

Cabinet

Dorset County Council



Date of Meeting	18 January 2017
<u>Cabinet Member(s)</u> Councillor Deborah Croney - Cabinet Member for Learning & Skills and Childrens Safeguarding <u>Lead Director(s)</u> Sara Tough - Director for Childrens Services	
Subject of Report	Progress and Next Steps in regard to Care & Protection
Executive Summary	This report seeks to outline the current budget pressures within the Children's Directorate that impacts on the social work provision. The report reflects the progress that has been made to date in delivering a more effective, efficient and economic operational model for social work (now known as Care & Protection) set out in the Forward Together for Children programme and the further measures that need to be carried out to deliver a sustainable operational budget.
Impact Assessment: <i>Please refer to the protocol for writing reports.</i>	Equalities Impact Assessment: An EQIA was completed as part of the restructure which led to the delivery of Care and Protection within the Children's Directorate. Use of Evidence: The evidence was outlined in the original business plan under the Forward Together for Children programme. Budget:

	<p>The details outlined in this report share the overall budget pressures that remain within Care and Protection as part of the Children's Directorate.</p>
	<p>Risk Assessment:</p> <p>The key areas within the Care and Protection budget sit within the corporate risk register and they are outlined in this report. The current risks are rated as high.</p>
	<p>Other Implications:</p> <p>Key partners internally and externally are outlined in this report including the Children's Trust Board, the Dorset Safeguarding Children's Board and Corporate Parenting.</p>
Recommendation	That cabinet consider the report and note the progress that has been made.
Reason for Recommendation	The report outlines in full the actions that have been taken by the Children's Directorate through the Forward Together for Children Programme in delivering on time Care and Protection project and the actions taken over the last two years.
Appendices	<p>Appendix 1: Budget – Care and Protection; Looked After Children</p> <p>Appendix 2: Forward Together for Children Programme Overall Plan</p>
Background Papers	None.
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1. Aim

- 1.1. This report seeks to outline the current budget pressures within the Children's Directorate that impacts on the social work provision. The report reflects the progress that has been made to date in delivering a more effective, efficient and economic operational model for social work (now known as Care & Protection) set out in the Forward Together for Children programme and the further measures that need to be carried out to deliver a sustainable budget.

2. Background

- 2.1 The whole of Children Services experienced a large scale restructure which started in 2012 and commenced from 1 April 2014 to deliver £2m in savings known as Time for Transformation. This Time for Transformation project reduced management capacity, combined services such as statutory social work services (apart from the disability service); Children's centres; youth centres and the locality services under one Head of Service. And scaled back its focus and resources on early intervention and prevention.
- 2.2 Between April and September 2014, the leadership team identified a number of operational issues that required improvement. In September 2014, we introduced a getting back to basics improvement plan which was followed in January 2015 with the launch of a transformational change programme called Forward Together for Children. As a result of both plans there was a review of social work practice and early help leading to a case for change to deliver new working arrangements for social work and early action and prevention. The Forward Together for Children Vision is an extensive programme of whole system change supported by evidence and research and staff engagement both internally and externally. For the purpose of this report, it focusses specifically on the social work aspects of the Children Services which became known as Care & Protection in September 2016.
- 2.3 The budget challenge of the last three years have been as a result of a number of factors which has led to a significant increase in operational service demand on social work teams since April 2014. The budget pressure experienced by the new Care and Protection teams (which commenced in September 2016) is currently £8.9m. This is largely centred on three main areas: external placements costs of £5.4m; allowances and legal costs £500k and agency costs £2.4m. (See Appendix 1) This cost pressure can be attributed to an increase in child protection plans, children who have become Looked After and the difficulty for the County Council to recruit substantive and experienced social workers to work with children and families.
- 2.4 The wider Forward Together Programme identified the need to develop a multi-agency preventative strategy which has resulted in the implementation of the Family Partnership Zones and new proposed governance arrangements to deliver outcomes for children at a local place level.
- 2.5 In addition to the factors described above, changes to policy at a National level for example the raised profile of Child sexual abuse /exploitation and

issues in regard to the impact of poverty, mental health, domestic violence, substance misuse and unaccompanied asylum seeker children to name a few, have all played their part.

