



# Cabinet (Resources) Panel

## 23 May 2017

<b>Report title</b>	HeadStart - Financial Position Update		
<b>Decision designation</b>	AMBER		
<b>Cabinet member with lead responsibility</b>	Councillor Val Gibson Children and Young People		
<b>Key decision</b>	Yes		
<b>In forward plan</b>	Yes		
<b>Wards affected</b>	All		
<b>Accountable director</b>	Emma Bennett, Children and Young People		
<b>Originating service</b>	HeadStart Programme		
<b>Accountable employee(s)</b>	Kevin Pace	HeadStart Programme Manager	
	Tel	01902 556817	
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<b>Report to be/has been considered by</b>	People Leadership Team	24 April 2017	
	Strategic Executive Board	2 May 2017	

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### Recommendation for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Endorse the HeadStart Phase 3 budget and commissioning plans for years two to five

### Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The final out-turn for HeadStart Phase 2 April 2014 to July 2016.
2. The forecast out-turn for HeadStart Phase 3 – year one August 2016 to March 2017. The Big Lottery Fund grant offer letter states a start date of September 2016 for Phase 3, it was agreed in an email from Big Lottery that the costs incurred during August 2016 will also be covered from this stage of the grant.
3. The budget plans for HeadStart Phase 3 years two to five.

## **1.0 Purpose**

- 1.1 To update Cabinet (Resources) Panel on the financial performance of the HeadStart Programme Phase 2 and Phase 3.

## **2.0 Background**

- 2.1 City of Wolverhampton Council is the lead partner for HeadStart Wolverhampton, one of six partnerships across the country to receive Big Lottery Funding to run a series of test and learn pilots programmes to develop new ways of supporting children and young people aged 10 to 16 and their families to promote resilience and mental well-being.
- 2.2 HeadStart Wolverhampton was awarded an original grant of £10,000 in February 2014 to develop its bid to Big Lottery for Phase 1 funding. A further £905,980 was awarded in April 2014 to run the early Phase 2 test and learn pilots. The final successful bid for Phase 3 funding of £9.5 million was awarded in July 2016 to significantly upscale its test and learn pilots, in an evaluated control trial environment, over a five year period August 2016 – July 2021. The successful Phase 3 bid and its associated funding was reported to Cabinet on 20 July 2016.
- 2.3 The Phase 3 bid aims to deliver a number of priorities during the five year programme through its core delivery workstreams; Young People Engagement, Schools, Voluntary Sector and Community, Digital and Workforce Development.
- 2.4 Each workstream, with the exception of Workforce Development which will upskill and raise awareness of emotional health and wellbeing amongst professionals, will be responsible for the delivery of a number of test and learn interventions across four levels of support; City Wide, Universal, Universal+ and Targeted.
- 2.5 City Wide is aimed at all 10 to 16 years olds and will primarily focus on online self-help. Universal is aimed at offering support for 10 to 16 year olds in four geographical areas, selected through a public health needs analysis as community populations most at risk, these areas are;
- Area A: Low Hill, Scotlands and Bushbury South
  - Area B: Springfield, Heath Town, Park Village and Old Heath/Eastfield
  - Area C: Bilston East
  - Area D: Blakenhall, All Saints, Parkfields and Ettingshall
- 2.6 Universal+ will offer support specifically to 10 to 12 year olds focusing on the primary to secondary transition year in HeadStart schools in the above geographical areas and finally, Targeted support will be offered to young people identified as requiring additional support through self-reporting resilience screening combined with additional risk factors as detailed in 7.1.
- 2.7 The programme is subject to a detailed evaluation which will be conducted both nationally across the six country wide partnerships and locally through a local evaluation measure. Programme outcomes are:

- Improved mental wellbeing
  - Improved academic engagement and attainment
  - Reduction in the early onset of diagnosable mental health problems
  - Reduced engagement in risky behaviour (teenage pregnancy, substance misuse, crime)
  - Improved employability
- 2.8 Nationally, outcomes will be measured through; an annual validated survey in schools which will record self-reported data in the areas of wellbeing, mental health, resilience, perceived stress and emotional intelligence and a qualitative study which will collect data through interviews and focus groups with a random selection of young people and a constant group of young people taking part in the programme. Findings will be published annually.
- 2.9 All six HeadStart Partnerships will also take part in an economic evaluation led by the London School for Economics which will analyse full cost recovery to provide the future savings potential on tier three and above mental ill-health treatment through investing in early intervention and prevention.
- 2.10 Locally, outcomes will be measured through; an annual validated survey in schools in areas of; self-efficacy, resilience, personal strengths and competencies and quality of life and a qualitative study focusing on impact on children, parents and schools alongside longitudinal video case studies with targeted young people and a co-constructed areas study measuring resilience within the community. Findings will be published annually with interim reports available as data and case studies become available.
- 2.11 The programme will also work with internal and external partners to link data with health, social care and education so that the impact HeadStart interventions have on young people and services can be analysed and comparisons can be made to other areas and schools in the city not in scope.

