

LOCAL AUTHORITY CHILDREN'S SERVICES LETTER

LASSL(2005)4

To: The Chief Executive
County Councils)
Metropolitan District Councils) England
Shire Unitary Councils)
London Borough Councils
Common Council of the City of London
Council of the Isles of Scilly

CC: The Director of Adults' Social Services
The Director of Children's Services
The Director of Education

5 December 2005

LOCAL AUTHORITY CHILDREN'S SERVICES FUNDING: 2006-07 & 2007-08

SUMMARY

1. This letter sets out the main aspects of the local government finance settlement for 2006-07 and 2007-08 which are relevant to the funding provided for children's services. Figures for 2007-08 are provisional.
2. A parallel letter LASSL(2005)6 is being sent to local authorities by the Department of Health giving details of the older people and other adult social care allocations. Details of the allocations for the General Sure Start grant (capital and revenue) have been published in a separate circular today and details of other non schools education grants will be available in the School's Funding Settlement on the TeacherNet website (www.teachernet.gov.uk) shortly.

ACTION

3. This letter is for information only.

KEY FEATURES

4. The key features of the financial provision for local government children's services in 2006-07 and 2007-08 are:
 - From 2006-07, central Government will use a four-block model to allocate the overall Formula Grant. This change means that no figures will be published on Children's FSS.
 - A new Children's formula is being introduced from 2006-07. Further details of the formula, which is based on work carried out by the University of York, can be found at paragraph 9.
 - A new un-hypothecated Children's Services grant has been created, bringing together Adoption Support and Special Guardianship, Choice Protects, Vulnerable Children and new funding to assist authorities implement Every Child Matters - for example, for the further development of children's trusts and the role of Local Safeguarding Children Boards.
 - Sure Start Local Programme funding has been rolled into the General Sure Start Grant from 2006-07. The General Sure Start Grant will also include funding for Workforce Transformation from 2006-07.

- A new Youth Capital Fund worth £20 million per year has been introduced from 2006-07. This is intended for capital projects, including building and upgrading new facilities for young people. This excludes the additional resources announced in the pre-Budget Report, further details of which will be provided shortly.

5. A breakdown of the funding provision available for children's services can be found at Annex A. Annex B sets out, where available, grant allocations for each authority for 2006-07 and 2007-08. Annex C gives a brief description of the purpose of the grants, how they have been allocated and the general conditions which will be attached to each.

6. Authorities will be notified shortly of further details of the grants, including any conditions, through a series of separate circulars/letters.

CAPITAL PROVISION

7. In 2006-07 and 2007-08 the Department for Education and Skills' contribution to the Single Capital Pot will be £9.3 million for children's services. Allocations for 2006-07 and 2007-08 were set out in LASSL(2005)2.

8. Private Finance Initiative credits totalling £40 million will also be available over 2006-07 and 2007-08 to support children's services projects. Details of how authorities can access these credits can be found in LAC(2005)16, which was published on 18 November 2005.

FORMULA REVISION

9. A new Children's formula is being introduced from 2006-07. The new formula is based on work carried out by the University of York. The formula, which uses the 0-17 resident population, has two main parts: (1) a 'Needs' element that reflects levels of deprivation and how these affect the cost of Children's Social Services in an area; and (2) a 'Foster Cost Adjustment' that adjusts the Needs-based allocation to take account of the extra costs to local authorities of fostering. The factors included in each part of the formula are as follows:

Variables in the Needs Element

- the proportion of children living in households claiming income support
- the proportion of income support households
- the proportion of children not in good health
- the proportion of children of black ethnicity

Variables in the Foster Care Adjustment

- the proportion of people aged 16-74 with level 1 / 2 qualifications
- the proportion of people in other ethnic groups
- the proportion of people in mixed ethnic groups
- the proportion of women aged 16-74 looking after home/family
- the proportion of people aged 16-74 with level 4 / 5 qualifications

10. To limit the extent of turbulence caused by introducing the new children's formula, the changes have been damped in each of the years to ensure that all local authorities receive an increase of 2.7% in their children's formula after adjusting for resource equalisation.

11. Most Children's and Youth Services are funded by general Formula Grant distributed by central Government and by each council's revenue. Precise details of the general Formula Grant allocation methodology can be found on the ODPM website at <http://www.local.odpm.gov.uk/finance/0607>

LOCAL AREA AGREEMENTS

12. Twenty one areas are piloting three-year Local Area Agreements (LAAs) which started in April

2005. A further 66 areas are expected to negotiate LAAs to begin in April 2006. LAAs are voluntary agreements between central government and local authorities and their partners. They are focused on a range of agreed outcomes that are shared by all partners locally and will simplify the number of funding streams from central government through the pooling of agreed funding streams. From April 2006, LAAs will be based on four separately funded and negotiated blocks: children and young people, stronger & safer communities, healthier communities & older people, and economic development & enterprise. A subset of areas will be 'single pot' LAAs which will have additional flexibility to pool funds across all four blocks.

13. Local areas may wish to consider including the following grants in their LAAs for 2006-07: Teenage Pregnancy Local Implementation, General Sure Start Grant (revenue), Primary National Strategy Central Co-ordination, Secondary National Strategy Central Co-ordination, Secondary National Strategy - Behaviour and Attendance, Education Health Partnerships and School Travel Advisers. Further information about LAAs can be found in ODPM's guidance at www.odpm.gov.uk.