3. Achievements to strengthen social work practice from 2014-2015

- 3.1 In order to strengthen social work practice and to ensure we had the right skills and knowledge in the right place across the whole of Children Services a series of actions were identified through the back to basics improvement plan and the Forward Together for Children plan in consultation with staff.
- 3.2 Actions that have been identified and completed and are covered below:
 - 3.2.1 Rigorous approach to monitoring and tracking of all external placements. New entrants to Care, Complex case tracking, Auditing programme and the introduction of a new Permanency procedure.
 - 3.2.2 Development of ICS project group for the delivery of integrated system to deliver replacement for Raise.
 - 3.2.3 Children's Centres realigned to Learning and Inclusion.
 - 3.2.4 The implementation of a targeted youth service to form part of the new Family Partnership Zones.
 - 3.2.5 Rigorous Monthly tracking and monitoring of the Family Support budget with service managers including staffing, agency staff and staff performance issues.
 - 3.2.6 South West Audit review completed and actions delivered. (Previously presented to Cabinet).
 - 3.2.7 Introduction performance obsessions leading to improvement in outcomes.
 - 3.2.8 Market testing of possible alternative provider's to deliver the fostering service through another model. This proved to be unsuccessful with little interest from the independent sector.
 - 3.2.9 Family Focus –Alternative to Care service pilot commenced in Weymouth (now an established team across the County as part of the new Care & Protection Service).
 - 3.2.10 Established a Pan Dorset Regional Adoption Agency Board.
 - 3.2.11 Established a Pan Dorset development of the Multi-Agency Safeguarding Hub Board.
 - 3.2.12 Pan Dorset Youth offending service delivered.

4. Achievements to strengthen social work practice 2016

- 4.1 An increased focus on outcomes based practice and performance at team level and introduced an outcomes based budget framework to encourage greater ownership of the impact of decision making and the best way to use resources to achieve best value.
- 4.2 OFSTED Inspection (Feb/March) reported that we had made the right operational social work decisions in regard to Children (this related to children who were subject to a plan for protection and LAC care proceedings). They stated that the service required improvement but that the senior leadership team were strong and that we knew ourselves well and had a plan to achieve that. Ofsted were made aware of the social work reorganisation into Care and Protection and the new development of the Family Partnership Zones. They recognised this action as a positive move forward.
- 4.3 The South West Regional inspector has continued to meet with the Leadership Team and has received updates on the OFSTED improvement plan.
- 4.4 A review and reorganisation of the independent Case conference chairs and Looked after Review Team to improve effectiveness and performance quality has been completed and implemented.
- 4.5 Introduction of Reinvigorating Social Work Pilot leading to a bid to the social care innovation funds from the DFE to upscale the project.
- 4.6 Strategy put in place to increase number of trainee social workers (step up students) and to offer early recruitment pending registration.
- 4.7 Investment in delivering an internal route for non-qualified staff through the Open University.
- 4.8 A recruitment strategy developed and implemented. First recruitment open day held in October 2016 with another planned for January 2017. 17 social workers have been successfully recruited to commence no later than March 2017.
- 4.9 Partnership with Bournemouth University to deliver a social care academy.
- 4.10 Introduction of Case Management Protocol.
- 4.11 All social work staff reassessed externally with the support of Bournemouth University and interviewed for posts in the new Care & Protection arrangements.
- 4.12 Implementation of new Care and Protection structure from the 5th September 2016. Achieving £800k savings over a full year.
- 4.13 The new teams have aligned with the Way We Work accommodation project resulting in a reduced number of bases. This has contributed £180k of revenue savings being released.

- 4.14 At the heart of practice a focus on outcomes by shifting the emphasis on to direct work rather than process has begun to strengthen families and communities to keep children safely at home. This will now be achieved through three specialist areas: Care and Support; Help and Protection and Safeguarding Standards and through working in partnership with the colleagues across Children Services, the Council and Partners.
- 4.15 The Directorate collapsed 5 points of contact across the County with the introduction on 5th September when we implemented a new Single Point of Contact to triage and assess concerns regarding Childrens wellbeing and welfare. This has been in preparation for a co-located Multi-Agency Safeguarding Hub (MASH) with Bournemouth and Poole councils, Dorset Healthcare Trust and Dorset Police starting in January 2017. This has immediately achieved a consistent approach which has improved decision making and feedback to get it right first time.
- 4.16 Introduction of Department of Education means test template for all permanent carers allowances (Adoption and Special Guardianship) to deliver a consistent approach which will provide more effective financial management.
- 4.17 Looked after Children have remained stable since May 2016, with the only increase attributable to Unaccompanied Asylum Seeker Children (UASC). The budget for Looked after Children at the beginning of the financial year was rebased because historically this budget had always been overspent and analysis of this budget over two years made it evident that it had been under-funded based on both demand and what we would expect compared to our statistical neighbours.
- 4.18 Our analysis provided a better understanding of our Looked after Children profile which was central to our back to basics improvement plan and was reported previously to Cabinet as part of an external audit and one undertaken by South West Audit Partnership (SWAP).
- 4.19 We have now successfully begun to change the Looked after Children profile which will enable us to turn the curve as planned to reduce the need for long term care. Overall the average figure for LAC in this financial year is currently 495 which includes 38 cases of children with a complex disability and 12 unaccompanied asylum seekers. Our profile now indicates:-
- two thirds of our LAC are now below the age of 13 but a higher proportion are now subject to court orders compared to in 2014
 - 164 are aged between 13 and 18 years
 - 281 are aged between 0 and 12 years
 - Over the course of the next twelve months 58 young people will become 18 years old and will no longer be Looked after but become care leavers

