



Select Committee on Children's Services – 11th November, 2010

Report of the Director of Children's Services

Update on the changes following the Collation Government

Purpose of Report

1. To update Select Committee members on the changes taking place since the Coalition Government came into power which will impact upon the work of the Children's Services Directorate and its partners.

Background

- 2. The Directorate currently is accessing the Coalition Government actions and information that has come from the Treasury, the Department for Education and the Department for Communities and Local Government (DCLG).
- 3. The known information is attached see Appendix 1 as shown there are a large number of areas in the Children's Service remit that will be affected by these announcements.
- 4. The spending review and the implication to Children's Service with impact of the service we deliver in Dudley. The information provided will give Select Committee members an opportunity to reflect on the areas already outlined by the Government and further papers will be brought to the Committee as there impact on our service is determined.

Finance

- 5. There are no direct financial implications arising from the content of this summary report. However, there have been significant 'in year' grant reductions for the Directorate of Children's Services during 2010/11 and these were outlined in the Budget Fact Sheet Number 3 issued in July 2010.
- 6. On the 20 October 2010, the Chancellor of the Exchequer announced the 2010 Spending Review and the Government's four year public spending plans. The financial details are now being analysed and further information is expected to be released by the Department for Education (DfE) and the Department for Communities and Local

Government (DCLG) in the next month as they draw up their departmental business plans in line with the Government's financial strategy for local government, education and schools.

7. The headline data from the Department for Communities and Local Government (DCLG) indicates that Councils will face an average loss of grant of 7.25%, in real terms, in each of the next four years but this will be accompanied by new financial freedoms and flexibility around ring-fenced grants. Whilst the Department for Education indicate that the schools budget will increase in each year of the Spending Review period but economies in other areas mean that there will be a total real reduction in Departmental resource spending of 3% by 2014-15.

Law

8. Now that the Government has announced the 2010 Spending Review the legal implications are being analysed and further information is expected to be released by the Department for Education (DfE) and the Department for Communities and Local Government (DCLG) in the near future.

Equality Impact

9. This report takes into account the Council's Equality and Diversity Policy.

Recommendations

10. That the Select Committee receive the report and note the information.

Rg Porter

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