2019/20 Budget Proposals

Report of the Children & Families Overview & Scrutiny Committee

24th January 2019



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Workshop Attendance

1. Introduction

A dedicated 2019/20 budget proposals workshop for Members of the Children & Families Overview and Scrutiny Committee was held on Wednesday 5th December 2018.

The workshop provided the committee with the opportunity to examine in greater detail a number of budget proposals affecting services that fall under the remit of the committee. The budget proposals selected for further examination were identified by the Chair and Party Spokespersons as those deemed to be of greatest significance in terms of value and the public interest. This report summarises the proposals scrutinised and the comments and suggestions of Members attending the workshop.

At the commencement of the workshop, a statement was read out by Conservative Party members and it was requested that this be recorded as part of the scrutiny process into the budget proposals. The statement is detailed below:

''Chair, I would like it recorded that the Conservative members do not believe that a workshop is the appropriate way for the cabinet's budget proposals to be considered by this committee. We believe that the discussions should be held in public, at a formal meeting of this committee that is minuted and recorded''.

The Chair of Children and Families Overview & Scrutiny committee responded that at present, the workshop would be discussing the proposals only with any recommendations from the members going to committee.

2. Budget Proposals

2.1 Special Guardianship Allowance

Summary of Proposal

A saving of £800k has been earmarked for Special Guardianship Orders (SGO's). A saving of £400k has already been delivered in the current year. The forecast spend for 2018/19 of £3.4m is currently £400k below the budget of £3.8m. It is anticipated because of this the reduced spend will continue into 19/20, although this will be challenging. Through the ongoing implementation of a modernised and appropriate policy for SGO Carers the £800k saving will be achieved through a reduction in current costs and the recovery of back payments.

- The allowance is now being appropriately applied in line with national policy to ensure that Special Guardians are receiving the correct allowance payments. The £800k savings represents around 2/3 of what the overpayments currently are.
- The overpayments identified do include a very small number of fraudulent cases.

- 40 of the 120 identified cases have been assessed so far.

- Any withdrawal or adjustment in payment is done on the basis of applying the correct practice, and protection of the public purse in accordance with the national guidelines.

- Over- and under-payments can happen for numerous reasons. For example a number of children had moved placement and payments had continued. Other examples include instances where grandparents receive the payment yet they live with the Child and their parents.

Summary of member and officer Comments

- Members queried Children' services apparent keenness to get children out of foster care and into SGO's, and highlighted that some families were reluctant because of the financial implications. DCS advised that there was the potential for increased or decreased payments.

- Members requested clarification over the number of reviews taken place, and also the number of complaints. Officers advised that so far there have been 3 or 4 complaints, and pointed out that these were not at the higher end of the scale (for allowances).

- Members asked how long the review would take. They were advised that it should be completed within the next financial year.

- There were concerns raised about the potential for breakdown, and that families who foster did not want to lose support if they agree to SGO's. It was acknowledged that this could potentially happen, but there were procedures in place to assist with this. It was also noted that is wasn't just about money, and there were more proactive support measures in place for placements. There have also been no reported family breakdowns due to the changes.

- Members raised concerns about scenarios in which payments were reduced. Officers stated that this was simply to move Wirral in line with other authorities and national guidelines. The point was made that payments had to be fairly applied, so as not to discriminate one Special Guardian over another.

2.2 Reduced agency to core staff

Summary of Proposal

This has been a success story recently with reduced expenditure from £7.9m in 2017/18 to a forecast of £5.6m in the current financial year. This proposal is about the release of various budgets that have previously been used to fund agency spend. As unbudgeted

agency expenditure reduces, the areas that have been used to support this expenditure in the past will be offered up as a budget reduction as they will no longer be needed.

To implement the level of agency staff we will continue to pursue the strategy of replacing interims with permanent social workers, through recruitment. The outlook remains challenging and it will be achieved through a major recruitment campaign in social care, and restructures in other parts of the service. This will require significant time and resource from HR. A plan of all HR related activity is already in place.

- Regionally, the number of agency staff stands at 30%. Wirral are looking to achieve 10% as a healthy target rate. 20% plus is generally seen by Ofsted as concerning.
- The numbers of changes for Children Looked after have reduced by 50% since August. This will be reported on at the next monitoring meeting.