This is a positive direction of travel towards our plan to reduce the numbers of children in need of care. However, the reviewed projections suggest that the reduction in the number of children in care will be slower than initially anticipated and a deeper analysis allows us now to describe a best middle

and worst case scenario. (See Appendix 1) Success is being achieved as a result of our efforts to strengthen social work practices and our new approach to early action and help. In addition, we are continuing to apply all new systems and processes implemented and referenced in this report since 2014 to impact and deliver our aspiration to reduce the numbers of children in care as close to the projected target of 400 by October 2017. (See Appendix 1)

- 4.20 On February 1st, Cabinet will receive a report relating to the implementation of a Regional Adoption Agency for which we are currently a demonstrator site to deliver this new national policy by July 2017. We are proud of our achievements relating to Adoption during this period. There are currently 22 children placed for adoption and it is envisaged that adoption orders will be achieved by the end of the financial year.
- 4.21 Work with Loughborough University during December has resulted in Children Services becoming an early adopter this month (January 2017) to use a new cost calculator which is a tool to more effectively analyse both unit costs and value for money against outcomes to support social work decision making. The Directorate has also been asked to participate in the creation of an edge of care/prevention cost calculator with the University.

5. Next Steps 2017-2020

- 5.1. To take account of our learning and achievements, through the improvement plan, Ofsted inspection and our Forward Together for Children plan. We are now focused on a series of next steps to achieve our vision for whole system change (and will be linked to the NHS sustainable transformation plan) to achieve:-
- Prevention at scale
 - A high quality social work provision
 - The use of Business Intelligence and commissioning to inform future service design
 - Becoming a learning organisation.

Appendix 2 sets out our refreshed overall plan (FT4C) at a high level. The detailed project workstreams/activities and financial profile will be completed by January 2017.

- 5.2. Four key themes have been identified to establish Care & Protection as part of the Forward Together for Children Programme to accelerate the delivery of improved service outcomes and budget management. These themes will seek to deliver against the Corporate Plan, the Health and Wellbeing plan, the Dorset Safeguarding Childrens Board plan, the Childrens and Young Persons plan and the Forward Together for Children plan.

6. Establishing Care & Protection

- 6.1. **Prevention - Children's Services want fewer children and families to require a statutory service because families are supported at an earlier stage.**

6.1.1. Activities that will be led by Care & Protection for example:-

- Investing in workforce development to strengthen direct work
 - An outcome based approach to decision making
 - Embedding the re-introduction of Family group conferencing
 - Enabling and supporting partners within the county council and externally to have the confidence in managing need and risk appropriately
 - Scaling up resources through family focus with young people edging into care
 - Improved arrangements for information sharing and implementation of new case management system
 - Review how we deliver our duties to provide services to children in need under Section 17 (1989 Children Act)
- } Reinvigorating Social Work

6.2. **Protection - Children's Services want all children and young people to be supported to live within a Family where they are kept safe from harm, outside of the involvement of a statutory social work agency, where risks are managed appropriately.**

6.2.1. Activities that will be led by Care & Protection for example:-

- Strengthen quality of assessments and report writing
- Strengthen specialist skills and knowledge as expert witnesses for court
- Full implementation of the Pan Dorset Multi-Agency Safeguarding Hub (MASH)
- Strengthen management oversight and reflective supervision
- Strong performance and budget management
- The reflective use of case audit and quality assurance for continuous improvement
- Strengthen feedback from the learning from serious case reviews

6.3. **Looked After Children - Children's services want the number of children and young people who remain in the care of the Local authority to reduce.**

6.3.1. The Local authority have a statutory duty to provide a safe, alternative "family" home within a fostering, residential, or family setting. This responsibility applies to any child who is outside of the family home setting for more than 70 days in a year. Therefore children who are in a residential school setting due to their complex needs will come into this category but those children who receive short breaks of less than 70 days do not.