### **3.0 Phase 2 Budget**

- 3.1 The Phase 2 budget was formally closed down on 31 July 2016. As at 31 July 2016 the Phase 2 outturn position was £886,060 and leaves a small surplus of £19,920. Big Lottery formally approved a carry forward of £18,000 to enable the purchase of Phase 3 capital items to support co-production work with young people in the HeadStart community bases. The treatment of the remaining surplus of £1,920 has not been confirmed to date by Big Lottery.

### **4.0 Phase 3 Budget**

- 4.1 The Phase 3 budget across the five year programme is £9.5 million. Appendix 1 provides a breakdown of the current budget across the five years.
- 4.2 Year one budget and forecasted outturn 1 August 2016 to 31 March 2017 is outlined in Appendix 2. As demonstrated in appendix 2 in year one there is a current forecast underspend of £288,590. From previous forecasts Big Lottery have already approved carrying £265,270 funding forward into year two (2017-18).

This slippage is a result of delay in recruitment and non-recurrent set up costs spanning two financial years. Current forecasts indicate that this will be fully spent in year two (2017-18).

- 4.3 The planned budget and expenditure for year two of the programme 1 April 2017 to 31 March 2018, which includes the above slippage from 2016-17, is outlined in Appendix 3. As can be seen from the forecast spend, year two is an intensive part of the programme with significant planned expenditure. Big Lottery have planned both quarterly and annual review meetings with HeadStart Wolverhampton which will include performance monitoring of actual against planned expenditure as well as a full range of outcomes monitoring.
- 4.4 The Phase 3 programme provides a significant investment in the voluntary, community and independent sector for the delivery of HeadStart programmes through commissioned activity with a budget of £3.1 million over the five year programme.
- 4.5 Commissioning specifications will deliver against the Phase 3 bid in the following areas; 'Place to Go' activity where young people can access trusted adults for support on a voluntary basis, 'Parents, Carers and Family' activity through support groups themed specifically around drama and performance arts and finally 'Pre-CAMHS' activity including talking, thinking and activity based therapies that will extend the range of services currently on offer.
- 4.6 Included in the above, a specific Summer Programme will be amongst the commissioning opportunities and will invite community groups and organisations within the target geography to quote for the delivery of school holiday activities.
- 4.7 In addition, HeadStart is investing in the local voluntary and community sector to support partnerships and consortia arrangements.
- 4.8 The Big Lottery grant is a year on year grant based on delivery against agreed milestones, reach figures as described below, and budget monitoring. The programme receives two payments per year, 50% of the agreed annual amount detailed in appendix 1 in April and the remaining 50% in October.

HeadStart Wolverhampton – headline reach figures						
	Year 1	Year 1 actual	Year 2	Year 3	Year 4	*Year 5
Number of young people benefitting from Universal Support	80	177	1539	5803	5803	5803
Number of schools engaged	0	29	18	31	31	31

Number of community organisations engaged	10	<b>40</b>	20	30	40	40
Number of Parents supported through HeadStart	0	<b>0</b>	796	1252	1252	1252
Number of professionals who take up at least one training session	22	<b>35</b>	120	260	260	260

\*Please note year on year figures are not cumulative. By year three the programme will be at full capacity based on number of young people in schools and population within the community.