Summary of member and officer Comments

- Members concerns were based around the commitment of agency staff, and reports of some children having a high turnover of social workers. It was confirmed that they are employed on a 12 week temporary contract which is renewed. Some agency staff have now been with the authority for 3 years.

- Questions were raised as to where we stood nationally. Members were advised that London has a high percentage of agency staff whilst Knowsley has none. Wirral have now reduced numbers by half.

- It was also noted that Wirral do not have a specific agency budget – workers were recruited based on available posts which needed to be filled. Members were informed that Wirral quality assures all agency staff and we only accept the highest standard.

2.3 Troubled Families Funding

Summary of Proposal

There has been an increase in ''payment by result'' income during the current year (£121k has been received to date). However, it will be challenging to meet this target next year due to the reduction in guaranteed Government grant income on Attachment Fees by £480k. Work is in progress to collect this income more speedily and catch up on the backlog of monies owing which will contribute to achieve the target.

- A fee is received for Identifying Troubled Family and then payment by results for reaching pre-set milestones. £1.2m is allocated by The Ministry of Housing Communities and Local Government (MHCLG) for Wirral Council; however we are currently only claiming approximately £60k of this.

- The strategy is therefore to step-up activity and become more pro-active. MHCLG have already written to Wirral to say they will pay £300k due to work already undertaken to evidence and improve the approach. Children's services look to increase this to £600k. However, it was noted there is a risk that the Troubled Families programme will not run beyond 20/21 (awaiting Government announcement).

- A Troubled Families Board is now in place to help support and link up interventions and assist submissions. Payments are only made once the troubled family is identified and 'turned around'. The partnership approach supports engagement applications and using different metrics helps to measure and evidence the impact. The rationale for the initiative is that the intervention lessens the potential future impact on other services.

Summary of member and officer Comments

- Members commented that there is a risk the council may chase families to meet criteria in order to receive funding rather than focusing on actual need. If this were the case, some troubled families would run the risk of falling outside of provision. Officers agreed that services should be shaped by need. Officers also pointed out that the new leadership model in Children's services has improved partnership working and each partner's awareness of the others' work. This means that the impact of services can now be more effectively demonstrated and coordinated. Members asked if there could be a Liquid Logic bolt on to help with collating information. For example; CYP didn't capture information from Safer Wirral Hub as they didn't know about it. This was acknowledged as a possibility.

- Members questioned moving away from the 'payment by result approach' and looking to achieve earned autonomy which could mean upfront payments are made available to assist with improving working practices. Officers advised that Wirral did apply for autonomy, however the data capture systems were not deemed suitable enough to enable appropriate measurement of interventions. Further work is now being done to enhance and join-up data systems to get to a point where Wirral has the autonomy to set its own criteria.

- Moving forward, officers advised that the focus is on family need and achieving autonomy around assessment criteria.

2.4 Looked after Children Reduced Cost

Summary of Proposal

The planned reduction in the number of looked after children will be through a collaborative approach across a range of public services, including Council care and housing arrangements. One aspect is improved fostering services which will lead to maximum use of foster carers,

thereby reducing care costs, and improving stability for children and young people.
This will be challenging to achieve in 2019/20 as the costs for 2018/19 have been rising. A reduction in the numbers does not always equate to an equal reduction in costs. However the objective of this financial proposal holds. A large part of this proposal will be centred around more effectively challenging care placements based on their ability to progress the child in their journey.

- There is no direct correlation between numbers and cost, a multi-layered strategy is being implemented to achieve a modest saving of £400k.

- Every placement must be justifiable. Provider costs will be scrutinised and work will take place to ensure there is appropriate supply at a local level. Typical costs per child are range from £70 - £3,200 but it can be much higher. Specialist placements for example can range from £7,000 and nationally, one placement is known to be costing a local authority £24,000 a week due to complex needs.

- There is no national framework or controls around child placement prices. This is compounded by places being filled by children outside of the North West (Such as London Borough areas) due to price differentials. The North West now looks after 40% of Children in residential care.

Summary of member and officer Comments

- Members questioned why there were no Local Authority care homes any more. It was suggested that it may be valuable to look at the private market in more detail through the Scrutiny work programme, to try to gain a better understanding of why the charges are so high. Paul Boyce commented that an LCR Collaborative approach would be required to help control cost and that there would need to be a justifiable reason to bring this policy back.