6.3.2. Activities that will be led by Care & Protection for example:-

- Strengthening the new team arrangements focused on Care & Support
- Improved permanency planning
- Continue tracking and monitoring of all new entrants to care
- Greater scrutiny of care planning through the review process
- Strengthening Corporate Parenting arrangements
- Using the cost calculator to evaluate value for money decisions
- Explore capital investment opportunities to provide different options for time out for children and families

6.3.3 Sufficient provision of appropriate and affordable fostering and residential care in Dorset is key to good outcomes for children and young people who require our care as well as managing budgets effectively. We know there is currently insufficient capacity in our internal fostering and residential care provision. We

also know that the cost of delivering in house foster care in particular is significantly cheaper than independent foster care. (£450 per week, in comparison to £900 per week). This differential is a significant contributing factor to the Looked after Children budget pressure. (See Appendix 1).

6.3.4 To address this issue, a review is currently being undertaken and will be completed in February 2017 providing recommendations to increase our in-house fostering capacity.

6.4. **Business Continuity - Children's services want to deliver reduced budget cost through ensuring that the internal and external operational delivery systems required to deliver social care are effective and efficient.**

6.4.1 Activities that will be led by Care & Protection for example:-

- Embedding the people plan
- Strengthening sickness and staff performance management
- Maintaining focus on recruitment and retention of social workers
- Quality assurance and application of data protection and record keeping

7. Conclusion

7.1 Cabinet are being asked to note the progress that has been made. The complex issues that the service has been managing and the ongoing plan of work to deliver a sustainable operating model whilst ensuring the welfare of Dorset's children is safeguarded.

Sara Tough

Director for Children's Services.

Appendix 1:

Budget – Care and Protection; Looked After Children

5.3.1 Background

The number of children in the care of the local authority has increased from a level of around 340 at any one time in 2013, to 499 at the end of November.

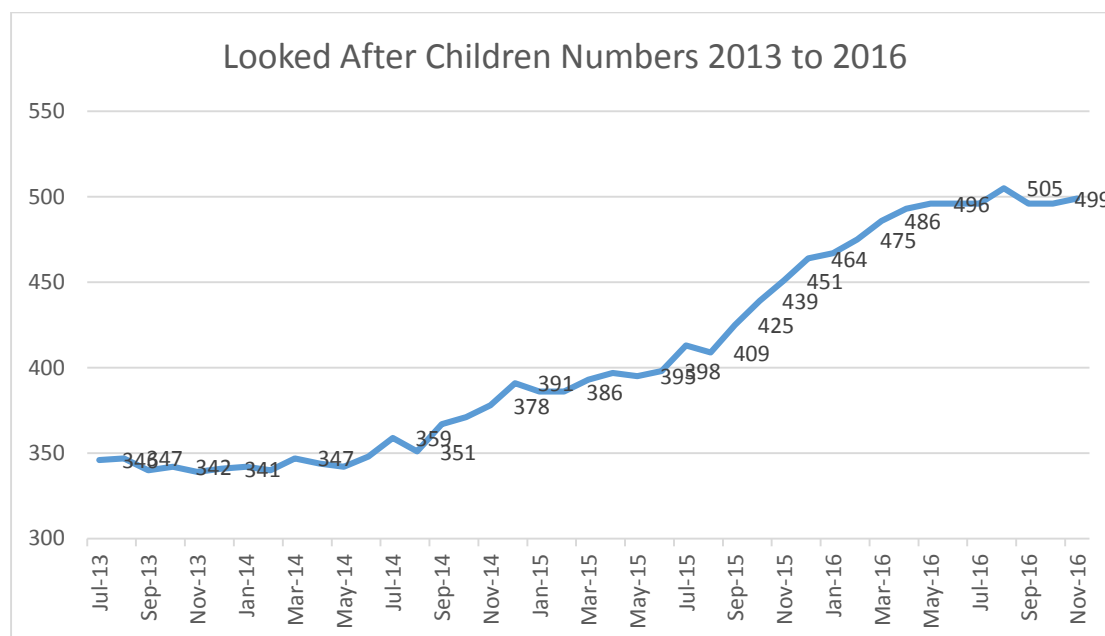


Chart 1 – LAC 2013 to 2016

5.3.2 This has resulted in continuing budget pressures during 2013/14 through to the current financial year. These pressures and the changes in budget are illustrated in Table 1. The budget lines include all placements and allowances and include children with a disability. Whilst additional base funding was invested in 2016/17, this replaced one off funding which was removed.