## **5.0 Financial implications**

- 5.1 The HeadStart Phase 2 programme covered the period 2 April 2014 to July 2016. Big Lottery approved slippage of £18,000 underspend which was carried forward into Phase 3. The treatment of the remaining underspend of £1,920 by Big Lottery remains outstanding.
- 5.2 The HeadStart Phase 3 programme has a 5 year expenditure budget of £12.9 million for the period August 2016 to July 2021. This is funded both by grant income secured from Big Lottery Fund of £9.5 million and £3.4 million income from other organisations and traded income. Forecast outturn for year one of the programme currently indicates a £288,590 underspend. From previous forecasts Big Lottery have already approved funding of £265,270 slipping into year two of the Phase 3 programme.  
[GS/09052017/B]

## **6.0 Legal implications**

- 6.1 HeadStart Wolverhampton Phase 3 will need to comply with the terms and conditions of the Big Lottery grant agreement. The Phase 3 proposals will be implemented in accordance with council regulations and procurement and legal requirements.  
[TS/27042017/Q]

## **7.0 Equalities implications**

- 7.1 The HeadStart equality analysis shows that there are no adverse impacts arising from the programme, and that HeadStart could assist in eliminating discrimination, advancing equality and fostering good relations amongst people belonging to a protected characteristic. The HeadStart Phase 3 programme specifically targets groups of young people for whom evidence suggests that they are at risk of developing common mental health issues. These groups are:

- Those identifying as lesbian, gay, bisexual, transsexual and questioning
  - Those who have a family member with a history of mental health issues
  - Those who are young carers
  - Those at risk from or involved in crime / gangs / youth violence
  - New Arrivals and / or ROMA
  - Black, Asian or other Minority Ethnic Groups
  - Those who have / are witnessing domestic violence
  - Those with learning disabilities / difficulties
- 7.2 HeadStart Wolverhampton has an Equalities Group, including members of the Equalities Team, and this Group acts as a critical friend to the Programme Manager and the HeadStart Partnership Board. The Group was involved in determining the Phase 3 geographical areas, target population and the above groups. On-going equality monitoring and analysis will be undertaken on young people, their families and carers involved in Phase 3 HeadStart.
- 8.0 Environmental implications**
- 8.1 There are no significant environmental implications.
- 9.0 Human resources implications**
- 9.1 A number of new council posts have been recruited to in order to fulfil the tasks contained in the Phase 3 Programme. These posts will all be funded from the Big Lottery Grant. Standard Council Human Resources policies and procedures have been followed.
- 10.0 Corporate landlord implications**

- 10.1 Each of the four geographical areas will have a HeadStart team located in the community to act as a focal point through which mental wellbeing, prevention and early intervention resources can be accessed and developed. The teams will utilise, extend and develop existing community assets within each geographical area by providing office space for HeadStart staff and a location for HeadStart young people activity.

The first of these is the Bob Jones centre in Blakenhall, which will commence activities in Summer 2017. An evaluation process is underway to identify the remaining three.

**11.0 Schedule of background papers**

Cabinet (Resources) Panel 19 July 2016 - HeadStart Phase 3  
Cabinet 20 July 2016 - HeadStart Phase 3

**Appendix 1: Headstart Phase 3 programme current budget**

	Year One 2016- 17 £000	Year 2 2017-18 £000	Year 3 2018-19 £000	Year 4 2019-20 £000	Year 5 2020-21 £000	Total £000
Total Expenditure budget	720	4,028	3,069	2,920	2,132	12,870
Contributions from other Partnerships/Income	0	(208)	(724)	(1,039)	(1,429)	(3,400)
Big Lottery Fund Funding	(720)	(3,820)	(2,345)	(1,881)	(703)	(9,470)

**Appendix 2: Headstart Phase 3 2016-17 (Year One) Forecast Outturn**

	2016-17 Budget £000	2016-17 Forecasted Outturn £000	Variance £000
<b>Core Team</b>	375	320	(55)
<b>City-wide</b>	30	36	6
<b>Headspace Hubs</b>	132	64	(68)
<b>Universal</b>	175	61	(114)
<b>Universal +</b>	208	148	(60)
<b>Targeted Interventions</b>	65	68	3
<b>Total</b>	<b>985</b>	<b>697</b>	<b>(288)</b>

**Appendix 3: Headstart Phase 3 2017-18 (Year two) budget including budget slippage from 2016/17**

Expenditure/Income	Team/Intervention/ Stream	2017-18 Original Budget £000	2016-17 Slippage carried forward into 2017/18 £000	2017-18 Revised budget £000
	Core Team	820	51	871
	City Wide	210	17	227
	HeadSpace Hub	1,050	68	1,118
	Universal	780	77	857
	Universal +	570	52	622
	Targeted	330	0	330
<b>Total Expenditure Budget</b>	-	<b>3,760</b>	<b>265</b>	<b>4,025</b>
	Contributions from partnership organisations	210	0	210
	Big Lottery Fund contribution	3,550	265	3,815
<b>Total Income Budget</b>		<b>3,760</b>	<b>265</b>	<b>4,025</b>