

Children and Families Overview and Scrutiny Panel

Thursday, 23 November 2017, County Hall, Worcester - 10.00 am

Minutes

Present:

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

Also attended:

Derek Benson, Independent Chairman, Worcestershire Safeguarding Children's Board
Jane Stanley, Worcestershire Healthwatch
Mr M J Hart, Cabinet Member with responsibility for Education and Skills
Mr A C Roberts, Cabinet Member with Responsibility for Children and Families
Mr A I Hardman, Deputy Leader and Cabinet Member for Adult Social Care

Hannah Needham (Assistant Director for Families, Communities and Partnerships), Steph Simcox (Head of Strategic Infrastructure Finance and Financial Recovery)
Sheena Jones (Democratic Governance and Scrutiny Manager) and Alyson Grice (Overview and Scrutiny Officer)

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated);
- B. Presentation handouts for Item 5: Alternative Delivery Model Children's Social Care and Item 6 Budget Scrutiny: Reviewing the 2017/18 Budget Position for Children and Families (circulated at the Meeting)
- C. The Minutes of the Meeting held on 24 October 2017 (previously circulated).

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

295 Apologies and Welcome

The Chairman informed Members that as part of LGA Peer Mentoring Cllr Alistair Dewhirst from Devon County Council would be observing the meeting.

Apologies were received from Mr B Allbut, Ms R L Dent and Mrs P Hill.

296 Declaration of Interest and of any Party Whip

None.

297 Public Participation

None.

298 Confirmation of the Minutes of the Previous Meeting

The Minutes of the Meeting held on 24 October 2017 were agreed as a correct record and signed by the Chairman.

299 Alternative Delivery Model Children's Social Care

The Panel received a presentation from the Assistant Director (Children, Families and Communities) on work to develop an Alternative Delivery Model (ADM) for Children's Social Care. In the course of the discussion, the following main points were made:

- The ADM Programme Board was currently in the middle of an options appraisal, the outcomes of which would be published for discussion at 14 December Cabinet.
- Members were reminded that, nationally, 70% of Local Authority Children's Services departments were rated as 'requires improvement' or 'inadequate'. The development of Alternative Delivery Models was seen as a way to sustain and accelerate improvement.
- On 28 September, Cabinet had agreed to move voluntarily to an ADM for Children's Social Care. This gave some choice as to the scope and nature of the ADM.
- The Membership of the ADM Programme Board included the Cabinet Members for Children and Families, Education and Skills, and Transformation and Commissioning. The Programme Board was meeting the following day to sign off the options appraisal.
- Specialist advice had been commissioned from Mutual Venture (specialists in ADMs), CIPFA Ci.Co (commercial advice) and Bevan Brittain (legal advice).
- In response to a question about how the original 16 models had been reduced to a shortlist of 5 in a matter of 6 weeks, Members were reminded that Cabinet had originally considered 13 options which, following consultation with Mutual Venture,

was developed into a long list of 16. These were split into 4 broad categories: in-house options, partnerships or collaborations, new delivery vehicles and commissioning options. This long list was then cut down to a shortlist using gateway criteria, a method which provided a degree of objectivity. The Cabinet Member informed the Panel that he had wanted to include a long list at the start so that all options could be challenged at an early stage.

- The results of the options appraisal would be submitted to the DfE by 31 December 2017. It was confirmed that, although the preference would be to have agreed on one preferred option by that stage, given the time available and the need for innovative thinking, it was possible that there would still be two options being considered.
- Although the scope of the ADM was subject to ongoing discussion, it was estimated that it would include approximately 600 staff and services costing in the region of £50m. The conversation on the final scope would continue for some time. It was an iterative process that may continue right up to the go-live date.
- Members were reminded that, although local authorities across the country had adopted similar models, no two authorities were the same and it was important that Worcestershire's model worked for Worcestershire.
- In response to a question about the difference between a Wholly Owned Company and an Independent Trust, Members were informed that the difference lay in the ownership arrangements. A Wholly Owned Trust would be owned by the Local Authority, whereas an Independent Trust would be owned by a Board of Trustees, creating a very different relationship with the Local Authority.
- A question was asked about how easy it would be to take services back in-house once the service was judged to be good again. While the service was 'under direction', this would be for the DfE to decide. However, once the service was no longer under direction, the Council would have more of a choice. The degree of flexibility would depend on the model of ADM chosen. For example, with a joint venture, the degree of flexibility would be dependent on all parties agreeing whereas for a Wholly Owned Company, the decision would be entirely with the Council.
- Concern was expressed that, if the Council was to

enter into a strategic partnership with another local authority, it would be crucial to ensure that the other party had sufficient capacity to take on this work. It was suggested that there was a danger that the partner would always focus on their own authority first. The Assistant Director confirmed that this was a risk that had been highlighted and would have to be mitigated via governance and contract management.