Financial Year	Budget £000	Actual/ Forecast £000	Over - spend £000	LAC 31 March	Average LAC
2013/14	9,999	13,379	-3,379	347	342
2014/15	10,628	13,332	-2,704	393	368
2015/16	10,770	16,771	-6,000	486	434
2016/17	12,520	19,122	-6,603	479	494

Table 1- Budget pressures

5.3.3 During the budget review process of 2016/17, benchmarking analysis of the number of children in care in local authorities with similar demographics to Dorset was undertaken, which suggest that that Dorset should expect to have 400 children in care at any one time and the base budget was increased by £3m to meet this demand. A further £5m of one-off funding was also made

available in order to fund the costs of accommodating the actual number of children (expected to peak at 500), while work is undertaken to reduce the number to 400 by October 2017.

5.4 2016/17 Financial Position and Analysis

5.4.1 £4m of the additional £5m of one off funding was allocated to 2016/17, with a further £1m to 2017/18. Chart 2 illustrates the anticipated changes in numbers that determined the profile of this funding, progress to date and the latest forecast.

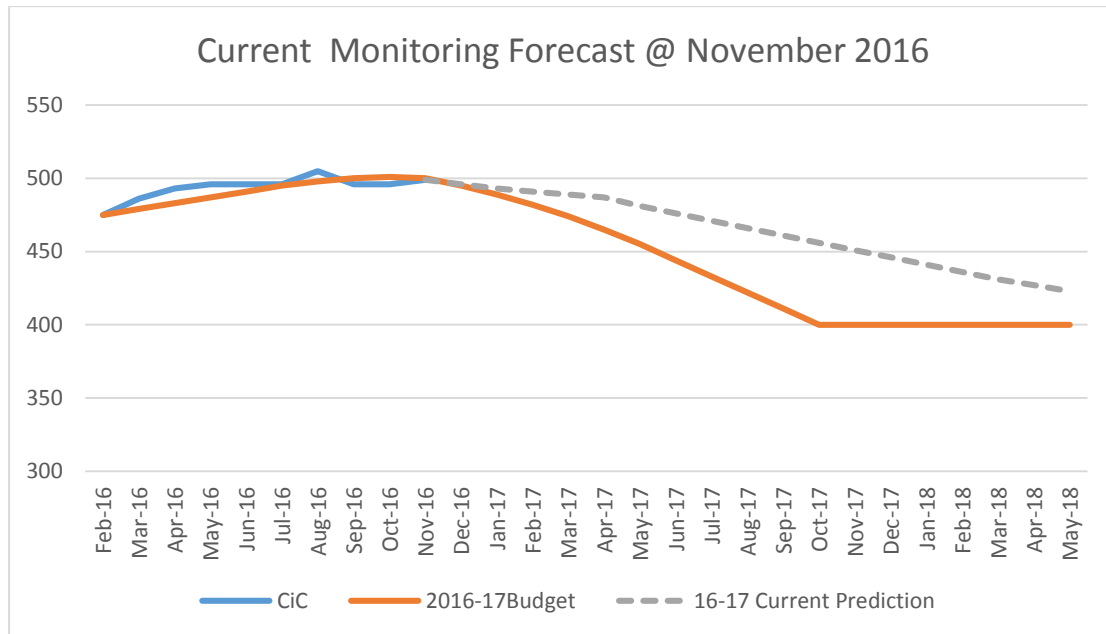


Chart 2 – Budgeted LAC numbers vs actual and latest forecast

5.4.2 The reviewed projections as highlighted in the main report suggests that the reduction in the number of children in care will not be at the rate that was initially anticipated. Detailed analysis of the cohort of children in care shows that there have been changes to this group which will affect the rate of reduction.

5.4.3 There are a number of children with complex disabilities requiring high cost placements not available locally; there are increases in unaccompanied asylum seeking children; there are changes in legislation to accommodation requirements for offenders.

5.4.4 Progress has been made in reducing the number of adolescents entering care with the majority of new entrants to care being babies or young children.

5.4.5 The focus now is on identifying permanent families for this latter group of children to increase the pace of moving these children out of the care system and outside of any statutory social work involvement.

5.5 Cost / Price of placements

5.5.1 Whilst numbers of children are not significantly different to what was budgeted for, the cost of accommodating new children in care has been higher than originally envisaged when the additional one off funding was allocated.

5.5.2 The most effective placements are in-house foster placements at approximately £450 per week, compared to an independent fostering placement of £950 per week. Chart 3 shows the relative changes in number and type of fostering placements.

5.5.3 A review of the fostering service has been commissioned and will review allowance rates, skill requirements and roles and responsibilities and expectations of workers in order to increase capacity.

