

Children and Families Overview and Scrutiny Panel

Friday, 16 November 2018, County Hall, Worcester - 10.00 am

Minutes

Present:

Mrs F M Oborski (Chairman), Mrs J A Potter (Vice Chairman), Ms P Agar, Mr T Baker-Price, Mr R W Banks, Mr S J Mackay and Ms T L Onslow

Also attended:

Mr A C Roberts, Cabinet Member with Responsibility for Children and Families
Morag Edmondson, Healthwatch

Sue Alexander (Head of Finance and Business Support),
Hannah Needham (Assistant Director for Families, Communities and Partnerships),
Tina Russell (Assistant Director Social Work Safeguarding Services),
Sarah Wilkins (Assistant Director Early Help and Commissioning)
Samantha Morris (Scrutiny Co-ordinator) and
Alyson Grice (Overview and Scrutiny Officer)

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated);
- B. Presentation handouts for Budget Scrutiny: Reviewing the 2018/19 Budget Position for Children's Services, Worcestershire Children First and Children's Social Care Service – Ofsted Monitoring Visit Feedback (circulated at the Meeting)
- C. The Minutes of the Meeting held on 14 September 2018 (previously circulated).

(Copies of documents A and B will be attached to the signed Minutes).

340 Apologies and Welcome

Apologies were received from Mr B Allbut, Mrs R L Dent and Mr P M McDonald.

Additionally, apologies were received from Ms C Driscoll, Director of Children, Families and Communities and Mr M J Hart, Cabinet Member with Responsibility for Education and Skills.

341	Declaration of Interest and of any Party Whip	None.
342	Public Participation	None.
343	Confirmation of the Minutes of the Previous Meeting	The Minutes of the Meeting held on 14 September 2018 were agreed as a correct record and signed by the Chairman.
344	Budget Scrutiny: Reviewing the 2018/19 Budget Position for Children's Services	<p>The Cabinet Members with Responsibility for Children and Families, and Education and Skills, the Assistant Directors for Social Work Safeguarding Services, and Early Help and Commissioning, and the Head of Financial Management had been invited to the meeting to update the Panel on the 2018/19 budget position.</p> <p>In the course of the discussion, the following main points were made:</p> <ul style="list-style-type: none"> • Members were reminded that the focus of this discussion would be on the 2018/19 budget for the 6 months to the end of September (end of period 6). Proposals for the 2019/20 budget would be presented to the Panel in January. • Following an overspend in 2017/18, an additional £10.5 million had been included in the budget to cover Children's Social Care placements and to increase safeguarding staff capacity. An additional £0.4 million was also invested in children's Special Educational Needs and Disability (SEND) transport. • The forecast outturn for the end of period 6 predicted an overspend of just over £1 million. Predicted overspends in the budgets for Placements and Provision, and Home to School and College Transport were highlighted. • A question was asked about the 7% underspend in Targeted Family Support. It was confirmed that this was a one-off saving as a result excellent work by contract management colleagues, which had resulted in some staff being brought back in house. A locality model was now being developed with each district having a manager and 6 targeted family support workers. Each team would have capacity to work with approximately 100 families. Work was now ongoing to obtain

data to allow teams to focus their resources on those families where officers could make most difference.

- It was confirmed that the increasing cost of placements and provision was not due to increasing numbers of children coming into care. Post-Ofsted there had been a rise in referrals and the Authority had more children in care than would be expected for an authority of its type. It had been difficult to get a baseline figure, as comparisons with previous years were not easy. However, the number of new children coming into care was now reducing and it was expected that this would reduce further once a good quality edge of care service was in place.
- Currently 45% of children in care had come into care in 2015 or before. Children who had been in care for this length of time were less likely to leave, as they were settled in stable long-term placements. However, for new children the focus was on achieving a timely turnaround. Members were informed that court proceedings had been massively speeded up and, according to national data, the Herefordshire and Worcestershire Local Family Justice Board was the top performing Board. This was an indicator of the quality of work done by social workers as courts would not accept paperwork if it was not of good quality.
- Members were informed that for the first 6 months of this year, the County Council had dealt with 15 Unaccompanied Asylum Seeking Children compared with 13 for the whole of last year.
- The Panel was reminded that placement breakdown often resulted in a 'bounce' into residential care. Work was underway to provide support and challenge to carers to prevent placement breakdown. It was confirmed that, to a certain extent, children in care were presenting with more complex issues. The planned edge of care service would include staff who were professionally qualified to support children in their emotional health and well-being. It was confirmed that the service did access therapeutic foster care placements via Independent Fostering Agencies (IFAs). It was important to build in care and support for carers, especially given the rise in the number of family and friends carers.
- It was important to recognise that this was a demand-led budget with pressures changing from month to month, depending on the children presenting to the service. It was very difficult to

predict demand for placements and the length of time those placements would last. For example, recently there had been 2 requests for mother and baby residential placements, which could only be met out of county. These requests were very rare and would only be agreed to if there was a genuine need.

