

Agenda

Cabinet

Thursday, 28 September 2017, 10.00 am
County Hall, Worcester

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DISCLOSING INTERESTS

There are now 2 types of interests:
'Disclosable pecuniary interests' and **'other disclosable interests'**

WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3rd party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

NB Your DPIs include the interests of your spouse/partner as well as you

WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
 - you must **not participate** and you **must withdraw**.

NB It is a criminal offence to participate in matters in which you have a DPI

WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
 - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

Cabinet

**Thursday, 28 September 2017, 10.00 am, County Hall,
Worcester**

Membership: Mr S E Geraghty (Chairman), Mr A T Amos, Mr A I Hardman,
Mr M J Hart, Mrs L C Hodgson, Ms K J May, Mr A P Miller,
Dr K A Pollock, Mr A C Roberts and Mr J H Smith

Agenda

Item No	Subject	Page No
1	Apologies and Declarations of Interest	
2	Public Participation Members of the public wishing to take part should notify the Head of Legal and Democratic Services in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case 27 September 2017). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.	
3	Confirmation of the Minutes of the previous meeting The Minutes of the meeting of 20 July 2017 have been previously circulated.	
4	Children's Social Care Update	1 - 26
5	Resources Report	27 - 36
6	Worcestershire Data Sharing Charter	To follow

NOTES

- **Webcasting**

Members of the Cabinet are reminded that meetings of the Cabinet are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

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To obtain further information or a copy of this agenda contact Simon Lewis, Committee Officer on Worcester (01905) 846621 or email: slewis@worcestershire.gov.uk

All the above reports and supporting information can be accessed via the Council's website.

Date of Issue: Tuesday, 19 September 2017

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CABINET
28 SEPTEMBER 2017**CHILDREN'S SOCIAL CARE UPDATE**

Relevant Cabinet Member

Mr A Roberts

Relevant Officer

Director of Children, Families and Communities

Recommendation

- 1. The Cabinet Member with Responsibility for Children and Families recommends that, in compliance with the Statutory Direction issued by the Secretary of State for Education on the 19 September 2017, the Cabinet:**
 - (a) notes the progress made against the Service Improvement Plan and provide comment for consideration in the continuation of this work;**
 - (b) approves the appraisal of a range of options for the different forms of an alternative delivery models for Children's Social Care Services, against the set of key principles outlined in paragraph 21, with the outcome of this appraisal being reported to Cabinet in December 2017;**
 - (c) approves the proposal to commission external expertise to support the Council in considering the range of alternative delivery models for Children's Social Care Services; and**
 - (d) delegates responsibility to the Director of Children, Families and Communities, in consultation with the Cabinet Member with Responsibility for Children and Families, to establish a Programme Board to develop the ADM.**

DFE commissioner

- 2. In March 2017, the DfE appointed Trevor Doughty (Director of Children's Services at Cornwall Council) as the Children's Commissioner for Worcestershire. The review took place at the end of March and beginning of April 2017. The Commissioner's report has made a recommendation for the Statutory Direction of Worcestershire Children's Services (Appendix 4).**
- 3. On the 19 September 2017, the Secretary of State for Education issued a revised Statutory Direction to the Council alongside the publication of the Children's Commissioner's report of 9 June 2017. The Direction sets out the requirement for options for an alternative delivery model and full business case to be produced for the DfE.**

4. The DfE have extended the contract of Trevor Doughty as Children's Commissioner for Worcestershire, until 29 September 2018.

Improvement Partner

5. Essex County Council has been formally appointed as Worcestershire's Improvement Partner, and will develop a programme of work to provide support and challenge to the Council's service improvement.

6. Essex County Council are recognised nationally as a 'best in class' improvement partner due to their track record of improving their own services and then working with other Local Authorities to deliver tangible, sustained improvement. Essex County Council is also statistically comparable to Worcestershire County Council and therefore has many similar characteristics. Their similarity to Worcestershire, along with their national reputation, makes them an excellent fit to support the Council's improvement journey.

7. Work began on 25 August with team diagnostic in one of our locality areas, followed by further team diagnostic of Assessment teams at the Family Front Door on 05 and 06 September 2017.

8. In light of the Council's new working relationship with Essex County Council, governance arrangements for the improvement plan are under revision, and the existing Service Improvement Board has been stood down. New arrangements will be scheduled in a way that will best complement the programme of Ofsted monitoring visits and not distract from service delivery and improvement. Arrangements will be made for monitoring and reporting on progress between meetings to ensure visibility of progress to the Commissioner and DfE as well as carefully considering how to continue to engage Members and Partners.

Priority Plan and Progress

9. The first Ofsted monitoring visit took place on 23 and 24 May 2017 and focused on the Family Front Door service (contacts and referrals into social care and targeted early help services). Ofsted deemed that the Local Authority was not making the expected progress to improve services for children and young people. Whilst acknowledging our service improvement plan as a comprehensive plan, Ofsted suggested that an absence of clear priorities was impeding the Council's ability to make tangible and sustained change in any one area. Ofsted also reported that learning from audits was not evidencing an improvement in practice and LSCB thresholds were still not sufficiently understood and/or being applied consistently.

10. As a result of this feedback, as well as initial feedback from our DfE appointed Commissioner, a priority Improvement Plan was established, focusing on four areas:

- **Family Front Door** – Management of Contacts, Referrals and Assessments
- **Early Help** – Remodel the Early Help Offer
- **Culture** – Create a Child-focused and Accountable Culture
- **Quality Assurance** – Understand What 'Good' Looks Like

11. The revised plan has been endorsed by Ofsted and was agreed at the Service Improvement Board on 28 June 2017.

12. See Appendix 1: Priority Plan Progress report (this will be available for distribution to Cabinet with this report by 19 September).

Alternative Delivery Model (ADM)

13. Worcestershire County Council's Children's Social Care Services is working to improve the quality and effectiveness of its services including social work practice. As part of this improvement journey, and in response to both the Ofsted inspection and the Children's Commissioner's report (published 19 September 2017), the Cabinet Member with responsibility for Children and Families recommends that the Council voluntarily considers alternative delivery models (ADM) for Children's Social Care Services in order to both accelerate and sustain improvement.

14. The Ofsted inspection and Children's Commissioner's report will document the case for change in Worcestershire and clarify that there is currently insufficient evidence to demonstrate fully that continuing to provide services in-house will deliver and sustain the necessary improvements. This approach also supports the DfE policy document published in July 2016 'Putting Children First' which makes clear that due to greater regional collaboration, local strategic decisions and swifter intervention from central government, there will be a growth in such alternative delivery models. The DfE are encouraging ADM arrangements for Authorities to consider. Cornwall Council, who are rated good by Ofsted, were successful in receiving an DfE innovation grant to develop ADM arrangements for their services.

15. However, it is important to note that an alternative delivery model does not automatically lead to improvement. As such, the key factors for making a success of an alternative delivery model are the same as those for making a success of any long-term improvement. The LGA/ISOS March 2017, research into the role and models of external improvement support for local children's services 'Enabling Improvement' summarised two key factors in the successful establishment of an alternative delivery model.