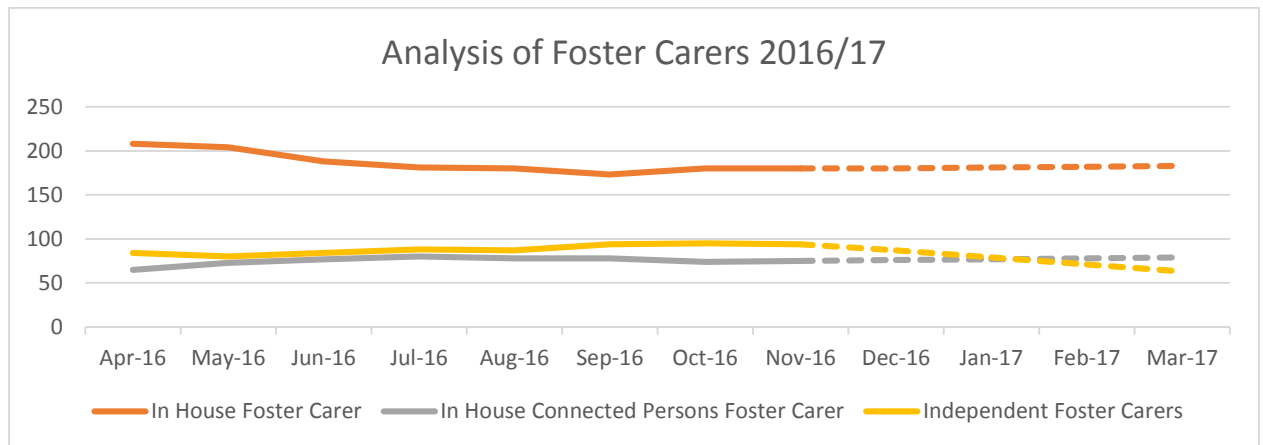


Chart 3 – Changes in types of fostering arrangement

5.5.4 A further reason for the higher than budgeted spend is that the number of children in independent residential accommodation has increased during the year. These placements cost on average £5,250 a week, with a significant contribution from the looked after children’s budget. A joint funding formula is in place agreed by all partners. Chart 4 illustrates the changes in residential placements throughout the financial year.

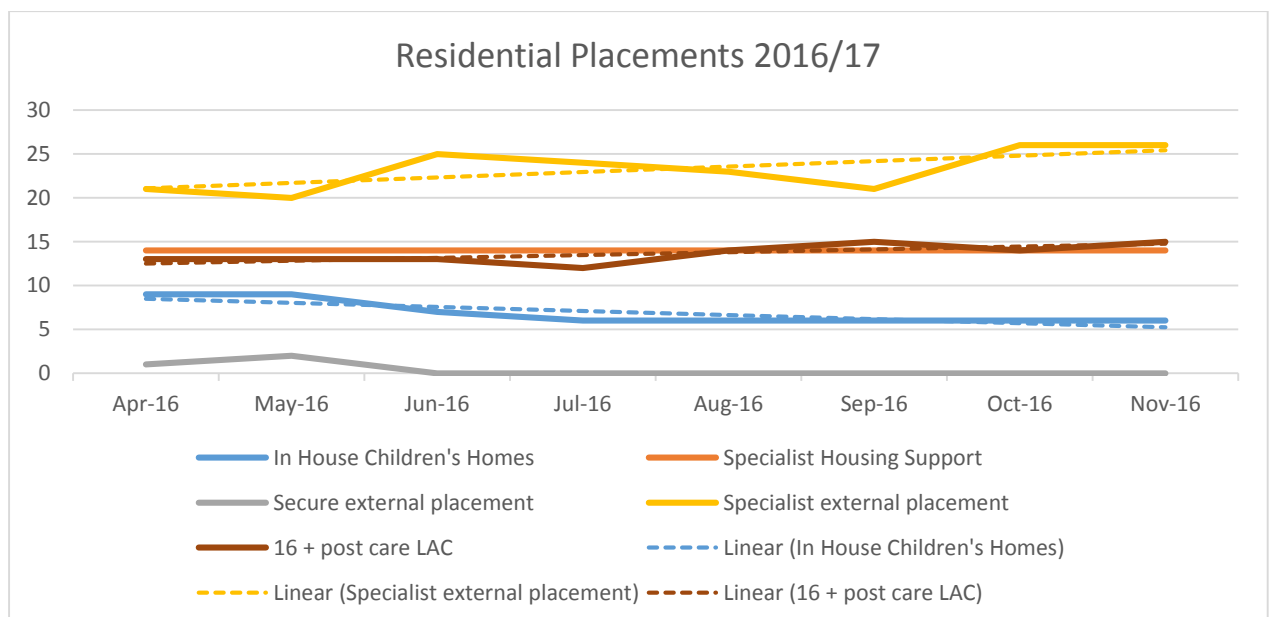


Chart 4 – Residential Placements 2016/17

5.6 Revised projections

5.6.1 Work to revise the projected numbers of children in care has been completed based on more detailed analysis using a range of scenarios: best, middle and worst case. Using up to date unit cost information this has been costed to show the likely impact on the budget.