- Members voiced concerns that savings can't be the main reason for moving child placements, and that the main considerations should be what is best for the child. Officers noted that in a number of cases, getting a child in a placement was the priority and that Social Workers main aim was the safeguarding of the child, then think about costs after. It was also acknowledged that traditionally there have often been a drift in care plans, which meant the costs and placements were not reviewed.

- It was queried whether a more robust system is being implemented. Perhaps Wirral has been seen as an easy target for inflated process? Officers confirmed that this is the highest risk saving but it is captured and monitored through the Risk Register

2.5 Children's management Restructure & Business Support Restructure

Summary of Proposal

Work is well advanced on delivering the new structure but delivering a saving of in these areas will be very challenging as we are also replacing agency staff to save a further £1m.

- A combination of efficiencies achieved through co-location of staff with standardised approaches to working implemented across the directorate. Examples include reductions in staff travel expense claims, telephony costs and the release of non-essential vacancies. Return of investment is also achieved through programmes in areas such as training and efficient I.T systems, enabling greater economies of scale to be achieved.

Summary of member and officer Comments

- Members agreed that the savings made sense as they are a combination of efficiencies. It was noted that both members and officers feel that £3.9m is realistic and achievable. There were no major objections with restructures provided this does not lead to any mandatory redundancies.

- In regards to last year's £20m spend, members who are new to the committee sought clarification of where it went, and what did it achieve? Officers advised that it drove the improvement work and capacity, and enabled stabilisation with 80 new posts created. The aim is to gradually bring spend down and the £3.9m is the beginning of the process. There is a need to ensure progress is made and costs are controlled.

2.6 Remove Golden Hello Payments

Summary of Proposal

This was previously introduced in order to attract key staff, essentially social workers who are of course critical to the successful delivery of Children's services. Following a review of compensation, this has now been discontinued and the saving has been delivered.

- Budget not required and thus proposed to be removed; this policy had also been seen as decisive for existing staff.

- Wirral is currently ranked 2nd in Liverpool City Region behind Liverpool for Social Care salaries and 3rd if Cheshire West is included. Therefore Wirral is highly competitive

Summary of member and officer Comments

- This did not meet with any opposition at the time of the workshop. Members had previously explored the condition upon which an attractive environment could be built to ensure social workers wanted to come and work in Wirral. They took this as an opportunity to explore these again and a conversation with officers highlighted that support around their role as well as a reputation for development and best practice.

- It was noted that a "Golden Hello" did not necessarily guarantee that good people would stay in the service, even if it were effective in attracting them in the first place, which there is no evidence for.

- Members questioned if the 'golden hello' had previously been used as a sticking plaster, and officers agreed that there had previously been a perception that Wirral did not pay well. It was also pointed out that some authorities used tactics to make advertised paygrades look higher.

- It was noted that 'the well is pretty dry' when it came to experienced social workers, and that Wirral preferred to recruited experienced social workers rather than newly qualified social workers (NQSW). Whilst NQSW have been recruited there was now a halt on this to ensure this had been effective. As a point if interest, Members were advised that Wirral seems to be creating a lot of interest from the London Boroughs, and it was assumed that this was because of the cost of living in the South East.

- Members were reassured to hear that social workers were attracted to better offers than just pay. Ongoing training, work life balance and agile working were all cited as being as attractive as a high pay band.

3. Conclusions

Members agreed all the proposed budget saving options outlined above were measured and achievable and agreed that the £20 Million invested last year had stabilised services and the focus was now on investing in the long term and reducing this figure.

Members agreed that they wanted to look closer at the cost of placements for looked after children, and it was suggested that this could be added to the work programme.

Members thanked officers for their reporting and responses to questions and agreed that they were reassured by the proposals made.

Appendix 1 – Workshop Attendance

Members of the Children and Families Overview & Scrutiny Committee:

Cllr Tom Usher
Cllr Chris Carubia
Cllr Liz Grey
Cllr Cherry Povall
Cllr Wendy Clements

Councillors also in attendance:

Cllr Tony Norbury

Officers:

Paul Boyce (Corporate Director of Children's services)
Carly Brown (AD – Modernisation &Support)
Shaer Halewood (Director of Finance & Investment)
Carl Gurnell (Team Leader, Scrutiny & Performance)
Anna Perrett (Children & Families Scrutiny officer)