- Concern was expressed that the County Council was increasingly being asked to pick up work that had previously been done by the voluntary sector and capacity within the community was not always there. The Assistant Director for Social Work Safeguarding Services suggested that the capacity was there, but there was a need to help people to tap in to the help available.
- It was confirmed that health visitors would have an ongoing role in a child's welfare even if social services were also involved. In assessing need, health visitors would be aware of indicators of domestic abuse and problems with mental health.
- A question was asked about respite care for friends and families, given the big rise in the number of friend and family carers. In response, Members were informed that family group conferencing would take place to assess what support was needed. Family and friends carers were treated as formal foster carers and provided with a support and training programme which recognised their background.
- It was confirmed that there was no separate national data gathered on the proportion of friends and family carers, so it was not possible to compare with other authorities. In practice, it was something that social workers considered in every case. Members were reminded that friends and family carers received foster care payments, in the same way as other foster carers.
- In relation to home to school and college transport, a question was asked about why the budget was overspent. It was confirmed that most of the overspend was relating to SEND Transport and it was queried whether any consideration had been given to following the example of adult services and giving families direct payments so they could arrange their own transport. The Panel was reminded that this was a demand-led budget. It was confirmed that direct payments were promoted, but this was not always successful as extra support was often needed when children travelled. Children's Services dealt with the numbers of children involved and

transport colleagues dealt with the routes. September saw the start of the new term and a review was currently being undertaken to check the figures. It was possible that the overspend would reduce but each case was assessed on its own merits against eligibility criteria.

- In response to a question from the representative of Healthwatch about the budgetary implications of the development of Worcestershire Children First (WCF), it was confirmed that the budget for WCF was currently being reviewed. A fuller discussion on this would take place at item 7.
- It was confirmed that the forecast underspends for Education and Skills, and Resources and Recharges were as a result of holding staff vacancies.
- £52k of contract efficiencies relating to the Babcock Prime contract were currently showing as 'red'. It was confirmed that there had been a delay in negotiations and these savings were now on target to be delivered by the end of 2018/19. The Chairman expressed concern about the renegotiation of the contract with Babcock Prime and informed the Panel that schools had expressed concern to her about the value for money of services provided by Babcock.
- It was confirmed that the efficiencies in relation to the adoption service were now virtually delivered.
- Members were reminded that the Dedicated Schools Grant had not previously been part of the Panel's budget discussions. The overspend in relation to High Needs Pupils was of particular concern and Members noted that this was part of a national trend. There was a risk that the overspend would increase before the end of the financial year.
- Members were informed that the DfE was currently carrying out a consultation on the implementation of new arrangements for reporting deficits of the dedicated schools grant. It was agreed that this would be circulated to Members of the Panel. It was confirmed that there was not enough in reserves to cover the potential overspend and this would be discussed at the next meeting of the Schools' Forum to ensure an integrated approach.
- The number of new Education, Health and Care Plans (EHCPs) was rising and was particularly high in Worcestershire when compared with national data. The Chairman of the Panel suggested that this could be because, as an

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underfunded authority, mainstream schools were more reluctant to take pupils with special needs. The reasons behind this trend would be further explored with headteachers at the Schools' Forum. Children's Services was now consulting on guidance on a new graduated approach which set out expectations and what support was available.

- It was confirmed that 'high needs' and 'special needs' referred to the same group of children. The term 'high needs' was used in a financial context.
- The Panel was informed that Worcestershire County Council had seen the 13th largest growth in the country in the number of first time EHCPs. A question was asked about whether the 12 local authorities who had seen a larger growth were also poorly funded authorities in relation to the funding formula. The Head of Financial Management agreed to look into this.
- In response to the Panel's request, the Head of Financial Management agreed that for future budget monitoring reports, she would provide more narrative to accompany the figures, as well as details of both revenue and capital budgets.

The Panel's comments would be summarised and reported to the Overview and Scrutiny Performance Board at its December meeting.

To accommodate the availability of the Cabinet Member with Responsibility for Children and Families, the Chairman agreed to alter the order of the agenda items. Agenda item 7 (Worcestershire Children First) would be taken next, followed by Agenda item 6 (Children's Social Care Service – Ofsted Monitoring Visit Feedback).