WORKING WITH THE VOLUNTARY AND COMMUNITY SECTORS

14. The Government expects that voluntary and community sector partners will be engaged in all aspects of local programmes to improve outcomes for children and young people. Local authorities will want to consider what support they can offer to facilitate voluntary and community sector engagement. Children's social care funding may be used to build capacity and infrastructure in the voluntary and community sectors in pursuit of the objectives of the relevant grant.

CONSULTATION

15. If you have any comments or concerns about anything contained in this letter, please send them to Paul.O'Connor@dfes.gsi.gov.uk by 30 December 2005.

OTHER RESOURCES FOR CHILDREN'S SERVICES

16. The parallel letter LASSL(2005)6 issued by the Department of Health provides information on the following grants which support both adults and children's social care services: Child and Adolescent Mental Health Services Grant, Carers Grant, National Training Strategy Grant, Human Resources Development Grant and Improving Information Management Grant.

CANCELLATION OF LETTERS

17. This letter should be cancelled on 31 March 2008.

ENQUIRIES

18. For further information on each of the Children's Grants please contact the relevant person below:

Grant	Contact	Email Address	Telephone No.
Children's Services Grant and General Enquiries	Paul O'Connor	Paul.O'Connor@dfes.gsi.gov.uk	020 7925 5696
Teenage Pregnancy Local Implementation	Angela Edwards	Angela.Edwards@dfes.gsi.gov.uk	020 7273 4902
UASC Leaving Care Costs	Alison Venner Jones	Alison.Venner-Jones@dfes.gsi.gov.uk	020 7273 5245
Treatment Foster Care	Jim Brown	Jim.Brown@dfes.gsi.gov.uk	020 7273 5897
Integrated Children's System (ICS) IT Capital	Kevin Odell	Kevin.Odell@dfes.gsi.gov.uk	020 7273 5321
Supported Capital Expenditure (Revenue) or SCE(R)	Paul O'Connor	Paul.O'Connor@dfes.gsi.gov.uk	020 7925 5696

Secure Accommodation	Lorraine Reid	Lorraine.Reid@dfes.gsi.gov.uk	020 7273 5905
Youth Capital Fund & Youth Opportunity Fund	Linda Brooks	Linda.Brooks@dfes.gsi.gov.uk	0114 259 4714
General Sure Start Grant	Richard Heys	Richard.Heys@dfes.gsi.gov.uk	020 7273 5766
General Sure Start Grant (Capital)	Jo O'Boyle	Jo.O'Boyle@dfes.gsi.gov.uk	0207 273 5833
Primary National Strategy-Central Co-ordination	Jo Denham	Jo.Denham@dfes.gsi.gov.uk	020 7925 5600
Secondary National Strategy Central Co-ordination	Jo Denham	Jo.Denham@dfes.gsi.gov.uk	020 7925 5600
Secondary National Strategy Behaviour and attendance	Jo Denham	Jo.Denham@dfes.gsi.gov.uk	020 7925 5600
Schools Improvement Partners	Ian Morrison	Ian.Morrison@dfes.gsi.gov.uk	020 7925 3819
Music Standards Fund	Angela Overington	Angela.Overington@dfes.gsi.gov.uk	020 7925 6774
Education Health Partnership	Sarah Maclean	Sarah.Maclean@dfes.gsi.gov.uk	020 7925 6144
Playing for Success	Colin Blake	Colin.Blake@dfes.gsi.gov.uk	0114 259 4913
School Travel Advisers	Hugh Jackson	Hugh.Jackson@dfes.gsi.gov.uk	01325 391249

DfES Publications relating to Children and Families Policy are now available on the Department for Education and Skills website at: <http://www.dfes.gov.uk/childrenandfamilies/>

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PROVISION FOR CHILDREN, YOUNG PEOPLE AND FAMILY SERVICES

	2005-06	2006-07	2007-08 (provisional)
	£m	£m	£m
Specific Formula Grants			
Safeguarding Children	90.000	—	—
Change Fund	8.000	—	—
Children's Services Grant (1)		152.485	192.985
Total Unringfenced Grants	98.000	152.485	192.985
Ringfenced Revenue Grants			
Adoption Support and Special Guardianship	31.985	—	—
Choice Protects	56.000	—	—
UASC Leaving Care Grant	11.000	12.000	12.000
Children's Trusts	3.500	—	—
Teenage Pregnancy Local Implementation	32.894	29.500	29.500
Treatment Foster Care	2.200	3.000	3.000
Vulnerable Children	42.000	—	—
Youth Opportunity Fund	10.000	11.000	11.000
General Sure Start Grant (2)	861.900	1110.740	1045.180
Total Ringfenced Revenue Grants	1051.479	1166.240	1100.680
Non Schools Education Ringfenced Grants			
Primary National Strategy- Central Co-ordination	30.000	30.000	25.000
Secondary National Strategy- Central Co-ordination	35.000	35.000	30.000
Secondary National Strategy- Behaviour and Attendance	14.000	14.000	14.000
School Improvement Partners	7.000	7.000	7.000
Music Standards Fund	59.000	62.000	82.000
Education Health Partnerships (3)	9.000	9.000	9.000
Playing for Success	9.000	12.000	14.000
School Travel Advisers	7.000	7.000	7.000
Total Non Schools Education Grants	170.000	176.000	188.000
Capital Resources			
SCE(R) Single Capital Pot	9.302	9.302	9.302
Secure Accommodation Grant	4.902	6.228	6.228
Integrated Children's System (ICS) IT Capital	15.000	15.000	20.000
General Sure Start Grant	328.280	420.600	391.900
Youth Capital Fund	—	20.000	20.000
Total Capital Resources	357.484	471.130	447.430

(1) The new Children's Services grant includes the existing Adoption Support and Special Guardianship, Choice Protects and Vulnerable Children grants, as well as new money for Every Child Matters.

