



2018/19 Budget Proposals

Scrutiny Report of Children and Families Overview & Scrutiny Committee

January 2018

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1. INTRODUCTION

A dedicated 2018/19 budget proposals workshop for Members of the Children and Families Overview and Scrutiny Committee was held on Thursday 11th January 2018. This provided committee members with the opportunity to examine in greater detail the budget proposals affecting services that fall under the remit of the committee. This report summarises the proposals for Children and Young People and the comments and suggestions of Members attending the workshop.

The Spokesperson for the Conservative Group requested that it be 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. The Group feel that discussions regarding budget proposals should be held in public, at a formal meeting of the Committee. However, it was noted that feedback from this budget workshop will be listed as an agenda item at the next meeting of the Committee.

1. BUDGET PROPOSALS – OVERVIEW

The Director of Children's Services delivered a presentation which provided the context to the budget proposals for Children and Young People, an overview of how the additional investment will be spent and the risks relating to the future spending plans.

The base Children's Services budget for 2017/18 is £78million. However, the equivalent budget for 2018/19 is £103million; an increase of £25million. £10million of the budget requirement is a continuation of the Improvement Plan approved during 2017/18 and a further £15million relates to demand pressures largely associated with previous and anticipated growth in looked after children. The numbers of looked after children have grown to a current number of 850 whereas the 2018/19 budget assumes growth to 900. The additional investment and planned service improvements envisage a reduction in looked after children to 672 by April 2021.

Continuation Estimate 2018/19						
Children's Services Budget	17/18 Base Budget	Improvement Plan	Inflation	Demand Pressures	Other Pressures	Total
	£m	£m	£m	£m	£m	£m
Social Work Services	12.6	7.5	0.1	1.8		22.0
Safeguarding and LSCB	1.5	0.8				2.3
Commissioned care	21.4	0.1	0.6	8.8	0.9	31.8
Early Help	6.9	0.8		0.1		7.8
Disability	3.3	0.2		0.5	0.3	4.3
Schools / Universal	3.5				0.5	4.0
Community	7.2			0.1	0.3	7.6
Quality, Performance & Improvement	1.8	0.4				2.2
Department Management and Support	2.0					2.0
Other (Capital Charges and Teacher pension costs)	17.7	0.2				17.9
Child protection legal costs				1.0		1.0
Total	77.9	10.0	0.7	12.3	2.0	102.9
Year on year increase						25.0

The majority of the £10million Improvement Plan (2017/18) has been spent on additional social workers, placing significant pressures on the ability to recruit sufficient suitable staff. As a result, short-term expenditure on agency staff has risen and may continue in the near future. While permanent appointments are now being made, additional recruitment is planned to continue.

Members were provided with comparative data to illustrate Wirral's position relating to the numbers of looked after children:

	Rate of looked after children per 10,000	
	2016	2017
England	60	62
North West	82	86
Highest in North West	164	184
Lowest in North West	47	53
Statistical Neighbours	85.3	92.3
Highest Statistical Neighbour	113	129
Lowest Statistical neighbour	68	66
Wirral	99 (665 CLA)	113 (765 CLA)
Wirral's rate at the end of Dec 2017		124.4 (840 CLA)

Work is taking place to understand why Wirral has the second highest rate in the North West for looked after children. Observations include:

- The increase in numbers is part of the national surge of children in care;
- There is a higher incidence of looked after children from deprived family backgrounds;
- Following a negative Ofsted inspection there is normally an increase in referrals and transfer to children in care;
- Wirral has been better at bringing children into care than finding alternative permanent arrangements for those children. Therefore, additional work is now taking place to specifically focus on finding permanency for children. There are some looked after children who do not need to be in care anymore.

The Future direction

Beyond 2018/19, the vision for the service includes:

- Establishing a robust financial system underpinned by a financial strategy will help sustainability. This will include delegation of budget management closer to where the services are provided.
- Improved quality of practice will help to effectively reduce demand.
- A stable and efficient workforce will contribute to the required efficiencies. There is currently a good response to the recruitment campaign and conversion rates from agency staff.
- Modelling of the Children Looked After population will continue to develop and assist financial planning in future years. There is currently a prevalence of teenagers in the care system.
- A partnership and whole system approach to improvement which will help realise savings.