The Cabinet Member with Responsibility for Children and Families and the Assistant Director of Families, Communities and Partnerships had been invited to the meeting to update the Panel on developments relating to Worcestershire Children's First (WCF), an Alternative Delivery Model (ADM) for Children's Services.

By way of introduction, the Assistant Director of Families, Communities and Partnerships made the following points:

- The original statutory direction to set up an ADM had focused on Children's Social Care.
- In March 2018 Cabinet had decided to develop a

wholly owned council Company as the chosen delivery model.

- Since April 2018, the programme had entered the implementation phase with an agreed go live date of October 2019.
- Cabinet had met the day before to note the proposal to broaden the scope of services and responsibility to be transferred to WCF to include education services and the commissioning of community health services (subject to agreement from Worcestershire's Clinical Commissioning Groups).

Members were given the opportunity to ask questions and the following main points were made:

- With reference to the commissioning of community health services, the Chairman suggested that this should be considered by the Health Overview and Scrutiny Committee.
- In response to a question about the future role of scrutiny, Members were informed that further detailed work would now be needed. The context had changed and there was an opportunity to bring together services to improve outcomes for the most vulnerable children. This brought together the wider improvement agenda including children's social care, Special Educational Needs and Disabilities (SEND) and broader education provision. Although the economies of scale would allow a more efficient use of resources, this was a secondary consideration. The main driver was to do the best for children and young people.
- It was confirmed that WCF would still launch on 1 October 2019, with a phased in shadow period from 1 April 2019.
- The programme plan was likely to include the same workstreams but with increased volumes of work.
- It was confirmed that no appointment had been made following the recent recruitment process for a Chairman of WCF. The recruitment would now be repeated and it was confirmed that the revised specification was likely to make reference to the increased scope. It was confirmed that this was a DfE appointed role. The function of Director of Children's Services would move to the new Company and would be a dual role of Chief Executive and DCS.
- Although certain reserved matters would remain with WCC as outlined in the appendix to the

Cabinet report, WCF would have operational independence on a day-to-day basis.

- It was confirmed that there would be regular reporting to Scrutiny of performance information as the Council would remain accountable for performance. It was important to remember that this was a partnership arrangement rather than outsourcing. The Council would still set the policy and the business plan, and the Children and Young People Plan would still be signed off by Council.
- Given the wider scope of the functions and services transferring to WCF, an additional post would be required of Director of Resources. It was suggested that given the expertise in other public sector organisations locally, this could be a shared post. In response, the Assistant Director informed Members that, initially at least, this would need to be a stand-alone role to allow a focus on the newly set up Company.
- The Cabinet Member reminded the Panel that the move to an ADM had been as a result of direction from the DfE. Looking at the experience of other authorities across the country, carrying on as before did not always lead to improvement. By setting up a wholly-owned Council Company, the Authority was able to keep the service as close as possible. Once the Council was out of direction, it would be able to close the Company if it wished.
- A Member commented that the opportunity to bring all services together, including health, was attractive. The Cabinet Member reminded the Panel that there was already a good degree of integration with health services. It was clear that the ADM had to happen and it would be better not to fragment the system, but rather maintain the integrated system we already had.
- It was confirmed that the communities element of the current Directorate would not move to WCF. This would be looked at as part of the wider redesign of County Council services.
- In relation to potential disputes between the County Council and WCF, it was suggested that this would come down to relationships. The role of the Director of Children's Services would be key as they would remain part of the County Council but also be Chief Executive of WCF. The contract with the Company would also contain a section on dispute resolution. Members welcomed the suggestion from the Assistant Director that the Scrutiny Panel could review the contract before it

was signed.

- The Chairman asked a question about what would happen if the Company failed a future Ofsted inspection. The Cabinet Member reminded Members that there were big differences between Worcestershire and other local authorities that had gone down this route. There were 2 parallel strands of work: firstly, improving services and secondly, the development of the Company. The ambition was to hand over a good service.
- Concern was expressed that, having made lots of progress in improving the service, staff may decide to leave rather than move to the Company. Working for the local authority was very important to some social care staff. The Assistant Director reassured the Panel that the aim was to take staff along as the plans for the Company were developed. She recognised the reasons why many people chose to work in the public sector and reassured Members that WCF would not be a profit-making Company. There would be no change to staff terms and conditions and day-to-day practice would not change.
- A question was asked about where Pupil Referral Units (PRUs) would fit within the Company. The Panel was reminded that unlike schools they were not run by governing bodies. In response, it was suggested that PRUs would have the same status as maintained schools. The Assistant Director agreed to provide the Panel with further information on this.
- Following the decision to widen the scope of WCF, there was further work to do on the financial case, including transition costs.
- The Chairman of the Panel expressed concern about the delivery of the contract with Babcock Prime. In her experience, there was a level of dissatisfaction from schools about Babcock and many were not opting to use their services. In response to a question about who would be responsible for the re-negotiation of the contract, the Assistant Director confirmed that this was still under discussion. The current contract was due to run until 2020. She confirmed that the Director of Children's Services would retain responsibility and accountability. The new contract would need to be agreed by Council, thus maintaining control and influence.
- It was confirmed that the WCF would be limited by guarantee, meaning that the Directors would not be held personally responsible.