(2) Only about two thirds of Sure Start Local Programmes were Local Authority led in 2005-06. From 2006-07 all Sure Start funding will be routed through Local Authorities.

(3) Figures subject to confirmation.

PROVISIONAL CHILDREN'S SERVICES GRANT ALLOCATIONS FOR 2006-07 AND 2007-08

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Principal Metropolitan Cities										
Birmingham	4.808	6.230	0.644	0.644	0.506	0.687	0.282	0.282	0.514	0.514
Leeds	2.062	2.575	0.448	0.448	0.208	0.264	0.173	0.173	0.315	0.315
Liverpool	2.028	2.565	0.352	0.352	0.212	0.277	0.156	0.156	0.285	0.285
Manchester	2.292	2.897	0.471	0.471	0.241	0.312	0.130	0.130	0.236	0.236
Newcastle upon Tyne	0.985	1.248	0.171	0.171	0.106	0.135	0.072	0.072	0.131	0.131
Sheffield	1.479	1.872	0.344	0.344	0.154	0.199	0.120	0.120	0.219	0.219
Sub Total PMCs	13.654	17.388	2.430	2.430	1.427	1.875	0.933	0.933	1.700	1.700

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Other Metropolitan Districts										
Barnsley	0.644	0.826	0.186	0.186	0.063	0.086	0.051	0.051	0.093	0.093
Bolton	0.897	1.124	0.199	0.199	0.083	0.111	0.062	0.062	0.113	0.113
Bradford	1.859	2.398	0.365	0.365	0.186	0.254	0.130	0.130	0.237	0.237
Bury	0.500	0.631	0.124	0.124	0.049	0.065	0.035	0.035	0.064	0.064
Calderdale	0.555	0.704	0.136	0.136	0.055	0.073	0.042	0.042	0.076	0.076
Coventry	1.014	1.279	0.274	0.274	0.103	0.136	0.080	0.080	0.145	0.145
Doncaster	1.477	1.711	0.330	0.330	0.083	0.112	0.075	0.075	0.136	0.136
Dudley	0.816	1.034	0.210	0.210	0.076	0.104	0.066	0.066	0.120	0.120
Gateshead	0.587	0.738	0.198	0.198	0.062	0.078	0.041	0.041	0.075	0.075
Kirklees	1.119	1.437	0.196	0.196	0.112	0.152	0.083	0.083	0.151	0.151
Knowsley	0.752	0.957	0.124	0.124	0.084	0.106	0.055	0.055	0.100	0.100
North Tyneside	0.566	0.712	0.150	0.150	0.058	0.075	0.044	0.044	0.081	0.081
Oldham	0.800	1.019	0.176	0.176	0.078	0.106	0.059	0.059	0.108	0.108
Rochdale	0.791	1.001	0.172	0.172	0.077	0.103	0.053	0.053	0.096	0.096
Rotherham	0.762	0.966	0.197	0.197	0.072	0.098	0.063	0.063	0.115	0.115
Salford	0.824	1.032	0.148	0.148	0.083	0.107	0.055	0.055	0.100	0.100
Sandwell	1.124	1.455	0.328	0.328	0.115	0.158	0.083	0.083	0.152	0.152
Sefton	0.847	1.060	0.130	0.130	0.086	0.110	0.064	0.064	0.116	0.116
Solihull	0.498	0.619	0.103	0.103	0.049	0.062	0.045	0.045	0.082	0.082
South Tyneside	0.549	0.694	0.155	0.155	0.058	0.074	0.039	0.039	0.071	0.071
St Helens	0.535	0.678	0.149	0.149	0.052	0.070	0.046	0.046	0.085	0.085
Stockport	0.664	0.825	0.133	0.133	0.063	0.083	0.058	0.058	0.106	0.106
Sunderland	0.893	1.122	0.318	0.318	0.092	0.118	0.071	0.071	0.130	0.130
Tameside	0.673	0.848	0.156	0.156	0.065	0.087	0.054	0.054	0.098	0.098
Trafford	0.563	0.700	0.113	0.113	0.054	0.071	0.039	0.039	0.070	0.070
Wakefield	0.891	1.118	0.263	0.263	0.082	0.110	0.071	0.071	0.129	0.129
Walsall	0.897	1.142	0.314	0.314	0.086	0.118	0.073	0.073	0.132	0.132
Wigan	0.799	1.004	0.211	0.211	0.076	0.101	0.067	0.067	0.121	0.121

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Other Metropolitan Districts										
Wirral	1.093	1.384	0.185	0.185	0.112	0.147	0.076	0.076	0.139	0.139
Wolverhampton	0.897	1.144	0.257	0.257	0.092	0.123	0.064	0.064	0.116	0.116
Sub-Total OMDs	24.890	31.363	6.000	6.000	2.403	3.198	1.844	1.844	3.357	3.357
Metropolitan Sub-Total	38.544	48.750	8.430	8.430	3.831	5.073	2.777	2.777	5.057	5.057