16. Firstly, it is vital that staff, partners, service users and other stakeholders are engaged meaningfully in shaping the overall vision for improvement and determining how the creation of an ADM will help achieve the vision. Secondly, the research highlighted that it is crucial that there is absolute clarity about the way in which the relationship between the body delivering children's services – whether this is a newly created, independent organisation or a partnership with another local authority – and the Council functions. Specifically, this includes matters such as governance and accountability, the interface and transition between services (e.g. children's services and education, children and adult services) and the interface with back-office and support functions.

17. There is also learning to be taken from other Local Authorities that have already moved to or are in the process of moving to an ADM for Children's Services. Many describe the biggest benefit being the ability to create a 'big bang' or 'clean break' effect that provides a clear signal for change. There are also benefits around having a single entity that's sole focus is on improving outcomes for children and young people as well many operational benefits such as recruiting and retaining quality staff.

18. However, there are also risks, issues and challenges to pursuing this approach that will need to be properly understood and addressed. Firstly, it is crucial that the

development of an ADM needs to add value to, and not distract, the improvement work taking place across children's social care. There are also technical and operational implications that will need to be addressed including those relating to finances (e.g. VAT), Information Governance, impact on existing contractual arrangements, IT systems and the ongoing relationship with Worcestershire County Council. The development of the ADM also needs to form part of the broader implementation of Worcestershire's Children and Young People Plan (children and young people at the heart of everything we do) and play its full part in the broader system of services focused on children and young people.

19. It is therefore imperative, that in order to do the right thing for Worcestershire's children and young people, careful consideration is given to the range of potential alternative delivery models and the scope of services included within it. Whilst it is important to take learning from those other areas that are also pursuing or have ADMs, Worcestershire will have its own unique set of circumstances and the preferred model needs to be the right fit for Worcestershire. There will need to be careful consideration of the benefits and risks of the case for change with full member, partner and staff involvement and it is recommended that external expertise and additional capacity is procured to support the completion of this work.

20. In developing these proposals the Cabinet Member with Responsibility for Children and Families recommends to Cabinet that the options appraisal of a full range of models (see Appendix 2) and clarification of services including scope should be guided by a set of key principles which are outlined in paragraph 25. The Cabinet Member with Responsibility for Children and Families also recommends to Cabinet that, at this early stage of developments, any consideration that is given to scope of the ADM should be refined and clarified as part of the development of the full business case.

21. The model and scope for an ADM needs to:

- Provide a single and unwavering focus on providing the best services to children, young people and families;
- Complement, not distract, the existing improvement work within children's services
- Be able to support and develop the best social work support to children and families;
- Be able to accommodate a range of children's services in addition to those under statutory direction if so desired;
- Provide the conditions for operational independence;
- Consider the delivery of children's services as part of wider system and not unnecessarily add additional complexity into the system or place un-due pressure on relationships with partners;
- Consider market maturity and risks associated with this;
- Consider the significant and avoidable financial implications for the Council including the impact of current service contractual arrangements; and
- Play a full part in the implementation of Worcestershire's Children and Young People's Plan and demonstrate impact that Worcestershire's children and young people:
 - Are safe from harm
 - Reach their full potential
 - Make a positive contribution in their communities
 - Live healthy, happy and fun filled lives

22. The programme for developing and ADM will be broken down into a number of phases. These are broadly outlined below and will be refined throughout the development of the programme.

- Phase 1: September – November 2017: Consideration of options with preferred recommendation
 - 14 December 2017 Cabinet
- Phase 2: November 2017 – March 2018: Detailed Business Case
- Phase 3: April 2018 to March 2019: Design
- Phase 4: April 2019: Shadow implementation
- Phase 5: April 2020: Full implementation and benefits realisation.

Scrutiny by the Children and Families Overview and Scrutiny Panel will also be built into the timescales

23. One of the critical success factors to developing ADMs in Children's Services that was raised in the LGA/ISOS research (see paragraph 19) was the engagement of staff, partners, service users and Members. A comprehensive communication and engagement plan will be developed and implemented as part of the programme plan which will include regular face-to-face briefings for key groups.

Children's Social Care Investment

24. A mix of permanent and temporary transformation funding has been allocated to support the Service Improvement Plan giving a total in year revenue increase of £4 million, alongside £1 million for capital investment into systems and technological improvements. £3 million of the revenue funding has been allocated to social care and £1m for corporate support.

25. The revenue investment has been allocated to support increased capacity for
- Family Front Door – to increase the number of teams and management capacity to support the increased demands upon community teams, contact and referral and assessment
 - Appointment of practice leads in safeguarding and permanency teams to improve social work quality of practice and support team managers with case load management requirements
 - Independent Review Officers and Child Protection Chairs to ensure a focus on timeliness of reviews and statutory case conferences
 - Case progression officers to bring pace to cases which are required to be presented to court
 - Administrative support in each of the 12 locality teams to ensure information is recorded on case management files in a timely and efficient manner and provide performance monitoring reports
 - Personal Advisers, accommodation and additional financial contributions for care leavers
 - Training and development for all staff including the development of the signs of safety model
 - Legal, programme management and commercial support

Financial Pressures / Placements for Looked After Children

26. The most significant area of financial pressure is within the Looked after Children's placement budget. As part of developing the medium term plan, investment is required to put the service in the best position to achieve the best outcomes for Worcestershire's most vulnerable children and young people.

27. Detailed monitoring is taking place of our Looked After Children, those entering and those leaving our care, and their associated placements/costs. As a result the service is forecasting a financial pressure of £6 million in 2017/18. This outturn assumes the successful delivery of £1 million from an action plan for the remainder of the financial year, including activity described below to:

- Reduce the number of new entrants where it is safe to do so "Edge of Care"
- Increase in house foster care provision to create a resilient resource to meet need and demand.
- Challenging the rise in placement breakdowns and residential demand
- Increase internal residential provision to meet need and demand.

28. The local forecast demand pressure within services for Looked after Children is consistent with that facing a number of other local authorities nationally especially those who are on a similar improvement journey following an Inadequate Ofsted judgement.

29. During the 6 months post-Ofsted there was a significant increase in children starting care, compared with last year. This is reflective of what has happened in other councils post an inadequate judgement and is reflective of the protective safeguarding work being undertaken in the service with children subject to child protection and pre-proceedings work. In comparison the numbers leaving care have decreased and it is essential to secure clear, safe permanency arrangements before they can leave care, which can take longer to achieve.

30. The result has therefore been an overall rise in the number of children in our care rising to 67 per 10,000 which is above the national average of 60 per 10,000.

31. Following this initial increase at the end of 2016/17 in the first four months of 2017/18 the number of new entrants into care has stabilised and is now similar to the number of children starting care in the same period last year.

32. Safeguarding services and Fostering services are working together to ensure, where it is appropriate, we identify a "Friend, Family and Connected person (FFC)" to care for a children where they cannot remain with birth parents. There has been a 42% increase in the number of children cared for in FFC placements compared to this period last year.

33. In financial terms the Council is continuing to achieve best value reflected by the unit cost per placement being lower than at the same point last year.

34. However we are also seeing an increase in the number of placement breakdowns with children in internal foster care placements, and some in internal residential placements, breaking down and needing external foster care or residential care.