5.6.2 Due to the mix of type of placement and associated costs this is not an exact science, however, Chart 5 shows the projected range in terms of LAC numbers excluding unaccompanied asylum seeking children (UASC), as funding is received from central government to contribute to these costs. A separate piece of work is underway to assess the financial impact of taking UASC.

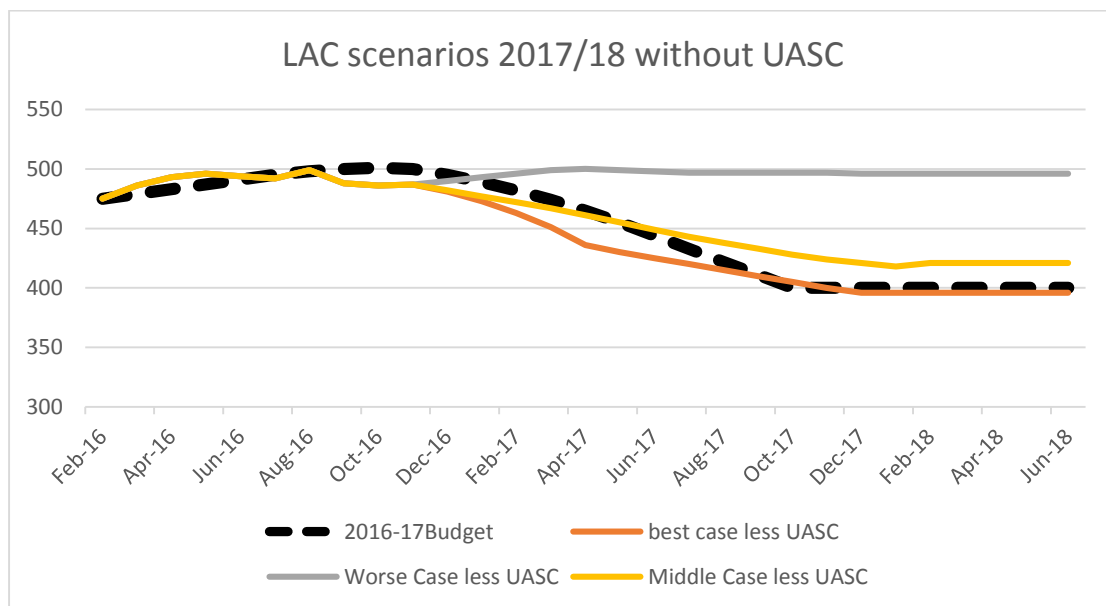


Chart 5 - LAC modelling vs original budget to end of 2017

5.6.3 The costing of the middle and best case scenarios makes a number of key assumptions based on practice changes and new systems and processes:

- All in house residential homes stay fully occupied
- There is a steady increase in the number of in house foster carers from the current level of 255 (including connected person carers) to 280
- There are reductions in external residential placements from 26 to 18
- There is an increase in the level of post 16 supported lodgings in line with demographics
- That identification of alternative specialist provision is provided within Dorset for children who are disabled and have significant needs.
- The sufficiency commissioning strategy delivers specialist residential/fostering provision for younger children who have been sexually abused within Dorset.
- The concept of remand foster placements are developed to avoid high cost residential provision.

5.6.4 The financial impact of this is summarised in Table 2, and suggests that based on the current profile of numbers of LAC as at November 2016 that in the best case scenario an increase in the base budget of around £1m per annum will be required (assuming the additional one off £1m of funding remains available in

2017/18); in the middle case scenario, £2m and in the worst case scenario £6m.

		Best Case		Middle Case		Worse Case	
Annual Year Summary	Budget	Actual	Shortfall	Actual	Shortfall	Actual	Shortfall
	£000	£000	£000	£000	£000	£000	£000
2016/17	16,672	18,673	-2,001	18,781	-2,109	18,981	-2,309
2017/18	13,672	14,822	-1,150	16,053	-2,381	18,981	-5,309
2018/19	12,672	13,597	-925	14,641	-1,969	18,981	-6,309

Table 2 – LAC budget scenario analysis

5.6.5 The teams are working tirelessly to deliver the best case scenario.

6. Unaccompanied Asylum Seeking Children- (see separate Cabinet report on Unaccompanied Asylum Seeking Children dated 18 January 2017)

7. Agency Spend

7.1. Background

7.1.1. There was a comprehensive cabinet report in relation to the solution for agency workers presented on 10 October 2016.