3. COMMITTEE MEMBERS' COMMENTS

Staff recruitment

Member comment: A member welcomed the plans to recruit more staff particularly front-line social workers. It was, however, noted that the ability to recruit and retain staff was not only an issue of salary but also included the wider working environment. As Ofsted had identified some areas of poor front-line management what can be done to provide more focus on those standards?

Officer response: Members were informed that it is important that front-line staff are able to directly participate in the improvement process. The physical environment is important to staff and there is scope for improvement. The continuing roll out of agile working will also provide an additional benefit to some staff. It is important to understand that, across the social work profession, staff feel safe in their practice when they have competent managers. It is acknowledged that front-line social work management is a very tough role.

Safe reduction of children in care

Member comment: The ambition is to reduce the numbers of looked after children from the current number of 850 to a predicted 672 by 2021. How can this appear to be not a cost-cutting exercise?

Officer response: The predicted reduction in the numbers of children in care is nothing to do with achieving savings. The current number of looked after children in Wirral is too high and cannot be justified. It is a symptom of poor practice. The predicted number for 2021 is not a target but is an indication of success. There is a fallacy that care is always better for the young person. To be of merit the young person needs to be better off by being in care.

Pace of change

Member comment: Will there be a conflict between the pace for change and the ability to reduce the number of children in care safely?

Officer response: There is no conflict because putting the correct actions in place will result in improvement in practice. The number of children in care is a symptom of the weakness in practice. Although having high areas of deprivation, Knowsley Council was able to reduce the numbers of looked after children not by raising threshold levels but by improving practice.

Predicting the future demand for services

Member comment: As it is not always possible to control or predict spikes of demand in the system, what can be put in place to prevent a spike which will overwhelm the service?

Officer response: Spikes in demand happen over a period of time; not on a single day. There needs to be a greater emphasis on being able to predict what is happening and understanding the reasons why. There is a particular need to control the numbers of high-cost placements and secondly in preventing those placements, where necessary, from becoming long-term. Building capacity of a range of care provision either within the borough or across the city region would be a positive outcome for the future, as will strengthening commissioning arrangements.

Optimism for the future

Member comment: What is the meaning of Ofsted referring to social workers as being too optimistic about the progress which children might make?

Officer response: Optimism is a euphemism for not concentrating sufficiently on the child. In that case, social workers need to understand what the life of the child is really like.

Staff retention

Member comment: Does the Council have a real understanding of the reasons behind staff leaving the Authority's employment?

Officer response: Routine exit interviews should identify the reasons for leaving. A recent Improvement Board report identified pay as a contributory factor although there are other significant factors too.

Youth Services

Member comment: Remodelling of the youth service has taken place which has resulted in the development of the Hive in addition to the centres in the localities. It is important to ensure that there is a continuing service outside the Hive.

Officer response: There is a risk that all of the funding goes into one facility. Further work will be required to ensure a future strategy is in place. Early help services are critical.

Performance data

Member comment: As part of the regular Improvement Journey presentations provided at meetings of the Children and Families Overview & Scrutiny Committee it would be helpful to receive greater detail on spending, recruitment and performance data. It is important that there is a demonstration of the difference that has been made and that the impact of interventions is measured.

4. CONCLUSION

The Chair concluded the session by highlighting the following issues:

- Investment in Children's Services needs to prioritise quality of services for the child. There is no direct correlation between money spent and the quality of the service;
- Appropriate placements need to be provided which really benefit the individual child;
- The workforce is absolutely key to the improvement process with an effective support structure for social workers being in place;
- The initial focus on social workers should not take away from the importance of well-resourced and targeted early help services;
- Further strategic planning across the city region would be welcomed in order to enable improved value for money.

Appendix 1 – Workshop Attendance

Members of Children and Families Overview & Scrutiny Committee:

Tom Usher (Chair)
Alan Brighthouse
Wendy Clements
Paul Hayes
Tony Jones
Brian Kenny
Moirra McLaughlin
Chris Meaden
Cherry Povall
Jerry Williams
Gillian Wood

(Note: Cllr Chris Meaden made a personal declaration of interest by virtue of her daughter's employment within the Children and Young People Department at Wirral Council).

Councillors also in attendance:

Phil Gilchrist

Officers:

Paul Boyce	Director of Children's Services
Andrew Roberts	Senior Finance Manager
Lesley West	Principal Accountant
Carl Gurnell	Team Leader, Performance & Scrutiny
Alan Veitch	Scrutiny Officer

Apologies:

Tom Anderson
Jean Stapleton
Adam Sykes
Warren Ward