Stockport	Tameside
Residential	£402.71	£410.31	£398.35	£386.00	£381.74	£382.00	£400.00
Residential EMI	£434.26	£410.31	£418.35	£417.00	£381.74	£446.00	£400.00
Nursing	£445.92	£410.31	£425.60	£386.00	£381.74	£400.00	£519.79
Nursing EMI	£501.26	£410.31	£445.60	£432.00	£381.74	£421.00	£534.00

4.2 It is important to note that no two local authorities employ identical banding in regards to weekly rates for the service provision. One local authority pays rates dependent on the quality of the service, quality being ascertained through their own monitoring processes and another has different prices for those delivering services both on and off their approved provider framework. For the purpose of the table above the costs represent single occupancy rooms of a good quality and delivering services outside of any framework appointment.

4.3 The Council recognise that a number of factors will put pressure on residential and nursing markets both locally and nationally. In Trafford this has been mitigated by the three consecutive years of uplifts identified above. This will lessen and reduce the impact of cost pressures including:

- The National Minimum Wage
- Reduction in training budgets of local authorities
- Auto- enrolment in Pension Schemes

4.4 Similar to that of all care providers the National Minimum Wage (NMW) plays an important part in the calculation of a Fair Price for Care. Care is historically a low-paid job, with wages at or near the NMW, which has historically been:

Effective From	Adult Rate	% Increase on previous year
2014	£6.50	3.01%
2013	£6.31	1.94%
2012	£6.19	1.81%
2011	£6.08	2.53%
2010	£5.93	2.24%

4.5 The Low Pay Commission (LPC) in February 2015 recommended to the

government an increase of 3 per cent on the current adult rate. This will see the current rate of £6.50 rise to £6.70 from October 2015. This would support the Chancellors previous predictions in 2014 of having a minimum wage of £7.00 by 2016. It is proposed any increase in the minimum wage would take effect from 1st October so would only impact on provider costs for half of the 2015-16 financial year.

- 4.6 In previous exercises Residential and Nursing Home owners have highlighted the added burden of rising energy costs which has added further pressure upon the care sector. However inflation is at a record low of 0.3% as at January 2015 and there have been recent reductions in energy and fuel costs which will benefit the market.
- 4.7 The lack of growth in the housing market since 2008 has meant a lack of capital growth for many residential and nursing providers in their main asset (The Care Home). More recent evidence from national statistics has shown an upturn in the market that may start to benefit providers. Whilst this is very much influenced by location we are aware there has been strong growth in parts of Trafford and the borough is at the forefront of the recovery within the region.
- 4.8 There have been changes to workforce pensions which require all employers to enrol employees into a pension scheme adding a financial burden to providers. Staff wages contribute to approximately two thirds of the costs in an average residential or nursing home.

5. Local Factors

- 5.1 The work undertaken in Trafford with Residential and Nursing providers led to a calculation based on an average home being a 23 bed Residential Home and a 21 bed Nursing Home. Data supplied was also calculated on both an 88% and 92% occupancy rate.
- 5.2 The information submitted from the providers as part of this engagement included a request that Trafford recognise the financial pressures they are facing and seriously consider a significant increase in recognition of the costs that are attributed to providing such services. A 10% increase has been proposed by providers and this would lead to an additional financial burden for the Council of £1,460,000 in 2015-16.
- 5.3 Appendix 1 sets out the information submitted by care home providers on a collective basis and the cost per bed week based on assumptions and 88% and 92% occupancy levels. The cost per bed per week on these assumptions for 88% and 92% occupancy would be £493.10 and £476.14 respectively. We have reviewed the assumptions behind these figures and revised the calculation to adjust for 95% occupancy, an 8% rate of return on capital and 1% inflationary allowance. On this basis the revised cost of care per bed per week would be £422.27. We believe this is a more realistic cost per bed per week against which our current rates against which we should balance the mitigating factors not reflected in the formula e.g. affordability, benchmarking against GM authorities and bed availability.
- 5.4 Unfortunately, the Council were unable to populate the model for nursing homes as only one provider engaged with the process. However, the Council believe that the same factors in terms of cost pressures and mitigation apply to the nursing home market.

- 5.5 There has been a steady increase in third party top-ups (i.e. the amount over and above the rate Trafford Council pays for care that a provider will require to be paid by a resident) over the last three years and although rates are a decision for individual providers they do give an indication of market rates. There is a substantial difference in the rate of top ups across Trafford ranging from £7.50 per week to £703.29 per week. This pressure on top-ups has to be considered against an increase in available beds over the second half of the year and a reduction in capital costs and inflationary pressures for providers.
- 5.6 The work undertaken with the Residential and Nursing Home owners over the last three years has led to uplifts with a cumulative impact of 10.1% to mitigate the national and local pressures described in this report.

6 Recommendation and Rationale

- 6.1 The recommendation for an inflationary uplift of 0% is made based on balancing the cost pressures on the market against the mitigation identified. It is proposed also after considering the relevant factors including those identified in this report and engaging with providers. The providers who chose to engage with the council on this exercise have requested a 10% uplift in fees for 2015/16. The Council do not believe this is either affordable (it would cost an additional £1,460,000) or justified by the market factors set out in this report, Any decision on affordability needs to be set in the context of Council wide budget reductions of £21.5million for 2015-16. The £14.6million spent on residential provision equates to approximately 30% of the Adult Social Care budget and therefore affordability is a critical issue.
- 6.2 The cost pressures on the market and balancing factors that have been taken into consideration include;
- National Minimum Wage
 - Reduction in Local Authority Training Budgets
 - Auto-enrolment in Pension Scheme
 - Work undertaken over the last 3 years has seen a cumulative increase in rates of 10.1% compared to many authorities who have retained 0% uplifts.
 - Benchmarking data shows Trafford's rates are in the top quartile for Residential and Nursing care compared to GM authorities. Inflation is currently at its lowest level on record at only 0.3% in January 2015. Bank of England projections suggest it will remain below their target of 2% for at least the next 18 months. There has been a reduction in both fuel and food costs in recent months.
 - Market analysis shows that there is currently capacity within the Residential and Nursing sector (approx. 70 beds) although there has been an increase in top-ups with all Trafford homes now charging a top up. This reflects an occupancy level of approximately 94.5% in the borough.
 - Projections in relation to 'return on capital' have been reduced from 12% to 8% in the Council's modelling.
 - Recovery in the housing market will assist providers as the main capital asset, the care home, increases in value. In previous years the challenges created by a stagnant housing market have been factored in as a cost pressure on the market

7. Other Options

- 7.1 The seven providers who engaged in the process requested a 10.1% inflationary uplift. The Council, having carefully balanced all the factors, do not believe that is

- affordable or justified given the issues raised in this report
- 7.2 The calculation set out in Appendix 1 identifies Trafford Council's projection of a 'fair price of care' at £422.27 compared to the proposed Trafford basic rate for residential care of £402.71 (see chart in Section 4.1). We do not believe this gap is unreasonable when balanced against affordability issues in the context of the Council's budget reductions of £21.5million in 2015-16. Benchmarking against Greater Manchester Authorities also shows we are amongst the highest funders in the area.
- 7.3 An inflationary increase of up to 3% was considered during the budget setting process in the context of supporting the market balanced against the Council's financial position. Due to the issues identified in the report and the impact in terms of additional financial pressure on Council budget this option is not recommended.

Key Decision: Yes

If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance *(type in initials)*.....GB.....

Legal Officer Clearance *(type in initials)*.....HK.....

CORPORATE DIRECTOR'S SIGNATURE *(electronic)*



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To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Financial Calculations

See attached sheet

REPRESENTATIVE 23 BED RESIDENTIAL HOME

Annual Financial Data for year ending : April 2014	Care Home Providers Submission					Trafford Revisions	Notes	
	Number of Beds		Total	Cost per bed week				
	23	Per Financial statements		Adj				
Occupancy percentage					88%	92%	95%	Higher occupancy assumption not unrealistic give demand for beds in borough
Direct Costs								
Wages	£268,502							
Food	£27,093							
Effective wages to reflect owner role / contribution		£33,500	£329,095	£311.83	£298.27	288.85		
Indirect costs (cash only)								
Utilities (gas, water, electricity & council tax)	£21,765							
Telephones, stationery, postage and advertising	£1,909							
Legal, professional & accountancy fees	£6,455							
Repairs, maintenance and renewals	£27,272							
CQC registration and insurance	£6,243							
Miscellaneous expenses	£954							
Bank charges	£2,248							
Household expenses (medical supplies, uniforms, staff training, motoring clinical waste, equipment hire purchase, entertainment etc..)	£3,701		£70,547	£66.85	£63.94	61.92		
Total Direct and Indirect costs			£399,642	£378.68	£362.21	£350.77		
Capital Costs								Interest rates are currently at an all time low and projected to continue so for the immediate future therefore a rate of 8% is considered more appropriate.
Current estimated	£1,000,000			£100.06	£100.06	£66.71		
Estimated value per bed Required return	£43,478 12%							
Total costs				£478.74	£462.27	417.48		
Inflation adjustment		3%		£14.36	£13.87	4.79		Inflation is currently running at 0.3%. An allowance of 1% has been assumed which covers the part year effect of the minimum wage increase from October 2015.
Proposed Fee				£493.10	£476.14	£422.27		

Current Trafford Rate - Band B

£402.71

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TRAFFORD COUNCIL

Report to: Council Executive
Date: 16th March 2015
Report for: Decision
Report of: Executive Member Adult Social Care and Community Wellbeing

Report Title

Homecare: Review of the 'Fair Price for Care' in Trafford

Summary

The report the review of Trafford's Homecare provision to support the identification of a 'Fair Price for Care'. It outlines the methodology used and this is the fourth year we have applied this approach.

Consideration is given to both national and local factors that are impacting on the market, taking account of both cost pressures and mitigation. Work undertaken over the last two years to establish a fair price for home care in Trafford has resulted in an uplift of 1% in rates for 2013/14 and 1.5% uplift in rates for 2014/15.

It should also be noted that there was a thorough procurement process to establish a new homecare framework in Trafford that took effect from July 2014 and all current providers applied to be part of that framework based on the rates available at that time.

The United Kingdom Home Care Association's (UKHCA) published their position statement on the cost of care on Wednesday 4th March 2015. This shows that whilst Trafford's rate is slightly below the national average of £13.66 per hour it is well above the North West average and the 5th highest of the 23 LA's in the region.

The recommendation is based on balancing the cost pressures in the market as set out in this report.

Recommendation

That Executive approves a 1% inflationary uplift for the Home Care market for 2015-16 for the reasons set out in this report.

Contact person for access to background papers and further information:

Name: John Pearce, Director Service Development

Extension: x5100

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	The report impacts on the following corporate priorities; <ul style="list-style-type: none">• Supporting Vulnerable People• Low Council Tax and Value for Money
Financial	The recommendation for an inflationary uplift of 1% within the home care market creates a financial pressure of £85k for 2015-16.
Legal Implications:	Legal framework is set out in Section 2 of the report
Equality/Diversity Implications	Equality and diversity implications have been considered as part of the process.
Sustainability Implications	Not applicable
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	Not applicable
Health & Wellbeing Implications	Market analysis indicates there is capacity within Trafford to enable access to suitable provision to support health and wellbeing of residents.
Health and Safety Implications	Not applicable

1.0 Background

- 1.1 The Home Care market in Trafford is made up of a diverse range of providers operating through a Framework established in July 2014. Providers range from smaller independent companies up to national chains and franchises. The partnership between the Council and Providers over the last decade has helped stimulate innovation, diversification and the development of a largely qualified and skilled workforce.
- 1.2 Home Care in Trafford is of a high overall standard. This is as a result of many years' work to develop and stimulate the market and to skill the sector's workforce. Trafford's market management approach includes robust monitoring of the quality of the service delivered. The Council is also able to take action whenever standards are found to be below expectations.
- 1.3 As part of the review of Home Care services in Trafford carried out in 2012 a finance sub-group was established which was tasked to review the then pricing structure for commissioned Homecare Services in Trafford. In order to carry out this piece of work a framework for determining the 'fair price' of homecare was developed with home care providers based on the work of Laing and Buisson and the United Kingdom Home Care Association's (UKHCA) .
- 1.4 The UKHCA published their position statement on the cost of care on Wednesday 4th March 2015. This shows that whilst Trafford's rate is slightly below the national average of £13.66 per hour it is well above the North West average and the 5th highest of the 23 LA's in the region. As would be expected given the differences in cost of living, there is a substantial North/South difference in rates that evidences a positive position in Trafford. The current £12.81 per hour rate was agreed following an uplift of 1.5% as a result of the 'fair price for care' work carried out in 2014/15.
- 1.5 The work required providers to participate in 'open book accounting' in order to inform the work in setting and determining the price of Homecare for the financial year 2014/15 and to highlight the financial pressures placed on the market. All providers were invited to participate. However less than half of the providers engaged in the process.

2. Legal Framework (please replace)

- 2.1 The legal framework governing care and support in England has recently undergone fundamental reform. The Care Act 2014, in effect as from 1st April 2015, replaces the piecemeal legislation across the previous sixty years. The Care Act 2014, gives effect to, amongst other things, the following provisions:
 - Requiring the Council to promote individual wellbeing and apply the wellbeing principle in all cases where a local authority is carrying out a care and support function, or making a decision, in relation to a person.
 - The Council is responsible for preventing, reducing or delaying care and support needs
 - Requires that the Council must promote the efficient and effective operation of a market of services for meeting care and support needs. The Act places new duties on local authorities to facilitate and shape their market for adult care and

- support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves, or in other ways.
- Specifies the requirements of a personal budget prepared for each adult needing care or support itemising the cost of meeting assessed need and individual financial assessment in terms of actual payment
 - Entitles an adult to express a preference for particular accommodation
- 2.2 In addition to these provisions, the Council will have a new responsibility for market shaping as prescribed by the Act. Supplementing the Care Act 2014, there is further legislative provision and Statutory Guidance which has been issued by the Department of Health. The relevant regulations are Care and Support and Aftercare (Choice of Accommodation) Regulations 2014 (the Choice Regulations”) which state that a Local Authority has to meet the provision of preferred accommodation. The effect of the Act, regulations and guidance, is to require the Council to facilitate and shape their market for adult care and support as a whole.
- 2.3 The statutory guidance issued under the Care Act 2014 states that Local Authorities must focus on outcomes when pursuing market shaping and commissioning. This is set out in the Guidance. These include:
- Councils should have regard to guidance on minimum fee levels
 - Councils must not undertake any actions which may threaten the sustainability of the market as a whole
 - Council should assure themselves and have evidence providers deliver services through staff remunerated so as to retain an effective workforce
- 2.4 The above will replace the current legal framework under the National Assistance Act 1948. The provisions of the National Assistance Act and Choice of Accommodation directions framework is set out below. Under the National Assistance Act 1948, the Council has a duty to make arrangements for providing residential accommodation and care for persons who by reason of illness and disability are in need of care and attention which is not otherwise available to them. The Council may discharge that duty by making arrangements with private providers of residential accommodation for those assessed to need it. The Council is also required, under s7a of the Local Authority Social Services Act 1970 to exercise its social services functions in accordance with Secretary of State’s directions. The directions are the National Assistance Act 1948 (Choice of Accommodation) 1992 LAC (92) 27 (“the Choice Directions”). Under the Choice Directions, the Council is not required to place a person in their preferred accommodation if (amongst other things) to do so would cost the council more than it would usually expect to pay for accommodation for someone with the individual’s assessed needs.
- 2.5 The directions are further supplemented by the Local Authority Circular 2004 (20), issued under s 7 (1) of the 1970 Act (“the Circular”). The Circular says that the usual cost should be set by councils at the start of a financial or other planning period, to be sufficient to meet the assessed care needs of supported residents in residential accommodation. A council should set more than one usual cost where the cost of providing residential accommodation to specific groups is different. In setting and reviewing their usual costs, councils should have due regard to the actual costs of providing care and other local factors. Councils should have due regard to the best value requirements under the Local Government Act 1999.

- 2.6 Under the Care Act 2014 and the Choice Directions, the Council needs to have regard to “Building Capacity and Partnership in Care.”, it refers, more than once, to the need for consultation and cooperation between commissioners and providers of care. It states out that fee setting must take into account the legitimate and current future costs faced by providers as well as the factors that affect those costs and the potential for improved performance and more cost effective ways of working. Local authorities should not use their position to drive down fees. Contract prices should not be set mechanistically but should have regard to providers’ costs and efficiencies, and planned outcomes for people using services, including patients.
- 2.7 Therefore under the NAA 1948 the Council was under a requirement for settling the usual cost with care providers. The Care Act 2014 and guidance does not require this. However, it remains lawful and a useful tool in market shaping and choice regulation compliance.
- 2.8 Therefore, in seeking to identify a usual cost the Council is under very similar obligations under the Care Act to the NAA 1948 which is to consider the cost of care and engage with the providers under the Care Act and guidance as it is under the Choice Direction.

3. Methodology

- 3.1 In order to set and inform the ‘fair price for care’ in Trafford for 2015/16 the same exercise undertaken in previous years has been repeated. The work with home care providers commenced in December 2014 and was completed in February 2015. All providers were invited to participate in the exercise which resulted in the major providers operating in Trafford engaging in dialogue with us about the review. However, the number of those providers who submitted financial information was very low so it has not been possible to make a reasonable calculation based on the returns received. We have, therefore, undertaken our review by analysing the market and consideration of the market factors as outlined in section 4 of this report.
- 3.2 The current Framework price for Homecare is £12.81 per hour.

Home Care providers were asked to split the unit price of £12.81 per hour into three parts: -

- **Profit element** – it is reasonable that profit is taken from the unit price and it is considered that a reasonable amount is between 2.5% to 3.0%. It is also considered that the profit element should not fall below 2.5%;
- **Fixed cost element** – these are the administration and back office costs relating to the operation of the business. These costs are to an extent determined by the business model but it is reasonable to assume that an inflationary increase is applied to these costs;
- **Variable cost element** - these direct staff costs are the key driver. It is reasonable to assume that the costs of staff increase with time. Although it is not the responsibility of the local authority to fund wage increases for service providers it is reasonable to assume that service providers will be affected by increases in cost in the labour market, for example the national minimal wage and changes to legislation which impact on wage costs.

4. Market Factors

4.1 Over recent years Trafford has seen an increase in the number of purchased hours from the external market in line with the strategic priority to support people in their own homes if possible;

Financial Year	Purchased Hours	Cost	Increase
2010-2011	486,784		
2111-2012	621,442	7,768,025	
2012-2013	657,416	8,296.589	
2013-2014	666,204	8,534,073	36.85% 7.2% 1.3%

4.2 Demand on home care markets has been the subject of national media coverage in recent months. These national pressures have also been reflected in Trafford and impacted even further at the most critical times of bank holidays and the Christmas period.

4.3 The Council recognise that a number of potential cost pressures impact the Home Care market both locally and nationally. In Trafford this has been mitigated by our current high hourly rate in comparison to other Local Authorities in the region. This will lessen and reduce the impact of cost pressures arising from, factors including:

- The National Minimum Wage
- Reduction in training budgets of local authorities and recruitment of staff
- Auto- enrolment in Pension Schemes

4.4 Similar to that of all care providers the National Minimum Wage (NMW) plays an important part in the calculation of a Fair Price for Care. Care is historically a low-paid job, with wages at or near the NMW, which has historically been:

Effective From	Adult Rate	% Increase on previous year
2014	£6.50	3.01%
2013	£6.31	1.94%
2012	£6.19	1.81%
2011	£6.08	2.53%
2010	£5.93	2.24%

4.5 The Low Pay Commission (LPC) in February 2015 recommended to the government an increase of 3 per cent on the current adult rate. This will see the current rate of £6.50 rise to £6.70 from October 2015. This would support the

Chancellors previous predictions in 2014 of having a minimum wage of £7.00 by 2016. It is proposed any increase in the minimum wage would take effect from 1st October so would only impact on provider costs for half of the 2015-16 financial year.

- 4.6 Trafford expects a rise of 37% (13,500) in people aged over 65 and 64% (3,300) in people aged over 85 by 2030. This includes an increase of more than 1,400 people (55%) living with dementia and more than 6,500 people (38%) over 65 and living with a limiting, long-term illness. (Trafford's Market Position Statement 2014/15). This provides both an opportunity and a challenge for the market.
- 4.7 The home care market in Trafford faces particular challenges in relation to workforce compared to other boroughs in Greater Manchester. Lower unemployment rates and the impact on availability of workforce for low paid caring roles is a factor in Trafford and has been taken into account.

5 Recommendation and Rationale

- 5.1 The recommendation for an inflationary uplift of 1% is made based on balancing the cost pressures on the market against the mitigation identified. The providers who chose to engage with the council on this exercise have requested an uplift to £15.74 for 2015/16. This would equate to a 23% increase in costs to the Local Authority. Any decision on affordability needs to be set in the context of Council wide budget reductions of £21.5million for 2015-16.
- 5.2 The factors that have been taken into account include ;
- Auto-enrolment of Pensions: All staff will be auto-enrolled in a pension scheme in the coming year, and Employers must match contributions
 - Travel time payment: to meet NMW legislation, estimated at 11.4 minutes to every 1 hour of contact time. Potential increase to NMW from 1st October 2015.
 - Training: Previous funding cuts for NVQ/Diploma courses significantly increase Employer contributions.
 - Recruitment: For a sector with high turnover and loss of staff, this is always a significant cost, however this will increase in order to recruit and grow the workforce to meet increasing demand.
 - Affordability: The impact of increased budget pressures for the Council in the context of budget savings of £21.5million for 2015-16 is a major factor to balance against any increase in rate.
 - Benchmarking data shows Trafford's rate of £12.81 is well above regional average and the 5th highest in the North West.
 - Inflation is currently at it is lowest level on record at only 0.3% in January 2015. Bank of England projections suggest it will remain below their target of 2% for at least the next 18 months. There has been a substantial reduction in fuel costs in recent months.

6. Other Options

- 6.1 The providers who engaged in the process requested a 23% inflationary uplift to a rate of £15.74. We do not believe that is affordable or justified given the balance of costs and mitigation set out in this report.
- 6.2 An inflationary increase of up to 3% was considered during the budget setting process in the context of supporting the market balanced against the Council's

financial position. Due to the mitigation set out in this report and the impact in terms of additional financial pressure on Council budgets this option is not recommended.

Key Decision: Yes

If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance *(type in initials)*..... GB.....

Legal Officer Clearance *(type in initials)*.....HK.....

CORPORATE DIRECTOR'S SIGNATURE *(electronic)*



.....
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

TRAFFORD COUNCIL

Report to: Council Executive
Date: 16th March 2015
Report for: Decision
Report of: Executive Member Children's Services

Report Title

Trafford Special Educational Needs and Disability Policy

Summary

The implementation of the 2014 Children and Families Act has led to substantial reforms in the way in which we assess and support children and young people with Special Educational Needs and Disabilities (SEND). A revised Special Educational Needs Code of Practice was published by the Department of Education in July 2014 that sets out the statutory guidance for our work.

To ensure that Trafford is compliant with the new code of practice and able to successfully implement the SEND reforms contained in the Act we have developed a Trafford SEND policy. This policy brings together in one place a range of information for parents, professionals and schools to set out how we will work in Trafford. It is a detailed policy covering a wide range of functions and providing links to other relevant guidance.

A consultation process was undertaken between November 2014 and the end of January 2015 to enable us to shape and finalise the policy. The consultation period was extended until the end of January 2015 at the request of the Parents Forum to enable them to run targeted sessions with parents.

The attached policy is presented for approval by the Executive for implementation from 1st April 2015.

Recommendation

- **That the Executive approves the new Special Educational Needs and Disabilities (SEND) policy as set out at Appendix A for implementation from 1st April 2015.**

Contact person for access to background papers and further information:

Name: John Pearce, Director Service Development

Extension: 5100

Background Paper: None

Implications:

Relationship to Policy Framework/Corporate Priorities	Corporate Priority; <ul style="list-style-type: none">• Services focussed on the most vulnerable• Excellence in education• Reshaping Trafford Council
Financial	The Council is due to received £129k in 2015/16 which is to support implications on the SEND reform.
Legal Implications:	The policy supports implementation of the SEND reforms within the 2014 Children and Families Act
Equality/Diversity Implications	The equality and diversity implications have been considered as part of this process.
Sustainability Implications	Not Applicable
Staffing/E-Government/Asset Management Implications	Not Applicable
Risk Management Implications	Not Applicable
Health and Safety Implications	Not Applicable

1. Introduction

- 1.1 This Policy replaces the SEN Policy 2010 and is written taking into account the Special Educational Needs and Disability Code of Practice: 0-25 years (July 2014 and update January 2015) and Part 3 of the Children and Families Act 2014, and regulations associated with this; The SEND regulations 2014, The SEN (Personal Budgets) Regulations 2014, the Order setting out transitional arrangements and the Equality Act 2010.
- 1.2 The Policy sets out Trafford's principles, aims and objectives and policy relating to local authority (LA) and CCG/Health responsibilities and the respective responsibilities of early years settings, schools, academies and post 16 providers to ensure that the additional needs of children identified with SEN and those with a disability are met in a timely and effective way.
- 1.3 The key action plan implementing the aims and objectives set out here is Trafford's *'Implementing the Special Educational Needs and Disability (SEND) Reforms- Action Plan'* and below this sit a number of related LA and health service plans with specific measurable outcomes. The detail of available provision and processes is available in the Local Offer (see section 7 below).