35. In response to this the service has developed a number of strands of key activity.

36. Reduce the number of new entrants where it is safe to do so "Edge of Care". In May 2017 the service re developed its Edge of Care service which focuses on preventing children coming into the care system where it is safe to do so. Since its implementation the service has been successful in engaging young people (56%) and their parents (84%) in "Edge of Care" panel meetings where a range of crisis support services are offered including, short breaks, family group conferences and Specialist Family Support provision.

37. A sustainability review of the Edge of Care service was carried out three months after its commencement which confirms that the service has been able to prevent 23 out of 26 children coming into care during the first three months of its implementation. In financial terms the cost avoidance of a single child coming into an internal foster care placement for 12 weeks is £5,724. For 23 children this is cost avoidance of £131,652. Further information on the Edge of Care service offer can be found in our Edge of Care leaflet – Appendix 3

38. Increase in house foster care provision to create a resilient resource to meet need and demand. A business plan in Fostering Services has been developed for 2017/18 which focuses on recruitment, retention and support of internal foster care placements.

39. Challenging the rise in placement breakdowns and residential demand. A cross service action plan has been developed to review the process and standards for managing placement breakdown.

40. Increase the residential internal provision to meet need and demand. A business case for the development of the in-house residential provision has been completed, the detail of which is included within the Resources Report elsewhere on this Cabinet agenda.

Supporting Information

- Appendix 1 – Priority Plan Progress report.
- Appendix 2 – Options to be considered in appraisal of Alternative Delivery Models
- Appendix 3 – Edge of Care leaflet
- Appendix 4 – Statutory Direction
- Appendix 5 – Commissioner's Report
<https://www.gov.uk/government/publications/worcestershire-childrens-services-non-executive-commissioners-report>

Contact Points

County Council Contact Points

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Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Director of Children, Families and Communities) the following background papers relate to the subject matter of this report:

- Agenda and background papers for the meeting of the Cabinet held on 02 February 2017
- Agenda and background papers for the meeting of the Cabinet held on 06 April 2017
- <https://www.gov.uk/government/publications/revised-direction-issued-to-worcestershire-county-council>



Working Together

Improving the lives of children and young people

in Worcestershire

Worcestershire County Council

Children's Social Care: Service Improvement Plan

(PRIORITY ACTION PLAN: JULY – SEPTEMBER 2017)



worcestershire
county council



Introduction

1. Following an Ofsted monitoring visit undertaken on 23 and 24 May 2017 (focusing on the Family Front Door service) and proposed final recommendations presented by our DfE Children's Commissioner on 9 June 2017, the Council and partners, sponsored through the Service Improvement Board, have re-focused their improvement priorities to address the key concerns / feedback provided.
2. This document sets out the immediate priorities for our improvement journey for the period from June 2017, leading up to the next Ofsted monitoring visit on 12 and 13 September 2017.
3. The four priorities are :
 - Family Front Door – Management of Contacts, Referrals and Assessments
 - Remodel the Early Help Offer
 - Culture – Create a child-focused and accountable culture
 - Understand What 'Good' Looks Like

Our Vision for Children and Young People

4. Taking the lead from the Worcestershire Children and Young People Plan (2017-2021), our **vision** is for Worcestershire to be a wonderful place for all children and young people to grow up. We envision a supportive community where children and young people are safe, secure, and nurtured into successful independence.
5. Our **mission** as a Directorate is to deliver high quality services to children, young people and their families.
6. Our core **values** are:
 - We believe that all children and young people should be at the heart of everything we do
 - We will make a positive difference to every child we work with
 - We will we keep families together where it is in the best interests of the child
7. We will ensure children achieve the following **outcomes**:
 - Are safe from harm
 - Reach their full potential
 - Make a positive contribution in their communities
 - Live healthy, happy and fun-filled lives
8. The way we will work:
 - **Listen to, hear and understand** children, young people and families
 - Find strengths and build on positives to help **people help themselves**
 - Prioritise **partnerships** to improve outcomes - doing things with people, instead of to them, for them or doing nothing
 - Focus on **adding value** and keep asking 'is anyone better off / is anyone worse off'?
 - Be **brave** enough to always do the right thing for children and young people

PRIORITY 1			
Family Front Door – Management of Contacts, Referrals and Assessments			
Benefit for Children and Young People: High-quality decision-making on children's needs, through consistent application of LSCB revised levels of need, and without delay.			
Activity	Owner	By When	What will be different by September 2017
Develop and implement new multi-agency protocol and workflow arrangements for the management of Contacts, Referrals and Strategy discussions at the Family Front Door	TiRu	18 Aug 2017	Compliance with <i>Working Together</i> <ul style="list-style-type: none"> • Timescales of referral decisions in 24 hours • Health, police and education contributions to strategy discussions at the FFD will be over 95% • All referral decisions will be made in line with the LSCB revised levels of need document
All staff, including partner agencies at FFD and Early Help understand revised levels of need guidance and revised workflow arrangements – reinforced through team meetings and supervision	ShMo	31 Aug 2017	All FFD and Early Help employees and commissioned staff will be applying thresholds appropriately and consistently
Establish daily MASH meetings to support multi-agency information sharing and joint decision making arrangements at the FFD	TiRu	31 Aug 2017	MASH will be an effective forum for identifying a multi-agency chronology of information on which to base sound decisions on the level of need and risk
Address backlog of open assessments through provision of additional social work and team manager capacity	TiRu	18 Aug 2017	All new assessments to be completed within 45 days maximum
Assessments Dashboard to be amended to include timeliness of visits to children during the social work assessment. This will be added to Safeguarding TM Performance Management Dashboards	EmBr	3 July 2017	Immediate access to live performance data and compliant with standards.

PRIORITY 2:			
Remodel the Early Help Offer			
Benefit for Children and Young People: Children and young people are able to access the right help early enough to prevent problems escalating and they are assisted to exit statutory services.			
Activity	Owner	By When	What will be different by September 2017
With LSCB partners, produce an Early Help strategy including procedures and practice standards.	ShMo	31 Aug 2017	Strategic partnership commitment and buy-in to delivery of Early Help in Worcestershire and strategy and associated documentation approved by the WSCB
Develop WSCB assurance framework for Early Help in preparation to submit regular reports to WSCB	ShMo	31 Aug 2017	WSCB receive assurance on the effectiveness of the Early Help Offer
Agree operating model for Early Help for internal and commissioned Level 2 and Level 3 early help services	HaNe	1 September 2017	Clarity of vision and implementation plan identified – ready for commencement in September
Revise the pathway between Targeted Early Help and Safeguarding services 'step up and step down'	TiRu	31 July 2017	Increase in numbers and better quality of step up / step down arrangements