- It was confirmed that for all of the options being considered there was currently no other County Council following that model.
- It was suggested that, if the Council was to set up a Wholly Owned Company there may be issues of operational independence, given the concerns about the Council's performance. However, Members were reminded that a company wholly owned by the Local Authority would not be liable for VAT, thus avoiding problems encountered elsewhere in the country. All of the 5 shortlisted models had been signed off by the DfE Commissioner, therefore all were viable at this stage.
- Ofsted had highlighted that the culture of the organisation was a major issue. All of the shortlisted options would involve the same members of staff being tupe-ed into the new organisation. A question was asked about what evidence there was that tupe-ing would have any effect on cultural change. It was confirmed that the evidence base was light and moving to an ADM would not be a panacea for improvement. Other factors would also be important, such as the support from Essex CC (the Council's improvement partner) and work to recruit and retain the right staff. Early evidence suggested that strong leadership, staff engagement and appropriate democratic accountability and governance needed to be in place for a successful ADM.
- A question was asked about whether Essex CC had been considered as a strategic partner (as they were currently working as the County Council's improvement partner). It was confirmed that several options had been considered. However, in looking for a strategic partner authority, there was a need to ensure that the other authority had the capacity to undertake the necessary work. Also, from a practical point of view, an authority that was geographically closer might be preferable.

- It was confirmed that the support of elected members would be crucial to the success of the ADM. Even if another body was delivering the services, the Council would remain the accountable body.
- It was confirmed that the voice of the child would be included in the debate as options were developed.
- There was a need for all elected Members to be clear about their roles and responsibilities. Members were reminded that evidence to date showed that successful ADMs had two key factors of success:
 - Proper staff and service user engagement, and
 - Clarity about the relationship back to the Local Authority, including all elected Members not just Cabinet Members and scrutiny;
- Concern was expressed that, although overall control of the budget would remain with the County Council, a partner organisation might seek to influence the Council's budget setting process through requests for more funding for service provision. This was something that would need to be carefully considered as the ADM was developed.
- It was agreed that a briefing for Panel Members would be held following publication of the Cabinet report on the outcomes of the options appraisal. It was also agreed that a 'layman's guide' to the options would be provided as part of the next stage.
- Members of the Panel were also encouraged to attend the Cabinet meeting if possible (10am on 14 December 2017).
- It was confirmed that staff briefings would also be held. There was a need to find a balance between keeping staff informed and not distracting them from the ongoing improvement work.
- It was confirmed that the Panel would need to be involved between January and March in scrutiny of the preferred option(s). This might include contact with other local authorities who had already implemented similar models, whilst recognising that none had been running long enough to allow a full evaluation. The Cabinet Member confirmed that he would like to be involved in this work.
- The Cabinet Member suggested that the Scrutiny Panel would also need to be involved in the

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development of the business case. It would be important to get the views of a group of Members who did not have such a vested interest in the outcome.

- The CfPS publication on scrutinising ADMs had recently been circulated to Panel Members. It was agreed that this was a useful tool.
- The Chairman stated that she felt it would be important to maximise the involvement of scrutiny in partnership with the CMR in order to reassure all stakeholders that the option chosen had been rigorously scrutinised and was the best option to achieve the best outcomes for the children of Worcestershire.
- It had previously been agreed that Panel Members would act as 'Champions' for different aspects of the Panel's work. Councillor Banks had volunteered to take on responsibility for finance, Councillor Potter for Corporate Parenting, and Councillor Oborski for safeguarding. Members were asked to let the scrutiny team know if they would like to act as a Champion for any other aspect such as schools and education.

After the debate, the following actions were agreed:

- A Members' Briefing would be arranged for Panel Members on the outcomes of the Alternative Delivery Model options appraisal following the publication of the 14 December Cabinet Report. *NB: This was subsequently arranged for 1.30pm on 6 December 2017.*
- The Assistant Director (Children, Families and Communities) was asked to provide a 'Laymen's Guide' to the emerging options.
- Once final options were known, contact would be arranged with other local authorities who had already implemented similar models. The Cabinet Member would also be involved in this work.
- Panel Members should let the scrutiny team know if they would like to act as a Champion for any aspect of the Panel's work, including schools and education.

As part of the Council's development of the 2018/19 budget, the Children and Families Overview and Scrutiny Panel was asked to review the 2017/18 budget position prior to consideration of the 2018/19 budget at the Panel's January meeting.