2 National Context

- 2.1 The government has made some changes to the way children and young people with special educational needs or who are disabled (SEND) get the support they need. This is set out in the 2014 Children and Families Act and it applies from 1 September 2014.
- 2.2 The key changes are:
 - A bigger focus on a child or young person's aspirations for the future and the support they will need to achieve their goals
 - Statements of special educational needs and Learning Difficulty Assessments will be replaced by Education, Health and Care plans
 - A local authority must consult children, young people and their families about their Local Offer of services
 - Children, young people and their families will be more involved in making decisions about how the child or young person is supported
 - Children, young people and their families will have more information, advice and support to understand their options as they move into adulthood.

3. Local Context

- 3.1 Trafford is a local authority with 85 mainstream schools and academies, 67 are primary and 18 secondary, 6 of the primary schools have Small Specialist

Classes (SSCs), a type of resourced provision. In addition Trafford has 3 primary and 3 secondary special schools. The primary Pupil Referral Unit (PRU) is within one of the primary special schools. Trafford has a secondary PRU (Nexus) and a Medical Education Service (MES) also designated as a PRU.

- 3.2 In January 2014, the school census (within the SFR September 2014) showed that 15.6% of the school population in Trafford has a Special Educational Need or Disability (SEND). 15.2% of the secondary population has SEND and 13.8% of the primary population. The school census 2014 shows that 17.9% of the school population nationally has SEND meaning that Trafford is slightly under the national level. This is children in Trafford schools not Trafford residents so includes those from other local authorities.
- 3.3 Trafford Council is responsible for the statements or EHC Plans for children and young people who live in Trafford wherever they go to school. Trafford currently (August 2014) maintains around 1423 statements of SEN which includes children and young people who attend schools and settings outside of Trafford, those in independent or non-maintained provision as well as those in Trafford schools and academies.
- 3.4 Over 600 young people currently aged 16-24 years have had a learning difficulty assessment (LDA) when they left school and their statement of SEN ceased. Some of these have now left learning and the majority of those in learning have their needs met within the resources of the education or training provider a small number required high needs funding to meet their SEN. Trafford's Transfer Review Plan details the arrangements for these young people if an EHC plan is appropriate.
- 3.5 Trafford became a pathfinder for SEND in September 2011 following the Green paper: Support and Aspiration: a new approach to SEN and disability. As one of 20 national pathfinders made up of 31 LAs and their health partners Trafford tested out some of the new approaches such as an integrated assessment and Education, Health and Care plans (EHC plans). The DfE recognises pathfinders have been central to informing the Children and Families Act (2014) the development of the SEN Regulations and SEND Code of Practice: 0-25 years (2014).
- 3.6 Trafford launched a strategic review of SEN provision in May 2012 and made recommendations for changes to provision. The focus of this review has been to ensure the availability of high quality, locally based provision that meets future needs of children with SEND. We also wanted to reduce reliance on independent, out of borough provision by improving the "in borough" offer

4 Consultation

4.1 A consultation on the new policy has been undertaken between November 2014 and the 2nd February 2015. The original consultation period was extended at the request of the Parent's Forum to allow for further targeted consultation activity with parents. The parent's forum ran 4 events for parent/carers and created a survey monkey questionnaire; responses were collated and sent to the LA. The Local Offer had a link on the front page for consultation responses and a very small number of responses were received this way.

4.2 Changes recommended through the consultation period have been incorporated into the final draft policy attached for approval. Some of the changes made to the final document include;

- The use of acronyms and jargon was commented on, reviewed and updated. Glossary is included in appendices to SEND code of practice.
- Comments on 'equal weighting' of sections for education, health and social care were considered and some details clarified but weighting appears in line with code of practice and detail sits on Local Offer. This can be reconsidered at the next review.
- Section 5 linked to Joint Strategic Needs Analysis for further detail
- Section 9: clarification of the governance links with Trafford Parent Forum.
- Section 11 mention of school's duty to meet with parents 3 times a year added. Clarification on use of 'regular' in places where there is a specific timescale. Details of LA expectations of schools are on Local Offer and in Graduated Approach.
- Section 13 Funding- some slight changes to language used to make clearer and consistent. Wording regarding consideration of mainstream provision before specialist altered to recognise that options will be considered through annual review in future and young people and families asked to consider appropriate provision. Altered to reflect that funding is to meet the needs of, and outcomes agreed for, children and young people
- Section 15 Preparing for adulthood now includes the Care Act 2014
- Section 16 Decision making and EHC needs assessments- information made clearer following work linked to the SEND implementation plan and timescales for assessment made clearer. Clarified that the SEN support plan is an educational setting-based document with support of LA not an LA produced document. A commitment to co-production with families is stated in the aims and objectives and in the procedural information on the Local Offer.
- Section 18 Personal budgets- updated links to Local Offer.

- Section 19.1 Children and young people in youth custody- this has been updated following the publication of the January SEND code of practice that come into force on April 1st 2015.
- Easy read version requested: We are working with the Parent & young people partnership service developing leaflets to complement the local offer and the policy on key areas.

It is proposed to review the policy in April 2016 to take into account feedback during the implementation period.

5.0 Reason for Recommendation

5.1 Establishment of an overarching policy for SEND in Trafford provides a single point of reference parents, professionals and schools. Whilst not a requirement of the statutory guidance encompassed within the SEND Code of Practice 2014 we believe it is good practice and enhances communication about services and our decision making processes. It has been necessary to update all local guidance in line with the new legislation.

6.0 Other Options

6.1 We are not required to have an overarching policy however we believe this is a valuable addition to support parents, professionals and schools. The Local Offer which we have a duty to maintain provides further information and complements the attached policy.

Key Decision (as defined in the Constitution): Yes

Finance Officer Clearance (type in initials)... PH.....

Legal Officer Clearance (type in initials)... HAK.....

CORPORATE DIRECTOR'S SIGNATURE (electronic)...



.....
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.



TRAFFORD
COUNCIL

Special Educational Needs and Disability Policy

February 2015

Version 0.5 Final

Review date: April 2016

Version Control

Document History

Version	Date	Author	Change History
0.1	20 th Oct 2014	Sally Smith	
0.2	6 th Nov 2014	Sally Smith	Changes made following SLT meetings and document reviewers
0.3	7 th Nov 2014	Sally Smith	Changes following comments from Deborah Brownlee
0.4	16 th February 2015	Sally Smith	Changes following public consultation
0.5	16 th February 2015	Sally Smith	Final for Council

References

Document	Description
Implementing SEND Reforms Action Plan	Links to Local Offer site – this document updated monthly (see useful downloads section)
Children and Young People's Strategy 2014-17	
Support and Aspiration: A new approach to SEN and Disability	
Children and Families Act 2014 Part 3	
SEND Regulations 2014	
SEND Code of Practice 0 to 25 years 2014 and January 2015 from April 2015	
SEN Provision	
www.trafford.gov.uk/localoffer	The Local Offer contains many up to date documents related to this policy.
Joint Strategic Needs Assessment	
Equality Act 2010	
Care Act 2014	

Document Reviewers

No.	Name	Role	Date	Version
1	Sally Smith	Inclusion Advisor, SENAS	Nov 14	0.1

2	Joanne Gibson	SEND Reforms Project Manager	Nov 14	0.1
3	Clare Mitchell	EHC Case Co-ordinator	Nov 14	0.1
4	Robert Morgan	Acting SEN Manager	Nov 14	0.1
5	Fiona Hilton	14-19 Officer	Nov 14	0.1
6	Patrick Davis	Solicitor	Nov 14	0.1
7	Sarah Butters	EY Business & Info Advisor	Nov 14	0.1
8	Adrian Leach	16-19 Manager	Nov 14	0.1
9	Deborah Brownlee	Corporate Director, CFW	Nov 14	0.1
10	Andrew Howard	Senior Commissioning Officer	Nov 14	0.1
11	Cathy Rooney	Acting Assistant Director, Children's Social Care	Nov 14	0.1
12	Jill Colbert	Head of Service - Commissioning	Nov 14	0.1
13	Diane Eaton	Joint Director for Adults (Social Care)	Nov 14	0.1
14	Sally Smith	Inclusion Adviser, SENAS	Feb 15	0.3
15	Adrian Leach	16-19 Manager	Feb 15	0.3

Document Approvals

No.	Name	Role	Date	Version
1	Deborah Brownlee	Corporate Director, CFW		
2	Council Executive Board			

Next Review

Date	Service
April 16	SENAS

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1. Introduction

- 1.1. This Policy replaces the SEN Policy 2010 and is written taking into account the Special Educational Needs and Disability Code of Practice: 0-25 years (July 2014 and update January 2015) and Part 3 of the Children and Families Act 2014, and regulations associated with this; The SEND regulations 2014, The SEN (Personal Budgets) Regulations 2014, the Order setting out transitional arrangements and the Equality Act 2010.
- 1.2. This document sets out Trafford's principles, aims and objectives and policy relating to local authority (LA) and CCG/Health responsibilities and the respective responsibilities of early years settings, schools, academies and post 16 providers to ensure that the additional needs of children identified with SEN and those with a disability are met in a timely and effective way. The key action plan implementing the aims and objectives set out here is Trafford's *'Implementing the Special Educational Needs and Disability (SEND) Reforms-Action Plan'* and below this sit a number of related LA and health service plans with specific measurable outcomes. The detail of available provision and processes is available on the Local Offer (see section 7 below).

2. Context

- 2.1. Trafford is a local authority with 85 mainstream schools and academies, 67 are primary and 18 secondary, 6 of the primary schools have Small Specialist Classes (SSCs), a type of resourced provision. In addition Trafford has 3 primary and 3 secondary special schools. The primary Pupil Referral Unit (PRU) is within one of the primary special schools. Trafford has a secondary PRU (Nexus) and a Medical Education Service (MES) also designated as a PRU.
- 2.2. In January 2014, the school census (within the SFR September 2014) showed that 15.6% of the school population in Trafford has a Special Educational Need or Disability (SEND). 15.2% of the secondary population has SEND and 13.8% of the primary population. The school census 2014 shows that 17.9% of the school population nationally has SEND meaning that Trafford is slightly under the national level, but the proportion in Trafford has risen slightly from last year compared to a slight reduction seen nationally. This is children in Trafford schools not Trafford residents so includes those from other local authorities.
- 2.3. 39% of the Trafford school population with a statement of SEN are in a special school provision. The proportion of the total Trafford school population who attend special schools is approximately 1.3%.
- 2.4. Trafford Council is responsible for the statements or EHC Plans for children and young people who live in Trafford wherever they go to school. Trafford currently (August 2014) maintains around 1423 statements of SEN which includes

children and young people who attend schools and settings outside of Trafford, those in independent or non-maintained provision as well as those in Trafford schools and academies. The primary types of need are: severe learning difficulties, autistic spectrum disorder and social & emotional behavioural difficulties.

2.5. Over 600 young people currently aged 16-24 years have had a learning difficulty assessment (LDA) when they left school and their statement of SEN ceased. Some of these have now left learning and the majority of those in learning have their needs met within the resources of the education or training provider a small number required high needs funding to meet their SEN. Trafford's Transfer Review Plan details the arrangements for these young people if an EHC plan is appropriate.

3. Background

3.1. Trafford became a pathfinder for SEND in September 2011 following the Green paper: Support and Aspiration: a new approach to SEN and disability. As one of 20 national pathfinders made up of 31 LAs and their health partners Trafford tested out some of the new approaches such as an integrated assessment and Education, Health and Care plans (EHC plans). The DfE recognises pathfinders have been central to informing the Children and Families Act (2014) the development of the SEN Regulations and SEND Code of Practice: 0-25 years (2014). Trafford were also a pathfinder champion with Manchester and Wigan LAs from April 2013 to March 2014. Trafford are now considered by the DfE as an 'early implementer' for the SEND reforms. Between January 2012 and July 2014 during the pathfinder period Trafford issued 72 EHC Plans, many of these alongside a statement. These will be converted into statutory plans from September 2014 as a matter of priority in line with the transition arrangements set out by the DfE. (Click here for [Transition Plan for the Transfer Review Process](#)).

3.2. Trafford launched a strategic review of SEN provision in May 2012 and made recommendations for changes to provision. The objectives identified for the review were;

- To ensure the availability of high quality, locally based provision that meets future needs of children with SEND
- Reduce reliance on independent, out of borough provision by improving the "in borough" offer
- A budget neutral process to reallocate resource to locally based provision
- Establish holistic support packages based around local provision
- Maximise the benefits of the CYPS integrated service delivery model

- Establish a detailed understanding of current assessed needs and the barriers to accessing local provision
- Ensure that children and young people are able to access high quality provision that matches their needs

3.3. In March 2014 progress on the implementation of the recommendations was published. Trafford Council Executive approved the recommendations as follows;

- The establishment of a partnership with the Dunham Trust to develop a new primary specialist school
- The full rebuild and relocation of Brentwood School to the Cherry Manor Site
- Establish a partnership with a mainstream school to develop the proposed Secondary ASD centre in Trafford
- The delegation of the Medical Education Service -MES to the Nexus Management Committee through a service level agreement (SLA)

4. Priorities

4.1. *Trafford Children and Young People's Strategy: 2014-17* identifies building blocks, key principles and key themes, and ambition statements.

4.2. Many of these, identified through consultation for the strategy support the principles and practice underpinning the new legislation for SEN and disability such as the key principles of 'good use of resources', 'evidence based working', 'listen to and respond to children, young people and families', 'tell your story only once', 'joined- up working and 'good-quality advice and information.

4.3. Trafford's SEND Policy will support the building blocks, **key themes** and *ambition statements* in the CYP Strategy, specifically;

*A positive start- **Promoting the Early years** by supporting parents to feel confident to identify and meet the needs of their children, increasing the use of the Common Assessment Framework (CAF) across partners, ensuring all children are as ready for school as they can be*

*The here and now- **Safeguarding** by promoting resilience at key transitions, access to leisure activities for all and inclusion for children with SEND within universal services*

*A bright future-**Promoting attainment** by reducing the gap in educational achievement for those with SEND, supporting the coordination of services for emotional well-being and improving the provision of on-line information and advice*

4.4. Section 19 of the Children and Families Act (2014) and the guidance in the SEN and Disability Code of Practice: 0-25 years (2014) sets out the principles as follows;

When carrying out its functions in relation to children and young people with SEND the LA must have regard to:

- the views, wishes and feelings of the child or young person, and the child's parents
- the importance of the child or young person, and the child's parents, participating as fully as possible in decisions, and being provided with the information and support necessary to enable participation in those decisions
- the need to support the child or young person, and the child's parents, in order to facilitate the development of the child or young person and to help them achieve the best possible educational and other outcomes, preparing them effectively for adulthood

5. Trafford Aims & Objectives

5.1. The aims and objectives of this policy are based on the principles of the *Trafford Children and Young People Strategy 2014-17* and the *Children and Families Act (2014)*.

5.1.1. To place children, their parents and young people at the centre of decision- making

We are doing this by:-

- I. Continuing to develop person centred approaches amongst our staff and education providers and support the use of this approach in all reviews and EHC assessment and planning and review processes.
- II. Involving children young people and their families in the development and review of the Local Offer and use EHC plans and children, young people and their families' views to inform commissioning decisions.
- III. Working closely with Trafford Parent Forum, groups of children and young people with SEND and the youth cabinet, Parent and Young People's Partnership Service (PYPPS) and Independent Supporters (IS) to make sure parents and young people are informed, involved in co-production of guidance and offered impartial information, advice and support.
- IV. Improving the provision of on-line information through the Local Offer (based within the Trafford Service Directory) in partnership with health partners, children and young people with SEND and their parents.

5.1.2. To support parents with the early identification of children and young people's needs and early intervention to support them

We are doing this by:-

- I. Ensuring that procedures for identification, assessment and decision making are clear, objective and carried out in line with the requirements of the SEND Code of Practice 0-25 years (2014).
- II. Providing clear support and guidance to settings, schools, post 16 providers in relation to identification of need and intervention including guidance documents such as [Trafford Graduated Approach Guidance \(2014\)](#).
- III. Ensuring there is a clear referral and assessment pathway for EHC needs assessment and production of EHC Plans and a plan setting out priorities for transferring from statements and LDAs to EHC plans following a transfer review.
- IV. Providing an Early Help intervention approach to meeting identified needs and increasing the use of the Common Assessment Framework (CAF) across partners.
- V. Working together across the LA and the Health and Wellbeing Board to assess the health needs of local children and young people with SEND.

5.1.3. To offer greater choice and control for children, young people and their families over the support that they receive.

We are doing this by:-

- I. Keeping the SEND provision within the Local Offer under review and responding to the changing needs.
- II. Ensuring that the content within the Joint Strategic Needs Assessment (JSNA) 2012-16, is refreshed on a regular basis (last update 2014). That the JSNA informs decisions taken by the Health and Wellbeing Board, Children's Trust Board, and the Joint Commissioning Management Board for children and young people. Details can be found via this link. [InfoTrafford - JSNA | Home](#).
- III. Making personal budgets available to families where requested for children and young people with Education Health and Care (EHC) plans in accordance with a clear Local Offer for personal budgets.

5.1.4. To provide coordination of and collaboration between education, health and social care services to provide support.

We are doing this by:-

- I. Providing high quality multi-agency services and provision of support.
- II. Reviewing, planning and jointly commissioning services and ways of sharing information providing a 'tell us once' approach.

5.1.5. To provide high quality provision to meet the needs of children and young people with SEN within their local community wherever possible and to reduce the gap in educational achievement

We are doing this by:-

- I. ensuring that there is an equitable and coherent continuum of provision to support all children and young people with special educational needs;
- II. providing special education in the child's/ young person's local education provider whenever possible, taking account of parental wishes unless:
 - The school or Further Education (FE) college is unsuitable to the child's age, ability and aptitude or to his special educational needs or
 - The attendance of the child at the school or FE college would be incompatible with the provision of efficient education for the children with whom he would be educated or the efficient use of resources;
- III. ensuring, through regular monitoring, provision for children and young people with special educational needs is of high quality and that resources are appropriately and effectively deployed;
- IV. providing high quality support, guidance and professional development to ensure that all education providers provide appropriately for pupils with special educational needs;
- V. expecting educational settings to monitor and track progress and development of children and young people and implement local guidance for SEN Support;
- VI. implementing the recommendations for the SEN review and involving parents, children and young people in reviewing provision in the future

5.1.6. To provide a focus on inclusive practice and removing barriers to learning

We are doing this by:-

- I. Making clear the LA's expectations of early year's settings, schools and colleges with the resources made available to them through the *Trafford Graduated Approach Guidance (2014)*, provision mapping, SEN funding and EHC needs assessment referral guidance.
- II. Offering (maintained schools) information on improving accessibility through the Accessibility Strategy.
- III. Nurturing positive attitudes, and a greater understanding of special educational needs and disability, encouraging settings to consider needs together and meet duties regarding admissions
- IV. Providing high quality advice, guidance and professional development opportunities around SEN, disability and medical conditions ensuring schools publish an annual SEN information report and have arrangements in place to support children with medical conditions.

5.1.7. To achieve successful preparation for adulthood, including independent living and employment

We are doing this by:-

- I. Providing clear information on the Local Offer for this area
- II. Supporting settings to include planning provision to assist in preparation for adulthood in every EHC plan review from Y9
- III. Providing access to person centred planning training for settings
- IV. Support learning providers to develop a tailored post 16/19 programme for young people to meet their individual needs in line with the outcomes identified in a young person's EHC plan.

For details on implementation please see ['Implementing the Special Educational Needs and Disability \(SEND\) Reforms- Action Plan'](#) on Trafford's Local Offer.

6. Definitions

- 6.1. Trafford follows the definitions of Special Educational Needs, Learning Difficulty and Disability and Special Educational Provision and Disability as in the [SEND Code of Practice 2014](#) and Equality Act 2010.

7. Impartial information, advice and support

- 7.1. Trafford has a Parent and Young People's Partnership Service (PYPPS) to offer impartial information, advice and support to young people with SEND and/or their parents and parents of younger children who are disabled or have SEN. This service can offer advice on any part of the SEND system

and also signpost to other specific services and a wide range of those available is provided on Trafford's Local Offer.

- 7.2. Independent Supporters have been funded by the Government through the Council for Disabled Children to provide support to parents and young people going through the new EHC needs assessment or transition from a statement to an EHC plan. In Trafford the lead organisation for providing the Independent Supporter service is VCAT (Voluntary and Community Action Trafford) in conjunction with Wrap-around Partnership. Their services are being targeted to support the transfer review process from the old to the new system. However, should they wish, any parent or young person going through an EHC needs assessment can request their support.
- 7.3. A wider range of advice and support groups and information about getting involved is available on the Local Offer (see below) *Advice and Support* page.

8. The Local Offer in Trafford

- 8.1. Through the Children and Families Act (2014) every LA has the duty to provide an accessible Local Offer of services and provision for children and young people with SEND. Trafford's Local Offer is based within the Trafford Service Directory and has been developed in collaboration with young people, parents and providers and aims to provide clear, comprehensive, accessible and up-to-date information about available provision and how to access it. The Local Offer provides the detail regarding the operational implementation of this policy.
- 8.2. Trafford will continue to improve this information and to publish and act on comments made about the content.. The Joint Strategic Needs Assessment (JSNA) will identify gaps in provision and any changes in provision commissioned locally will be reflected in the Local Offer. Some gaps may be met through personal budgets rather than newly commissioned provision. The Local Offer has information on the current scope of personal budgets in Trafford.
- 8.3. **SEN/EHC support services in Trafford**
Trafford has a range of services within Education, Health and Social Care who will work with children and young people with SEND and their families. Many of the services are within the Multi-agency complex and additional needs (CAN) service. This service is also to be co-located with SEN Advisory Service (SENAS) and the Educational Psychology Service to support joint working. Each has referral information, age range, eligibility criteria and a service description available on Trafford's Local Offer.
- 8.4. **Specialist provision in Trafford**

- 8.4.1.** Trafford's Local Offer provides details of the continuum of specialist provision for children and young people with the most severe and complex needs with Statements or EHC Plans. The range of specialist provision is currently subject to Trafford's SEN Review as detailed in 3.2 above.
- 8.4.2.** Trafford has 6 additional part time places within a mainstream school nursery for children with speech and language needs called the Inclusive Nursery provision.
- 8.4.3.** Trafford currently has 9 Primary small specialist classes within 6 schools offering a total of 92 places with mainstream primary school settings. These have a range of designations covering autism, social communication, language difficulties and complex needs. Three classes cater for Reception and KS1 pupils and 6 cater for KS2.
- 8.4.4.** Trafford currently has 6 special schools, 3 for Primary age and 3 for secondary offering approximately 530 special school places within Trafford for a wide range of need, 4 of the schools have specialist provision for Autism.
- 8.4.5.** Trafford has a Primary PRU provision within Longford Park Special School and KS3 and KS4 provision at the Nexus centre.
- 8.4.6.** The Medical Education Service (MES) is designated as a PRU and encompasses the provision for children and young people requiring home tuition and covered by section 19 of the Education Act (1996) to provide education for children out of school due to medical conditions.

The Local Offer can be viewed using this link: www.trafford.gov.uk/localoffer

9. Working Together across Education Health and Care

- 9.1.** Trafford Council and NHS Trafford Clinical Commissioning Group (CCG) have a unique Section 75 partnership commissioning agreement in place which governs all LA and health commissioning for children and young people. This means Trafford already has the foundations in place to meet the statutory requirements of the SEND Code of Practice (2014); that local authorities and clinical commissioning groups must make joint commissioning arrangements for EHC provision for children and young people with SEN or disabilities.
- 9.2.** Trafford is an area that has implemented personal health budgets successfully to time scales and both the CCG and LA are working to develop an integrated process for children, young people and their families wishing to personalise their care support.
- 9.3.** Trafford has a Designated Medical Officer (DMO) to provide the point of contact for Trafford LA, schools and colleges seeking health advice on

children and young people who may have SEN or disabilities, and provides a contact for CCGs or health providers so that appropriate notification can be given to the Local Authority of children under compulsory school age who they think may have SEN or disabilities. The DMO will have the additional duty of agreeing the health provision in an EHC plan.