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Outer London										
Barking and Dagenham	0.885	1.156	0.123	0.123	0.095	0.130	0.041	0.041	0.075	0.075
Barnet	1.079	1.395	0.109	0.109	0.114	0.155	0.073	0.073	0.132	0.132
Bexley	0.655	0.833	0.111	0.111	0.065	0.087	0.048	0.048	0.088	0.088
Brent	1.404	1.802	0.134	0.134	0.156	0.205	0.069	0.069	0.126	0.126
Bromley	0.841	1.055	0.111	0.111	0.080	0.107	0.057	0.057	0.104	0.104
Croydon	1.374	1.799	0.273	0.273	0.145	0.200	0.075	0.075	0.137	0.137
Ealing	1.418	1.802	0.124	0.124	0.150	0.198	0.063	0.063	0.114	0.114
Enfield	1.210	1.568	0.151	0.151	0.120	0.167	0.072	0.072	0.132	0.132
Haringey	1.439	1.840	0.183	0.183	0.157	0.207	0.067	0.067	0.121	0.121
Harrow	0.752	0.941	0.095	0.095	0.067	0.092	0.045	0.045	0.082	0.082
Havering	0.576	0.730	0.109	0.109	0.055	0.075	0.044	0.044	0.080	0.080
Hillingdon	1.505	1.750	0.169	0.169	0.084	0.116	0.066	0.066	0.121	0.121
Hounslow	0.983	1.223	0.117	0.117	0.094	0.123	0.053	0.053	0.097	0.097
Kingston upon Thames	0.379	0.480	0.088	0.088	0.039	0.052	0.030	0.030	0.052	0.052
Merton	0.616	0.791	0.109	0.109	0.068	0.091	0.040	0.040	0.073	0.073
Newham	1.869	2.463	0.254	0.254	0.202	0.280	0.070	0.070	0.127	0.127
Redbridge	0.860	1.124	0.102	0.102	0.087	0.122	0.047	0.047	0.085	0.085
Richmond upon Thames	0.414	0.524	0.083	0.083	0.043	0.057	0.031	0.031	0.057	0.057
Sutton	0.543	0.686	0.099	0.099	0.056	0.074	0.038	0.038	0.069	0.069
Waltham Forest	1.138	1.469	0.125	0.125	0.122	0.164	0.061	0.061	0.112	0.112
Sub-Total Outer London	19.942	25.432	2.669	2.669	1.999	2.701	1.090	1.090	1.984	1.984

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Inner London										
Camden	1.380	1.795	0.108	0.108	0.162	0.214	0.046	0.046	0.084	0.084
City of London	0.023	0.031	*	*	0.003	0.004	0.020	0.020	0.040	0.040
Greenwich	1.389	1.793	0.170	0.170	0.154	0.204	0.071	0.071	0.129	0.129
Hackney	1.964	2.570	0.277	0.277	0.236	0.312	0.063	0.063	0.114	0.114
Hammersmith and Fulham	1.092	1.426	0.109	0.109	0.130	0.172	0.038	0.038	0.069	0.069
Islington	1.430	1.872	0.123	0.123	0.172	0.228	0.051	0.051	0.093	0.093
Kensington and Chelsea	0.894	1.180	0.091	0.091	0.110	0.147	0.040	0.040	0.073	0.073
Lambeth	2.032	2.664	0.337	0.337	0.247	0.326	0.059	0.059	0.107	0.107
Lewisham	1.640	2.136	0.314	0.314	0.194	0.256	0.076	0.076	0.138	0.138
Southwark	2.089	2.722	0.323	0.323	0.248	0.326	0.074	0.074	0.136	0.136
Tower Hamlets	2.055	2.668	0.178	0.178	0.239	0.316	0.079	0.079	0.143	0.143
Wandsworth	1.273	1.662	0.168	0.168	0.152	0.201	0.056	0.056	0.102	0.102
Westminster	1.131	1.482	0.099	0.099	0.137	0.181	0.050	0.050	0.090	0.090
Sub-Total Inner London	18.390	24.000	2.297	2.297	2.183	2.887	0.723	0.723	1.318	1.318
Sub Total - London	38.333	49.432	4.966	4.966	4.182	5.588	1.813	1.813	3.302	3.302