Position for Children and Families

The Panel received a presentation from the Head of Strategic Infrastructure Finance and Financial Recovery. In the course of the discussion, the following main points were made:

- Members were reminded that the amount spent on demand-led services was increasing. The majority of the Directorate's budget was spent on placements. It was also noted that the expenditure relating to services at the Family Front Door had grown considerably in recent months.
- A question was asked about work to reduce spend on home to school transport. It was confirmed that this was the subject of ongoing review involving the Corporate Transport Board. Work included providing independent travel training (which reduced the likelihood of students needing transport to be provided) and the use of direct payments, allowing parents to facilitate their own transport arrangements.
- It was confirmed that every young person was looked at as an individual, although the majority of independent travel training was for children in mainstream schools. A question was asked about whether a child would be entitled to assistance with transport even if their parent had access to their own car and they did not need to be accompanied. The Head of Strategic Infrastructure Finance and Financial Recovery agreed to confirm details of the relevant policy following the meeting.
- It was confirmed that officers were still in negotiation with Babcock to identify where efficiencies of £230k could be made. The target was a budget reduction of 10% which had not yet been achieved. However, the service was confident that this would be achieved next year. It was important to balance achievement of savings with ongoing delivery of statutory services.
- With reference to the CAMHS service, which was delivered in partnership with Worcestershire CCGs, it was confirmed that there had been a savings target of approximately £100k for 2017/18. It was confirmed that this saving would not be made. Members were reminded that the service had benefitted from some additional funding from NHS England which would be signed off at Health and Well-being Board in December.
- It was confirmed that all figures were correct up to

the end of August 2017 and the main areas of overspend related to children's placements. September figures would be included in the December Cabinet report and were likely to show that the position had worsened as a result of an increase in expenditure relevant to children's placements. Although there was continued investment in recruitment and retention activities, a number of key posts were still filled with agency staff.

- A request was made for comparable salary figures for neighbouring local authorities with whom the County Council might be in competition for staff. It was suggested that this was a particular issue in the north of the County, where transport networks made it easy for people to work elsewhere. It was confirmed that HR colleagues would be asked to provide comparative figures after the meeting. Members were reminded that it was not just salaries that were important when recruiting staff. There was a need to look at the total reward, including training, pensions, re-location packages and staff support.
- In relation to the Placements budget, it was suggested that there was a need to consider providing more small children's homes in Worcestershire as opposed to using more expensive out-of-county placements. Similarly, an increase in in-house foster carers would reduce spend on Independent Fostering Agencies. It was acknowledged that there would always be some children with very specific needs who would need to be looked after in the external market and potentially out-of-county, but the Council should look to increase the numbers of internal placements where possible.
- Members were reminded that at the last full Council meeting further capital investment had been approved to create more in-house placements. The purchase of properties was now being taken forward and, as an example, for a 4 bed unit for children with emotional and behavioural difficulties, compared with external placements savings could be in the region of £150k per year.
- In response to the suggestion that the uncertainty caused by the setting up of the Alternative Delivery Model would have an impact on recruitment, Members were reminded that, although this might be an issue which may cause uncertainty, in the current climate no Local

Authority could guarantee to its staff that there would be no changes. Furthermore, the Cabinet Member reminded Members that the service was an improving service which had recently recruited fantastic staff at Assistant Director level. Also, the Council's improvement partner had commented positively on the quality of the Council's Newly Qualified Social Workers.

- It was confirmed that the small underspend on the Youth Offending Service budget was as a result of a lower than anticipated level of spend on youth offending.
- In relation to Early Help, the Panel was reminded that lots of early help activity was undertaken by other partners, such as schools and the voluntary sector, and was not all funded by the Local Authority.
- The Chairman suggested that, when the Panel discussed the 2018/19 budget at its January meeting, it would also wish to look at progress against 2017/18 savings. It would be important to ensure that savings were deliverable and this might be something that Panel Members could review on a quarterly basis.

After the debate the following actions were agreed:

- The Head of Strategic Infrastructure Finance and Financial Recovery agreed to confirm the details relevant to whether a child would be entitled to assistance with transport even if their parent had access to their own car and they did not need to be accompanied. Subsequent to the meeting, it was confirmed that a child would still be entitled to assistance with transport if they met the transport policy criteria, if their parent had their own car and/or they received motability allowance on behalf of their child, and support would still be given if the child did not need to be accompanied.
- Members should be aware that a report on the CAMHS Transition Plan would be considered by the Health and Well-being Board on 5 December 2017.
- Details of comparable salaries offered by local competitor authorities would be made available to the Panel.

In addition, the Chairman reminded Panel Members that:

- A member briefing on the outcomes of the options appraisal for the Alternative Delivery Model would

be held in early December. *[This was subsequently arranged for 6 December at 1.30pm.]*

- Members should contact schools in their area to ask about their experiences of the Family Front Door and whether the service provided was improving.
- Events for Looked After Children were being held in each district and Members should aim to attend if possible. A very successful event had recently been held in Wyre Forest.

The meeting ended at 11.34 am

Chairman