- 9.4. In Trafford there is a well-established Health and Wellbeing Board that meets on a bi-monthly basis. Its members represent the key partners locally who have an impact on the health and wellbeing of the whole population. Further details can be found via the link <https://democratic.trafford.gov.uk/ieListDocuments.aspx?CId=260&MIId=1057&Ver=4>.
- 9.5. The health contribution to assessments is commissioned through the community health contracts and the provider (Pennine Care) is monitored through monthly meetings. The commissioned services are all described on the Local Offer pages and the CCG is commissioning a patient care co-ordination centre (PCCC) which will help navigate referrals for treatment for children and young people to the correct service efficiently.
- 9.6. The CCG and LA have separate complaints processes for service users in receipt of services. An aligned process is in place for complaints specifically regarding an EHC Needs Assessment and local mediation processes are initiated where a complaint refers to the joint provision of services to meet an assessed need (see section 21 of this policy).
- 9.7. Trafford Parent Forum (TPF) is part of a governance structure for the SEND reforms in Trafford which is mutually beneficial and provides the opportunity for joint decision making and coproduction. The Chair of TPF sits on the EHC advisory group and on the SEND reforms steering group and representatives are part of task and finish groups and the LA has representation on the TPF board.
- 9.8. Trafford has a structure within the *Children and Young People's Service Participation Strategy (2013)*, which shows the routes for children and young people's involvement in decision making. It shows different levels from individual to targeted groups such as those with SEND into the youth cabinet and up to the UK youth parliament. A guide and toolkit accompany this to support implementation the advocacy and engagement officer in Trafford provides advice to the SEND reforms steering group.
- 9.9. **The CANS Common Process:** The Complex and Additional Needs Service (CANS) brings together a wide range of professionals across education, health and social care who provide support to children and young people who are disabled or have additional needs and their families (see CANS in Local

Offer). The CANS Common Process is a new way of coordinating assessments and delivering support to children and families if a child is being referred to more than one of the teams within CANS and/or SEN Advisory Service (SENAS). It involves a number of professionals meeting on a weekly basis to look at children's referral information and deciding who should take the lead and coordinate all CAN services and assessments. The group use their pooled specialisms and expertise to consider how the needs of the most complex children can be best met.

9.9.1. The purpose of this new way of working is to ensure that families, children and young people receive a well-coordinated joined up service. The process enables professionals to work well together and with families providing joint assessments, and joint plans.

9.9.2. A lead professional/key worker is appointed to coordinate assessment and support. The CAF is an integral part of the process.

9.9.3. All the professionals involved in the care and support of the child share the referral and assessment information with parental consent which prevents families having to repeat information over and over and mean that any assessments undertaken are seeking new information rather than repeating what has been done already.

9.9.4. The CANS Common Process will support the EHC needs assessment and transfer review process from statements to EHC plans. It can help contribute a coordinated approach to new assessment to feed into annual review of statements or EHC plans.

9.10. Trafford Neurodevelopmental Pathway (NDP) provides families with multi-professional diagnosis of autism, involving a number of services, for example Child and Adolescent Mental Health Service (CAMHS), Speech and Language Therapists, Educational Psychology. A medical diagnosis does not link to any particular level of support for SEN as this depends on how a condition is impacting on learning and access to education. Some children and young people will manage with reasonable adjustments, or with good quality SEN Support in school whereas some may require high levels of support and others a more specialised environment, many of these children or young people may have complex needs in conjunction with a diagnosis of autism. Further information is available on the Local Offer.

10. Duties on Early Years Settings, Schools and FE colleges

10.1. The full range of duties and expectations are in the *SEND Code of Practice 0-25 years* (2014) and the relevant chapters should be read carefully and followed by early years' providers, schools (including Academies) and Post 16 providers and professional who work with any of these education providers.

- 10.2.** Specific guidance booklets have been produced by the DfE and links to these are available on Trafford's Local Offer. The SEND code of practice refers to early years providers, schools and FE colleges having a duty to use their best endeavours to meet the needs of children and young people with SEN.
- 10.3.** In the implementation guidance from the DfE July 2014 the LA has a duty to reassure itself that these education and training providers have arrangements in place to meet their best endeavours duty. The LA implementation plan has details of the work on this from summer 2014 also see *Monitoring of SEN section 24* of this policy. On-going accountability is via OFSTED and the annual report to parents on progress by schools and performance tables and destination measures for FE colleges.

11. A Graduated Approach to SEN- Identification and SEN Support

11.1. Early Years

- 11.1.1.**All early years providers are required to have arrangements in place to identify and support children with SEN or disabilities and to promote equality of opportunity for children in their care. These requirements are set out in the EYFS framework.
- 11.1.2.**Early years providers and educational settings should have arrangements in place that include a clear approach to assessing SEN. This should be part of the setting's overall approach to monitoring the progress and development of all children.
- 11.1.3.**The EYFS framework includes two specific points for settings to provide written assessments for parents and other professionals – when the child is aged two and when the child turns five. These are the 2 year progress check and the EYFS profile. At an early stage Trafford's Early Education and Childcare Service offer advice and guidance to settings and the Area SENCO can be referred to for advice on good practice in identifying and meeting special educational needs within a setting.
- 11.1.4.**To support the transition, information should be shared by the current setting with the receiving setting or school. The current setting should agree with parents the information to be shared as part of this planning process
- 11.1.5.**In Trafford the Graduated Approach Guidance (2014) early years section provides advice to settings on the '*assess, plan, do, review*' cycle of action expected within SEN Support. The early years section of this document is not separated into the 4 broad areas of need as the school age section is as there is the recognition that identification is on-going and there will be even greater overlap between needs at this stage of a child's development. The LA's Area SENCO can advise the

setting SENCO on this and on record keeping, referrals to other agencies, reviews of EHC plans and transition. Parents must be fully informed and be involved in these processes.

11.2. Multi-agency working in Early years

11.2.1. Children with complex developmental and sensory needs may be identified at birth and health assessments from birth enable very early identification of a range of medical and physical difficulties.

11.2.2. Health services, including paediatricians, the family's general practitioner, and health visitors, should work with the family, support them to understand their child's needs and help them to access early support.

11.2.3. In Trafford the multi-professional health team Trafford Early Development Service (TEDS) and education service Trafford Sensory Impairment Support Service (TSISS) can both become involved with individual children and families from birth. The Area SENCO can advise settings from birth and SEN Advisory Service (SENAS) can become involved in offering educational advice and support to children and families from 2 years old.

11.2.4. The SEND Code of Practice states:

'Where a health body is of the opinion that a young child under compulsory school age has, or probably has, SEN, they **must** inform the child's parents and bring the child to the attention of the appropriate local authority' paragraph 5.15 (DfE 2014)

In Trafford young children are brought to the attention of the LA by a community paediatrician if it is felt they may have SEN and a multi-agency group including TEDS, SENAS, meets monthly to discuss available information and plan ways of gathering further information through joint agency visits and assessment. Other young children can be brought to this monthly meeting where a setting or another health service such as Speech and Language Therapy have referred to education earlier than a paediatrician and it is felt there is a need for multi-agency approach. In some cases there may be enough evidence to start an EHC needs assessment or offer assessment place at a specialist setting.

11.2.5. The education and health services in Trafford work closely together in early years and are trained to provide Portage and Early Support models of working with families and children. Further information is available through the [Local Offer Early Years section](#).

11.3. Schools

- 11.3.1.** Consideration of whether special educational provision is required should start with the desired outcomes, including the expected progress and attainment and the views and wishes of the pupil and their parents. This should then help determine the support that is needed and whether it can be provided by adapting the school's core offer or whether something different or additional is required.
- 11.3.2.** The core offer should include 'catch up' provision (sometimes known as Wave 2) for those who are underachieving as this may be adequate for some children rather than requiring personalised programmes necessary for those with SEN. Nationally some schools have over-identified children with SEN, the waves model can help schools with this and this is explained within the Trafford Graduated Approach Guidance (2014), see below and Local Offer.
- 11.3.3.** Special educational provision should be matched to the child's identified SEN. Children's SEN are generally thought of in the following four broad areas of need and support
- *communication and interaction*
 - *cognition and learning*
 - *social, emotional and mental health*
 - *sensory and/or physical needs*
- These areas give an overview of the range of needs that education providers should plan for. However, individual children and young people often have needs that cut across all these areas and their needs may change over time. The purpose of identification is to work out what action settings needs to take, not to fit a pupil into a category.
- 11.3.4.** The removal of behaviour from these categories should encourage the recognition that there are underlying causes to behaviour that should be investigated throughout the identification and assessment process.
- 11.3.5.** Trafford has a behaviour and attendance (B&A) Adviser and a B&A consultant who can support schools with advice around whole school or class/group strategies and approaches to behaviour management and advice on exclusion. Behaviour for learning should be the main focus of early work, assessing the learning environment and quality first teaching prior to identification of an individual's special educational need.
- 11.3.6.** Persistent mental health difficulties may lead to pupils having significantly greater difficulty in learning than the majority of those of the same age. Schools should consider whether the child will benefit from

being identified as having a special educational need (SEN). Any special educational provision should ensure it takes into account the views and wishes of the child and their family (see *Mental Health and Behaviour in Schools*: DfE June 2014). A referral to the Child and Adolescent Mental Health Service (CAMHS) may be relevant via the school nurse.

- 11.3.7.** A detailed assessment of need should ensure that the full range of an individual's needs is identified, not simply the primary need. The support provided to an individual should always be based on a full understanding of their particular strengths and needs and seek to address them all using well-evidenced interventions targeted at their areas of difficulty and where necessary specialist equipment or software.
- 11.3.8.** Some identification checklists and resources to support identification are included in *Trafford's Graduated Approach Guidance (2014)*. However early assessment should be a combination of observation, informal and standardised assessment.
- 11.3.9.** Where it is decided that a pupil does have SEN, the decision should be recorded in the school records and the pupil's parents **must** be formally informed that special educational provision is being made. Arrangements for appropriate support should be made through the school's approach to SEN Support.
- 11.3.10.** Where a pupil is identified as having SEN, schools should take action to remove barriers to learning and put effective special educational provision in place. This provision will comprise of educational or training provision that is additional to or different from that made generally for others of the same age. This means provision that goes beyond the differentiated approaches and learning arrangements normally provided as part of high quality, personalised teaching. It may take the form of additional support from within the setting or require the involvement of specialist staff or support services.
- 11.3.11.** SEN support should take the form of a four-part cycle of assessment, planning, implementation and review through which earlier decisions and actions are revisited, refined and revised with a growing understanding of the pupil's needs and of what supports the pupil in making good progress and securing good outcomes. This is known as a graduated approach. It draws on more detailed approaches, more frequent review and more specialist expertise in successive cycles in order to match interventions to the SEN of children and young people.
- 11.3.12.** Trafford have developed *The Graduated Approach Guidance (2014)* to cover universal provision and that at SEN Support in early

years settings and schools. This includes descriptors of a child's level of need, the intervention and support that should be provided and at what stages to involve professionals and parents in the monitoring and reviewing of the provision. It covers provision that should generally be possible from within a schools budget for their response to children with SEN and the expectations of provision prior to accessing high needs top-up funding from the LA. (see Funding section 13)

- 11.3.13.** Schools must work closely with parents throughout the process and should meet parents at least three times each year, these discussions should be led by a teacher with good knowledge and understanding of the pupil who is aware of their needs and attainment.
- 11.3.14.** Trafford services will expect EY settings and schools to refer to the graduated approach within referrals to SEN Support services, as well as in EHC needs assessment referrals. Referrals to SEN support services will usually be through a single agency referral form (SARF). Individual service referral processes are detailed in their listings within the Local Offer. Parental permission is required and copies of referrals will be provided if requested. The *Trafford Graduated Approach Guidance (2014)* emphasises the importance of involving parents throughout and specialists as relevant in review and monitoring of provision. Trafford services will work with schools as expected by the SEND code of practice: *The SENCO and class teacher, together with the specialists, and involving the pupil's parents, should consider a range of evidence-based and effective teaching approaches, appropriate equipment, strategies and interventions in order to support the child's progress. They should agree the outcomes to be achieved through the support, including a date by which progress will be reviewed.* DfE 6.62: (2014)
- 11.3.15.** In Trafford it is expected that access to high needs top-up funding will usually be through an Education, Health and Care plan. Referral for an Education, Health and Care needs assessment should therefore demonstrate the use of a setting's budget to provide good quality, targeted provision through SEN Support and use of specialist expertise to inform the review of the provision.
- 11.3.16.** Schools have a duty to provide **SEN Information** in a report on their website each year to detail the implementation of the governing body's or the proprietor's policy for pupils with SEN. This should be kept up to date during the year. The information should be helpful to parents in seeing who they should contact and what the school usually provides for children with SEN. The information required is set out in the Special Educational Needs and Disability Regulations 2014. Trafford provide a proforma for schools to do this. This is available on

the Local Offer. Schools have a duty to cooperate with the LA Local Offer and in Trafford schools are supported by the Family Information Service in linking their websites to the Local Offer and vice versa and maintaining the school's record within it.

11.3.17. It is recommended that schools publish equality information in the same place as information about SEN to make it easily accessible for parents. This should include the Accessibility Plan, equality objectives (these can both be part of the school development plan if desired as long as they are clear) and reports on progress towards these and information on non-discriminatory admissions which may be within the SEND policy.

11.4. FE Colleges

11.4.1. FE colleges often work quite differently to schools in the way they provide for young people to meet their needs and develop their independence. Where a young person is transferring from school to college the Transfer Review will inform the planning and the need for additional resources. If an FE provider can meet the needs of a young person within their SEN provision it may be recommended that an EHC plan is not required. In Trafford all EHC assessment information from the transfer review process will be shared with the college to provide detail about the young person's needs and demonstrate how the provision that is available from within the college can meet them. Trafford will work with providers to develop a clear offer of provision and graduated approach for young people progressing into Post 16 learning. Trafford College's website and SEN information is linked to Trafford Council's Local Offer.

11.5. Record Keeping.

11.5.1. The SEND code of practice recommends all settings can determine their own approach to record keeping in line with the requirements of the Data Protection Act 1998. The provision made for children and young people with SEN should be recorded accurately and kept up to date. There is no mention of Individual Education Plans (IEPs) in the current code of practice. However as a setting goes through a cycle of assess, plan, do and review during their graduated approach to meeting the SEN of children and young people they should keep individual records referring to outcomes, action and additional and different support being put in place following identification and assessment.

11.5.2. Early years practitioners **must** maintain a record of children under their care as required under the EYFS framework. Such records about their

children **must** be available to parents and they **must** include how the setting supports children with SEN and disabilities.

- 11.5.3.** Parents and young people must be informed of any special provision being made by a setting and should be involved in regular discussions about the child or young person's progress, expected outcomes from the support and planned next steps. Settings should plan how they will measure impact of any intervention or provision. As part of any inspection, Ofsted will expect to see evidence of progress, a focus on outcomes and a rigorous approach to the monitoring and evaluation of any SEN support provided.
- 11.5.4.** Trafford LA has promoted whole school provision mapping of interventions since 2005. This gives an overview of provision that is additional and different and can help managers make strategic decisions for the efficient and effective use of resources within their setting. The DfE, with a number of schools across the country, developed materials which provide suggestions for provision mapping on a wider scale including good practice in provision management and intervention-mapping.
- 11.5.5.** Trafford LA support this and have introduced an individual provision map for use at the point of referral for an EHC needs assessment based on outcomes and costing additional SEN provision. Other record keeping ideas are included in the *Trafford Graduated Approach Guidance (2014)*.
- 'Schools use information systems to monitor the progress and development of all pupils. Details of SEN, outcomes, teaching strategies and the involvement of specialists should be recorded as part of this overall approach' (SEND CoP 7:74).
- 11.5.6.** Colleges are required under the SEND Code of Practice (2014) to keep a student profile and record of support provided and its effectiveness. They should have a system in place to record the progress of students with SEN (what was referred to as LDD) that meets their own and their funding regulation requirements.
- 11.5.7.** Where a student has an EHC plan colleges will be required to provide feedback to the LA on the progress the young person is making towards the agreed outcomes through the annual review. Colleges are expected to work closely with parents and young people to keep them informed of progress.
- 11.5.8.** In order to support planning and commissioning Trafford LA will work with post 16 providers to gather data and information on the progress of all learners with SEND.

11.6. Continuing Professional Development (CPD)

- 11.6.1.** Trafford education services offer a range of CPD for schools relating to SEN through the SEN Advisory Service (SENAS) and the Educational Psychology Service usually purchased through service level agreements. SENAS organises training involving health staff commissioned with education funding such as some specialist speech and language therapy. The Trafford Sensory Impairment Support Service (TSISS) will train schools as part of their involvement with a child or young person.
- 11.6.2.** Early years settings can purchase CPD through the Early Years commissioned training at an awareness level for all staff or at an enhanced level for SENCOs.
- 11.6.3.** Trafford have a number of *Signalong* trainers and made a decision to adopt this approach across special schools and services in 2009 as required when supporting children with language and communication needs. The *Trafford Signs and Symbols Guidance* (2009) document details its use and that of common symbol systems and is available on the Local Offer.
- 11.6.4.** High quality free training materials are always promoted such as the Inclusion Development Programme www.idponline.org.uk/ as a starting point for all settings aimed at improving teachers' knowledge of the SEN most frequently encountered. These can provide an awareness for anyone coming into contact with a child but also provide more detail for staff adapting teaching and learning for a child or young person. The advanced SEN materials www.advanced-training.org.uk/ and the complex needs materials www.complexneeds.org.uk/ published by DfE take professionals into greater depth and are also free and available online.
- 11.6.5.** Trafford provide a range of accredited courses in partnership with Manchester Metropolitan University (MMU) including those for Teaching Assistants working with pupils with Autism or Dyslexia and the National Award in SEN Coordination for School SENCOs or aspiring SENCOs.

12. Role of the SENCO

12.1. SENCOs in Early Years settings

All Early Years settings have to have an identified SENCO. Trafford has an Area SENCO within the Early Education and Childcare Team to provide advice and guidance to early years providers on the development of inclusive early learning environments. The Area SENCO helps make the links between

education, health and social care to facilitate appropriate early provision for children with SEN and their transition to compulsory schooling. In Trafford the Area SENCO works particularly closely with TEDS and SENAS to do this.

12.2. SENCOs in Schools

The Children and Families Act and the SEND code of practice (2014) state the need for the SENCO in a school to be a qualified teacher and to have the National Award in SEN Coordination.

All SENCOs in Trafford schools and Academies meet the statutory requirement to have the National Award in SEN Co-ordination if they are required (those in post before September 2009, do not). This is monitored by the LA annually. Trafford has a partnership agreement with MMU to provide the course and this is delivered locally with individual mentoring through the SEN Advisory Service and serving SENCOs.

12.3. SEN Post-16 providers (SENCO)

Colleges should ensure that there is a named person in the college with oversight of SEN provision to ensure co-ordination of support, similar to the role of the SEN Co-ordinator (SENCO) in schools. This person should contribute to the strategic and operational management of the college. Curriculum and support staff in a college should know who to go to if they need help in identifying a student's SEN, are concerned about their progress or need further advice. In reviewing and managing support for students with SEN, colleges and 16-19 academies may find the broad areas of need and support outlined in Chapter 6 of the SEND code of practice (2014) helpful.

13. Funding for SEN

13.1. Overview

Parents and carers need to feel confident that settings have secure systems in place and that they offer a flexible range of provision available to meet the individual needs of each and every-one of their children. They want to be listened to and treated with respect. Where children have additional needs and advice from outside agencies is required, parents want to be fully involved and also be confident that settings are able to respond to that need as quickly as possible.

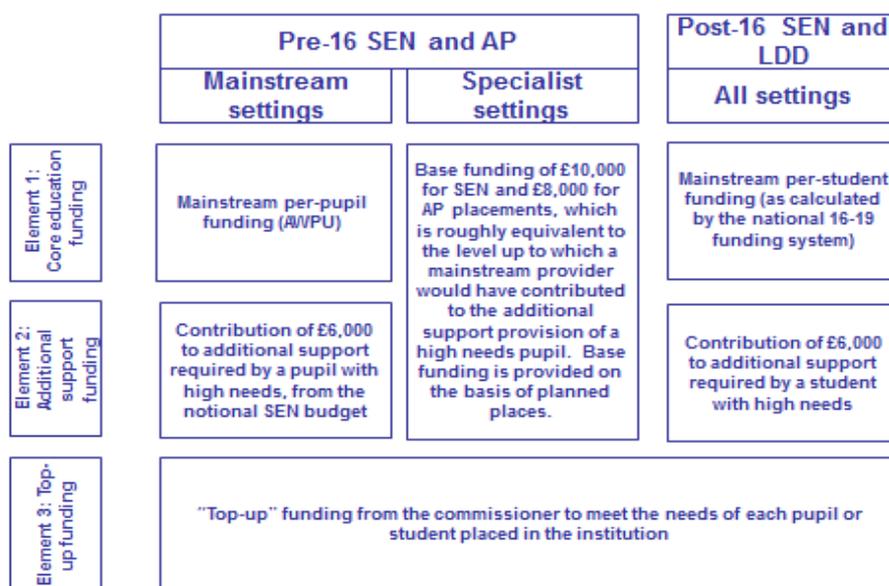
The LA is required to publish the arrangements for SEN funding. Parents and carers of children and young people are informed that all schools and colleges receive funding within the budget to enable them to make provision for children with SEN and that, schools have the autonomy to make

arrangements from within their existing staffing or to seek external advice and support where appropriate.

13.2. Funding Reform

13.2.1. In April 2013 significant funding changes for special school and mainstream SEN provision including in early years and post 16 came into effect through the School Funding Reform. The changes meant high needs funding would be arranged on an equivalent basis across different types of providers whether in an early years setting, school or academy, further education and alternative provision sectors.

13.2.2. The diagram below sets out how the funding reforms will allocate funds to different types of education settings.



13.2.3. Funding for elements 1 and 2 (see diagram above) is delegated to each education setting and form its mainstream funding and notional SEN funding lines. Element 3 funding is commissioned on an individual learner basis from the high needs funding block by the lead commissioner. In Trafford the lead commissioner role is fulfilled by Trafford Council. It is element 3, high needs top-up funding that can be considered for use as a personal budget from education once an EHC plan has been agreed if parents request this and the commissioner/the local authority agrees with the request within the X regulations and it Local Offer (see section 19 Personal Budgets in this policy and [Local Offer Person Budgets information](#))

13.2.4. These funding changes also affect the financial management arrangements of pupil referral units by bringing them in line with other types of specialist education providers.

13.3. Funding EY settings

13.3.1. Early years settings within Trafford are expected to follow guidance within the 'Early Years' section of *Trafford's Graduated Approach Guidance* (2014). The provision of centrally supplied specialist services forms the majority of support expected within Element 2 in early years settings. High needs funding will be added to this in some cases. In recognition of the different level of delegation with early years the financial threshold for accessing high needs funding is lower than in non-early years settings. High needs funding will provide for support within the statutory entitlement of 15 hours nursery or in a few cases 2 year old provision. The most complex 2 and 3 year old children will be offered EHC needs assessment places at one of Trafford's primary special schools. All places are offered in line with Trafford's transport policy.