* Paid With Hackney

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Shire Counties										
Bedfordshire	0.955	1.195	0.137	0.137	0.082	0.112	0.080	0.080	0.146	0.146
Buckinghamshire	1.090	1.341	0.130	0.130	0.087	0.119	0.087	0.087	0.158	0.158
Cambridgeshire	1.332	1.609	0.155	0.155	0.098	0.132	0.098	0.098	0.179	0.179
Cheshire	1.355	1.686	0.191	0.191	0.129	0.166	0.123	0.123	0.223	0.223
Cornwall	1.179	1.501	0.194	0.194	0.111	0.152	0.089	0.089	0.162	0.162
Cumbria	1.061	1.320	0.290	0.290	0.095	0.127	0.102	0.102	0.185	0.185
Derbyshire	1.571	1.994	0.297	0.297	0.140	0.194	0.139	0.139	0.252	0.252
Devon	1.383	1.736	0.169	0.169	0.133	0.173	0.126	0.126	0.230	0.230
Dorset	0.827	1.008	0.120	0.120	0.065	0.088	0.066	0.066	0.119	0.119
Durham	1.350	1.694	0.362	0.362	0.124	0.167	0.112	0.112	0.203	0.203
East Sussex	1.180	1.500	0.186	0.186	0.115	0.155	0.099	0.099	0.180	0.180
Essex	3.075	3.884	0.369	0.369	0.281	0.383	0.250	0.250	0.455	0.455
Gloucestershire	1.252	1.547	0.189	0.189	0.112	0.146	0.105	0.105	0.191	0.191
Hampshire	2.336	2.924	0.325	0.325	0.224	0.292	0.215	0.215	0.392	0.392
Hertfordshire	2.413	3.017	0.245	0.245	0.216	0.292	0.215	0.215	0.392	0.392
Kent	3.381	4.308	0.501	0.501	0.318	0.435	0.268	0.268	0.487	0.487
Lancashire	2.884	3.613	0.613	0.613	0.281	0.363	0.235	0.235	0.427	0.427
Leicestershire	1.092	1.355	0.195	0.195	0.091	0.124	0.117	0.117	0.213	0.213
Lincolnshire	1.438	1.800	0.255	0.255	0.126	0.171	0.118	0.118	0.215	0.215
Norfolk	1.870	2.338	0.241	0.241	0.159	0.219	0.154	0.154	0.280	0.280
North Yorkshire	1.057	1.298	0.158	0.158	0.094	0.120	0.107	0.107	0.194	0.194
Northamptonshire	1.558	1.957	0.317	0.317	0.143	0.192	0.139	0.139	0.252	0.252
Northumberland	0.695	0.868	0.241	0.241	0.062	0.084	0.063	0.063	0.115	0.115
Nottinghamshire	1.731	2.171	0.343	0.343	0.155	0.210	0.160	0.160	0.291	0.291
Oxfordshire	1.214	1.504	0.160	0.160	0.114	0.145	0.124	0.124	0.225	0.225
Shropshire	0.526	0.654	0.113	0.113	0.047	0.062	0.050	0.050	0.091	0.091
Somerset	1.013	1.288	0.157	0.157	0.094	0.129	0.096	0.096	0.175	0.175
Staffordshire	1.584	1.980	0.302	0.302	0.143	0.192	0.159	0.159	0.289	0.289

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Shire Counties										
Suffolk	1.445	1.817	0.179	0.179	0.129	0.175	0.129	0.129	0.234	0.234
Surrey	2.105	2.590	0.205	0.205	0.187	0.243	0.205	0.205	0.372	0.372
Warwickshire	1.016	1.272	0.187	0.187	0.094	0.125	0.099	0.099	0.180	0.180
West Sussex	1.482	1.865	0.198	0.198	0.140	0.187	0.136	0.136	0.247	0.247
Wiltshire	0.891	1.094	0.132	0.132	0.078	0.101	0.076	0.076	0.139	0.139
Worcestershire	1.121	1.394	0.179	0.179	0.101	0.134	0.107	0.107	0.195	0.195
Sub-Total Shire Counties	50.462	63.122	8.035	8.035	4.570	6.110	4.448	4.448	8.088	8.088

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Shire Unitary Authorities										
Bath & North East Somerset	0.362	0.441	0.090	0.090	0.033	0.041	0.034	0.034	0.061	0.061
Blackburn with Darwen	0.651	0.816	0.147	0.147	0.057	0.078	0.037	0.037	0.067	0.067
Blackpool	0.546	0.665	0.129	0.129	0.046	0.061	0.032	0.032	0.588	0.588
Bournemouth	0.438	0.545	0.099	0.099	0.042	0.055	0.030	0.030	0.050	0.050
Bracknell Forest	0.255	0.316	0.089	0.089	0.024	0.031	0.030	0.030	0.050	0.050
Brighton & Hove	0.744	0.936	0.151	0.151	0.075	0.099	0.052	0.052	0.094	0.094
Bristol	1.244	1.580	0.162	0.162	0.131	0.173	0.093	0.093	0.169	0.169
Darlington	0.349	0.424	0.096	0.096	0.027	0.036	0.030	0.030	0.040	0.040
Derby	0.785	0.989	0.141	0.141	0.074	0.100	0.054	0.054	0.099	0.099
East Riding of Yorkshire	0.585	0.731	0.179	0.179	0.051	0.069	0.061	0.061	0.111	0.111
Halton	0.462	0.585	0.106	0.106	0.046	0.061	0.034	0.034	0.061	0.061
Hartlepool	0.315	0.406	0.144	0.144	0.032	0.043	0.030	0.030	0.050	0.050
Herefordshire	0.376	0.466	0.099	0.099	0.032	0.043	0.030	0.030	0.055	0.055
Isle of Wight Council	0.351	0.448	0.093	0.093	0.035	0.047	0.030	0.030	0.055	0.055
Isles of Scilly	0.003	0.004	**	**	0.000	0.000	0.020	0.020	0.040	0.040
Kingston upon Hull	0.933	1.181	0.220	0.220	0.095	0.126	0.079	0.079	0.144	0.144
Leicester	1.194	1.518	0.160	0.160	0.118	0.160	0.084	0.084	0.152	0.152
Luton	0.772	0.996	0.114	0.114	0.075	0.104	0.047	0.047	0.085	0.085
Medway	0.704	0.913	0.129	0.129	0.069	0.097	0.053	0.053	0.097	0.097
Middlesbrough	0.582	0.744	0.173	0.173	0.061	0.081	0.047	0.047	0.085	0.085
Milton Keynes	0.670	0.854	0.125	0.125	0.064	0.087	0.048	0.048	0.086	0.086
North East Lincolnshire	0.511	0.646	0.216	0.216	0.049	0.066	0.044	0.044	0.079	0.079
North Lincolnshire	0.398	0.503	0.169	0.169	0.036	0.050	0.032	0.032	0.059	0.059
North Somerset	0.411	0.511	0.102	0.102	0.036	0.048	0.033	0.033	0.061	0.061
Nottingham	1.133	1.443	0.295	0.295	0.120	0.158	0.078	0.078	0.143	0.143
Peterborough	0.570	0.731	0.125	0.125	0.054	0.075	0.042	0.042	0.076	0.076
Plymouth	0.776	0.971	0.139	0.139	0.076	0.100	0.055	0.055	0.099	0.099
Poole	0.290	0.364	0.092	0.092	0.029	0.038	0.030	0.030	0.050	0.050