7.1.2. The report proposed a number of solutions to reduce the reliance on agency social workers, including the potential of moving towards a managed service.

7.2. Current Position

7.2.1. The Agency Report set out planned reductions in vacancy levels and therefore agency numbers, in line with the recruitment strategy that outlined in the report. The projected reduction in agency staff is illustrated in Chart 6.

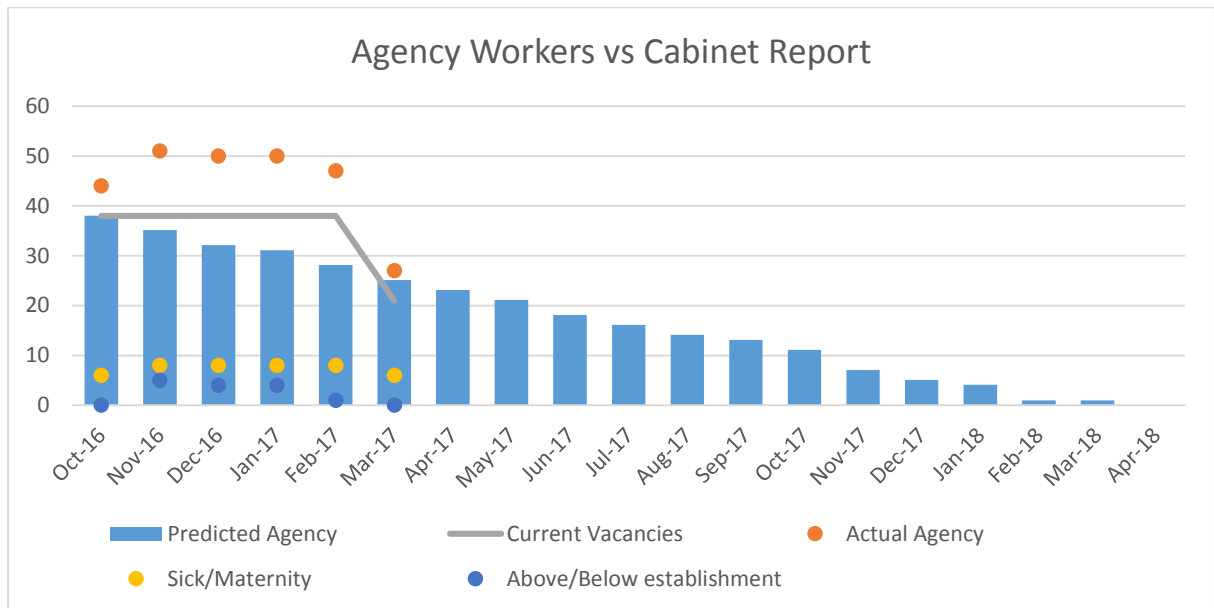


Chart 6 – Agency Workers employed vs Cabinet report projections

7.2.2. There are currently 51 agency staff engaged, against 38 vacancies and 8 staff on sickness or maternity leave. There are therefore 5 agency staff that have been engaged above the establishment level, to deal with backload case work.

7.2.3. The current cost of agency is projected to be £3.2m, with a forecast overspend net of vacancies of £2.2m. More work is required to assess why the net overspend is this high. Typically agency workers costs around 60-80% more than permanent staff, so this would account for around £800k of the overspend. The Care and Support restructure has made this analysis more complicated.

7.2.4. The reductions in use of agency staff is unlikely to follow the straight line laid out in Chart 6 due to the nature of the approach to recruitment, however is on target to reduce to the expected level by April 2018. The recent recruitment campaign has resulted in 17 new social workers being appointed who are due to commence work during January, February and March.

7.2.5. Currently there is no agency budget held within Care & Protection, as they have traditionally been funded through vacancy management. This is an acceptable strategy when vacancy levels are low, but is unsustainable when vacancies are as high as they currently are.

7.3. 2017/18 Budget

7.3.1. As a result of the Cabinet report, it was anticipated that there would be a need for agency workers into the 2017/18 financial year. Therefore, in recognition of this, a cost pressure of £732k has been factored into the budget savings that are required to be made by Children’s Services, in the same way that Directorates are expected to fund the cost of salary increments. Progress against savings has been highlighted in the main body of the report.

7.3.2. Providing progress continues to be made there should be no further requirement for additional budget for agency spend in 2017/18 and beyond.

Appendix 2: Forward Together for Children Programme Overall Plan