13.4. Funding for Mainstream Schools and Academies

13.4.1. The SEND code of practice (2014) sets out the duties of mainstream schools and academies.

'Schools have an amount identified within their overall budget, called the notional SEN budget. This is not a ring-fenced amount, and it is for the school to provide high quality appropriate support from the whole of its budget. (6.96)

It is for schools, as part of their normal budget planning, to determine their approach to using their resources to support the progress of pupils with SEN. The SENCO, head teacher and governing body or proprietor should establish a clear picture of the resources that are available to the school. They should consider their strategic approach to meeting SEN in the context of the total resources available, including any resources targeted at particular groups, such as the pupil premium'. (6.97)

'Schools are not expected to meet the full costs of more expensive special educational provision from their core funding. They are expected to provide additional support which costs up to a nationally prescribed threshold per pupil per year. The responsible Local Authority, usually the authority where the child or young person lives, should provide additional top-up funding where the cost of the special educational provision required to meet the needs of an individual pupil exceeds the nationally prescribed threshold'. (6.99)

- 13.4.2.** Trafford schools and academies receive a notional SEN budget with their total budget. The notional SEN budget is determined and agreed by the schools' Funding Forum and constitutes the "element 2" (see above diagram) funding for that school.
- 13.4.3.** Before agreeing access to high needs funding (element 3). Trafford expect proof of the effective use of element 2 funding (over and above element 1: basic entitlement). This must include a provision map offering proof of the on-going need for resources over and above element 2 funding in order to meet the special educational needs of the child or young person and provision to meet these. Provision maps will need to be provided for annual review linked to outcomes set for the child/young person.
- 13.4.4.** In Trafford high needs funding will be used as part of an EHC plan to meet the outcomes identified. The amount of high needs funding allocated will relate to teaching assistant (TA) hours as a proxy measure until at least September 2015. After this date a joint EHC Resource Identification System will be established. The most effective employment of resources will be part of the action planning to meet outcomes in the EHC Plan. Despite the proxy measure all stakeholders should not consider TA hours as the only or necessarily the best use of high needs funding as the provision should be carefully planned between school, LA, parent and professional involved to meet the outcomes of the EHC plan.
- 13.4.5.** There are a few situations where it may be best for the individual if high needs top-up funding is provided for a period before or instead of an EHC needs assessment taking place. These exceptions are explained in the high needs block funding briefing on the Local Offer.
- 13.4.6.** Trafford Sensory Impairment Support Service provides support for children and young people with Visual Impairment (VI) or Hearing Impairment (HI) at SEN Support and with statements and EHC plans. Settings have to make reasonable adjustments and use element 1 funding with the rest provided by the service. In some cases, element 2 may need to be provided by the setting where there are additional needs not related to the VI or HI and in a few cases additional element 3 top-up may be provided for this reason.

13.5. Funding for Specialist provision

- 13.5.1.** Trafford special schools are funded at £10,000 a place and receive top-up currently on an average basis but from April 2015 they will have an individual amount based on descriptors of SEN and from April 2016 it is planned to link these to a joint resource indication system.

13.5.2. Trafford's Small Specialist Classes (SSCs) within mainstream schools are funded at £10,000 per place. A service agreement is in place with each school/academy setting out the expectations of the LA and the school/academy. Most children in a SSC will have their needs met within the £10,000 due to the staff ratios this creates. In exceptional cases such as complex physical needs some may receive top-up funding.

13.6. Funding for Post 16 funding (non-schools)

13.6.1. This section applies to FE Colleges, Independent Specialist Providers (ISPs), and SFA (Skills Funding Agency) accredited Training Providers. It sets out where post 16 funding differs from that in the Mainstream schools section. The SEND code of practice does not apply to those young people who progress to Higher Education.

13.6.2. The EFA provides funding for 16-18 year olds in post 16 settings as well as for those aged 19-25 who have an EHC plan. FE colleges are not able to charge fees for these students. The SFA provides funding for all students aged 19 and over who do not have an EHC plan including those who declare a learning difficulty or disability.

13.6.3. Training providers delivering apprenticeships and traineeships receive funding for all 16-18 year olds from the SFA including those with a learning difficulty or disability. Where an apprentice aged 19-25 has an EHC plan the provider is funded at the same rate as a 16-18 year old.

13.6.4. These institutions receive an allocation based on a national funding formula for their core provision. They also have additional funding for students with additional needs, including those with SEN. This constitutes their element 1 and element 2 funding (see diagram in 13.3.2). This funding is not ring-fenced and in line with mainstream schools, post 16 settings are expected to provide appropriate, high quality SEN support using all available resources.

13.6.5. Colleges are not expected to meet the full costs of more expensive support from their core and additional funding in their main allocation. High needs funding is available where support costs exceed a nationally prescribed threshold per student per year. For mainstream FE colleges access to high needs funding is the same as for mainstream schools and academies and is outlined in 13.5.5

13.6.6. Only young people aged 19-25 are required to have an EHC plan in order to access high needs funding. Although there is an expectation that 16-18 year olds will have an EHC plan in order to access high needs funding, in exceptional circumstances Trafford Council will consider funding without an EHC plan in line with mainstream schools and

academies. Examples of such exceptions may be found in the national high needs funding guidance

- 13.6.7.** Where a student has support from the Local Authority's (LAs) high needs funding but does not have an EHC plan, colleges should also provide information on the student's progress to the LA to inform its commissioning.
- 13.6.8.** Due to the range, flexibility and support within mainstream post 16 settings Trafford LA will expect that a number of post 16 providers will have been considered through the EHC annual review or transfer review process. This consideration will involve the young person and parent/carers with support from an independent careers advice provider to understand appropriate post 16 provision, so that *where appropriate* mainstream provision is applied to before any application to specialist provision is made.

14. Equality Act 2010 and Supporting pupils with Medical Conditions

- 14.1. Medical conditions:** All early years providers should take steps to ensure that children with medical conditions get the support required to meet those needs. This is set out in the Early Years Foundation Stage (EYFS) framework.

- 14.1.1.** Trafford schools and academies have advice and guidance available through the Local Offer on supporting pupils with medical conditions. This is through a combination of SEN Advisory service, School Nursing team and Trafford Children's Community Nursing Team. The statutory guidance 'Supporting pupils at school with medical conditions (2014)' states:

'the school's governing body **must** ensure that arrangements are in place in schools to support pupils at school with medical conditions and should ensure that school leaders consult health and social care professionals, pupils and parents to make sure that the needs of children with medical conditions are effectively supported'.

- 14.1.2.** Children and young people who cannot attend school due to their medical needs are offered support through the Medical Education Service (MES) (see Local Offer section of this policy and further information on Trafford's Local Offer).
- 14.2. Equality Act 2010:** All settings, early years, schools, FE colleges, sixth form colleges, 16-19 academies and independent special schools approved under Section 41 of the Children and Families Act 2014 have duties under the Equality Act 2010. They must not discriminate against, harass or victimise

disabled children or young people and they have an anticipatory duty to make reasonable adjustments to prevent them being placed at a substantial disadvantage. All publicly funded early years providers must promote equality of opportunity for disabled children. Schools and colleges have wider duties to prevent discrimination, to promote equality of opportunity and to foster good relations. Trafford council encourages all education and training settings to focus on inclusive practice and removing barriers to learning. Trafford provides *Intimate Care Guidance* to support the inclusion and participation of children and young people with support needs for continence and personal care ([see Local Offer medical needs](#)). Trafford Accessibility Strategy is being revised to support schools it is responsible for in meeting the needs of disabled pupils and raising their attainment. The purpose of the strategy is to ensure that accessibility of the curriculum, the physical environment and information for disabled students is central to the delivery of services and supports schools with their accessibility plans (see Local Offer Overview section).

- 14.3. Exclusions:** Specific work on meeting needs and avoiding exclusions of children with SEND is part of the role of the PRUs, Longford Park School Outreach Service and all the SEND support services. Trafford Behaviour and Attendance service offers advice and guidance to schools on exclusions. All schools must report exclusions to the Local Authority. Patterns and numbers of exclusions for children with SEN will be monitored at termly LA SEN Managers' meetings. If a setting feels a child or young person with a statement or EHC plan is at risk of permanent exclusion an early annual review should be called involving parents and the EHC Coordinator.

15 Preparing for Adulthood

- 15.1** Young people and their parents/carers should be supported by schools, colleges and training providers to have high aspirations about employment, independent living and community participation and this should be developed through the curriculum and extra-curricular provision.
- 15.2** Maintained schools and pupil referral units have a statutory duty under section 42A of the Education Act 1997 to ensure pupils from Year 8 until Year 13 are provided with independent careers guidance. Academies, including 16-19 academies and free schools are subject to this duty through their Funding Agreements. FE colleges also have equivalent requirements in their Funding Agreements which applies to all students up to and including age 18 and will apply to students aged 19-25 with an EHC plan.
- 15.3** From the end of compulsory school age (at the end of the academic year in which they turn 16) the right to make requests and decisions under the Children and Families Act 2014 applies to the young person, rather than to their parents. The specific rights are

- the right to request an EHC needs assessment
 - the right to make representation about the content of their EHC plan
 - the right to request that a particular institution is named in their EHC plan
 - the right to appeal to the First Tier Tribunal (SEN and Disability) about decisions concerning their EHC plan.
- 15.4** Trafford LA will continue to involve parents in discussions regarding the young person's future, however recognises that where there are choices to be made the final decision rests with the young person.
- 15.5** The right of young people to make a decision is subject to their capacity to do so as set out in the Mental Capacity Act 2005 (see appendix to SEND code of practice (2014)).
- 15.6** All EHC plan reviews from Y9 must include planning towards preparing the young person for adulthood. Trafford LA will ensure that these reviews take place and schools and colleges must co-operate with the LA in these reviews. If it is clear that a young person wishes to progress to a different school sixth form or a college then the school or college must co-operate so that it can help to shape the outcomes in the EHC plan and start to develop a tailored post 16 study programme for the individual young person.
- 15.7** Where a young person has an EHC plan and is moving to a different learning provider Trafford LA will consider the need to provide a full package of provision and support across education, health and care that covers five days a week where that is appropriate to meet the young person's needs. This may involve using different providers including non –educational activities such as volunteering, work experience, opportunities for young people to develop skills they need for independent living, skills to enable them to develop and maintain friendships and access facilities in the local community. It can also include health and care related activities.
- 15.8** Gaining employment or supported employment should be an aspiration for the majority of young people with SEN and Trafford LA will work with a range of partners to facilitate young people's transition into employment.
- 15.9** All young people, including those with SEN, are required to remain in learning until their 18th birthday. This does not necessarily mean staying at the same school but can include full time study in a school, college or training provider; full time work or volunteering combined with part time education or training; or an apprenticeship or traineeship.
- 15.10** **The Care Act 2014:** this new legislation reforms the law and prioritises individual wellbeing for those over the age of 18 with care and support needs with an emphasis on person centred planning and outcomes and putting people in control of their care and support needs. Trafford Council has transformation projects in place to bring together adult and children and young

people's health and social care services for those with complex and additional needs. The overlap between the Care Act (2014) and the Children and Families Act (2014) such as outcomes focussed person centred practice when considering assessment planning and support and co-production and multi-agency approaches to planning and commissioning, are being considered within this.

- 15.11** The Care Act places a duty on LAs to produce a care and support plan for anyone over 18 where eligible needs are identified and in Trafford this will be brought together with the EHC plan where one is in place along with any personal budget. A Child's needs assessment (CAN) will be carried out if it is likely that there will be care and support needs post 18. This will be carried out at a time when it is of significant benefit to the young person's preparation for adulthood.
- 15.12** Further information on preparing for adulthood is available on the Local Offer pages including the Trafford transition guide for young people and their parents making the transition from children's to adult services.

16. EHC Needs Assessments

16.1 Introduction

The EHC needs assessment should not normally be the first step in the process, rather it should follow on from planning already undertaken with parents and young people in conjunction with an early years provider, school, post-16 institution or other provider. A child's parent, young people over the age of 16 and under the age of 25 and a person acting on behalf of a school or post-16 institution has the right to request an EHC needs assessment. A child or young person under the age of 19 in youth custody, their parents or a professional from the custodial establishment can request an assessment. Others can bring a child or young person who has SEN (or may have) to the attention of the LA where they think an EHC needs assessment may be necessary this should be with the knowledge and where possible the agreement of the parent/young person.

16.2 Referrals

The process for referring children and young people for an EHC needs assessment is part of the Local Offer EHC information. Trafford Council uses the Common Assessment Framework (CAF) through an electronic system to provide a joined up approach to EHC assessment and information sharing. A form is available for a parent and young person referral and for settings who currently do not have access to the system. Others bringing children or young people to the attention of the LA should initially email the EHC assessment team manager with their concerns.

- 16.2.1** As in the SEND code of practice (2104), in making a decision the LA will consider;
- evidence of the child or young person's academic attainment (or developmental milestones in younger children) and rate of progress
 - information about the nature, extent and context of the child or young person's SEN
 - evidence of the action already being taken by the early years provider, school or post-16 institution to meet the child or young person's SEN
 - evidence that where progress has been made, it has only been as the result of much additional intervention and support over and above that which is usually provided
 - evidence of the child or young person's physical, emotional and social development and health needs, drawing on relevant evidence from clinicians and other health professionals and what has been done to meet these by other agencies, and
 - where a young person is aged over 18, whether the young person requires additional time, in comparison to the majority of others of the same age who do not have special educational needs, to complete their education or training. Remaining in formal education or training should help young people to achieve education and training outcomes, building on what they have learned before and preparing them for adult life.
- 16.2.2** Trafford's *Graduated Approach Guidance* (2014) helps settings and parents see the action that a setting should have taken prior to a referral including, the levels of achievement, slow rates of progress, expected provision (through intervention and support) and the monitoring and reviewing of this provision with increasing involvement of professionals, at SEN Support in EY settings and schools. This guidance will be used in conjunction with the referrer's evidence when the LA is deciding whether or not special educational provision through an EHC plan may be required and so whether or not an assessment of education, health and care needs should be completed.
- 16.2.3** Whoever makes the referral the setting will be asked to demonstrate the provision tried and progress towards outcomes using a provision map with evidence that the cost of appropriate provision to the school or college, per annum, is more than the nationally prescribed threshold of basic entitlement plus £6,000 from the school's budget. The Common Assessment Framework (CAF) completed by the setting with the parent and child or the young person or CAF based referral form completed by the parent or young person over 16 adds to the provision map evidence by covering known education, health and social care

needs. Additional information including a recent educational psychology report and health reports should be attached.

- 16.2.4** Once a referral is received EHC Coordinators will check for any further information on the electronic CAF system and alert social care and the designated medical officer (DMO) that the referral has been received.

16.3 Decision Making

- 16.3.1** The main decision points within the EHC Needs Assessment process are: the decision to carry out an EHC Needs Assessment; the decision to provide an EHC plan; the level of resource that is available to meet the needs set out in the plan; and if applicable the personal budget plan for how part or all of this resource will be spent. Trafford Council has reviewed the organisation, membership, format and frequency of the EHC panel with key stakeholders in order to improve the system, maintaining objectivity and creating transparency around decision making. Detailed information on the decision making process and EHC panel will be available on the Local Offer EHC needs assessment section.

- 16.3.2 Decision to Assess:** Decisions will be made at the EHC panel (part 1) based on information received at referral and will be communicated to the parent and referrer by the EHC coordinator. If the decision is to proceed with an EHC needs assessment then the assessment process will continue. If the decision is not to conduct an EHC needs assessment then a meeting will be held with parents/young person, preferably within the school setting, ensuring that the child or young person gets the required provision at SEN Support. Statutory timescales will be adhered to so that parents and referrers are informed of the decision to carry out an EHC needs assessment or not within 6 weeks of receiving that referral. Decisions to assess for pre-school children are currently made following information gathering by early years services, working closely with parents, at the pre-school moderation panel this is under review in-line with the EHC panel membership as above (see *Multiagency working in the early years* section).

16.3.4 EHC Needs Assessment places in special schools

Following referral an EHC needs assessment place can be agreed by the EHC panel and offered to parents within any local special school if it is felt this would be the most helpful option in order to gain specialist view. **PRUs and permanently excluded pupils:** In order to prevent permanent exclusion and improve behaviour off site referral to the PRU provision in Trafford may form part of a school's response to managing behaviour. This will ordinarily only take place after other interventions within the school setting has been tried. If further assessment is felt to be required it is the school's responsibility to make the relevant

referrals within their graduated approach to SEN Support, such as Educational Psychology and if necessary EHC needs assessment. Where a permanent exclusion has led to a young person being placed in a PRU the PRU is responsible for the referrals to the educational psychologist and for an EHC needs assessment. In some cases the LA may decide that it is more appropriate for the EHC needs assessment to take place within a more specialised setting and an assessment place at a Trafford special school may be recommended.

16.3.5 Decision to proceed with an EHC Plan: Decisions will be made at the EHC panel (part 2) based on information received through the EHC needs assessment process. This decision will be communicated to parents in writing within the statutory timescale.

An EHC needs assessment will not always lead to an EHC plan. The information gathered during an EHC needs assessment may indicate ways in which the school, college or other provider can meet the child or young person's needs without an EHC plan. SEND code of practice, 9.6:DfE (2014).

When deciding whether to make special educational provision in accordance with an EHC plan, the LA through the EHC panel will consider all the information gathered during the EHC needs assessment and set it alongside that available to the local authority prior to the assessment. The panel will consider both the child or young person's SEN and the special educational provision made for the child or young person and whether:

- the information from the EHC needs assessment confirms the information available on the nature and extent of the child or young person's SEN prior to the EHC needs assessment, and whether
- the special educational provision made prior to the EHC needs assessment was well matched to the SEN of the child or young person

Where, despite appropriate assessment and provision, the child or young person is not progressing, or not progressing sufficiently well, the EHC panel will consider what further provision may be needed and will take into account

- whether the special educational provision required to meet the child or young person's needs can reasonably be provided from within the resources normally available to mainstream early years providers, schools and post-16 institutions, or
- whether it may be necessary for the local authority to make special educational provision in accordance with an EHC plan

Where the LA carries out an EHC needs assessment for a child or young person and

- their circumstances have changed significantly, or
- the child or young person has recently been placed in a new setting, or

- their special educational needs were identified shortly before the EHC needs assessment, and no comparable special educational provision was being made for the child or young person prior to the EHC needs assessment, then the local authority should consider what new special educational provision is needed,

Where a decision is made that an EHC plan is not required the parent, setting and DMO will be informed as soon as possible but at the latest 16 weeks from receiving the referral. Assessment information will be provided to the parent and setting so that it can be used within a setting based SEN Support plan. This should be written by those involved, including needs and suggested outcomes that can be met within the setting's response to SEN.

16.3.6 Decision on the resource: The draft EHC plan will include information on the level of need and an appropriate resource allocated to meet the needs and outcomes in the plan. Currently the resource decision for education funding for school aged and early years children is made using the information provided through the assessment matched to a band of top-up funding which relates to a number of teaching assistant (TA) support hours. As described in the *Funding section* above this does not have to equate to those hours directly in all cases instead it should be agreed to be used in the best way to meet the outcomes identified. For FE colleges high needs funding requests are currently used.

16.3.7 Trafford is working towards making this resource decision more transparent by developing a joint resource indication system to determine an appropriate level of resource. This work is in development to be introduced in stages from September 2015 in conjunction with experts in the field, *In Control* (link to website).

16.3.8 Resource decisions for Health and Social care are determined by the relevant commissioner; however the EHC process will bring together these decisions to ensure that the resource is used to achieve joint outcomes across all three areas. A resource indication system is already used by social care for children with complex and additional needs to offer personal budgets for short breaks (see Personal Budgets section below). EHC panel (part 2) will agree resources in most cases with some complex cases, and large personal budgets going to a joint resource panel for sign off. The joint resource indication system will help coordinate these resource decisions.

16.3.9 If a parent requests a personal budget the EHC Coordinator will work with the relevant parties to try to agree the use of a personal budget to meet the outcomes on the draft EHC plan. A Personal Budget Spending Plan may be needed to provide details of this and will need to be signed off by commissioners.

16.4 EHC Needs Assessment

16.4.1 The EHC needs assessment builds on the information provided through the CAF/referral form, provision map and other evidence gathered for the referral. Trafford Council's policy is to use the new EHC module in its electronic system (Liquid Logic) to be able to store and share confidentially information required for the assessment. Advice will be sought in line with the code of practice from the educational setting, support services, educational psychology service, health and social care and any other relevant parties. The designated medical officer (DMO) will coordinate health requests for advice and new assessment for health and all referrals for assessment and advice for social care will go to the multi-agency assessment and referral team (MARAT) through the secure electronic system to the appropriate team such as the CAN social care team. The transition coordinator in adult social care will be the link for information for those over 18 years old with social care needs. Advice forms will be provided based on needs, outcomes and provision. Professionals should limit their advice to areas in which they have expertise. Statutory timescales will be adhered to so that if an EHC plan is being issued this will be within the 20 weeks set out in the SEND code of practice (2014).

16.4.2 Involving children, young people and parents in assessment and planning

Trafford Council is committed to putting children young people and families at the centre of the assessment and planning. The EHC Coordinators will act in a key working role for the parent or young person during the EHC needs assessment process. Where there is another professional acting in a key worker role with a family the EHC coordinators/Key Worker will work closely with them so as not to duplicate communications and meetings.

Documentation *such as Preparing for my assessment* can be used by parents and young people to give their views and aspirations; express an interest in a personal budget and also provides information for the one page profile within the EHC plan.

16.4.3 Families can also access impartial advice and support from Parent and Young People's Partnership Service and Independent Supporters during the process (see *Impartial Information, Advice and Support* section plus the Local Offer information).

17. EHC Plans

17.1 Principles

Trafford has a person-centred format for the EHC plan. It focusses on key questions within person centred planning to bring together the advice provided during the EHC needs assessment and pulls these into outcomes and provision. The SEND Code of Practice states

‘An outcome can be defined as the benefit or difference made to an individual as a result of an intervention. It should be personal and not expressed from a service perspective; it should be something that those involved have control and influence over, and while it does not always have to be formal or accredited, it should be specific, measurable, achievable, realistic and time bound (SMART). When an outcome is focused on education or training, it will describe what the expected benefit will be to the individual as a result of the educational or training intervention provided’. (9.66)

The EHC Coordinators/key workers will work closely with parents and young people and commissioners and providers to agree outcomes and provision on the EHC plan (see EHC needs assessment process on Local Offer).

17.2 Request for particular school, college of other institution

17.2.1 The SEND code of practice states ‘

Children and young people with SEN have different needs and can be educated effectively in a range of mainstream or special settings. Alongside the general presumption of mainstream education, parents of children with an EHC plan and young people with such a plan have the right to seek a place at a special school, special post-16 institution or specialist college’ (2014)

17.2.2 Trafford Council aims to meet the needs of children and young people in their locality wherever possible.

17.2.3 The child’s parent or the young person has the right to request a particular school, college or other institution of the following type to be named in their EHC plan:

- maintained nursery school
- maintained school and any form of academy or free school (mainstream or special)
- non-maintained special school
- further education or sixth form college
- independent school or independent specialist colleges (where they have been approved for this purpose by the Secretary of state)

If a child’s parent or a young person makes a request for a particular nursery, school or post-16 institution in these groups the Local Authority must comply with that preference and name the school or college in the EHC Plan unless:

- it would be unsuitable for the age, ability, aptitude or SEN of the child or young person, or
- the attendance of the child or young person there would be incompatible with the efficient education of others, or the efficient use of resources

17.2.4 A child's parent or the young person may also make representations for places in non-maintained early years provision or at independent schools or independent specialist colleges or other post-16 providers that are not included on the list above. While Trafford Council will consider such requests, a local authority is not under the same conditional duty to name the provider. While Trafford Council will have regard to the general principle in section 9 of the Education Act 1996 that children should be educated in accordance with their parents' wishes, this will be so long as this is compatible with the provision of efficient instruction and training and does not mean unreasonable public expenditure.

17.2.5 In the vast majority of cases it is hoped that the educational placements named in EHC plans will be agreed by all parties. Once an EHC plan has been finalised following the statutory 15 day consultation period Trafford is not responsible for providing alternative provision if this placement is disputed and an appeal is lodged with the First Tier Tribunal. The LA will use an attendance order where appropriate to challenge non-attendance at the named setting.

17.2.6 Moving from Statements to EHC Plans

17.2.7 Education Health and Care plans will completely replace statements by April 2018. Trafford has a Transition Plan for the Transfer Review Process that details the EHC needs assessment timetable and process for those currently with statements. This targets key points of transition between phases of education following DfE guidance. Once initiated this process should be completed within 14 weeks. Until an EHC needs assessment has taken place through the transfer review process current statements will continue to be related to the 1996 Education Act. However reviewing processes will be encouraged to be person-centre and outcomes based as covered below.

17.2.8 Trafford will issue an EHC plan where the LA determines that special educational provision is needed in order to meet needs and agreed outcomes. This will usually be where the cost of the special educational provision required to meet the needs of an individual pupil exceeds the nationally prescribed threshold (see SEN Funding section 13) and

where the required coordination of provision at transition is beyond that usually available in that setting.