Local Authority	Children's Services (£m)		Teenage Pregnancy (£m)		Integrated Children's System IT Capital (£m)		Youth Opportunity Fund (£m)		Youth Capital Fund (£m)	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Shire Unitary Authorities										
Portsmouth	0.634	0.800	0.152	0.152	0.065	0.086	0.044	0.044	0.080	0.080
Reading	0.449	0.570	0.113	0.113	0.048	0.063	0.033	0.033	0.060	0.060
Redcar and Cleveland	0.474	0.600	0.156	0.156	0.046	0.061	0.038	0.038	0.069	0.069
Rutland	0.117	0.129	0.024	0.024	0.005	0.006	0.020	0.020	0.040	0.040
Slough	0.468	0.594	0.096	0.096	0.048	0.064	0.033	0.033	0.060	0.060
South Gloucestershire	0.503	0.624	0.099	0.099	0.043	0.058	0.045	0.045	0.082	0.082
Southampton	0.728	0.919	0.187	0.187	0.074	0.098	0.050	0.050	0.090	0.090
Southend-on-Sea	0.517	0.658	0.106	0.106	0.052	0.070	0.032	0.032	0.059	0.059
Stockton-on-Tees	0.582	0.740	0.165	0.165	0.057	0.077	0.049	0.049	0.090	0.090
Stoke-on-Trent	0.756	0.959	0.233	0.233	0.074	0.099	0.052	0.052	0.095	0.095
Swindon	0.463	0.574	0.137	0.137	0.041	0.055	0.040	0.040	0.073	0.073
Telford and the Wrekin	0.502	0.647	0.138	0.138	0.049	0.067	0.037	0.037	0.067	0.067
Thurrock	0.525	0.654	0.107	0.107	0.046	0.062	0.031	0.031	0.057	0.057
Torbay	0.396	0.491	0.095	0.095	0.037	0.048	0.030	0.030	0.050	0.050
Warrington	0.448	0.552	0.113	0.113	0.042	0.053	0.037	0.037	0.068	0.068
West Berkshire	0.292	0.360	0.094	0.094	0.024	0.033	0.033	0.033	0.060	0.060
Windsor and Maidenhead	0.280	0.346	0.086	0.086	0.026	0.033	0.030	0.030	0.054	0.054
Wokingham	0.249	0.302	0.089	0.089	0.019	0.026	0.031	0.031	0.056	0.056
York	0.354	0.436	0.095	0.095	0.033	0.042	0.030	0.030	0.054	0.054
Sub-Total SUAs	25.147	31.681	6.069	6.069	2.417	3.230	1.964	1.964	4.070	4.070
Sub-Total Shires	75.609	94.803	14.104	14.104	6.987	9.340	6.412	6.412	12.158	12.158
ENGLAND TOTAL	152.485	192.985	27.500	27.500	15.000	20.000	11.000	11.000	20.000	20.000

** Paid With Cornwall

CHILDREN'S SPECIFIC FORMULA AND RING-FENCED GRANTS FOR 2006-07 & 2007-08

Introduction

Below is a brief description of each of the children's grants, the purpose of each grant and, if appropriate, the allocation basis. Further details of the purpose, conditions, expected outcomes to be achieved and, where appropriate, consultation arrangements will be announced as soon as possible in separate circulars.

Children's Services Grant (2006-07: £152m 2007-08: £193m)

In line with DfES' commitment to streamline the number of separate grants paid to local authorities, a new Children's Services grant has been created from 2006-07, bringing together the following funding streams:

- Adoption Support and Special Guardianship grant (£31.985 million per annum);
- Vulnerable Children's grant (£42 million per annum);
- Choice Protects grant (£56 million per annum); and
- New funding to assist authorities implement Every Child Matters (£22.5 million in 2006-07 & £63 million in 2007-08), in particular 3, 4 and 5 below.