PRIORITY 3			
Culture – create a child-focused and accountable culture			
Benefit for Children and Young People: Social care and targeted services staff understand their role and responsibilities and Worcestershire's way of working; and children and young people value their involvement.			
Activity	Owner	By When	What will be different by September 2017
Produce a communication strategy and plan to ensure staff and partners understand the vision, mission and values of the organisation and their role in driving improvement – e.g. SW Conference	ShMo	31 July 2017	Regular communication and events ensuring staff are informed of latest developments
Commence cultural diagnostic (24 July) programme over 12 weeks	BeWi	24 July 2017	Emerging understanding of what are the key drivers of existing culture of practice
Communicate our intention to implement the Signs of Safety model (without distracting staff from priority activity)	DaAd	July / August 2017	Staff have an awareness of the new model
Agree a revised social care operating model that puts the child's experience first	TiRu	31 July 2017	We will have commenced formal consultation on agreed organisational structure
Promote Worcestershire County Council as an employer of choice	RiTā	31 August 2017	We will have a clear revised employment offer that will have demonstrable recruitment improvements
Implement performance management strategy to include proactive identification and mitigation of poor performance	RiTā	31 August 2017	We will be able to identify key challenges in teams and individuals and will be able to take assertive action to improve services to children

PRIORITY 4			
Understand what 'Good' Looks Like			
Benefit for Children and Young People: Children and young people receive purposeful and outcome focussed interventions where their wishes and feelings are understood and acted upon.			
Activity	Owner	By When	What will be different by September 2017
Ensure practice standards are in place for key areas of the business and staff apply these consistently: <ul style="list-style-type: none"> • Allocations and transfers • Visits • Plans • Reviews 	TiRu	18 Aug 2017	Standards understood and applied by staff
Draw together a robust Quality Assurance and Performance Monitoring Framework for safeguarding and targeted services so we can measure our impact against improvement priorities	ShMo	18 Aug 2017	A simplified set of Key Performance Indicators and quality measures and learning communicated from analysis of these
Undertake key audit and observation activity against the priority KPIs to evidence our understanding of the impact of changes – and share key learning with staff and partners	TiRu	31 August 2017	Staff will have an increased understanding of what 'good' looks like and improving compliance with standards



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Alternative Delivery Model Options

No	ADM	Brief Description
1	Continuation of current service arrangements	Do nothing. Services remain in their current form with the continuation of the in-house improvement activity
2	Joint delivery	A partnership with another organisation e.g. another Local Authority where each partner provides services to both under agreement or contract
3	Collaborations with other local authority	Each Local Authority is responsible for their own service delivery but share some aspects e.g. training
4	Managing agent	Individuals, company or another local authority manage the service, but the services are still delivered in their current format. The Council has a contract with the 'Managing Agent' to manage the service on behalf of the Council. If the agent is a private company this would have to be tendered, if it is another council the arrangements would be made directly. In either event the Council would enter into a contract for services
5	Outsource through full tender process (either parts or the full service)	Through a full tendering process source an external organisation to deliver parts or whole of the service. The Council will enter into a contractual relationship with the successful organisation
6	Strategic Partnership with another Local Authority or Organisation	The Council joins forces with another Local Authority/third party provider to provide children's services. This differs from outsourcing or the managing agent model as it would be a partnership with a chosen provider over a number of identified services rather than outsourcing of a contract through a full tender.
7	Independent Organisation – Separate Entity	A separate entity from the Council that is formed to have a single focus on children and young people. There are a number of different models for this see options 8 – 13
8	Joint Venture with a private sector company and/or public and voluntary sector bodies	The Council and a private sector company and/or another public sector and voluntary sector body form a new jointly owned company to sell and deliver the service. Selection of a private sector joint venture partner would have to be tendered. If the Council does not exert significant control over the company any subsequent contract for services would also be subject to tender
9	Wholly owned council company	New company is set up with the Council as the single shareholder. The operational oversight of the company is managed by a Board of Directors. The Council would not have to tender for services as long as it remains the owner of the company and could make a direct award
10	Staff owned mutual	New company is set up taking the form of a mutual or management buyout.
11	Independently owned limited company (i.e. owned by the Board)	New company is set up which is limited by shares or guarantee and is not wholly owned by a public sector entity. The Council would not be able to make a direct award of a contract for services without going through a competitive tender
12	Community interest company	The company is established to protect the assets / services for the public good.
13	Charity	The company seeks charitable status. This could apply to any of 8-11 but does not have any impact on the tender route required.

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Family Meetings

“Empowering families to stay together”

It is a fundamental human right of every child to be raised by their parents, provided it is safe. Where this is not possible, there is strong evidence that children are more likely to thrive within their wider family network than the care system.

The Family Meeting Service aims to reduce the number of children and young people entering care, to reduce the number of children and young people remaining in care and to safeguard children and young people.



Page 19 Family Meetings provide a safe environment for your family to develop a family plan that will address the issues and concerns and find solutions to keep your child safe.

A Family Meetings Coordinator will help to arrange a family meeting, support you in discussing your issues and help you to come up with a plan to resolve these issues. They are impartial and make sure all voices are heard including your child or children.

If you require further information please speak to your social worker.

Edge of Care

Supporting families in crisis and preventing children coming into care where we can improve things for them at home





Outreach

The Outreach Team cover the whole of Worcestershire working 365 days a year and cover evenings, weekends and bank holidays. We will support reunification back home for Young People who are in supported living or supported lodging.

We provide transitional support to young people who are Looked After or Section 17 and are living or about to live in supported living or Lodging. This includes providing support to young people who are living or about to live independently. We support young people to develop independence skills and make successful transitions into adulthood. We can provide assessments and review independent support needed. This support is intense and each plan of support is individual to the needs of the child or young person.

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Specialist Family Support Workers

Specialist family support workers work with children and young people and their families that are in crisis and require a dedicated and specific package of support. Their goal is to help families make significant, positive changes that can reduce risks for children. This is done by building on each families strengths and introduce coping strategies.

The team are very experienced and trained workers who are used to working with families in a crisis. You will be allocated a named worker to support your family.



Hill View Short Breaks Service

Hill View provides regular planned short-breaks for school age children and young people (8-18yrs) with emotional and behavioural difficulties who may also present challenging behaviour.

Hill View will provide pre-planned short breaks, that is; day, evening, overnight and weekend activities for children & young people.

We aim to work in partnership with parents / carers and other agencies and professionals in order to meet the aims stated in the short break plans of individual young people.

Children in need and their families are supported with short breaks as part of a range of services provided to them to prevent full family breakdown.

Hill View Short Breaks children's home aims to create a welcoming and homely feel whilst still incorporating Health and Safety requirements. We recognise that young people also have the need for privacy and personal space, therefore each young person has their own bedroom which they can lock if they choose. Geographically, the Home covers the county of Worcestershire.