17.2.9 The EHC Plan will detail outcomes for education, health and social care which may overlap. They will incorporate the health and social care provision related to the SEN as detailed below in agreement between relevant commissioners:

- Any health provision reasonably required by the learning difficulties or disabilities which result in the child or young person having SEN. Where an Individual Health Care Plan is made for them, that plan should be included.
- Any social care provision which **must** be made for a child or young person under 18 resulting from section 2 of the Chronically Sick and Disabled Persons Act 1970.
- Any other social care provision reasonably required by the learning difficulties or disabilities which result in the child or young person having SEN. This will include any adult social care provision being provided to meet a young person's eligible needs (through a statutory care and support plan) under the Care Act 2014.

17.3 Reviewing Statements and EHC Plans

17.3.1 Where a child has a statement or an EHC plan, the Local Authority **must** review the plan every twelve months. The review must be within 12 months of the first plan and then within 12 months of any previous review. An EHC plan for a child under five will be reviewed every three to six months to ensure that the provision continues to be appropriate. These reviews may be streamlined and not necessarily require the attendance of the full range of professionals, depending on the needs of the child, this will be discussed with parents.

17.3.2 Trafford Council promotes person centred planning and reviews. It will provide paperwork for settings to gather views and record person centred annual reviews. The meeting **must** focus on the child or young person's progress towards achieving the outcomes specified in the EHC plan, and on what changes might need to be made to the support provided to help them achieve those outcomes, or whether changes are needed to the outcomes themselves. A provision map should be provided by the setting for the review. This should demonstrate the use of additional setting funding (element 2) and LA top-up funding (element 3) to provide support towards achieving educational outcomes.

- 17.3.4** Two weeks before the start of each term the LA will provide a list to the relevant setting, the CCG/Designated Medical Officer (DMO) and Social Care leads of all EHC plans to be reviewed that term.
- 17.3.5** The LA requests that early years settings and colleges convene and hold these reviews on its behalf and it requires schools to do so. The EHC coordinators will attend annual reviews on request or at the LAs discretion. Professionals across Education, Health and Care must cooperate with the LA during the review.
- 17.3.6** If a child or young person does not attend a school or other institution then the LA will hold the review and write the report reflecting the key points (as recommended in 9.177 SEND Code of Practice 2014).
- 17.3.7** Parents and/or the young person will be notified of the LAs decision following a review within 4 weeks. If the Local Authority decides not to amend the plan they will notify the child's parent or the young person of their right to appeal that decision and the time limits for doing so, of the requirements for them to consider mediation should they wish to appeal, and the availability of information, advice and support and disagreement resolution services
- 17.3.8** Early reviews can be held in within the annual period but this should be discussed with the EHC coordinator and parent and SEN Assessment Team.
- 17.3.9** All reviews from Y9 must include planning towards preparing the young person for adulthood.

18 Personal Budgets

- 18.1** A personal budget is an amount of money identified by the local authority (LA) to deliver provision set out in an EHC plan where the parent or young person is involved in securing that provision.
- 18.2** The child's parent or the young person has a right to request a personal budget, when the Local Authority has completed an EHC needs assessment and confirmed that it will prepare an EHC plan. They may also request a personal budget during a statutory review of an existing EHC plan.
- 18.3** Personal budgets should reflect the holistic nature of an EHC plan and can include funding for special educational, health and social care provision. They should be focused to secure the provision agreed in the EHC plan and should be designed to secure the outcomes specified in the EHC plan. The personal budget is not **all** the resources that will be

used to support a child or young person. It is just the cashable amount that could be made available to be used flexibly to meet the additional needs. A personal budget is not extra money – it is money that would have been spent on meeting the child or young person’s needs in the EHC plan. Offering it as a personal budget creates an opportunity to spend it in a more personal way, better tailored to individual cases and situations.

- 18.4** Trafford has experience of personal budgets and resource allocation systems in adult and children’s social care. A combined policy for Education, Health and Care is being developed. The current position on which funding streams are available to be taken as a personal budget, and the different ways in which this can be managed are available on the [Local Offer Personal Budget](#) pages.
- 18.5** Trafford Council and Trafford Clinical Commissioning Group (CCG) have identified the following areas where a personal budget **could** be given in the form of a direct payment. Each of these personal budgets has their own separate eligibility criteria.
- 18.6** Education funding-Top-up funding from the high needs funding block
- 18.7** Health-funding for continuing Care for children and Continuing health care for adults
- 18.8** Social Care –Complex and additional needs Short Breaks for children and social care personal budgets for adults
- 18.9** Where a direct payment is proposed to provide special educational provision Trafford will only agree to this with consent from the setting. If this is agreed it will be written into the conditions of receipt that any person employed by the child's parent or young person, but working on early years, school or college premises, will conform to the policies and procedures of that institution. If agreement cannot be reached then Trafford will not go ahead but will continue to work with all parties and discuss options such as a notional budget. Each request will be considered but in some cases the LA may be unable, at that point in time, to disaggregate funding that is currently supporting provision of services to a number of children and young people. This will be explained clearly in writing.
- 18.10** EHC Coordinators will discuss personal budgets and how these may differ depending on the type of educational institution for which the parents or young person express a preference. As part of their core provision, special schools and colleges make some specialist provision available that is not normally available at mainstream schools and colleges. The particular choice of a special school, with integrated specialist provision, will reduce the scope for a personal budget in Trafford.

19. Children and young people in specific circumstances

19.1 Looked After Children (LAC)

- 19.1.1 Trafford have a Virtual Head Teacher for LAC who works closely with the SEN services and EHC teams and is working to the new SEND Code Of Practice. The Virtual School have an Educational Psychology resource to facilitate early identification, intervention and support school staff with strategies.
- 19.1.2 The Virtual Head Teacher and the LA are committed to making sure Statement or EHC Plan works in harmony with care plans to tell a coherent and comprehensive story of how a child or young person's needs are being met.
- 19.1.3 A member of the Virtual School Team will work closely with EHC Coordinators to contribute advice and recommendations to EHC Needs Assessment. They will attend Annual Reviews of Statements/EHC Plans and where possible work to coordinate these with reviews of the Care plan process such as the Personal Education Plan (PEP).

19.2 Children and young people with SEN who are in youth custody

- 19.2.1 From April 2015 there will be new duties relating to children and young people in custody. This does not apply to children and young people serving their sentence in the community or to those detained in a custodial establishment for over 18s. (see new DfE SEND code of practice dated January 2015)
- 19.2.2 The SEN/EHC Assessment team will work closely with the Youth Offending Service in Trafford to implement these changes.
- 19.2.3 In line with the SEND code of practice chapter 10 Trafford Council will not cease an EHC plan because a child or young person has been given a custodial sentence. Trafford will keep the plan on hold for those who are detained. The plan will be reviewed on release and become immediately active again. .
- 19.2.4 If the child or young person has an EHC plan before being detained Trafford will arrange appropriate special educational provision whilst he/she is detained. In practice the educational provision in relevant youth accommodation, including for additional support that detained persons may need as part of an EHC plan, will be delivered by an education provider under contractual arrangements with the Youth Justice Board (YJB) or custodial operator and commissioned and funded centrally. Trafford will work closely with the provider to arrange the provision.

19.2.5 If the EHC plan for a detained person specifies health care provision the health services commissioner for the custodial establishment **must** arrange appropriate health care

19.2.6 Trafford will accept referrals from parents of children who are detained or the young person who is detained or the person in charge of the custodial establishment.

19.3 Children and Young People with SEN educated at home

Trafford will follow the guidance in the SEND code of practice (2014) with regard to a parent's decisions to home educate children with a Statement or EHC plan. Trafford has a policy for Elective Home Education which provides more detail of the steps taken when a child or young person has SEN (see EHE Policy)

19.4 Children of service personnel

19.4.1 Trafford will follow guidance in the SEND code of practice 2014 (10.100) in respect of children of service personnel.

19.5 Children and young people in alternative provision because of health needs

19.5.1 Children and young people who are in hospital (including children and young people admitted to hospital under Section 2 of the Mental Health Act 2007) or placed in other forms of alternative provision because of their health needs should have access to education that is on a par with that of mainstream provision, including appropriate support to meet the needs of those with SEN.

19.5.2 In Trafford Health commissioners and the Local Authority will work closely to minimise disruption and coordinate support to enable a successful reintegration back into school as soon as possible. Where relevant, a reintegration plan will be linked to a child or young person's EHC Plan or individual healthcare plan.

19.6 Children with SEN who are in alternative provision

19.6.1 In Trafford these children and young people's needs are met through the Medical Education Service MES. The education will be suitable education meaning it is an efficient education suitable to a child or young person's age, ability and aptitude and to any SEN he or she may have. This education will be full-time, unless the Local Authority determines that, for reasons relating to the physical or mental health of the child, a reduced level of education would be in the child's best interests.

20. Resolving disputes-Disagreement Resolution and Mediation

20.1 Disagreement resolution

Disagreement resolution services are for all parents of children and young people with SEN, and young people over 16 years with SEN. Using the service is voluntary and free and covers SEN provision as well as disagreements about health and social care. The areas of disagreement that this service can help with are:

- If a parent/young person disagrees with the Local Authority, early years setting, school, or college about how they are carrying out their education, health and care duties or about the SEN provision they are making. This applies if a child or young person has any kind of SEN, not just if they are going through EHC Needs Assessment or if they have an EHC Plan
- If a parent/young person disagrees with Trafford LA or the Clinical Commissioning Group (CCG) about the social care or health provision during the EHC needs assessment, or about the EHC plan, and any review or reassessment of the EHC plan.

20.2 Mediation

20.2.1 Mediation is also a voluntary free process for parents and young people where they cannot reach an agreement with the Local Authority or CCG in matters relating to EHC plans. It only covers the following areas of disagreements where Trafford LA decides:

- not to carry out an EHC needs assessment or re-assessment of the child/young person's needs
- not to draw up an EHC plan, once they have done an assessment
- not to amend an EHC plan after the annual review or re-assessment
- to cease to maintain an EHC plan

20.2.1. Where Trafford LA has drawn up an EHC plan, mediation must be available if a parent/young person disagrees with:

- the parts of the plan which describe a child's special educational needs
- the special educational provision set out in the Plan

20.2.2. Trafford will provide parents and young people with access to an independent mediation adviser who you will need to contact for information about mediation if you are thinking about appealing to the

SEND Tribunal. Details about the arrangements for mediation information will be set out in Trafford's Local Offer EHC assessment and plans section.

20.3 Appealing to the Special Educational Needs and Disability (SEND) Tribunal

20.3.1 Before a parent/young person can appeal to the SEND Tribunal, they must have contacted a mediation adviser (unless the appeal is only about the school Trafford has named in the EHC Plan or if a setting has not been named). Parents/young people will need a certificate from the mediation adviser to register an appeal with the SEND Tribunal. Parents/young people will have one month from receiving the certificate or two months from the original decision (whichever is the later date) to register an appeal with the Tribunal.

20.3.2 The SEND Tribunal is a legal body. It hears appeals against decisions made by local authorities about EHC needs assessments and EHC plans. Appeals can be made to the Tribunal if Trafford LA decides:

- not to carry out an EHC needs assessment or re-assessment for your child.
- not to draw up an EHC plan for a child/young person, once an assessment has been completed.
- not to amend an EHC plan after the annual review or re-assessment
- to cease to maintain an EHC plan
- An appeal can be made if a parent/young person disagrees with what Trafford LA includes in an EHC plan such as:
 - how they describe a child/young person's SEN
 - what SEN provision is included for the child

The SEND Tribunal also hears disability discrimination claims against schools (and against local authorities if the Local Authority is responsible for the school).

21 Monitoring of SEN provision

21.1 Provision for children with SEND and their progress is monitored in several ways. The LA RAISE-online and those of individual schools are monitored by the School improvement Advisers in conjunction with the Inclusion Adviser. This informs Link Adviser visits and targeting of support if required. Support may either be offered in line with the Schools Causing Concern protocol or suggested as an option for schools through the Education Service level agreement (SLA) This support would look at how well schools use their SEN notional budget to provide for the children identified as having SEN.

- 21.2 Referrals for EHC needs assessment and annual reviews of plans plus advisory visits for pupils are also a way of monitoring how well schools are meeting the needs of pupils with SEN.
- 21.3 Progress data for children in the small specialist classes is collected annually by the SEN Advisory Service and compared with National *Progression Materials* (20010-11) where appropriate. As schools move away from using National curriculum levels this will be reviewed. Special schools are offered an annual meeting with their Trafford Link Adviser to discuss progression. Some special schools buy into a commercial tool *CASPA* through a LA license this data is used alongside the progression materials. Trafford special schools currently use other commercial tools for breaking down P scales into small steps.
- 21.4 Trafford monitor non-maintained and independent school and college placements and residential provision through a combination of Annual review information, monitoring OFSTED reports, compliance visits by SEN staff and audits by the commissioning team. Information is shared across services as appropriate.
- 21.5 Where a young person with an EHC plan is in a college of FE, training provider or independent specialist provision and in receipt of high needs funding the provider will be required to provide an annual review of progress against the agreed outcomes in the EHC plan.
- 21.6 Section 13 of the Education and Skills Act 2008 requires learning providers to tell Trafford LA where a young person in post 16 learning including those with SEN is no longer participating.

22. Appendices-Links

Transport Policy

EHE Policy

Statutory guidance for supporting pupils with medical needs in school

Graduated Approach Guidance

Accessibility Strategy

Trafford Signs and Symbols Guidance

Trafford Intimate Care Guidance

High Needs Funding briefing document

GLOSSARY –see SEND Code of Practice

<https://www.gov.uk/government/publications/send-code-of-practice-0-to-25>

This policy is draft for consultation between November 2014 and 2nd February 2015. It will go to Trafford Council Executive in March 2015 for approval. Due to the changes being implemented it will be reviewed by April 2016.

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Report to: Executive

Date: 16 March 2015

Report for: Information

Report of: The Executive Member for Finance and the Director of Finance

Report Title:

Revenue Budget Monitoring 2014/15 – Period 10 (April 2014 to January 2015).

Summary:

The revised revenue budget approved at the Council meeting on 17 September 2014 is £156.134m. The forecast for the end of the year, as projected following ten months of activity, is £152.879m being a net underspend of £(3.255)m, (2.1)% of the budget. This is a favourable movement of £(0.482)m since the last report.

The main areas of budget variance are summarised as:

Activity	Forecast £m	Movement £m
Increased demand and unit costs for Children in Care placements	0.6	-
Adult Services client costs	(0.3)	(0.1)
Adult Services provision for doubtful debts	0.5	-
LD Pool: release of budget provision for transitional cases	(1.3)	-
Additional external income, including SLA's	(0.8)	(0.2)
Rephased base budget savings	0.4	-
In year savings not met (incl. Terms & Conditions)	0.6	-
Vacancy management	(1.4)	(0.1)
Deprivation of Liberty assessment costs	0.3	-
Manchester Airport Group Dividend	(1.0)	-
Other variances	(0.1)	(0.1)
Additional Income from Business Rates available in 2014/15	(0.8)	-
Forecast outturn	(3.3)	(0.5)

Reserves

The opening balance of the General Reserve was £(11.0)m, and after taking into account approved and proposed use, the forecasted closing balance at 31 March 2016 is £(6.4)m, which is £(0.4)m above the Council established minimum level of £(6.0)m.

The brought forward deficit on the Learning Disability Pooled Fund at 1 April 2014 was £3.0m. As part of the 2015/16 budget proposals it was agreed at the Council meeting on 18 February 2015 to write down this deficit in full against the General Reserve.

The in-year underspend on the Learning Disability budget of £(0.912)m is included in the forecast outturn for CFW and will be used to reduce the original commitment on the General Reserve agreed in September 2014 (see Table 5).

The net service carry forward reserves at the beginning of the year was £(4.004)m, and after taking into account planned use and commitments, and the service Directorates' outturn the forecasted closing balance is £(0.722)m surplus.

Council Tax

The surplus brought forward of £(0.5)m, will increase by an in-year forecasted surplus of £(1.1)m. After taking account of the planned use of £0.4m to support the base budget and another £0.2m for backdated valuation and discount appeals, the total surplus forecasted to be carried forward is £(1.0)m. The Council's share of this surplus is £(0.8)m, and is planned to support future budgets in the MTFP.

Business Rates

As originally reported at Period 6 an estimated surplus of £(3.489)m is projected for 2014/15, Trafford's share being £(0.855)m. Details will be updated when the VOA provide their next update on outstanding and settled appeals. Under the rules which govern the scheme, this estimated figure cannot be included in the General Fund until 2015/16.

Section 31 grants which compensate the Council for the Government's extension of the Small Business Rate Relief/Retail Relief Discount Schemes and further income from renewable energy schemes which is wholly retained by the Council, remain unchanged as reported in Period 6 at £(0.844)m. This grant is included in the forecast outturn of £152.879m.

Recommendation(s)

It is recommended that:

- a) the latest forecast be noted;

Contact person for access to background papers and further information:

David Muggeridge, Finance Manager, Financial Accounting Extension: 4534

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial	As set out above
Legal Implications:	None arising out of this report
Equality/Diversity Implications	None arising out of this report
Sustainability Implications	None arising out of this report
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	Not applicable
Health & Wellbeing Implications	Not applicable
Health and Safety Implications	Not applicable

Director of Finance:.....ID.....

Director of Legal & Democratic Services:.....

DIRECTOR'S SIGNATURE

Budget Monitoring - Financial Results

- The revised budget approved at the 17 September 2014 Council meeting is £156.134m. Based on the budget monitoring for the first 10 months of the year, the overall forecast for the year is £152.879m, being an underspend of £(3.255)m, (2.1)%, a favourable movement of £(0.482)m since the last report.
- The details of service variances can be found in Annexes 1 to 3, and for Council-Wide, Annex 4:

Table 1: Budget Monitoring results by Directorate	Year end Forecast (£000's)	Percentage %	Period Movement (£000's)	Annex
CFW – Children's Services	607	2.0%	(68)	1
CFW – Adult Social Services	(934)*	(1.7)%	(194)	1
CFW – Public Health	-	-	-	1
Economic Growth, Environment & Infrastructure	(450)	(1.3)%	(28)	2
Transformation & Resources	(424)	(2.4)%	(19)	3
Total Service Variances	(1,201)	(0.9)%	(309)	
Council-wide budgets	(2,054)	(10.1)%	(173)	4
Estimated outturn variance (period 10)	(3,255)	(2.1)%	(482)	

CFW – Children, Families & Wellbeing

Table 2: Budget Monitoring results by Executive Portfolio Holder	Year end Forecast (£000's)	Percentage %	Period Movement (£000's)
Children's Services	607	2.0%	(68)
Adult Social Services	(934)*	(1.7)%	(194)
Community Health & Wellbeing	-	-	-
Environment & Operations	(166)	(0.6)%	(22)
Economic Growth & Planning	(284)	(5.8)%	(6)
Communities & Partnerships	99	3.1%	(9)
Transformation & Resources	(270)	(2.5)%	(30)
Finance	(2,307)	(9.7)%	(153)
Estimated outturn variance (period 10)	(3,255)	(2.1)%	(482)

* £(0.912)m will be used to reduce the commitment on the General Reserve (see Table 5).

Key month on month variations

- The key variances contributing to the period movement of a favourable £(0.482)m are:
 - £(0.156)m reduced client need within Older People's Services relating mainly to a further release of winter resilience funding;
 - £(0.133)m favourable movement in Physical Disability Services relating to the capitalisation of an element of Telecare expenditure;
 - £0.116m adverse movement in client need within Learning Disability Services;

- £(0.061)m relating to further vacancy management savings across all Directorates;
- £(0.219)m favourable movement in income levels across all Directorates offset by £0.072m in associated running costs;
- £(0.125)m favourable movement relating to Housing and Council Tax Benefits overpayment recovery;
- Other net minor variances, £0.024m.

MTFP Savings and increased income

4. The 2014/15 base budget, or permanent budget, is based on the achievement of permanent base budget savings and increased income of £(13.776)m.
5. The following table summarises the overall forecasted achievement of the total base budget savings target for 2014/15 of £(13.776)m; noting the potential shortfall, proposed action to mitigate this shortfall in 2014/15 and action taken in the draft budget proposals for 2015/16

Table 3: Base budget savings	Total (£000's)
Total Savings delivered or in progress	(12,826)
Budget savings required	(13,776)
Shortfall	950
To be met by:	
Re-phased savings from T&R reserve in 14/15	
• HR Restructure	(83)
• Partnerships & Communities Restructure	(84)
• Legal Service Restructure	(36)
• Design and Print (T&R)	(113)
Re-phased savings from EGEI reserve in 14/15	
• Parks Maintenance	(47)
• Town Centre Advertising	(16)
• Property Referral Fees Advertising	(3)
• Moving Travel Offences	(30)
Re-phased savings from CFW reserve in 14/15	
• Terms and Conditions (CFW)	(423)
• Children in Care Placements	(257)
• Shortfall in Adoption Fee Income	(100)
Alternative savings in CFW in 14/15	
• Home to School Transport (overachievement against savings target)	242
Shortfall met from Service Carry forward reserves and alternative savings	(950)

6. Approximately 93% of base budget savings have been or are forecasted to be delivered:
- Of the £0.950m shortfall, £0.538m relates to CFW, £0.316m T&R and £0.096m EGEI. The total shortfall in 2014/15 will be met from either service carry forward reserves or alternative savings.
 - There are some savings that are delayed in 2014/15 £(0.396)m but the full effect is still expected to be delivered in the 2015/16 budget;
 - There are savings that will not be delivered, of which £0.423m relates to terms and conditions within CFW, £0.016m reduced Town Centre Advertising Income, £0.100m shortfall in adoption fee income and at the time of preparing the draft budget, £0.218m relating to Children in Care Placements. The total of £(0.757)m have been removed as savings from the budget for 2015/16. The pressure in Children in Care Placements has since increased to £0.257m.
7. A further in-year savings target of between £(2.5)m and £(3.3)m was agreed at Council on 17th September as part of the budget realignment process to address pressures within the CFW Directorate. The decommissioning of Voluntary and Community Sector grants saving proposal is currently projecting a deficit of £0.021m. There is also a further minor deficit on LD Void Management of £0.003m. Along with overachievements of £(0.593)m against the vacancy freeze saving and £(0.007)m against Early Help Funding this has resulted in an overall estimated overachievement of £(0.576)m against the savings target of £(2.5)m.

Council Tax

8. The brought forward surplus on the Council Tax element of the Collection Fund has shared ownership between GM Fire & Rescue Authority and Police & Crime Commissioner, as well as the Council.
9. After ten months of activity, the total Council Tax in-year surplus is forecasted at £(1.138)m, with the Council's share of this being £(0.957)m. After taking account of the planned application to support the 2014/15 budget, £0.356m, and reductions as a consequence of back-dated valuations and awards of discounts or exemptions of £0.244m, the end of year total balance is forecasted to be £(0.996)m, of which the Council's share is £(0.837)m. The Medium Term Financial Plan assumes use of the Collection Fund surplus at similar levels to 2014/15 into the future.

Table 4: Council Tax surplus	Overall		Trafford	
	£(000's)	£(000's)	£(000's)	£(000's)
Surplus brought forward		(458)		(385)
Changes in Band D equivalents	48		40	
Empty Homes Premium	(108)		(91)	
Council Tax Support awards	(1,078)		(906)	
Banding valuations & discounts	244	(894)	205	(752)
In-year application of surplus		356		300
Forecasted surplus carry forward		(996)		(837)

10. The majority of the in-year surplus has been generated from pro-active interventions in unreported changes of circumstances, which has reduced the need for Council Tax Support. This means that the correct award of Support is made earlier and reduces the amount of overpayments that have to be collected subsequently. Some of the in-year increase also relates to an increase in empty homes premium, however, this initiative cannot be guaranteed into the future as the purpose of the policy is to discourage empty properties and to encourage bringing them into the housing market. There has been a movement in the forecast surplus of £(0.011)m since last month.

Business Rates

11. 2014/15 will be the second year of operation of the new business rates retention scheme. The Government has established a target yield figure, or baseline, and 24.5% of yield above target is retained by the Council. However, 49% of any shortfall against the target is charged to the Council up to a safety net maximum cost to the Council of £2.433m.
12. The projected surplus of £(3.489)m and Trafford's share thereof of £(0.855)m as originally reported at Period 6 has not changed. The projections will be revised once updated VOA data is provided on the current level of appeals and a more accurate assessment is made on the level of appeals receivable for the remainder of the financial year. Under the rules which govern the scheme, this estimated figure cannot be included in the General Fund until 2015/16.
13. In addition, as originally reported in Period 6, the additional Section 31 grants received in 2014/15 to compensate the Council for the Government's extension of the Small Business Rate Relief/Retail Relief Discount Schemes and further income from renewable energy schemes, remains at £(0.844)m. These grants are available in year and will form part of the estimated outturn. The level of grant can change during the year due to the actual award of Small Business Rate Relief and projections may vary accordingly.