The Children's Services grant, which will not be ring-fenced, is provided to enable local authorities to improve services - in particular to:

1. **Support the development and provision of services in line with the Adoption Support Services Regulations 2005** (which replace the Adoption Support Services (Local Authorities) (England) Regulations 2003) and the Special Guardianship Regulations 2005. Both sets of regulations will come into force on 30 December 2005. Adoption and special guardianship support services are defined by the respective set of regulations. The grant should be used to provide support services in line with the new regulations and in connection with the administrative costs of implementing these regulations.
2. **Secure improved access to education for vulnerable children**, in particular: to provide high quality education for those unable to attend school or whose circumstances make it difficult for them to do so, e.g. school age mothers, gypsy/traveller children, asylum seekers and young carers; support attendance, integration or reintegration into school; and provide additional educational support to enable vulnerable children to achieve their full potential. From April 2006 there will be no requirement for local authorities to match fund.
3. **Support local authorities in developing placement choice for looked after children**, in order to increase placement stability and improve outcomes, particularly focusing on the strengthening and expansion of fostering services. Funding may also be used to develop more effective strategies for planning and commissioning provision for looked after children. Any such work should take account of the importance of a detailed assessment of the current and anticipated future needs of looked after children and the importance of a multi-agency approach in delivering placements and services. Particular consideration should be given to funding longer term commitments, notably the recruitment and retention of foster carers and measures to improve the allowances and other financial support which foster carers receive.
4. **Further develop children's trusts and the role of Local Safeguarding Children Boards.** Some of this funding can be used to support the establishment of new child death review processes (which are subject to decisions following recent consultation). Local authorities are free to decide according to local priorities how much of this resource is for safeguarding and how much for children's trusts.
5. **Introduce new processes to support improved information and assessment across agencies in children's services.** This should include training, particularly multi agency training, to improve information sharing, implement the Common Assessment Framework and the Lead Professional and introduce effective multi agency working.

The Adoption Support and Special Guardianship (£32m), the Choice Protects (£56m) and the new Every Child Matters (£23.5m/£63m) elements of this grant have been allocated using the new damped Children's formula. The element of the grant relating to Vulnerable Children (£42m) has been allocated using the formula used in previous years, updated to take account of the latest data. The formula fuses the following factors: 55% of the resources have allocated on the basis of pupil numbers; 25% in proportion to the number of free school meals; and 20% on the basis of the number of gypsy/traveller children residing in each local area between 1999 and 2002.

Teenage Pregnancy (2006-07: £29.5m 2007-08: £29.5m)

The purpose of this grant is to support the implementation of local teenage pregnancy strategies which from April 2006 will be integrated into Children and Young People's plans. These resources are to ensure that robust arrangements are in place for the co-ordination and delivery of agreed local action plans. These action plans should focus on strengthening the strategy to reach vulnerable groups and high rate areas to ensure implementation is targeted at young people most at risk of teenage pregnancy.

£2m will be top-sliced from this grant in each of the next 2 years; this will be paid out to local authorities based on the number of participants recruited onto the community nurses and teachers PSHE certification programmes.

Please note that payments to the thirty five local authority areas in the Sure Start Plus pilot programme will cease from 2006-07. Areas currently within the pilot programme should ensure that effective practice is mainstreamed through targeted support in the Children and Young People's plans.

The money is allocated by a formula that reflects the under 18 conception rates and population sizes, the reduction in under 18 conception numbers that an area must achieve to reach their 2010 target and a minimum level of funding for strategic and partnership working).

Full details on the purpose of the grant and the allocation formula will be available when the Local Authority Circular with the terms and conditions of the grant is issued. Further information on the national strategy is available on the Teenage Pregnancy Unit's website www.teenagepregnancyunit.gov.uk.

Integrated Children's System (ICS) IT Capital Grant (2006-07: £15m 2007-08: £20m)

For 2006-07 the ICS grant will be £15m: this is an increase of £10m above the £5m previously indicated. In addition, there will be £20m available in 2007-08. Guidance on how this additional funding can be used to support the implementation of ICS beyond the expectations set out in LAC(2005)3 will be issued in a future Local Authority Circular (LAC). This grant is allocated in line with the damped Children's formula - with a floor to guarantee that no authority's allocation reduces by more than 2.7%. The floor is paid for by scaling back all other authorities' allocations.

General Sure Start Grant (2006-07: £1,111m 2007-08: £1,045m)

The purpose of this grant is to support local authorities in the delivery of the Government's Ten Year Strategy for Childcare. The Strategy sets out the Government's vision to ensure that every child gets the best start in life and that parents have more choice about how to balance work and family life.

Allocations are calculated using projected child population numbers together with weightings for rurality and disadvantage areas.

Sure Start Local Programme revenue funding is included within the General Sure Start Grant from 2006-07. With the exception of Round 1 programmes, 2006-07 allocations are pegged at 2006-07 levels. Round 1 programmes start to taper down to children's centres levels of funding from 2006-07. Round 2 programmes start to taper from 2006-07. Further details on these tapers were announced in the 2006-08 General Sure Start Grant allocation letter.

General Sure Start Grant (Capital) (2006-07: £421m 2007-08: £392m)

Capital funding should be directed towards the delivery of the Government's Ten Year Strategy for Childcare, Choice for parents: the best start for Children, and in the case of extended schools, towards supporting all schools developing a core set of services as set out in the Extended Schools Prospectus.

Local Authorities will have the freedom to decide how much capital to spend on each area i.e. children's centres, extended schools, free early years provision and to improve the quality, sustainability and accessibility of childcare services.

Allocations have been calculated using projected child population numbers, and for extended schools capital, using pupil populations data together with weightings for rurality and disadvantage areas.

Youth Opportunity Fund (2006-07: £11m 2007-08: £11m)

The Youth Opportunity Fund is part of the wider policy agenda in the Youth Green Paper: Youth Matters to give young people more control and choice over the opportunities that are available in their area. The fund is to be spent at young people's discretion on projects to improve things to do and places to go in their area. This will support their personal and social development and help young people achieve the Every Child Matters outcomes.