STATUTORY DIRECTION TO WORCESTERSHIRE COUNTY COUNCIL IN RELATION TO CHILDREN'S SERVICES UNDER SECTION 497A(4B) OF THE EDUCATION ACT 1996

WHEREAS:

1. The Secretary of State for Education ("the Secretary of State") has noted in respect of Worcestershire County Council ("the Council") that following earlier 'inadequate' judgements, performance in respect of services for children who need help and protection has remained 'inadequate' as detailed in Ofsted's inspection report of 24 January 2017 ("the 2017 Ofsted report").
2. The Council's failure led the Secretary of State to issue a statutory direction on 8 March 2017 ("the first direction"), requiring the Council to take a number of steps to improve the quality of services, including to work with Trevor Doughty, as the appointed Commissioner of Children's Services in Worcestershire.
3. The Secretary of State has carefully considered:
 - a. The 2017 Ofsted report, which found that children's services are 'inadequate'. The sub-judgements for children who need help and protection, children looked after and achieving permanence, and leadership, management and governance were all rated as 'inadequate';
 - b. The Children's Services Commissioner's report, of 9 June 2017 ("the Commissioner's report"), which highlighted a lack of evidence to date that the improvement plan was delivering genuine benefits for children, young people and their families beyond process and structural change, and that the Council should develop an alternative model of delivery for children's services; and
 - c. Ofsted's letter of 21 June 2017 to the Council, recording the findings of its monitoring visit of 23-24 May 2017.
4. The Secretary of State is therefore satisfied that the Council is still failing to perform to an adequate standard, some or all of the functions to which section 497A of the Education Act 1996 ("the 1996 Act") is applied by section 50 of the Children Act 2004 ("children's social care functions"), namely:
 - a. social services functions, as defined in the Local Authority Social Services Act 1970, so far as those functions relate to children;
 - b. the functions conferred on the Council under sections 23C to 24D of the Children Act 1989 (so far as not falling within paragraph a. above); and
 - c. the functions conferred on the Council under sections 10, 12, 12C, 12D and 17A of the Children Act 2004.
5. The Secretary of State has re-appointed Trevor Doughty as Commissioner for Children's Services in Worcestershire ("the Children's Services Commissioner") in accordance with, and for the purposes of, the terms of reference ("the Terms of Reference") set out in the Annex to this direction.
6. The Secretary of State, having considered representations made by the Council, considers it expedient, in accordance with her powers under section 497A(4B) of the Education Act 1996, to direct the Council as set out below in order to ensure that all of the Council's children's social care functions are performed to an adequate standard.

NOW THEREFORE:

7. Pursuant to her powers under section 497A(4B) of the Education Act 1996 Act, the Secretary of State directs the Council as follows:
 - a. To comply with any instructions of the Secretary of State or the Children's Services Commissioner in relation to the improvement of the Council's exercise of its children's social care functions and provide such assistance as either the Secretary of State or the Children's Services Commissioner may require;
 - b. To co-operate with the Children's Services Commissioner, including on request allowing the Commissioner at all reasonable times access:
 - i. to any premises of the Council;
 - ii. to any document of, or relating to, the Council; and
 - iii. to any employee or member of the Council,which appears to him to be necessary for achieving the purposes of, and carrying out the responsibilities set out in, the Terms of Reference;
 - c. To provide the Children's Services Commissioner with such amenities, services and administrative support as he may reasonably require from time to time for the carrying out of his responsibilities in accordance with the Terms of Reference, including:
 - i. providing officers' time or support;
 - ii. providing office space, meeting rooms or computer facilities;
 - d. To develop and draft, in consultation and agreement with the Children's Services Commissioner:
 - i. an options analysis for an alternative delivery model, with an outline recommended model, by no later than 31 December 2017.
 - ii. a full business case for the proposed alternative delivery model by March 2018, and to provide regular reports on its progress, the first of which by no later than 30 November 2017; and
 - iii. an updated long-term improvement plan to address the findings of the Commissioner's report, and to include the proposed arrangements for monitoring progress and reviewing the improvement plan as appropriate;
 - e. To co-operate with the Secretary of State and her advisers, including by:
 - i. Attending and participating in reviews of progress on dates to be notified to the Council;
 - ii. Preparing and making available to the Secretary of State's advisers, when requested, up to date improvement plans and assessments of progress evidenced by performance data;
 - iii. Reporting to the Secretary of State on the nature and rate of improvement of children's services when instructed to do so.
8. In consequence of this direction, the Secretary of State for Education revokes the first direction.

9. This direction will remain in force until it is revoked by the Secretary of State.

Signed on behalf of the Secretary of State for Education

A handwritten signature in black ink, appearing to read "Suzanne Lunn". The signature is written in a cursive style with a large, looping initial "S".

SUZANNE LUNN

A Senior Civil Servant in the Department for Education
Dated this 19th day of September 2017

Annex

Non-Executive Commissioner for Children's Services -

Worcestershire County Council

Terms of Reference – September 2017

Given the systemic and persistent failures in Worcestershire, and the need to increase the pace of change, the Commissioner has been re-appointed to work with Worcestershire County Council to undertake an assessment of options of the future delivery model for services in Worcestershire, overseeing its subsequent implementation, and to provide ongoing direction and assurance of service improvements ahead of transition.

Specifically, the Commissioner shall:

1. Lead and manage, on behalf of DfE, discussions with the council's leadership and partners on an analysis of options for new arrangements to secure high quality services, and report on the Council's recommended model to the Minister of State for Children by 31 December 2017;
2. Provide advice to shape the Council's strategic vision for the transformed service and its scope of delivery;
3. Work with the Council in their establishment of a full business case and implementation plan for the proposed alternative delivery model, by 31 March 2018;
4. Provide ongoing assurance and oversight to the implementation of the agreed new model, and the transition of services;
5. Advise on any senior appointments to the body and lead or participate in recruitment assessment processes as required;
6. Provide advice and direction to the Council and its improvement partner in the development and agreement of long-term improvement plans to address the findings of the Commissioner report of 9 June 2017; ongoing monitoring and assurance of progress against implementation of the plan;
7. Support and challenge senior members, corporate senior management and senior partners to work together to create the culture and leadership necessary to bring about and sustain improvements in children's services;
8. Produce a high level plan by 31 December 2017, detailing anticipated approach / scheduling of support and challenge input throughout the establishment and implementation of an alternative delivery model, and ongoing service improvements;

9. Lead, on behalf of the DfE, a formal review of the Council's progress towards improvement within six months of appointment and thereafter on a six monthly basis; and making a recommendation to the DfE on whether progress has been sufficient;
10. Deliver six-weekly evidence based highlight reports on the authority's improvement progress to the DfE Contract Manager; and
11. Deliver quarterly written updates on the Council's progress to the Minister for Children and Families, and more frequently if the pace of progress is not sufficient or if the Minister requires it.

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CABINET

28 SEPTEMBER 2017

RESOURCES REPORT

Relevant Cabinet Member

Mr S Geraghty

Relevant Officer

Chief Financial Officer

Recommendation

1. **The Cabinet Member with Responsibility for Finance (who is also the Leader of the Council) recommends that Cabinet:**
 - (a) **endorses his conclusions concerning revenue budget monitoring up to 31 July 2017;**
 - (b) **notes the current progress regarding the service reforms programme;**
 - (c) **recommends that Council approves the addition of £4.1 million to the Capital Programme for Phase 3 of the development of in-house Post-16 Supported Living Accommodation and residential facilities within Children's Services to be funded by revenue savings from the projects; and**
 - (d) **endorses his conclusions concerning capital budget monitoring up to 31 July 2017.**

Introduction

2. This report outlines the 2017/18 outturn forecast for the Council's £324 million Revenue budget and £137 million Capital budget, and progress to date on the service reforms programme.