Reserves

14. The General Reserve balance brought forward is £(11.0)m, against which there are planned commitments up to the end of 2014/15 of £2.9m. In addition, the Council-wide underspend is £(2.1)m and the support to help deliver future CFW savings is £0.5m. It has also been agreed as part of the 2015/16 budget to release Earmarked Reserves of £(0.752)m, write down the LD Pool deficit of £3.002m and utilise the 2014/15 one-off dividend from MAG of £(1.0)m to support the 2015/16 budget. This would provide for a projected balance as at 31 March 2016 of £(6.4)m which is £(0.4)m above the approved minimum level of £(6.0)m:

Table 5 : General Reserve Movements	(£000's)
Balance 31 March 2014	(10,980)
Commitments in 2014/15:	
- Planned use for 2014/15 Budget (agreed 19 Feb 2014)	2,007
- Additional support for Adult Services (agreed at Council 17 September 2014)	1,582
- Learning Disability budget in-year underspend	(912)*
- Support to help deliver future CFW savings (agreed by Executive 1 December 2014)	500
- Planned use for one-off projects 2014/15	207
- Council-wide budgets underspend	(2,054)
- Transfer from Earmarked Reserves (agreed at Council 18 February 2015)	(752)
- Write down of LD Pool (agreed at Council 18 February 2015)	3,022
Estimated Balance 31 March 2015	(7,380)
- Planned use for 2015/16 Budget (agreed at Council 18 February 2015)	1,000
Estimated Balance 31 March 2016	(6,380)

* The additional support for Adult Services agreed at Council on 17 September 2014 as part of the 2014/15 revenue budget re-alignment report included a temporary budget increase of £2.367m for Learning Disabilities. Any in-year savings within this budget will therefore be used to reduce the commitment on the General Reserve of £1.582m agreed above.

15. Service balances brought forward from 2013/14 were a net £(0.982)m. After planned use to support one-off projects and the write down of the LD Pool deficit, agreed at the Council meeting on 18 February 2015, and adjusting for the estimated outturn, there is a projected net surplus of £(0.722)m to be carried forward to 2015/16 (Table 6).

	b/f April 2014 (£000's)	Forecast Movement in-year (£000's)	Forecast Balance (£000's)
Table 6: Service balances			
Communities, Families & Wellbeing	(871)	1,096	225
Economic Growth, Environment & Infrastructure	(1,155)	681	(474)
Transformation & Resources	(1,978)	1,505	(473)
Total All Services (Surplus)/Deficit	(4,004)	3,282	(722)
Learning Disability Pool (a)	3,022	(3,022)	-
Total (Surplus)/Deficit	(982)	260	(722)

Note:

(a) it was agreed by the Council on 18 February 2015, as part of the 2015/16 budget proposals, to write down the brought forward deficit of £3.022m on the LD Pool in full.

The use of reserve balances during the year are detailed in the Directorate reports attached as Annexes.

Recommendations

16. It is recommended that:
 - a) the latest forecast be noted.

TRAFFORD COUNCIL

Report to: CFW Senior Leadership Team
 Date: 26th February 2015
 Report for: Discussion
 Report author: CFW Finance Managers

Report Title:

Revenue Budget Monitoring 2014/15 – Period 10 (April 2014 to January 2015).

1 Outturn Forecast

- 1.1 This is the eighth CFW Directorate Monitoring Report for 2014/15 and reflects variances against the realigned budget as approved by the Executive.
- 1.2 The revised revenue budget for the year for CFW is £84.826m. The projected outturn for CFW is now £84.499m, which represents an underspend of £(327)k on the re-aligned budget (0.39%).
- 1.3 This is a favourable movement in Adult Social Services from period 9 of £(194)k due to:
- Reduced client need within Older Peoples Services of £(155)k favourable, due to further release of winter resilience funding.
 - Favourable movement on Physical Disabilities due to transfer of telecare revenue expenditure to capital £(133)k favourable.
 - Increased client need within LD Services of £105k adverse.
 - Favourable movement on Adaptations of £(38)k due to revised income forecast.
 - Adverse variation of £49k on Integrated Community Equipment Services (ICES) due to increased use of equipment.
 - Adverse movement on Mental Health client need of £19k
 - Favourable movement on Other Adult Services £(32)k.
 - £(9)k favourable variance across other Adults budget.
- 1.4 The outturn is a favourable movement in Children's Services of £(68)k of which £(30)k relates to an increased underspend in Children's Centres. The remaining £(38)k is spread across all areas of the budget.

2 Explanation of Variances

- 2.1 The main forecast outturn variances are summarised below, with more detail at Appendix 1.

The overall adverse variance for Children's Services is £607k and is analysed below.

Children's Social Services (Including Children with Complex Needs) - £1,240k adverse variation from budget

1. £702k adverse variance on client care packages of which £445k relates to increased numbers and £257k increase in unit costs:

Service	Budget Service Users	Budget Average weekly cost	Gross Budget	Actual Service Users	Average weekly cost	Actual Gross Forecast	Variance Service Users	Variance Gross Forecast
	No.	£	(£000's)	No.	£	(£000's)	No.	(£000's)
Welfare secure	0.3	5,068	90	0.3	3,846	66	0.0	-24
External Children's Homes	4.6	3,342	796	7.5	3,338	1,307	2.9	511
Agency foster care	29.8	842	1,307	35.5	853	1,572	5.7	265
In-house foster care	97.4	270	1,373	91.5	301	1,434	-5.9	61
Family and friend foster care	109.6	180	1,031	111.0	192	1,107	1.4	76
Asylum seekers	1.7	272	24	1.2	-112	-7	-0.5	-31
Special Guardianship	33.0	159	274	28.0	149	217	-5.0	-57
Assisted Residence Allowances	26.0	96	130	22.0	111	127	-4.0	-3
Aftercare	n/a		347	n/a		426	n/a	79
Supported Lodges	n/a		255	n/a		232	n/a	-23
Youth Homeless	n/a		185	n/a		191	n/a	6
Stay in Care Placements	n/a		70	n/a		0	n/a	-70
Adoption	20.0		976	13.0		785	-7.0	-191
CAN respite	2.6	1,674	227	2.6	1,674	237	0.0	10
CAN long term care	3.4	2,448	434	4.2	2,283	548	0.8	114
CAN Home from Home	n/a		239	n/a		187	n/a	-52
CAN Direct payments/personalisation	n/a		376	n/a		407	n/a	31
Total			8,134			8,836		702

2. £336k shortfall in income, most of which relates to adoption income of £302k;
3. £69k adverse variance on running costs;
4. Staff vacancies of £(94)k and an adverse variance of £127k relating to the non-achievement of savings in relation to changes in terms and conditions. This is due to the number of exemptions in connection with critical front line services.
5. An adverse variance of £100k due to non-achievement of the adoption income saving.

Children's Staff Management of vacancies – favourable variance £(383)k

There is a favourable variance of £(383)k in relation to the management of staff vacancies across all of Children's Services (£(94)k included in Children's Social Services above).

Children's Terms and Conditions Savings Unachieved – adverse variance £220k

An overspend of £220k relating to the non-achievement of savings in relation to changes in terms and conditions. This is due to the number of exemptions in connection with critical front line services; £127k is included in Children's Social Services above.

Children's Education Early Years Additional Income - favourable variance £(130)k

Mainly from additional income relating to the Education Psychology SLA to Schools.

Home To School Transport – Favourable Variance £(243)k

The new contractual arrangements for the 2014/15 academic year are projected to save an additional £(243)k in this financial year over and above the existing target of £(100)k and managing estimated demographic pressures of £90k.

Children's Services Running Costs Favourable Variance £(64)k.

There are favourable variances totalling £(64)k in relation to running costs across all children's services.

Adults and LD Pool – £(934)k favourable variation from budget:

1. Base budget and additional in year savings not achieved (See Appendix 2) - £220k adverse.
2. A recent Supreme Court judgment, which effectively lowered the threshold for what constitutes deprivation of liberty in care (DOLS), has resulted in additional assessment costs for all local authorities, which for Trafford is £263k adverse.
3. In year savings of £(419)k due to vacant posts, particularly within Older People's Services (£146)k, Mental Health £(63)k, Benefits Advice £(37)k, Physical Disabilities £(22)k, LD Day Care and Reablement £(113)k.
4. A one-off efficiency saving of £(200)k as a result of the termination of a carers contract.
5. A £(300)k favourable variance due to a reduction in the assumed use of the winter resilience budget provision for care packages.
6. The release of £(1,300)k of the provision for additional costs arising as children transition into Adult Learning Disability Services between the ages of 18-25. This is a one-off saving released following the start of the new school year as final decisions are made regarding which students remain in education.
7. £500k increase in the provision for outstanding debts following a high level review of current and historical debt.
8. Net variation in client need within Older Peoples Services of £78k adverse.
9. Increased client need within LD Services of £343k adverse.
10. Adverse variation of £10k on Adaptations due to reduced fee income in line with current capital programme forecasts.
11. Adverse variation of £79k on Integrated Community Equipment Services (ICES) due to increased use of equipment.
12. Other variances amounting to a net underspend of £(208)k.

Public Health – nil variance from budget:

The Public Health budget is funded through a ring-fenced grant. Any underspend against this grant in the current year will therefore be carried forward to 2015/16. The projected variations relating to Public Health are set out and explained in detail in Appendix 1 and summarised below:

- Management of vacancies - £(57)k favourable, and
- Other income - £(97)k favourable as a result of non-recurrent income from Community Safety for Test on Arrest, £(22)k and a £(75)k contribution from the CCG in respect of Dementia Advice contracts.

This will leave a current unallocated grant balance of £154k for which proposals will be brought forward to support Public Health priorities.

3. Forecasting and Risk

3.1 2014/15 Base Budget Savings

The council's overall budget for 2014/15 includes £(13,776)k of savings of which £(7,390)k relates to CFW. The table in Appendix 2 shows the current assumptions made regarding the delivery of in-year savings targets within the forecasts set out in this report.

Of the 34 savings proposals a total of 30 are expected to be achieved in full and one is expecting to overachieve. The 4 schemes projecting a net shortfall of £0.537m are as follows:

1. Children in Care placements - £257k shortfall. This saving proposal was linked to a plan to reduce unit costs for CIC placements (see CFW2 for further details).
2. Home to School Transport £(243)k. The reorganisation of home to school contracts has resulted in a larger saving but is in reality the 2015/16 saving being achieved early.
3. Terms and Conditions (CYPS & Adults) - £423k shortfall due to the number of exemptions in relation to the delivery of front line services.
4. Adoption Placement fees - £100k savings relating to income from other local authorities will not be achieved, as the number of adopters now exceeds the number of children awaiting adoption.

3.2 Additional In Year Savings

There are also £(3.3)m of additional in year savings which were approved as part of the CFW budget re-alignment report, of which it was assumed that £(2.5)m would be achieved in year. A list of these savings and the current projection against the re-based budget of £(2.5)m are also included in Appendix 2.

Of the 18 savings proposals a total of 14 are expected to be achieved in full with the remaining 4 schemes projecting a net surplus of £(0.576)m as follows:

1. Voluntary & Community Sector – £21k underachievement
2. At this stage it is assumed that the full amount of BCF in 2014/15 will be available to the Council.
3. Vacancy Management - the in year target for vacancy management savings is £(580)k, of which it was assumed that £(209)k would be achieved in year as part of the budget realignment. However, this savings target has been overachieved by £(593)k mainly due to posts held vacant pending 2015/16 savings implementation.

3.3 Provision for Outstanding Debts

The Council collects approximately £9.5m each year from clients towards the cost of their residential or domiciliary care package. This is a means tested assessment of a client's ability to pay and some of the debt is deferred i.e. not collected, until a client's assets are sold which can mean debt is not collected for some years. Also the health and wellbeing of a client is taken into account when considering the recovery of debt.

A high level review of current and historical debt outstanding has been carried out and it is considered prudent that £500k is earmarked in the Council's current year's financial plans for the possibility that some debt may not be collected; this would be in addition to the sum of £400k which is already earmarked from previous years. Putting this in context, total bills of £85m have been raised since 2005 and therefore the earmarked provision is equivalent to 1.06% of the total debt raised. The Council will continue to maximise income collection but if any debt is ultimately written off this will be done in accordance with the Council's agreed procedures.

3.4 Care Packages

This is the eighth monitoring report of the financial year based on nine months of actual activity and the information available to produce the forecast outturn will be refined and subject to change as the year progresses.

Adult CFW supports the most vulnerable people in the borough and as such the budgets are demand led. Variations in the number and unit cost of care packages has led to significant variations in demand levels, which have not previously been fully reflected in the budget.

2014/15 budgets have now been re-aligned based on the actual cost of all service users up to 31st August with a projection to 31st March 2015 for all "live" cases at 31st January 2015. The following table sets out the number and average weekly unit cost of "live" cases which form the basis of current forecast expenditure:

	Re-aligned 2014/15 Budget			Forecast Outturn (Period 10)			Forecast Variance		
Service	Service Users	Average weekly cost	Gross Budget	Current Service Users	Average weekly cost	Gross Forecast	Service Users	Weekly cost	Gross Forecast
	No.	£	(£000's)	No.	£	(£000's)	No.	£	(£000's)
Older People									
Domiciliary Care	855	156.33	7,096	845	153.04	6,896	(10)	(3.29)	(200)
Direct Payments	155	178.42	1,669	153	173.34	1,682	(2)	(5.08)	13
Residential/Nursing	571	471.06	14,222	546	474.97	14,219	(25)	3.91	(3)
Physical Disability									
Domiciliary Care	143	178.98	1,212	121	182.52	1,139	(22)	3.54	(73)
Direct Payments	189	220.12	2,270	176	223.84	2,301	(13)	3.72	31
Residential/Nursing	30	656.50	947	30	659.07	968	0	2.57	21
Learning Disability									
Day Care	30	265.06	407	33	257.76	413	3	(7.30)	6
Domiciliary Care	49	293.85	799	46	279.89	703	(3)	(13.96)	(96)
Direct Payments	254	297.47	4,220	253	306.83	4,398	(1)	9.36	178
Residential/Nursing	74	1,330.10	4,166	65	1323.13	3,921	(9)	(6.97)	(245)
Supported Living	88	992.47	4,287	86	971.08	4,453	(2)	(21.39)	166
Mental Health									
Domiciliary Care	46	121.01	244	47	105.94	234	1	(15.07)	(10)
Direct Payments	30	122.65	209	28	125.87	215	(2)	3.22	6
Residential/Nursing	39	561.39	1,135	37	561.41	1,111	(2)	0.02	(24)
Supported Living	19	1,298.06	1,092	24	1203.05	1,155	5	(95.01)	63
Total			43,975			43,808			(167)

Note: the gross forecast is based on the actual cost of services to date plus a forecast for the remainder of the year based on current users. It is not possible to multiply across the above table as the service users & unit cost only reflect current cases.

3.5 The above table reflects the current gross cost of services based on individual care packages. However, for financial monitoring purposes, a number of further assumptions have been made which are not reflected in the table:

- Estimated clawback on Direct Payments of £(850)k based on total receipts to date in 2014/15 of £(682)k. The current forecast is consistent with the actual clawback figure in 2013/14 of £(837)k adjusted to reflect growth in the number of service users receiving direct payments.
- An annual reduction of £(200)k against Home Care packages to reflect previous experience that approximately 10% of home care package hours are not used. This has been applied pro rata to the number of months remaining in the year, the assumed reduction from 1st January 2015 to 31st March 2015 is £(50)k.
- A winter resilience budget provision of £500k was set aside in October 2014 to offset any net growth in care package numbers/costs during the remainder of the financial year. To date £300k of the provision has been released and £200k remains to cover potential additional pressures in February and March.

4. Learning Disabilities (LD) Pooled Fund

4.1 At the beginning of the year the LD Pool had a carry forward adverse balance of £3.022m.

4.2 As part of the 2015/16 budget proposals it was agreed at the Council meeting on 18 February 2015 to write down this deficit in full against the General Reserve.

4.3 Joint work is on-going with Trafford CCG regarding a review of the cost of the Learning Disability service which will help to inform the extent of any contribution by the CCG to the historical deficit.

5. Service carry-forward reserves

5.1 At the beginning of April 2014 the Children, Families and Wellbeing Directorate had accumulated balances of £(871)k carried forward from previous financial years.

- 5.2 The remaining carry-forward balances at the end of the year after taking into account the outturn position are:

	DSG	CFW – Non LD Pool	CFW LD Pool
	(£000's)	(£000's)	(£000's)
Balance b/f 1 April 2014	(2,777)	(871)	3,022
Troubled Families Grant		(436)	-
Troubled Families Commitments 15-16		436	
Specific commitments in 2014/15	750	511	
LD Pool Deficit Reserve Write Down (agreed Council 18 February 2015)			(3,022)
P10 Forecast Outturn	720	585*	
	(1,307)	225	0

The DCLG have provided a grant for troubled families which is not ring-fenced and will not be spent by 31st March 2015. There are commitments made to partners for 2015/16.

* The CFW net underspend of £(327)k is split £585k non LD and £(912)k LD. The £(0.912)m underspend on Learning Disability budgets will be used to reduce the commitment on the General Reserve of £1.582m previously agreed at Council on 17 September 2014 (see Table 5 in the covering report).

6. Management Action

- 6.1 The re-aligned CFW budget is dependent on the delivery of additional in-year savings of £(2.5)m. Detailed implementation plans are now underway for these savings.

6.2 Resource Allocation Process

In June 2014, a revised Resource Allocation model was implemented, which now includes a weekly Resource Panel with wider representation including Directors. The aim of the revised model is to ensure that the amount of funding allocated is based on “Just Enough” support principles, to minimise cases agreed outside the Resource Panel and to ensure that the process for agreeing funding for individual packages of care is strengthened, ensuring that both senior operational managers and commissioners scrutinise each case and make best use of available resources, voids, contracts etc.

In addition a further panel has been established to exercise the same level of scrutiny on cases coming out of the internal and external reablement services.

6.3 Business Delivery Programme Board

The Business Delivery Programme Board has recently refreshed the way it works, splitting into three key elements:

- Core Business,
- Financial Business, and
- Learning Disability Business.

This new approach ensures Directors, lead commissioners, Finance Managers and Heads of Operational Services maintain oversight of activity linked to the budget and address key issues relating to financial monitoring reports, monitoring of savings targets, and other budget recovery action taken. A revised approach to escalating issues arising to the CFW Senior Leadership Team has also been agreed.

6.4 Financial Tracking and Monitoring

An overarching Activity Plan has been developed which details all areas of activity linked to the Learning Disability Pooled Budget, including previous Recovery Plans and Business Cases in respect of 2014/15 and 2015/16 savings proposals.

In addition a financial spread sheet has been created to allow reductions to be quantified based on “real time” information. The spread sheet highlights the starting position, reductions projected based on Business Case plans and actual reductions achieved once actions have been implemented and savings realised. The introduction of the facility to track financial changes will support the programme of work and highlight where savings have been achieved and also where there may be areas at risk.

6.5 Children in Care Placements Tracking and Monitoring

The robust tracking and monitoring of placements has been described in detail in previous monitoring reports. The next detailed quarterly placement meeting is being brought forward by one month to ensure the planning of 2015/16 resources is as robust as possible.

Staffing resources are also being considered as a part of this exercise in order that workloads can be managed as effectively and efficiently as possible.

Period 10 Projected Outturn revenue expenditure and income variances

The following tables detail the main variances from the re-alignment revenue budget to the forecasted outturn, in both Management Accounts (“Budget Book”) format and by cause or area of impact of the variance.

Budget Book Format (Objective analysis)	Full Year Revised Budget (£000's)	P10 Forecast Outturn (£000's)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	P10 – P9 Movement (£000's)	Ref
Children’s Services Portfolio – DSG Element						
Dedicated Schools Grant	0	720	720	480	240	CFW1
Transfer to Dedicated Schools Grant Reserve	0	(720)	(720)	(480)	(240)	CFW1
Sub-total – DSG	0	0	0	0	0	
Children’s Services Portfolio – Non DSG Element						
Education Early Years’ Service	6,047	5,640	(407)	(384)	(23)	CFW3
Children’s Social Services	15,383	16,597	1,214	1,218	(4)	CFW2
Children with Complex & Additional Needs	1,943	1,969	26	31	(5)	CFW2
Commissioning	1,716	1,607	(109)	(98)	(11)	CFW3
Multi Agency Referral & Assessment Service (MARAS)	1,491	1,448	(43)	(47)	4	CFW3
Youth Offending Service	363	363	0	6	(6)	CFW3
Children’s Centres	1,933	1,832	(101)	(71)	(30)	CFW3
Youth Service	1,336	1,363	27	20	7	CFW3
Sub-total – Children’s Services	30,212	30,819	607	675	(68)	
CFW Children’s Total	30,212	30,819	607	675	(68)	

Budget Book Format (Objective analysis)	Full Year Revised Budget (£000's)	P10 Forecast Outturn (£000's)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	P10 – P9 Movement (£000's)	Ref
Adult Social Services Portfolio						
Older People	20,439	20,361	(78)	78	(156)	CFW4
Physical Disabilities	4,963	4,814	(149)	(16)	(133)	
Equipment & Adaptations	1,004	1,083	79	30	49	CFW5
Mental Health	3,612	3,568	(44)	(63)	19	CFW6
Other Adult Services	854	1,035	181	213	(32)	CFW7
Strategic & Support Services	967	947	(20)	(11)	(9)	
Adaptations	(64)	(54)	10	48	(38)	CFW8
Housing Services (Supporting People)	630	629	(1)	(1)	0	
Community Services (Drugs and Alcohol, Dom Abuse)	230	226	(4)	(3)	(1)	
Equalities & Diversity	145	149	4	2	2	
Sub-total	32,780	32,758	(22)	277	(299)	
Learning Disabilities Pooled Fund	22,702	21,790	(912)	(1,017)	105	CFW9
CFW Adults Total	55,482	54,548	(934)	(740)	(194)	
Community Health & Wellbeing Portfolio						
Public Health	(868)	(868)	0	0		CFW10
CFW Public Health Total	(868)	(868)	0	0	0	
CFW Total	84,826	84,499	(327)	(65)	(262)	

Business Reason / Area (Subjective analysis)	P10 Outturn Variance (£000's)	P9 Outturn Variance (£000's)	P10 – P9 Movement (£000's)	Ref
Children's				
Management of staff vacancies	(383)	(411)	28	CFW3
Transport Costs	(243)	(214)	(29)	CFW3
Client Need	445	413	32	CFW2
2014/15 Savings not achieved	577	577	-	CFW3
Other running costs	5	48	(43)	CFW3
Income	206	262	(56)	CFW2,3
Total Children's	607	675	(68)	
Adults				
Management of staff vacancies	(419)	(404)	(15)	CFW4,6,9,10
Transport Costs	76	124	(48)	
Client Need	(1,405)	(1,440)	35	CFW4,6,9
Reduction in Grant Income	0	0	0	
2014/15 Savings not achieved	232	232	0	CFW4,7,10
Other running costs	223	352	(129)	CFW4,6,7,9,10
Other Income	359	396	(37)	CFW4,7,9,10
Total Adults	(934)	(740)	(194)	
Public Health	0	0	0	
Total CFW	(327)	(65)	(262)	

NOTES ON VARIANCES AND PERIOD MOVEMENTS

CHILDREN AND FAMILIES

CFW1 – DSG Reserve b/fwd.

- The brought forward DSG reserve balance is £(2,777)k. £750k of this has been allocated to schools on a one off basis there is an expected overspend on SEN of £382k, a shortfall in income of £256k, an overspend on Early Years of £127k and an underspend on Maternity of £(36)k plus other variances totalling £(9)k. This would leave a year end reserve of £(1,307)k.

CFW2 – Children’s Social Services (Including CAN) £1,240k adverse variance

- There is an overspend of £702k, on client care packages of which £445k relates to increased numbers and £257k increase in unit costs. This is an increase of £32k on the previous month. Plans are being reviewed in line with what was described in paragraph 6.5.
- There is a projected shortfall in adoption income of £402k. £100k relates to the savings target regarding income from other LA’s not being achieved, as the number of adopters now exceeds the number of children awaiting adoption. In addition to the saving not being achieved, there is an additional shortfall in adoption income causing a total pressure of £402k against the base budget. It has now become apparent that in the North West the number of recruited adopters is exceeding the number of children awaiting adoption. The result of this is that associated staffing establishments will have to be reviewed.
- The remaining variances are a reduction in the Staying Put Grant £87k, support costs relating to foster carers £62k, staff management £(94)k and £127k for not achieving the Terms and Conditions saving, other minor variances £(46)k.