The Youth Opportunities Fund is allocated using the distribution formula: 40% based on the 13-19 year old population in each authority and 60% based on additional needs as indicated by proxies (45% on GCSE results, 10% on no. of 18-24 year olds unemployed for 6 months and 5% on no. of 18-24 year olds claiming income support).

Youth Capital Fund (2006-07: £20m 2007-08: £20m)

The Youth Capital Fund is a Youth Green Paper: Youth Matters, commitment to provide a line of Capital funding worth £40 million over 2 years from April 2006, for capital projects. This includes upgrading and building new facilities for young people. This fund is part of the wider policy of providing more choice over places to go and things to do and should form part of the strategy to give young people more control over the opportunities on offer. This will support their personal and social development and help young people achieve the Every Child Matters outcomes.

The Youth Capital Fund should be used in tandem with the Youth Opportunity Fund to shape new approaches to strategic investment in youth facilities from Local Authority capital budgets including investment with voluntary, community and private sector.

The Youth Capital Fund is allocated using the distribution formula: 40% based on the 13-19 year old population in each authority and 60% based on additional needs as indicated by proxies (45% on GCSE results, 10% on no. of 18-24 year olds unemployed for 6 months and 5% on no. of 18-24 year olds claiming income support).

Unaccompanied Asylum Seeking Children (UASC) Leaving Care Costs (2006-07: £12m 2007-08: £12m)

The purpose of the UASC Leaving Care Costs grant is to assist local authorities towards the costs of providing leaving care support to former relevant unaccompanied asylum seeking children. Further details will be included in a separate circular.

Secure Accommodation (2006-07: £6m 2007-08: £6m)

This grant assists those authorities responsible for secure children's homes in the upgrade and refurbishment of those homes and to ensure that safety and security is maintained to the standard required by the Secretary of State.

Treatment Foster Care (2006-07: £3m 2007-08: £3m)

The purpose of this grant is to develop models of Treatment Foster Care to improve outcomes for children and young people with complex needs and challenging behaviour. A further letter will be issued detailing the programmes for which funding will be available, subject to specific criteria.

Primary National Strategy Central Coordination (2006-07: £30m 2007-08: £25m) *

This grant supports local authorities' central costs in delivering the next phase of the Primary National Strategy.

Secondary National Strategy Central Coordination (2006-07: £35m 2007-08: £30m) *

This grant supports local authorities' central costs in delivering the next phase of the Secondary National Strategy.

Secondary National Strategy Behaviour & Attendance (2006-07: £14m 2007-08: £14m) *

This grant supports local authorities' central costs in delivering the Behaviour and Attendance component of the Secondary National Strategy.

School Improvement Partners (2006-07: £7m 2007-08: £7m) *

The School Improvement Partners (SIPs) grant is to provide financial assistance to an authority to support its management of the SIP function, which includes contracting with SIPs; deploying them; developing SIPs professionally; and managing their performance. The SIP programme is being rolled out in secondary schools during 2005-06. The grant also covers similar support, and evaluation activities, for authorities who in 2005-06 are taking part in a trial of SIPs and special schools and a pilot of SIPs in primary schools. The funding is calculated on a per school formula. There are conditions of grant attached to the funding which help to ensure that authorities implement the SIP programme in accordance with ministerial policies, for example that SIPs should be nationally accredited and that a certain proportion of them should have head teacher experience. Authorities receive a condition of grant letter that sets out the funding conditions in full.

Music Standards Fund (2006-07: £62m 2007-08: £82m) *

The Music Standards Fund may be used in any way which supports access to high quality music education for children in maintained schools. Within this, however, a particular emphasis should be placed on access to instrumental and vocal tuition at Key Stage 2.

Education Health Partnerships (2006-07: £9m 2007-08: £9m) *

This grant is to support the maintenance and development of local healthy schools programmes in meeting the requirements of the Healthy School Programme.

Allocation will be based on a flat rate of £20,000 per local authority, with the balance distributed by a combination of the number of maintained schools and the number of schools with 20%+ FSME in the authority.

Expenditure is likely to include:

- project co-ordinators/consultants costs;
- resourcing - materials, websites, training packs, guidance;
- continuing professional development - training, network meetings, cluster groups, learning sets, tailored school support;
- devolvement to schools to support activities such as parent workshops, pupil health panels, staff training, policy development, schemes of work development.

Playing for Success (2006-07: £12m 2007-08: £14m) *

This grant is to establish and provide operational support to Playing for Success (*PfS*) Study Support Centres, in partnership with the relevant sports' clubs. DfES funding is routed through local authorities which have overall responsibility for managing the budgets locally. *PfS* funding from all partners is ring-fenced for *PfS* only. Further information about *PfS* can be found at <http://www.dfes.gov.uk/playingforsuccess>.

School Travel Advisers (2006-07: £7m 2007-08: £7m) *

This grant to fund local authority based school travel advisers (STAs) whose function is to help schools prepare and implement school travel plans which aim to cut car use on the journey to school and promote more sustainable travel on the school-run. The grant is allocated to most authorities using a predetermined formula. If you require any further information, please email school.travel@dfes.gsi.gov.uk

* Further information on these grants will be included in the Schools Funding Announcement, which is due shortly.