3. A recommendation is being made for Council to approve an increase of £4.1 million to the Capital Programme for Supported Living Accommodation.

Revenue Budget Monitoring 2017/18 – Outturn forecast as at Month 4 31 July 2017

Overall Financial Position

4. The County Council's authorised cash limited budget for 2017/18 is £324 million. When taken together with the amount of money spent by the County Council that is received through specific grants and miscellaneous income the County Council spends over £1 million per day on providing services to residents and service users.

5. As reported previously, the setting of a balanced budget for 2017/18 included £8 million of one-off revenue support in year that needed to be replaced by recurrent means in the medium term particularly in light of an increased draw down of earmarked reserves and general balances in 2016/17 and an increase in the slippage of savings moving into 2017/18.

6. After the first four months of 2017/18 and forecasting for the remaining eight months of the financial year an overall financial pressure of £7.5 million is anticipated. This represents 2.3%

of the County Council's revenue budget for which mitigating action is needed to ensure net expenditure is contained within cash limits.

7. The financial pressures set out below have been mitigated to an extent by emerging savings delivered of around £0.9 million through Treasury and Debt Management as well as £1 million of savings delivered through the pre-payment of the County Council's employer Pension costs following the most recent actuarial review.

8. The three main factors for this financial pressure are:

- a. An overspend pressure due to increased demand within our Children's Services Safeguarding and Placements of £6 million;
- b. Net cost pressures of around £2.3 million across services which includes reforms under the County Council's Transformation Programme for 2017/18 that cannot be offset in year by other means in cash terms in year; and
- c. Additional costs of around £1 million being experienced in the waste budget as a result of the additional efficiency of the Energy from Waste plant above plan following its commissioning earlier this year.

9. The emerging financial pressure is presented after taking account of known actions at this point in the financial year. The County Council is working hard across all services to identify ways in which further efficiencies can be achieved in 2017/18 to ensure, where possible, this financial pressure can be supported and offset by compensating reductions in expenditure elsewhere.

10. However, given the scale of the overspend due the increasing demand particularly into Children's Services Safeguarding and Placements it is likely that the County Council will need to consider other means of achieving the delivery of its services within its cash limited budget of £324 million in addition to these efficiencies prior to the end of the 2017/18 financial year. Should this not be achieved in 2017/18, when taken alongside the requirement to identify and deliver savings of £60 million across the following three years, this would present a real risk to the delivery of a balanced budget in the future.

Overspend pressure due to increased demand into Children's Services Safeguarding and Placements

11. The County Council's aspiration for children and young people in Worcestershire is for them to grow up and thrive within the county. It is therefore vitally important that we support children and young people within the County wherever it is safe to do so. It is also important where children or young people have needed to move out of county for a period that we facilitate a move back to Worcestershire as soon as possible.

12. Members will recall that the February 2017 Cabinet budget report acknowledged that whilst all efforts were made to make a prudent budget allocation into Children's Social Care for 2017/18, there remained a risk that in order to make improvements at the required pace following the Ofsted judgement, this may impact on the financial recovery plan. The County Council's Placement budget is around £35 million.

13. Since setting the 2017/18 Budget in February 2017 it has become clear that further demand pressures exist within the service across the remainder of the 2017/18 financial year to ensure the outcomes set out in the County Council's 'Working Together' Plan are delivered and this is reflected in the outturn forecast for 2017/18. In particular, this requirement has materialised in the period immediately following the setting of the 2017/18 budget for three reasons:

- a. An increase in the numbers of Children Looked After from 732 at 1 January 2017 to 791 at the end of July (Month 4) or 8%;
- b. Of this new cohort of Children Looked After, an increase in the complexity of needs; and

- c. An significant increase in the level of resources needed within the existing population of Children Looked After as at 1 April 2017 that have required packages of care to be increased.

14. The factors set out above have required significant and intensive support to provide the improvements required in services for children and the safeguarding teams that support those children leading to an overspend pressure due to increased demand of at least £6 million to be reflected in the Children Looked After placement budget for 2017/18.

15. The Children's Social Care service has fully utilised their full year £1.2 million risk contingency for placements demand by Month 4, and there is a risk that these costs could increase further during 2017/18 if demand continues over the remaining months of the year in excess of forecast. Although the impact of children leaving services will mitigate this risk, this continues to be the subject of close financial monitoring.

16. This outturn forecast assumes the successful delivery of activity described below to:

- Reduce the number of new entrants where it is safe to do so "Edge of Care";
- Increase in house foster care provision to create a resilient resource to meet need and demand;
- Challenge the rise in placement breakdowns and residential demand; and
- Increase internal residential provision to meet need and demand.

17. The overspend pressure within services for Children Looked After is consistent with that facing a number of other local authorities nationally following the County Council's Ofsted review and judgement. This is reflective of the protective safeguarding work being undertaken in the service with children subject to child protection and pre-proceedings work and work is underway to ensure improvements in the service enable both better outcomes for Children and where possible for those outcomes to be provided through the best value for money solution.

18. The level of children now in the care of the County Council's has risen and now stands at 67 per 10,000. This level is above the national average of 60 per 10,000. Following the initial increase in the levels of Children Looked After at the end of 2016/17, the increase experienced and described above in the first four months of 2017/18 is now similar to new starters in the same period last year.

Adult Social Care

19. Across the whole of the country, councils are facing pressures to meet the challenges of an ageing population and Worcestershire is no different. This Council's focus for Adult Social Care is to ensure Worcestershire residents are healthier, live longer, have a better quality of life and remain independent for as long as possible.

20. The Adult Social Care budget represents the single largest budget managed within the County Council, much of the expenditure incurred in this area being led by demand for services. The forecast for the Adult Social Care budget is to break even on its £131 million budget. However, included within this forecast is one off elements of financial support totalling £8.2 million through a mixture of grants and other one off funding which will need to be replaced by recurrent funding or service efficiencies in the future.

21. The service is presently managing additional demographic cost pressures in Adult Social Care services within its cash limited budgets. However, should the demographic pressures increase then the service will need to review all areas of income and how these are applied to services to ensure the delivery of outcomes within its cash limited budget for 2017/18.

22. The service continues to monitor the risk of further financial pressure being exerted on this budget by NHS Targets around Delayed Transfers of Care that are yet to be agreed.

Mitigating Efficiencies

23. The forecast cost pressures are partially offset by a £1 million saving arising from a pre-

payment of the County Council's employers' pension contributions to the Worcestershire County Council Pension Fund and £0.9 million favourable variance on money market activity where the County Council manages effectively its Debt and Investment portfolio.

24. The prepayment of the Pension Fund has been undertaken alongside a number of the District Councils in Worcestershire as well as County Council's across the County to benefit from the discount offered by the Actuary for investing contributions earlier than assumed in the Actuarial Forecast to take advantage of investment returns that are in excess of the costs of borrowing from the Public Works Loans Board on a short term basis.

25. There is significant risk however that the financial resilience the County Council has previously had the benefit of, through active management of grant and other earmarked reserves, will diminish and the flexibility to support recurrent expenditure in the medium term will be put under greater pressure.