CFW3 - Various

Children’s various Vacancy Management – £(383)k favourable

- There are vacancy management savings amounting to £(383)k across all Children’s Services, this includes Children’s Social Care of £(94)k included in CFW2 above.

Children’s various 2014/15 savings not achieved - £220k adverse

- Non-achievement of elements of the terms and conditions saving due to the volume of exemptions required in critical front line services. (£127k already included in Children’s Social Services CFW2 above).

Children’s Home To School Transport- £(243)k favourable.

- A favourable variance due to the reorganisation of transport contracts which is a 2015/16 saving that is being achieved early.

Additional Income Across Children's Services £(130)k favourable

- Additional income, mainly relating to the Educational Psychology Service SLA to Schools.

Running Costs Across Children's Services £(64)k favourable

- There are various favourable variances for running costs across Children's services which total £(64)k.

ADULT SOCIAL SERVICES

CFW4 – Older People £(78)k favourable

Vacancy management - £(146)k favourable:

- Commissioning management £(66)k favourable and Reablement £(131)k favourable and care management £51k adverse - Vacancies and savings against posts budgeted at top of grade offset by additional agency costs.

Client Need- £(445)k favourable:

- One-off efficiency saving due to the re-engineering of the Carers Personalisation Contract £(200)k.
- A reduction in the assumed use of the contingency of £(168)k from period 7.
- Contracts now part of Level 1 costs £(75)k.

Savings not achieved- £3k adverse:

- Voluntary and Community Sector – in year shortfall as contracts reduced/ceased part way through the year.

Other Income - £500k adverse:

- £500k increase in the provision for bad debts following a high level review of current and historical debt outstanding.

Other running costs- £9k adverse:

- Minor variances within other Older People budgets.

CFW5 – Equipment & Adaptations £79k adverse

Client Need - £84k adverse

- ICES – Increased equipment usage

Other running costs - £(5)k favourable

- ICES - Minor variations in other running costs.

CFW6 – Mental Health £(44)k favourable

Vacancy management - £(63)k favourable

- MH Social Workers £(51)k favourable and reduced agency costs £(12)k favourable.

Client Need- £18k adverse:

- Contract ceased (Floating Support) £(25)k offset by additional client costs £43k.

Other running costs- £1k adverse:

- Minor variances within other Mental Health budgets.

CFW7 - Other Adult Services £181k adverse

Vacancy management - £(37)k favourable

- Benefits Advice (37)k favourable - Vacancies and savings against posts budgeted at top of grade offset by additional agency costs.

Transport Costs - £9k adverse:

- Variation in number and cost of routes.

Other running costs- £232k adverse:

- Generic Services - additional Deprivation of Liberty (DOLS) assessment costs £263k.
- Community Voices reduction £(33)k
- Other variations in running costs - £2k adverse.

Savings not achieved- £33k adverse:

- Information and Advice Review - £33k adverse - this is the CFW share of a Council Wide savings target now split equally across EGEI, CFW and T&R.

Other income – £(57)k favourable

- Increased Healthwatch income £(57)k.

CFW8 – Adaptations – £10k adverse

Other income – £12k adverse

- Assumed reductions in fee income in line with projected capital programme spend.

Other running costs- £(2)k favourable:

- Other variations in running costs.

CFW9 – LD Pooled Fund – £(912)k favourable

Vacancy management - £(91)k favourable:

- Net vacancies within Social Work, In-House Day Care, Supported Living and LD Reablement.

Client Need- £(1,040)k favourable:

- Release of £(1,300)k of the provision for additional costs arising as children transition into Adult Services between the ages of 18-25. This is a one-off saving released following the start of the new school year as final decisions are made regarding which students remain in Education.
- Other net variations in client need £260k adverse.

Savings not achieved- £194k adverse:

- Terms and conditions savings not achieved due to the number of exemptions relating to the delivery of critical front line services - £203k adverse offset by Voluntary and Community Sector – in year surplus as a result of more funds returned from contractor than estimated £(9)k.

Transport - £38k adverse

- Additional recharge from CYPS in respect of adults in Education.

Other running costs- £(13)k favourable:

- Other variances within Learning Disability budgets.

CFW10 - Public Health – nil variance

Vacancy management - £(57)k favourable:

- Public Health Leaders - £(49)k favourable – vacancies and savings against posts budgeted at top of grade.
- Health Improvement - £(20)k favourable – vacancy management.
- Other Public Health staffing variations - £12k adverse.

Other running costs- £154k adverse:

- Unallocated grant balance of £154k arising from overall forecast public health underspends for which proposals will be brought forward to support Public Health priorities.

Other income - £(97)k favourable:

- Drug & Alcohol Misuse - £(22)k favourable non recurrent income from Community Safety for Test on Arrest,
- Health & Wellbeing - £(75)k favourable non recurrent income from CCG towards Dementia Advice contracts.

Appendix 2

CFW Base Budget Savings 2014/15		Note	2014/15 Budget	Forecast Saving	Variance
			(£000's)	(£000's)	(£000's)
Children in Care Placements	CYPS	1	(480)	(223)	257
Supported Living	CYPS		(50)	(50)	-
MARAS Staffing	CYPS		(50)	(50)	-
Market Management	CYPS		(350)	(350)	-
Increased Use Personal Budgets	CYPS		(25)	(25)	-
Commissioning Integration	CYPS		(20)	(20)	-
Complex Additional Needs	CYPS		(50)	(50)	-
Education Support Services Review	CYPS		(100)	(100)	-
Home To School Transport	CYPS	2	(100)	(343)	(243)
Complex & Additional Needs Personalisation	CYPS		(125)	(125)	-
Terms and Conditions	CYPS	3	(656)	(436)	220
Adoption Placement Fees	CYPS	4	(100)	-	100
Connexions Service	CYPS		(260)	(260)	-
Youth Offending Service	CYPS		(150)	(150)	-
Early Years Childcare	CYPS		(25)	(25)	-
Education Welfare Officers	CYPS		(100)	(100)	-
School Improvement	CYPS		(105)	(105)	-
Grant Assisted Projects (YOS & KEEP)	CYPS		(74)	(74)	-
Reduced Inflation applied to running costs	Adults		(422)	(422)	-
Market Management	Adults		(533)	(533)	-
New models of service in LD reducing placement costs	Adults		(200)	(200)	-
Mental Health - implement Personal Budgets	Adults		(50)	(50)	-
LD Transport - implement Personal Budgets	Adults		(200)	(200)	-
Ascot House - joint service with TPS resulting in efficiencies in running costs	Adults		(100)	(100)	-
Reduce Public Health	Adults		(850)	(850)	-
Telecare	Adults		(400)	(400)	-
Reablement	Adults		(500)	(500)	-
Commissioning Integration (Children's/Adults)	Adults		(20)	(20)	-
Advice & Information - Council wide review	Adults		(83)	(83)	-
Pre-payment cards	Adults		(40)	(40)	-
Carers Services	Adults		(50)	(50)	-
Extension of Personalisation Agenda	Adults		(25)	(25)	-
Supporting People	Adults		(399)	(399)	-
Terms and Conditions	Adults	3	(695)	(492)	203
Inflationary increase for rents charged for supported living houses	Adults		(3)	(3)	-
			(7,390)	(6,853)	537

CFW In Year Budget Savings 2014/15		Note	2014/15 Target (£000's)	Assumed in rebased Budget (£000's)	Forecast Saving (£000's)	Variance (£000's)
Music Service	CYPS		(5)	(5)	(5)	-
Early Help Framework	CYPS		(66)	(66)	(66)	-
Complaints and Governance	CYPS		(5)	(4)	(4)	-
Stronger Families	CYPS		(250)	(250)	(250)	-
Area Family Support Team	CYPS		(36)	(18)	(18)	-
Children In care Personal needs	CYPS		(100)	(100)	(100)	-
Education Psychology	CYPS		(50)	(50)	(50)	-
Application of Grants	CYPS		(500)	(500)	(500)	-
Voluntary & Community Sector	Adults	1	(80)	(80)	(59)	21
LD – Contract Negotiations	Adults		(150)	(75)	(75)	-
LD – Acceleration of Tenders	Adults		(490)	(245)	(245)	-
LD – Ordinary Residence	Adults		(150)	(75)	(75)	-
LD – Ordinary Residence – Brokering Supported Living	Adults		(7)	(4)	(4)	-
LD – Care Packages	Adults		(9)	(9)	(16)	(7)
LD – Development Fund	Adults		(13)	(13)	(13)	-
LD – Void Management	Adults		(17)	(9)	(6)	3
Better Care Fund	Adults	2	(788)	(788)	(788)	-
Vacancy Management	All	3	(580)	(209)	(802)	(593)
			(3,296)	(2,500)	(3,076)	(576)

TRAFFORD MBC

Report to: Economic Growth, Environment and Infrastructure
Directorate Management Team

Date: 26 February 2015

Report for: Discussion

Report author: Finance Manager

Report Title

Revenue Budget Monitoring 2014/15 – Period 10 (April 2014 to January 2015)

1. Forecast Outturn for the Year

- 1.1 The approved revenue budget for the year is £33.492m. The forecast outturn is £33.042m, which is £(0.450)m under the approved budget. This is a net favourable movement of £(0.028)m from the last report.
- 1.2 The key movements relate to additional income from planning control £(0.041)m and parking £(0.035)m, increase in street lighting energy costs £0.030m, reduction in forecast building control income £0.020m, other net movements in staffing/running costs £(0.002)m.
- 1.3 The Directorate has brought forward balances of £(1.155)m from previous years (paragraph 3). These are earmarked for specific project based activity which has been re-phased from previous years, one-off projects to support in-year service efficiencies, and also to mitigate specific one-off budget pressures this year, such as from the Enforcement and Groundforce reviews, if required. The remaining balance based on the projected outturn above is £(0.474)m. This will be held to mitigate any future pressures during the year, such as weather related incidents.

2. Summary of Variances

- 2.1 The overall favourable variance of £(0.450)m reflects a number of individual under and overspends across the diverse areas of the Directorate, as detailed in Appendix 1 and summarised below.
- 2.2 There is one-off shortfall in approved savings relating to the Enforcement review (from 2013/14) £0.058m, and Groundforce review £0.047m. This is due to additional time taken for staff and stakeholder consultations. There is also an expected income saving shortfall of £0.030m from moving traffic offences, which is linked to the progress of the AGMA initiative supporting this. Income generation from town centre advertising will not be achieved £0.016m following recent legal advice, and property referral web-site advertising has been re-phased leading to a one-off shortfall of £0.003m this year. Savings will be delivered in full from 2015/16, and for town centre advertising alternative proposals will be progressed through the Medium Term Financial Plan.
- 2.3 The levy paid to Greater Manchester Waste Disposal Authority is expected to be £0.200m higher than budgeted, which is due to weather related increases in the volume of green waste being recycled over the summer. This can be partially mitigated by a negotiated one-off procurement saving in the waste collection contract £(0.150)m.

- 2.4 Favourable one-off income variances are projected from Oakfield Road car park £(0.128)m, rechargeable grounds maintenance costs £(0.039)m, Stretford Arndale rent £(0.067)m, Urmston Town centre rent £(0.048)m and other let estate property rents £(0.055)m. Income from charges is higher than budgeted from other car parks £(0.073)m, GM Road Access Permit Scheme £(0.096)m and planning fees £(0.174)m. There are income shortfalls forecast relating to licencing £0.009m, pest control £0.017m, building control £0.125m and Green Deal £0.040m. This is a net overall favourable movement in projected income of £(0.062)m from last reported. In addition, fee income from capital schemes is £(0.005)m higher than budgeted, an adverse movement of £0.022m.
- 2.5 There are a number of favourable variances relating to staffing budgets as a result of turnover or vacancy management £(0.298)m, including £(0.131)m from senior management restructuring, £(0.050)m from school crossing patrols, £(0.049)m Economic Growth team, and £(0.025)m Highways. The net overall underspend on staffing has increased by £(0.025)m since last reported.
- 2.6 Other running cost variances include underspends on Administrative Buildings £(0.018)m and Groundforce £(0.039)m, with overspends projected in Highways/Street Lighting maintenance £0.027m and for a one-off pressure re Altrincham Market £0.029m. This is a net overall adverse movement of £0.007m in general running costs since last reported. In addition, Street lighting energy costs are predicted to be £0.090m above budget, an adverse movement of £0.030k since last reported.
- 2.7 Management action will continue throughout the year to ensure that essential services are delivered within budget and to seek out opportunities for future financial benefits. This includes:
- Only necessary spending on supplies and services to be approved;
 - Systematic monitoring and evaluation of existing and potential new income streams;
 - Analysis of rechargeable work for both revenue and capital schemes;
 - Additional improvements to efficiency through service redesign and better procurement;
 - Potential to accelerate future savings proposals.

3. Reserves

- 3.1 At the end of 2013/14 the Directorate had a surplus on accumulated balances of £(1.155)m, which was carried forward to 2014/15. This was a result of the successful management of budget pressures in the last two financial years but also includes a number of commitments relating to projects being re-phased across the year end.
- 3.2 The planned use of these balances is shown below. The current balance of £(0.474)m is being held to cover potential budget pressures from external factors, such as from adverse weather or reductions in income. Any balance remaining at year end will be carried forward to support services in 2015/16 accordingly.

Utilisation of Carry forward Reserve 2014/15	(£000's)
ETO Surplus balance brought forward at 1 April 2014	(494)
EGP Surplus balance brought forward at 1 April 2014	(661)
Re-phasing of projects from 2013/14	381
Committed on 2014/15 projects	750
Period 10 forecast outturn (favourable)	(450)
Balance after known commitments	(474)

4. Savings

- 4.1 The approved Directorate budget includes 2014/15 savings of £(3.153)m as follows:

	Budget (£000's)	Outturn (£000's)	Variance (£000's)
Increased and new income	(320)	(271)	49
Efficiencies and others	(786)	(786)	0
Policy Choice	(1,920)	(1,873)	47
Mitigating action across EGEI	0	(96)	(96)
Terms and Conditions	(127)	(127)	0
Total EGEI	(3,153)	(3,153)	0

- 4.2 The income shortfall of £0.049m relates to the delay in implementing the saving relating to moving traffic offences £0.030m (note EGEI1 below) and £0.019m from town centre advertising and property referral fee web-site advertising (EGEI10). In policy choice £0.047m relates to re-phasing of savings in Groundforce (note EGEI4). All these items are to be mitigated in full from management action and other favourable variances across the Directorate, or by the use of accumulated balances if required. The savings will be achieved in full from 2015/16, with alternative measures for town centre advertising progressed through the Medium Term Financial Plan.
- 4.3 In addition, there is a £0.058m shortfall in the saving associated with the review of Enforcement approved in the 2013/14 budget. This is also due to additional staff and stakeholder consultations and the saving is now being delivered in full (from August 2014) (see note EGEI6).

5. Forecasting and Risk

- 5.1 This is the eighth monitoring report of the financial year based on ten months of actual activity and the information available to produce the forecast outturn will be refined and subject to change as the financial year end approaches.
- 5.2 The key assumptions and/or areas of risk in this forecast are:
- GM Waste Disposal Authority levy – each month the WDA notifies GM Councils of variances in the actual tonnages of waste delivered compared to that assumed when setting the levy at the start of the year. This results in an additional cost or rebate per Council. Actual tonnages can be affected by weather and also customer behaviour, for example levels of recycling. There is a £0.200m increase in the levy forecast this year due to the weather (see note EGEI5 below);
 - Fee income from capital works will vary depending on the progress of delivering the approved capital programme during the year – total budgeted

fee income for the year is £2.2m. Note: currently £(0.005)m higher than budgeted (paragraph 2.4);

- Demand led fees and charges income, such as from Parking, Licencing, Planning and Building Control, will vary based on economic conditions and customer behaviour. Bereavement Services income is also affected by external factors. All fees and charges are monitored weekly or monthly, with trends and previous profiles used to inform forecasts;
- Investment property income – this varies depending on economic factors, and includes income from shopping centres (e.g. Stretford Mall) where lettings and rents are the responsibility of the owners of the properties;
- Weather related incidents impact on costs and income, particularly during the winter months. This includes increased winter maintenance costs (gritting etc.), pot hole damage to highways, tree and other infrastructure damage. The Directorate has £0.120m in a Winter Maintenance reserve to smooth these pressures across financial years, if required – this reserve has not been utilised to date this financial year;

6. Recommendations

- 6.1 It is recommended that the forecast outturn be noted.

Period 10 Forecast Outturn revenue expenditure and income variances.

The following tables detail the main variances from the revenue budget to the forecast outturn, and the movements since the last monitoring report in both Management Accounts (“Budget Book”) format and by cause or area of impact of the variance.

Economic Growth, Environment & Infrastructure Budget Book Format (Objective analysis)	Full Year Budget (£000's)	P10 Forecast Outturn (£000's)	P10 Forecast Variance (£000's)	P9 Outturn Variance (£000's)	Period Movement (£000's)	Ref
Highway and Network Management, including Traffic & Transportation	5,151	5,281	130	122	8	EGEI1
School Crossing Patrols	509	459	(50)	(50)	0	EGEI2
Parking Services	(337)	(563)	(226)	(193)	(33)	EGEI3
Groundforce	4,144	4,118	(26)	(34)	8	EGEI4
Bereavement Services	(1,090)	(1,076)	14	12	2	
Sustainability & Greenspace	359	329	(30)	(34)	4	
Waste Management (incl. WDA levy)	18,979	19,038	59	52	7	EGEI5
Public Protection	602	629	27	25	2	
Environmental Enforcement	89	156	67	67	0	EGEI6
Directorate Strategy & Business Support	259	128	(131)	(111)	(20)	EGEI7
Sub-total Environment & Operations Portfolio	28,665	28,499	(166)	(144)	(22)	
Property and Development	2,671	2,391	(280)	(308)	28	EGEI8
Planning & Building Control	(119)	(101)	18	49	(31)	EGEI9
Strategic Planning & Development	533	513	(20)	(18)	(2)	
Economic Growth	759	724	(35)	(35)	0	EGEI10
Housing Strategy	596	629	33	34	(1)	EGEI11
Directorate Strategy & Business Support	459	459	0	0	0	
Sub-total Economic Growth & Planning Portfolio	4,899	4,615	(284)	(278)	(6)	
Operational Services for Education	(72)	(72)	0	0	0	
Total Forecast Outturn Period 10	33,492	33,042	(450)	(422)	(28)	

Economic Growth, Environment & Infrastructure Business Reason / Area (Subjective analysis)	P10 Outturn Variance (£000's)	P9 Outturn Variance (£000's)	Period Movement (£000's)	Ref
Highways and Network Management				
Income shortfall, including moving traffic offences	53	47	6	
GMRAPs income above budget	(96)	(82)	(14)	
Capital fee income shortfall	81	57	24	
Staff vacancies	(25)	(25)	0	
Running costs including depot	27	65	(38)	
Energy – Street Lighting	90	60	30	
Sub-total	130	122	8	EGEI1
School Crossing Patrols - vacancies	(50)	(50)	0	EGEI2
Parking Services				
Additional income – Oakfield Road	(128)	(128)	0	
Income – other locations	(73)	(38)	(35)	
Staffing and running costs	(25)	(27)	2	
Sub-total	(226)	(193)	(33)	EGEI3
Groundforce				
Re-profiling of staff/equipment savings	47	47	0	
Other running costs	(39)	(47)	8	
External income	(34)	(34)	0	
Sub-total	(26)	(34)	8	EGEI4
Bereavement Services				
Staffing and maintenance costs	5	3	2	
Income shortfall	9	9	0	
Sub-total	14	12	2	
Sustainability & Greenspace				
Vacancy, supplies & services	(30)	(34)	4	
Waste Management				
Staffing and general running costs	9	2	7	
GM Waste levy – additional green waste recycling	200	200	0	
Waste contract – one-off procurement saving	(150)	(150)	0	
Sub-total	59	52	7	EGEI5

Economic Growth, Environment & Infrastructure Business Reason / Area (Subjective analysis)	P10 Outturn Variance (£000's)	P9 Outturn Variance (£000's)	Period Movement (£000's)	Ref
Public Protection				
Staffing and running costs	1	1	0	
Income shortfalls	26	24	2	
Sub-total	27	25	2	
Environmental Enforcement				
Re-profiling of staff/equipment saving	58	58	0	
Running costs - vehicles	9	9	0	
Sub-total	67	67	0	EGEI6
Director & Business Support				
Staffing and Running costs	(131)	(111)	(20)	EGEI7
Sub-total Environment & Operations Portfolio	(166)	(144)	(22)	
Property and Development				
Investment Property Rental Income:				
- Stretford Arndale back rent for 2013/14	(67)	(67)	0	
- Urmston Town Centre – one-off surplus	(48)	(48)	0	
- Airport – surplus	(16)	(16)	0	
- Other properties - surplus	(55)	(55)	0	
Community buildings – income/running costs	7	(6)	13	
Admin Buildings running costs	(18)	(31)	13	
Facilities Management staffing vacancies	(28)	(20)	(8)	
Markets – one-off adjustment to cost recovery	29	29	0	
Other minor running cost variances	2	(10)	12	
Major projects capital fee income	(86)	(84)	(2)	
Sub-total	(280)	(308)	28	EGEI8
Planning & Building Control				
Planning applications income	(174)	(133)	(41)	
Building Control income shortfall	125	105	20	
Staffing including interim support	53	62	(9)	
Running costs	14	15	(1)	
Sub-total	18	49	(31)	EGEI9
Strategic Planning & Development				
Staffing/running costs savings	(20)	(18)	(2)	

Economic Growth, Environment & Infrastructure Business Reason / Area (Subjective analysis)	P10 Outturn Variance (£000's)	P9 Outturn Variance (£000's)	Period Movement (£000's)	Ref
Economic Growth				
Staffing vacancies	(49)	(49)	0	
Other running costs	(5)	(5)	0	
Town centre advertising income	16	16	0	
Property referral fee website advertising income	3	3	0	
Sub-total	(35)	(35)	0	EGE10
Housing Strategy				
Green Deal income re-phased implementation	40	40	0	
Staffing and running cost savings	(7)	(6)	(1)	
Sub-total	33	34	(1)	EGE11
Sub-total Economic Growth & Planning Portfolio	(284)	(278)	(6)	
Total Forecast Outturn EGEI Period 10	(450)	(422)	(28)	

Summary Variance Analysis Period 10

All Services	Savings £000	Staff £000	Running Costs £000	Income £000	Total Variance £000
Period 9	154	(273)	130	(433)	(422)
Period 10	154	(298)	167	(473)	(450)
Period Movement	0	(25)	37	(40)	(28)

ADDITIONAL NOTES ON FORECAST OUTTURN VARIANCES

EGE11 – Highways & Network Management - £0.130m (adverse)

Income generation of £(0.030)m is included as a saving in the approved budget from moving traffic offences. This is part of an AGMA initiative to improve safety and traffic flows on major routes and the project has needed to be re-phased into 2015/16.

Running costs are expected to be £0.027m above budget over a number of service areas, which is £(0.038)m less than last reported. This mainly reflects latest forecasts of maintenance costs in highways and street lighting. Use of capital and other measures are being reviewed to mitigate the overall pressure.

Staffing is expected to be £(0.025)m underspent for the year due to vacancies.

There is additional income above budget of £(0.096)m from the Greater Manchester Road Access Permit Scheme, which was implemented during 2013/14. This is £(0.014)m higher than last reported based on latest figures from TfGM.

Fee income from technical and consultancy work charged to capital schemes is projected to be £0.081m below budget due to the predicted timing of capital works. This is £0.024m higher than last reported based on the latest position on capital spending.

Street Lighting energy costs are projected to be £0.090m higher than budgeted based on latest projected usage volumes and new contract prices from October 2014. This is an adverse movement of £0.030m since last reported. The new energy supplier bills from October were received last month and show a 16.5% overall increase compared to the previous contract prices agreed in October 2013. Of the increase only 1.4% relates to the Council's procurement of energy, with the remainder relating to increases in network, transmission and other charges from the National Grid and Climate Control Levy costs. This pressure will continue into 2015/16 and increases have been provided in the Medium Term Financial Plan which will need to be carefully monitored against the monthly bills on an on-going basis.

EGEI2 – School Crossing Patrols – £(0.050)m (favourable)

There is a forecast underspend on staffing due to vacancies.