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- Concern was expressed that the Council may set KPIs for WCF which the Company may feel could not be achieved on the available budget, leading to a request for additional funding. It was confirmed that KPIs would be jointly produced and would be based on what was currently in place.
- It was confirmed that final decisions would be made in spring 2019, ahead of a shadow Company being set up in April 2019.
- Members agreed that they would like to invite the DfE Commissioner to attend a meeting of the Panel in January to discuss the development of the ADM.
- It was confirmed that Cabinet would be making budgetary decisions. In response to a question about VAT exemption, it was confirmed that the Council and the DfE were working on the assumption that there would be no VAT implications. This would also be built into the contract.
- Although some finance, HR and performance staff would move to WCF, other support services would remain with the County Council and be 'bought back' by the Company.
- It was confirmed that staff would be TUPE'd from the County Council to WCF and the costs of IT licensing would be built into the Company's costs.
- The representative of Healthwatch expressed concern about the impact of the County Council's financial situation on the setting up of WCF. She asked for reassurance that there would be sufficient money available to cover the services included. The Assistant Director confirmed that she had not had a conversation about savings targets. It was recognised that the scope included many demand-led services and the decision to increase the scope would have implications for the budget.

The Assistant Director Social Work Safeguarding Services had been invited to the meeting to provide an update on the outcome of Ofsted's sixth monitoring visit of the Council's children's safeguarding services, which took place on 2 and 3 October. The visit had focused on children in care up to the age of 16.

The Panel received a presentation. By way of introduction, the Assistant Director made the following main points:

- At the time of the Ofsted inspection in 2016, there

was a need to improve performance for all children in all parts of the Service. It was now 18 months into the implementation of the Service Improvement Plan (SIP) and the Service was making progress that had not been seen before from such a position of breadth and depth of inadequacy.

- The SIP was reviewed in the light of KPIs and Ofsted feedback. It was confirmed that the SIP would be retained once the service moved to Worcestershire Children (WCF) and reviewed as necessary.
- There were now 5 key workstreams:
 - A. Supporting and developing our workforce
 - B. Voice of the child
 - C. Enhancing our multi-agency partnerships
 - D. Edge of care
 - E. Placements for children in care – sufficiency duty
- Workstream C would involve engaging with colleagues in health, schools and the police via the Worcestershire Safeguarding Children Board (WSCB) and other forums.
- Workstream D included looking at all different levels of need to provide support to avoid children coming into care.
- With reference to Workstream E, it was important to ensure that children were matched as well as possible. This Workstream provided the biggest financial challenge.

Members were given the opportunity to ask questions and the following main points were raised:

- Members were reminded that the approach to service improvement had been to focus on all areas at the same time. Once an area had seen improvement, this should become business as usual. It was important to ensure the sustainability of what had been achieved.
- The Chairman of the Panel expressed concern that schools were increasingly finding that referrals made to social care were being referred back as they were not meeting the criteria for intervention. Schools were concerned that they did not have the capacity to deal with this. The Assistant Director agreed that there may need to be honest and challenging conversations between partners and she understood that some schools had capacity issues. She went on to inform Members that there was a much improved picture

in terms of the relationship between referrals to the Family Front Door and which cases went forward for assessment.

- The next Ofsted Monitoring visit would take place on 8 and 9 January 2019 and would focus on Early Help. An Inspection of Local Authority Children's Services (ILACS) was expected to take place in May or June 2019.
- In response to a question about the permanency of social work staff, Members were informed that the Authority was performing better than other authorities locally. With reference to the Family Front Door, nearly 100% of managers were permanent appointments. This level of stability at management level brought increased stability at social worker level.
- A question was asked about whether staff had concerns about moving to WCF. In response, Members were reminded that the Company would be wholly owned by the County Council and the statutory responsibility would remain with the Local Authority.
- Concern was expressed about the implications for care leavers of the roll out of Universal Credit. It was agreed that the Corporate Parenting Board would be asked to consider a report on this.
- Members wished to congratulate all staff in children's social care for the fantastic progress they had made and asked the Assistant Director to pass this on to staff.

The meeting ended at 12.20 pm

Chairman