Medium Term Financial Planning

26. Turning to the County Council's Medium Term Financial Plan, the Medium Term Financial Plan approved by Full Council in February 2017 anticipated a need for around £60 million of new expenditure reductions or increases in income over the 3 year period 2018/19 to 2020/21. Indications from emerging work are that this requirement may remain broadly the same as the County Council commences its latest planning round as future service contingencies can be deployed to support the emerging overspend pressure due to increased demand within Children's Social Care Services.

27. However, an important part of the County Council's medium term financial planning will be to consider the outcome of financial performance in 2017/18 and any carry over to future financial years of service income and expenditure pressures. This means that it is important for the County Council to take all action necessary to remain within its cash limits as far as possible for 2017/18.

28. The formal strategic review will shortly commence to confirm how this is profiled across the next three years, 2018/19 to 2020/21 inclusive and will be considered formally as part of the Draft Budget process and Cabinet Papers later on in this financial year.

29. The County Council will continue its successful approach of being proactive and planning for change, listening to ideas, concerns and opinions. The development and refinement of the plan to deliver services within the resources available across the medium term has commenced with the intention of developing clear plans for consideration as part of the Draft Budget in December 2017.

30. The County Council will be seeking the views of all our services users, residents and partners to help shape our future service delivery along with our public sector partners across Worcestershire.

31. The County Council has already discussed its priorities and shared the refreshed plan for the county with more than 1,400 people at Worcestershire County Council's annual Resident Roadshows. This is the largest number since the roadshows started seven years ago. The final Roadshow was held in Droitwich on September 10th 2017

Transformation Programme Update

32. The programme has the clear intention of delivering the changes needed to support the County Council's refreshed plan for the county, Shaping Worcestershire's Future four key priorities: Open for Business, Children and Families, The Environment, and Health and Well-being. It remains a key delivery vehicle for identifying, managing and delivering the transformation required of the organisation to realise the corporate plan vision.

33. We shape our decisions around what residents tell us are most important to them. People tell us that their priorities are maintaining the highways, safeguarding vulnerable children and protecting vulnerable adults. We invest in those people who need it most. Two thirds of the Council's budget is spent on providing social care for adults and children, young people and

families in the county.

34. The transformation programme target for 2017/18 is £27.9 million. This includes £6.5 million of projects carried forward from previous financial years (of which £1.7 million has now been delivered).

35. The delivery of the programme is governed by the Corporate Business Board and there are current years saving projects totalling £12.1 million at risk of non-delivery during the current financial year. Services are mitigating much of this through holding back expenditure in other areas or temporarily through use of one off earmarked reserves, and will continue to work on ensuring all savings and reform plans are achieved.

36. Where there are net additional cost pressures that relate to forecast slippage in transformation programmes that are forecast not to be achieved in 2017/18 and where replacement in year cash savings cannot be found, work is in hand to identify alternative measures.

37. The Transformation Programme is currently being reviewed in detail and further updates to this forecast will be provided as this review concludes in time for the revisions to the forecast as at the end of August 2017. The main net pressures in relation to the Transformation Programme relate to Education and Skills, cultural services and central services cost pressures.

A focus on the Economy

38. The County Council has continued to manage an increased financial challenge whilst at the same time achieving significant improvements. Highlights include:-

- Worcestershire has the fastest growth in productivity in the country. The county's productivity grew by an average of 3% each year over the last five years, according to the ONS;
- Almost £72 million of Growth Deal funding has been secured by Worcestershire for agreed economic projects in the county;
- Unemployment in Worcestershire stands at 1.3% of the 16-64 population, which remains significantly below the regional and national levels;
- Nearly 20,000 apprenticeships have been delivered in Worcestershire in the last 5 years;
- Around £53 million is being spent by the County Council and its partners on rail improvements up to 2019 including stations such as Kidderminster, Worcestershire Parkway and work already completed at Foregate Street in Worcester, Malvern Link and Bromsgrove;
- A scheme to invest an extra £6million into improving Worcestershire's pavements was launched in August. The additional money over the next two years will more than double the original investment into pavements, meaning more than 50 extra miles of local pavements can be improved. That's the equivalent distance from Worcester to Oxford;
- Worcestershire is leading the way when it comes to electric vehicles and installing charging points. There are 723 electric vehicles registered in Worcestershire, more than any other area of the Midlands except for Birmingham, according to latest figures; and
- The quality of care for the elderly in Worcestershire is amongst the best in the country according to the Care Quality Commission.

Adult Social Care Revenue Grants 2017/18

39. Cabinet have previously advised that the County Council was awaiting notification on some specific revenue grants relating to adult social care. In July 2017 the County Council received

confirmations of the amounts of these grants, which were in line with the budgeted expectations:

- **£0.2 million Social Care in Prisons**

The Care Act established that the local authority area in which a prison, approved premises or bail accommodation is based will be responsible for assessing and meeting the care and support needs of the offenders residing there. The grant is to assist in this provision.

- **£0.1 million War Pensions Scheme Disregard**

Regular payments made to veterans under the war pensions scheme are no longer to be taken into account when conducting social care financial assessments. Government funding has been allocated to local authorities to allow for this change in policy.

- **£0.3 million Local Reform and Community Voices**

This grant is comprised of funding streams for Deprivation of Liberty Safeguards in hospitals, local Healthwatch and funding for the Independent NHS Complaints Advocacy Services.

Dedicated Schools Grant 2017/18 and 2018/19

40. Since the last Cabinet meeting there have been some announcements about the Dedicated Schools Grant (DSG) position for 2017/18 and the National Funding Formula for schools in the future. The Council received confirmation of the DSG revised position for 2017/18. The Schools and High Needs blocks have not changed. However, the Early Years DSG for 2017/18 has been confirmed as £28.42 million, which is £2 million less than the indicative figure notified in December 2016. The allocation is based on the January census numbers and reflects the actual current position. However, if numbers have increased after the census this has the potential to create a budget pressure. The situation will be closely monitored during the autumn term.

41. On 17 July 2017 the Secretary of State for Education made an announcement on School Funding for 2018/19. The statement confirmed that a new National Funding Formula will be introduced as planned and that every local authority is to see a rise in its per pupil funding for schools as a result. A further statement was made on 14 September 2017, which confirmed the National Funding formula position for local authorities. As a consequence of the new formula, the Dedicated Schools grant for Worcestershire will see a predicted funding increase of 2.4% in 2018/19 and a further 1.5% in 2019/20. Officers are working through the detail to confirm the implications for individual schools in Worcestershire.

42. Local authorities will be able to continue to set a Local Schools Funding Formula for individual schools' budgets in 2018/19 and 2019/20, in consultation with schools in their area to allow longer transition to the National Formula Funding position to provide stability for schools, if considered necessary.

Capital Programme Budget Monitoring - 2017/18 Outturn forecast as at Month 4 31 July 2017

43. The approved Capital Programme budget for 2017/18 has been updated to show a forecast outturn which includes unspent expenditure brought forward from 2016/17, new capital additions, and revised cash flows.