EGEI3 – Parking Services – £(0.226)m (favourable)

The approved budget for 2013/14 included assumptions regarding the partial, then full closure of Oakfield Road car park during the year as part of the regeneration of Altrincham Town Centre. The re-phasing of the town centre project has resulted in forecast income being £(0.128)m above budget, which has continued from last year.

Other car parking income is projected to be £(0.073)m above target, which is a favourable movement of £(0.035)m since last reported. Resurfacing work at a supermarket car park in Sale is expected to lead to a one-off income shortfall of around £0.035m this year.

EGEI4 – Groundforce - £(0.026)m (favourable)

Savings associated with staffing, supplies, vehicles and equipment have been re-profiled, and there is a forecast one-off overspend of £0.047m this year. This relates to additional consultations with staff and other stakeholders in order to implement the approved budget proposals.

Running costs are expected to be £(0.039)m less than budgeted mainly reflecting a reduction in projected plant and vehicles costs (including fuel). This is an adverse movement of £0.008m from last reported. One-off backdated income of £(0.039)m relates to rechargeable grounds maintenance works.

EGEI5 – Waste Management and Disposal - £0.059m (adverse)

Following notifications from the Greater Manchester Waste Disposal Authority, there is an estimated additional levy cost of £0.200m this year. This is due to weather related increases in the overall tonnages of green waste being disposed, and is adversely affecting all Councils across Greater Manchester. The level of waste is recorded at the time of disposal and the levy impact reported monthly to GM Councils by the

WDA. The percentage of waste recycled as a proportion of all waste remains high (over 60%), and the budgeted savings from the introduction of food waste recycling are on course to be achieved.

The service has negotiated changes to the waste collection contract which will result in an estimated one-off saving of £(0.150)m. This can be used to part mitigate the disposal levy pressure above, with the balance covered by use of reserves brought forward from 2014/15, if necessary.

EGEI6 – Environmental Enforcement £0.067m (adverse)

The 2013/14 saving associated with the review of Enforcement has been re-profiled following additional staff and stakeholder consultations. This has resulted in a forecast overspend of £0.058m for the year. All changes were implemented at the end of August and the saving achieved in full from this point.

Additional costs relating to vehicles of £0.009m are included in the forecast spend.

EGEI7 – Director & Business Support £(0.131)m (favourable)

The restructure of the previous ETO and EGP Directorates has led to a rationalisation of management costs which is expected to deliver an on-going saving of £(0.086)m on current budgeted staff costs. There is an additional one-off underspend of £(0.045)m due to revised timeframes around new starters and the filling of outstanding vacancies in the new structure. This is £(0.020)m higher than reported last month.

EGEI8 – Property and Development - £(0.280)m (favourable)

The approved budget for 2014/15 included assumptions regarding Urmston Town Centre asset disposal. This has taken longer than had been assumed and rental income has continued beyond expectations giving an additional £(0.048)m one-off benefit this year. The disposal has now been completed.

For Stretford Arndale, the Agents for the owners have continued to maintain a number of short term lettings to ensure the number of vacant units is minimised and this has held up gross rental income. The year-end rental payment for 2013/14 of £(0.067)m was received in October.

Rent from Manchester Airport rent is £(0.016)m above budget following notification from Manchester City Council of new rent levels.

Other let estate rental income is expected to be above budget across the property portfolio totalling £(0.055)m, which is £(0.046)m higher than last reported based on latest projections.

Improved efficiency in the Major Projects team has continued from the last financial year and forecast for fee income from capital and external projects is £(0.086)m higher than budgeted. This is a favourable movement of £(0.002)m since last reported based on latest projections of capital programme spending.

Administrative building running costs are less than expected across the portfolio by £(0.018)m, an adverse movement of £0.013m since last reported. This includes £(0.039)m relating to the catering concession at Altrincham Town Hall.

There is a one-off adjustment to cost recovery for Altrincham Market £0.029m.

EGEI9 – Planning and Building Control – £0.018m (adverse)

Projected income from planning fees is £(0.041)m higher than last reported, now giving an overall surplus of £(0.174)m. There is a projected shortfall in income from building control fees of £0.125m, an adverse movement of £0.020m, and action is underway to address this. Both fees are monitored regularly.

There is a projected overspend on staffing of £0.053m for the year and reflects the appointment of interim staff to cover vacancies and address the resulting capacity issues. These posts contribute to the achievement of the additional planning income above. The permanent filling of vacant posts will be addressed by the on-going restructure of the combined Directorate. Running costs are £0.014m above budget and includes investment in ICT to improve efficiency.

EGEI10 – Economic Growth Team – £(0.035)m (favourable)

There is an underspend in staffing and running costs of the Altrincham Town Team as service review and potential re-design is implemented in this area.

The income generation proposal relating to town centre advertising will not be achieved due to recent legal advice leading to an overspend of £0.016m. This will be addressed through alternative proposals and progressed in the Medium Term Financial Plan. Income from property referral fees web-site advertising have been re-phased to later in the year giving a predicted shortfall of £0.003m.

EGEI11 – Housing Strategy – £0.033m (adverse)

There is a predicted shortfall in income of £0.040m from the implementation of Green Deal. This is an on-going pressure and will be addressed in the Medium Term Financial Plan. Other staffing and running costs are forecast to be £(0.007)m underspent.

TRAFFORD COUNCIL

Report to: Transformation & Resources Directorate Management Team
 Date: 27 February 2015
 Report for: Discussion
 Report author: Senior Accountant – Transformation & Resources

Revenue Budget Monitoring 2014/15 – Period 10 (April 2014 – January 2014 inclusive)
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1. Outturn

- 1.1 The current approved revenue budget for the year is £17.527m, and after period ten the forecasted outturn is £17.103m, which is a £(0.424)m, or (2.4)%, underspend position. This is a favourable net movement since the last report of £(0.019)m.

2. Summary of forecast and movements

- 2.1 Detail on the forecasted outturn analysed by service, portfolio and activity is provided at Appendix 1. The following summarises the significant movements from the previous period, referenced to the detail in Appendix 1:
- **Vacancy Management, £(544)k favourable forecast, £(39)k favourable movement;** this covers savings across most service areas and includes a net variance for Finance Services due to an overspend position in Financial Management £26k, more than offset by savings of £(205)k in Exchequer Services. The favourable movement in the month is spread across a number of service areas (T&R4).
 - **Delays in delivering budget savings, £375k cumulative adverse forecast, £(17)k favourable movement:** the adverse variance is based on an assessment of both timing and savings level. The monthly movement is due to further savings achieved on the HR restructure £(9)k which will be fully achieved in April 2015 and part year savings on the Partnership and Communities restructure £(8)k - see paragraph 3.2 (T&R1).
 - **Delay in telephony, voice and data upgrade, £67k adverse forecast, no movement;** this reflects the delay in implementing transfer of calls from ISDN lines to SIP lines which is currently estimated will have £67k adverse impact in 2014/15. The overall position is now improving as the implementation is moving at a fast pace and is expected to be completed by the end of the financial year (T&R2).
 - **Barrister and Court Fees, £53k adverse forecast, £14k adverse movement;** the number of cases being determined in-year and the costs of the individual cases has been on the increase for a number of years. The 2015/16 budget includes additional funding to address the budget shortfall. The movement in the month follows an updated assessment of cases (T&R3).

- **Income variances, £(460)k favourable forecast, £(72)k favourable movement;** (T&R5) the movement is mainly as a result of:
 - £(31)k additional Partnership and Communities income, including £(16)k LAA funding for Sports Development Manager and £(15)k Cabinet Office funding: release of data grant;
 - £(41)k Counter Fraud income in Exchequer Services to promote a risk based approach to counter fraud and enforcement.
- **Running costs variances, £85k adverse forecast, adverse monthly movement £95k,** (T&R6).The adverse monthly movement is due to expenditure offset by additional funding as outlined above.

3. MTFP Savings 2014-15

- 3.1 The Council's overall budget for 2014/15 includes £(13.776)m of savings of which £(3.006)m relates to T&R. All actions to achieve the T&R full year savings are expected to be completed by 31 March 2015 although the timing of some of these will mean the cash saving in 2014/15 is forecast to be £(2.632)m, which is 88% of the target.
- 3.2 The delay in in-year cash savings of £0.374m into the following year is in respect of the following initiatives.

Table 1: Saving Description	Phased Savings (£000's)
Human Resources Restructure (a)	83
Partnerships and Communities Restructure (b)	84
Legal Services Restructure (a)	36
Design and Print (c)	113
ICT - Social care - licence fee (d)	59
Total	375

- 3.3 Notes to the above phased savings table:
- (a) As noted at Scrutiny review this is a phased implementation. Proposals are now in place to deliver this saving;
 - (b) £234k achieved. It has been reviewed further and there is no movement and the balance is due to lengthened timescale to appoint to structure;
 - (c) £107k achieved. Balance to be realised across the Council – a contract tendering exercise for printing and photocopying services will be undertaken following which this position will be reviewed.
 - (d) Linked to rephased Liquid Logic ICT project.
- 3.4 The in-year shortfall against budget has been mitigated by in year net underspends.

4. Reserves

- 4.1 The Directorate has accumulated balances of £(1,978)k brought forward from previous years. This will be used to support the delivery of the Reshaping Trafford Programme and the development of future efficiencies. Funding will be provided for an investment in ICT hardware, software and communications such as server upgrades, network connections and access to services.
- 4.2 The table summarises the projected movement during 2014/15:

Table 2: Utilisation of Carry Forward Reserve 2014/15	£000's
Balance b/f 1 April 2014	(1,978)
Delivering Reshaping Trafford and future efficiencies	735
ICT hardware and software upgrades	361
Contingencies	504
Land Charges Claim	185
Improving communications and democratic access	144
2014/15 Outturn	(424)
Remaining Balance at 31 March 2015	(473)

5. Main Assumptions

- 5.1 This forecast has been based on ten months of actual activity in 2014/15, compared to the budgeted plan, and where appropriate to previous years. Where adjustments have been made, they have been done in consultation with the relevant manager for any known variance in plans or activity. The key assumptions and/or areas of risk in this forecast are:
- Court costs and Barrister fees; are volatile, with the quantity of cases being determined in-year and the costs of the individual cases being highly variable. The estimated forecast was based on current actuals extrapolated by the previous five years' experience, but is now based on current actuals plus known commitments until the end of the financial year. This will continue to be reviewed monthly.
 - Included in the T&R 2014/15 is £592k vacancy factor, which reflects staff turnover and the delays in time to recruit to establishment posts at 3.5%. The current vacancy management forecast of £(579)k favourable variance (T&R 4) assumes that this £(592)k will be fully achieved as per previous year's activity levels. After ten months £13k or 2% of this vacancy factor has not been achieved but the current vacancy levels forecasted assume this will be achieved by the end of the financial year.
 - The £67k adverse variance on the transfer of telephony lines to the new contractor is prudently shown at the maximum for the whole year. Any further contribution towards the additional in-year costs from the contractor has not been assumed at this stage.

- Waterside Arts Centre ticket sales income budget of £(304)k is based on previous year's activity. Income is variable dependent upon the popularity of the entertainment programme and the level of customer demand for tickets. Note: the income received up to the end of January 2015 is £(277)k compared to £(225)k received in the same period last year.

Period 10 Forecasted Outturn revenue expenditure and income variances

The following tables detail the main variances from the revenue budget to the forecasted outturn and the movements since the last monitoring report, in both Management Accounts (“Budget Book”) format and by cause or area of impact of the variance.

Budget Book Format (Objective analysis)	Full Year Budget (£000's)	P10 Forecast Outturn (£000's)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	P10 to P9 Movement (£000's)	Note ref
Transformation and Resources Portfolio						
Legal & Democratic	2,491	2,421	(70)	(65)	(5)	T&R1,3
Communications & Customer Services	5,838	5,732	(106)	(107)	1	T&R1,2
Strategic Human Resources	2,068	2,002	(66)	(37)	(29)	T&R1
Corporate Leadership and Support	368	340	(28)	(31)	3	
sub-total	10,765	10,495	(270)	(240)	(30)	
Finance Portfolio						
Finance Services	3,614	3,361	(253)	(273)	20	
Sub-total	3,614	3,361	(253)	(273)	20	
Communities and Partnerships						
Partnerships & Communities	1,529	1,603	74	83	(9)	T&R1
Culture & Sport	1,619	1,644	25	25	0	
Sub-total	3,148	3,247	99	108	(9)	
Total	17,527	17,103	(424)	(405)	(19)	

Business Reason / Area (Subjective analysis)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	P10 to P9 Movement (£000's)	Note ref
Delay in savings implementation	375	392	(17)	T&R1
ISDN line upgrade delay	67	67	0	T&R2
Court Costs and Legal fees	53	39	14	T&R3
Management of Vacancies	(544)	(505)	(39)	T&R4
Income	(460)	(388)	(72)	T&R5
Running Costs	85	(10)	95	T&R6
Total	(424)	(405)	(19)	

NOTES ON PROJECTED OUTTURN VARIANCES

T&R1 - £375k adverse, phasing of base budget savings (discussed in Section 3)

Action will be taken in year on the various initiatives to achieve £(3.006)m in savings within the Directorate. However, five of these will be delayed causing a part year adverse effect in 2014/15. Underspends in other areas, and in-year cash savings will be used to mitigate this loss.

T&R2 - £67k adverse, delay in telephony, voice and data upgrade

The migration of voice and data telephony lines between contractors has been delayed.

T&R3 - £53k adverse, Barrister and Court fees

This is primarily due to current activity levels relating mainly to childcare caseload and the cost of such legal action.

T&R4 - £(544)k favourable, vacancy management

Communications, Human Resources, Exchequer, Internal Audit and ICT services have been recently subject to reviews, staff turnover and posts being held back for 2015/16 savings. The favourable variance is across the services within T&R and mainly due to ICT, Communications, Exchequer Services as a result of vacancies not being filled as planned.

T&R5 - £(460)k favourable, income

There are favourable variances across the T&R Directorate including:

- Legal & Democratic **£(164)k** relates mainly to Barristers fees recharged to the capital programme and work carried out in relation to STaR & Troubled Families Programme.
- Access Trafford **£(28)k** relates to income from Tourist Information Centre.
- Communications **£(12)k** in respect of billboard advertising around The Quays.
- Finance **£(72)k** (SLA income from schools £(15)k, VAT refund, £(17)k rebates in procurement £(17)k and income from other sources of £(23)k,
- HR **£(119)k** relates to income from Stop Gap placements, grant funding, Service Level Agreements with Schools/Academies and training.
- Partnership & Communities **£(109)k** includes £(32)k of Home Office funding for support towards the Intelligence and Innovation Lab, £(35)k Community Covenant Grant for an initiative called "Serving Stories" at the Imperial War Museum and £(7)k other income plus £(31)k additional Partnership and Communities income (including £(16)k LAA funding for Sports Development Manager and £(15)k Cabinet Office funding: release of data grant) and miscellaneous income of £(4)k.

- Culture & Sports **£13k** shortfall in income due to lower than anticipated income from room hire.
- Exchequer Services **£(41)k** Counter Fraud income.
- **£72k** shortfall in income relating to Proceeds of Crime and CCTV Control Room. (T&R 6).

T&R6 - £85k adverse, running costs

Mainly due to expenditure incurred on initiatives supported by additional income referred to above.

TRAFFORD COUNCIL

Report to: Director of Finance
 Date: 26 February 2015
 Report for: Information
 Report author: Finance Manager Financial Accounting

Report Title

Revenue Budget Monitoring 2014/15 – Period 10 Outturn - Council-Wide Budgets (April 2014 to January 2015 inclusive)

1 Outturn Forecast

- 1.1 The current approved revenue budget for the year is £20.291m. The outturn forecast is £18.237m, which is £(2.054)m under the budget, a favourable movement of £(0.173)m since the last report.
- 1.2 Appendix 1 details by variance area the projected outturn as compared to the approved revenue budget, with the main variances being;
- Manchester Airport Group interim dividend payment £(1.000)m not budgeted for;
 - Proceeds from the planned sale of the Council's interest in Urmston Town Centre, in excess of the figure reported to the Council meeting on 17 September 2014, £(0.054)m;
 - Empty Homes/Single Person Discount Review, one-off fees of £0.045m. As a consequence of the Empty Homes review, the Council will receive additional income from New Homes Bonus grant for each of the 155 properties identified, worth approximately £1,455 per property;
 - Members expenses - savings as a result of changes to the Members Allowances Scheme, pay award and reduced running costs £(0.050)m;
 - £(0.844)m additional Section 31 grant relating to the Government's extension of the Small Business Rate Relief/Retail Relief Discount Schemes and further income from renewable energy schemes;
 - £0.056m reduction in the level of Education Services grant;
 - Housing and Council Tax Benefits overpayment recovery net variance of £(0.184)m;
 - External Audit fees, one-off rebates £(0.037)m and savings on grant audit fees of £(0.002)m, offset by additional costs of £0.010m relating to the forensic review of the Council's investigation report into budget monitoring arrangements;
 - VAT refunds relating to a claims for backdated commercial waste income, £(0.029)m and parking meter income, £(0.013)m;
 - Estimated costs of a Judicial Review regarding adult social care budget consultation, £0.038m;
 - Other minor variances, £0.010m.

2 Service carry-forward reserve

- 2.1 Other than for the Coroner's Service, Council-Wide budgets do not have their own carry forward reserve, and any underspend will be transferred to the General Reserve, as detailed in the summary report.

3 Forecasting and Risk

- 3.1 This forecast has been based on seven months of actual activity. The activity covered by Council-Wide budgets is varied, and the key assumptions in the October forecast are:

- Average investment rates will be 0.7% with a cash flow of £75.4m.
- The majority of the Council's loans are at fixed rate interest. The only variable loan of £20m is with the Royal Bank of Scotland at 6.01%. However, there is a smoothing reserve to mitigate large variations from this assumption.
- Council error in the award of housing benefit will be within threshold limits, and recovery of benefit overpayments will continue at previous activity levels.
- All contingency budgets for end of year adjustments will be utilised, including the provision for bad and doubtful debts.

Period 10 Draft Outturn revenue expenditure and income variances,

The following tables detail the main variances from the revenue budget to the forecasted outturn, and the movements since the last monitoring report, in both Management Accounts (“Budget Book”) format and by cause or area of impact of the variance.

Budget Book Format (Objective analysis)	Full Year Budget (£000's)	P10 Forecast Outturn (£000's)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	Period Movement (£000's)	Ref
Finance Portfolio						
Precepts, Levies & Subscriptions	17,855	17,854	(1)	(1)		
Provisions (bad debts & pensions)	(535)	(506)	29	16	13	C-W1
Treasury Management	7,981	6,965	(1,016)	(1,016)		C-W2
Insurance	775	775				
Members Expenses	926	876	(50)	(25)	(25)	C-W3
Grants	(6,804)	(7,597)	(793)	(793)		C-W4
Other Centrally held budgets	93	(130)	(223)	(62)	(161)	C-W5
Total	20,291	18,237	(2,054)	(1,881)	(173)	

Business Reason / Area (Subjective analysis)	P10 Outturn variance (£000's)	P9 Outturn variance (£000's)	Period Movement (£000's)	Ref
Urmston Town Centre additional sale proceeds	(54)	(54)		C-W1
Empty Homes/Single Person Discount Review	45	45		C-W1
Judicial Review	38	25	13	C-W1
Treasury Management:				
- MIA interim dividend	(1,000)	(1,000)		C-W2
- Investment Income	(10)	(10)		C-W2
- Debt payments	(6)	(6)		C-W2
Precepts, Levies & Subscriptions	(1)	(1)		
Members Expenses	(50)	(25)	(25)	C-W3
Grants	(793)	(793)		C-W4
External audit fees	(29)	(6)	(23)	C-W5
Housing & Council Tax benefits	(184)	(59)	(125)	C-W5
VAT Refunds	(42)	(29)	(13)	C-W5
Other minor variances	32	32		C-W5
Total	(2,054)	(1,881)	(173)	

NOTES ON PROJECTED VARIANCES

C-W1 – Provisions - £0.029m (adverse), £0.013m adverse movement

The sale proceeds from the planned sale of the Council's interest in Urmston Town Centre, following its redevelopment, are £(0.054)m in excess of the figure agreed at the Council meeting on 17 September 2014.

An exercise has been carried out to confirm whether long term (more than 6 months) empty properties were in fact occupied. The fee for this work is £0.045m made up from an Empty Homes review, £0.033m and a Single Person Discount review, £0.012m. Also, as a consequence of the review of empty homes additional New Homes Bonus grant will be secured for each of the 155 properties identified, worth approximately £1,455 per property.

The Council was recently successful in defending legal proceedings, brought in relation to the legality of the budget consultation process regarding the proposed cuts to its adult social care budget. Whilst the Council succeeded in the High Court and permission to appeal was refused, nevertheless, there remains the possibility that the Claimant may apply to appeal directly to the Court of Appeal. If permission is sought and granted then the costs will increase considerably. The costs to the Council of the Judicial Review are currently estimated at around £38k, an increase of £13k since last month.

C-W2 – Treasury Management - £(1.016)m (favourable)

Manchester Airport Group (MAG) announced their interim results for 2014/15 and have paid a total dividend of £31m across the members of the Group, which for Trafford equates to £(1.0)m.

Other minor savings from investment interest and lower debt repayments, £(0.016)m.

C-W3 – Members Expenses - £(0.050)m (favourable), £(0.025)m favourable movement

Changes to the Members Allowances Scheme were approved at the Council meeting on 17 September 2014 following a report from the Independent Remuneration Panel (IRP). The changes will generate annual savings of approximately £(0.036)m. However, a number of the changes are only effective part way through the year and the estimated saving in 2014/15 is £(0.025)m. Savings have also been made from the part year effect of the recent pay award and reduced running costs totaling £(0.025)m.

C-W4 Grants - £(0.793)m (favourable)

In 2014/15 the Council will receive additional Section 31 grant to compensate for the loss of income from the Government's decision to extend the Small Business Rate Relief/Retail Relief Discount Schemes. The grant also includes a sum for a renewable energy scheme at Saica paper mill, which is wholly retained by the Council. The grant is worth £(0.844)m in total and the Council has discretion over its use.

The 2014/15 Education Services grant, at £(3.397)m, will be £0.056m below the budget of £(3.453)m. This specific grant is based on pupil numbers in Council maintained schools and may reduce further depending on the final number of schools converting to Academy status during the year.

C-W5 – Other Centrally held budgets - £(0.223)m (favourable), £(0.161)m favourable movement

- **Housing & Council Tax Benefits - £(0.184)m (favourable)**

The Council Tax Benefit Scheme ceased in 2013 and was replaced by the Council Tax Support Scheme. Any recovery of overpaid Council Tax Benefit from previous years is retained by the Council and the latest projected outturn for 2014/15 is £(0.149)m. The credit from the recovery of overpaid Council Tax Benefit is difficult to predict and will eventually taper off.

There is a net variance of £(0.035)m within the Housing Benefit budget.

- **External Audit fees - £(0.029)m**

The Audit Commission paid rebates to audited bodies, returning some £6.8m to local government, fire and rescue and police bodies. The rebates reflect the efficiency savings achieved by the Commission ahead of its closure in March 2015, Trafford's share being £(0.021)m.

The Commission also made further rebates in respect of audit fees to audited bodies, returning another £6 million to principal bodies. This second tranche of rebates resulted from the efficient management of the Commission's closure, Trafford's share being £(0.016)m. The Commission's Board will also consider in March 2015 the amount of any final rebate on audit fees.

There have also been additional one-off costs of £0.010m relating to the forensic review of the Council's investigation report into budget monitoring arrangements.

- **VAT Refunds - £(0.042)m**

HMRC changed the VAT legislation regarding the collection of commercial waste in February 2011 from taxable to non-business (nil rate VAT).

The Council submitted a claim to HMRC initially for 4 years covering June 2007 to March 2011 for £157,474.41.

After negotiations via the CIPFA VAT committee it has been agreed by HMRC that they will pay Local Authorities 20% of the value of this claim, which for Trafford is £(0.029)m. 20% reflects the number of commercial customers who are not registered for VAT, so cannot reclaim the value charged, or are charities. This was a National agreement across all Local Authorities who submitted claims.

HMRC have also recently changed the VAT legislation regarding the treatment of change which Council's do not refund to customers for their off street car parking meter fees, from taxable to non-business (nil rate VAT). This allowed the Council to make two claims, one for £(0.016)m relating to the period from January 2010 to March 2013, which has now been paid. The second for £(0.043)m for the period from April 1991 to March 2008 relates to and has been added to another current Council claim outstanding for off street car parking which is still going through the European Court process. A decision on this claim is awaited from HMRC.

- Other minor variances £0.032m.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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