44. Based on this revised budget, it is currently forecast that expenditure totalling £137 million will be incurred this financial year, with investment in the following significant projects:

- £21.1 million – Worcestershire Parkway Regional Interchange

- £11.8 million – Worcestershire Southern Dualling – Phase 3
- £4.6 million – Highways Flood Mitigation measures
- £4.0 million – Kidderminster Railway Station Enhancement

Additions to the Capital Programme - Phase 3 of the development of in-house Post-16 Supported Living Accommodation and residential facilities within Children's Services

45. The development of in-house services allows the County Council to achieve this aim and is also more cost effective than the external market. This development is a key part of the Children's Social Care Financial Recovery Plan in response to the increasing financial demand which is being placed on the Children's Services Placement Budget. The investment will support significant cost avoidance opportunities from 2018/19 onwards based on the need to source properties, develop them to meet the specific needs of the children and young people and recruit additional staff.

46. Summarised in the table below are a series of investments that are proposed to support the Financial Recovery Plan in Children's Services. Each area of investment is supported by way of a short explanation below this table. Following advice from Place Partnership, our property advisors, the estimated capital requirement includes an element for contingency due to fluctuating market prices and the difference in property values in different parts of the county.

Table 1: Summary of Children's Services Investment Proposals

Capital Investment £m	£	To facilitate development of
Supported Living Phase 3 including complex needs	1.9	16 supported living placements including 4 placements for young people with complex needs
Residential Care	2.8	Purchase of Old Hollow or replacement facility, renovation of Downsell Road, development of Green Hill Lodge, purchase of 3 residential homes including one for children with disabilities
TOTAL	4.7	
Previously approved capital allocation	0.6	To fund additional 4-bed complex needs supported living unit
Net increase to capital programme	4.1	To be financed through Revenue Savings

47. The cost of capital investment, and therefore the increase requested in the Capital Programme will be funded by a revenue contribution from the savings achieved by the projects and therefore there are no net additional revenue implications of the proposal to increase the Capital Programme by £4.1 million. The overall cost avoidance relating to the total £4.7million investment is £1.8 million which gives a payback period of less than 3 years.

Supported Living – Phase 3

48. In September 2016, Cabinet approved the further development of eleven in-house supported living units for young people bringing the internal capacity to 28 alongside the 4 places already being available for children with complex needs at Cheltenham Road, Evesham and 2 units at Downsell Road, Redditch.

49. A business case and needs assessment has been completed which recommends the extension and development of this programme of work. Phase 3 includes the addition of a further 12 in-house 24/7 supported living facilities in 2018/19 for young people aged 17 as a step towards independent living whilst being supported by outreach workers. This provision will

also allow capacity for young people to remain in the internal provision as care leavers, should their individual circumstances mean that they are not ready to transition to living in their own tenancy at 18. The County Council is working with housing providers within the county as well as sourcing properties to purchase to identify suitable premises for these young people.

50. The anticipated cost avoidance after taking into account the need to recruit additional outreach support workers is £0.7 million per year. This investment will allow young people to be based in a community which meets their education, vocation or social needs. The staff will be employed by the County Council and will work with the young people to ready them for independence, giving them CV writing and interview skills, employment and housing advice as well as support with budgeting and living independently.

Supported Living – Complex Needs

51. As part of the September 2016 Cabinet report a further 4-bed complex needs unit similar to Cheltenham Road, Evesham was also approved, with a capital requirement of £0.6 million. This purchase has not been progressed due to the inability to source a suitable property and the needs assessment led business case has demonstrated that this is no longer deemed appropriate due to the complexities of matching four young people to live together. Therefore it is requested that the previously approved capital allocation is re-directed to provide 4 separate 2-bedded properties in order to support individual young people with complex needs in a property with 24/7 support. This model has been used as part of the existing in-house supported living accommodation and has proved beneficial for the young people. The cost avoidance identified for the original scheme was £0.5m and this revised scheme demonstrates similar figures.

RESIDENTIAL FACILITIES

Purchase of new internal children's home for children with disabilities

52. The County Council currently operates Vale Lodge, Evesham and Green Hill Lodge (Meadow Bank), Worcester, as 4 bedded residential units for children with disabilities, and the needs analysis has identified the requirement to provide additional in-house beds. The request is to create an additional 8 beds across two units. One would be a new purchase and the recommendation for the other is to convert the second unit at Green Hill Lodge (Apple Gate) from a mainstream children's home into one for children with disabilities. This will allow transfer of skills and resources across the two units and consistency of management and support.

53. A number of young people who recently entered care could not be accommodated in the internal units due to capacity issues and they were placed in agency residential at a significantly higher unit cost and the County Council is finding it very difficult to source good quality placements for our most vulnerable children. The cost avoidance from this project based on the difference in the cost of accommodating children in external placements is £0.4 million in a full year.

Purchase of additional residential accommodation for children with emotional and behavioural difficulties

54. As it is planned to reduce capacity for children with emotional and behavioural difficulties at Green Hill Lodge, and based on the increasing number of children requiring residential care, the purchase of 2 further in-house units for children with emotional and behavioural difficulties is requested. This would increase the number of in-house beds by 4, to 25, and generate cost avoidance in the region of £0.2 million in a full year from the use of external placements.

55. As with children with disabilities, a number of children who recently entered care could not be accommodated in the internal homes due to capacity issues and they were placed in agency residential at a significantly higher unit cost with the majority of these being outside the county. Further benefits are that the children will be placed in Worcestershire, close to their communities and families and the time and associated costs of social work visits and contact by family would be reduced.

Downsell Rd, Redditch - Emergency Response Unit and Supported Living Flats

56. The debt repayment cost for the essential renovation and repairs required to ensure Downsell Rd is fit for purpose is c.£16k per annum. This is equivalent to 1 week's agency residential charges for the young people accommodated in the unit. Not investing in this renovation could mean that the home loses its Ofsted rating and the County Council will be required to source alternative accommodation for the children and young people accommodated there.

57. As at the end of August, the unit was at full occupancy with 2 young people in the supported living flats and 5 young people aged 13 -15 accommodated within the residential unit.

Old Hollow Residential Home, Malvern

58. The County Council currently leases this property, but it doesn't meet our requirement for the number of beds needed. Since it makes more financial sense to own a facility rather than continuing to lease the property we need to look at options to purchase one that does provide sufficient beds. This could be a replacement to Old Hollow which either provides the extra space or can be extended to do so, or explore the purchase and extension of the existing property subject to satisfactory negotiations and affordability compared to other property options on the market. Council will therefore be asked to add the capital cost of such an acquisition to the Capital programme, leaving flexibility as to where the capital asset is situated.

Health Impact Assessment

59. A Health Impact Assessment has been undertaken with regard to this report and recommendations for new spending decisions to understand the potential impact they can have on Public Health outcomes across the County area.

60. This report concerns reporting the financial forecast for the end of the current financial year, and requests new capital spending for supported living projects.

61. Taking this into account, it has been concluded that there are no specific health impacts as a result of new decisions arising from this Cabinet report.

Contact Points

County Council Contact Pointes

County Council: 01905 763763

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Specific Contact Points for this Report

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Background Papers

In the opinion of the proper officer (in this case the Chief Financial Officer) the following are the background papers relating to the subject matter of this report:

- Previous Cabinet Resources Reports

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