

Worcestershire County Council

Agenda

Cabinet

Thursday, 24 June 2021, 10.00 am
County Hall, Worcester

This document can be made available in other formats (large print, audio tape, computer disk and Braille) on request from Democratic Services on telephone number 01905 843579 or by emailing democraticservices@worcestershire.gov.uk

Find out more online:
www.worcestershire.gov.uk

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, 24 June 2021, 10.00 am, County Hall

Membership: Cllr Alan Amos, Cllr Marc Bayliss, Cllr Matt Dormer, Cllr Simon Geraghty (Chairman), Cllr Adrian Hardman (Vice Chairman), Cllr Marcus Hart, Cllr Adam Kent, Cllr Karen May, Cllr Tony Miller and Cllr Andy Roberts

Agenda

Item No	Subject	Page No
1	Apologies and Declarations of Interest	
2	<p>Public Participation Members of the public wishing to take part should notify the Assistant Director for Legal and Governance 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 Wednesday 23 June 2021). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.</p> <p>Please note that due to Covid requirements places at the meeting are limited. All members of the public who wish to attend the meeting should register by e-mail with the officer below and places will be allocated on a first come first served basis.</p>	
3	<p>Confirmation of the Minutes of the previous meeting The Minutes of the meeting of 18 March 2021 have been previously circulated.</p>	
4	Children's Homes and Semi Independent Accommodation	1 - 40
5	Blakedown Rail Station Car Park Extension	41 - 48
6	Revenue and Capital Budget Monitoring - Financial Outturn	49 - 66

Agenda produced and published by Abraham Ezekiel, Assistant Director for Legal and Governance, County Hall, Spetchley Road, Worcester WR5 2NP

To obtain further information or a copy of this agenda contact Sheena Jones, Democratic Governance and Scrutiny Manager on Worcester (01905) 846011 or email: DemocraticServices@worcestershire.gov.uk

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

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.

CABINET
24 JUNE 2021**CHILDREN'S HOMES AND SEMI-INDEPENDENT
ACCOMMODATION**

Relevant Cabinet Member

Councillor A C Roberts

Relevant Chief Officer

Director of Children's Services

Local Member(s)

Councillors A Ditta, M Jenkins and J Satterthwaite

Recommendation

- 1. The Cabinet Member with Responsibility for Children and Families recommends that Cabinet:**
 - (a) Notes the Sufficiency Strategy as approved by the Board of Worcestershire Children First and the evidence base contained in it for the policy approach to achieving the legal duty**
 - (b) Notes the success and expansion of the Edge of Care service and the growing demand for good quality local semi-independent accommodation**
 - (c) Agrees to cease operating Green Hill Lodge as a children's home under its existing registration and agrees to the consideration of its future use being undertaken within the all age disability service development**
 - (d) Agrees to the proposed change in statement of purpose for Oak House to become a semi-independent provision**
 - (e) Agrees to cease operating Hill View as a semi-independent provision**
 - (f) If agreed at (c) and (d) above, authorises the Director of Children's Services to finalise the consultation documentation and undertake such consultation as is required.**

Background

2. Following the October 2016 Ofsted judgement of 'inadequate services' Worcestershire invoked a service wide improvement plan. As part of the plan Worcestershire needed to be aspirational and ambitious for all our young people in care

to stop drift and delay and enable them to thrive through appropriate placements whilst simultaneously seeking to enable children to remain with their families wherever it was safe to do so. A key element of the improvement journey focused on permanency planning for children in care, prevention of care and support to families (referred to as Edge of Care) and the use of residential provision care placements.

3. On 18 October 2018, Cabinet considered a report on 'Children at the Edge of Care and Children's Homes'.

4. The Cabinet report recommended the development of an Edge of Care Service as a key part of a revised strategic approach in supporting families to stay together and recommended development of a revised approach to Worcestershire's children's homes and a review of sufficiency of placements for children in care and care leavers.

5. Cabinet approved in principle the recommendation of the report and the decision making in relation to proposals for specific children's homes was delegated to the Cabinet Member with Responsibility for Children and Families.

6. Following a process of consultation with children, young people and stakeholders a further report setting out recommendations in relation to specific children's homes was approved by the Cabinet Member with Responsibility for Children and Families on 13th December 2018 and a decision was recorded on the future of five children's homes. This supported that:

- Hill View (Malvern) was to be converted to a semi-independent plus placement for 6 young people aged 16 to 18 years
- Oak House (Worcester) was to remain open as a children's home
- Orchardene (Persore) was to close at the end of the existing tenancy contract on 31 March 2019
- Bricklehampton was to remain open a children's home
- Rivendell (Bromsgrove) was to close as a children's home.

7. On 30 August 2019 a subsequent report was presented for Cabinet Member approval regarding Rivendell children's home. The report recommended the provision be reopened as a semi-independent plus accommodation adding capacity to meet growing demand.

8. A decision notice was recorded on 12 September 2019 agreeing to the recommendations which have been implemented.

9. Since that time the proposed edge of care service has been established as 'Supporting Families First' and has been delivering interventions to keep children and young people within their families since January 2020.

Current Service Performance to Children in Care

10. It is important to contextualise Worcestershire Children's First (WCF) current position prior to outlining specific areas of service response.

11. The number of children in care continues to rise and Worcestershire remains above statistical neighbours and England averages. However, for new entries into care, the opposite is true. At 18.5% per 10,000 children new into care during 2019/2020

Worcestershire compares favourably to statistical neighbour and England averages at 20.9% and 27.2% respectively.

12. At quarter 4, 20/21, Worcestershire had received 182 new entrants to care compared with 222 for the same period in 19/20.

13. The cohort of children subject to s20 accommodation remains both low and stable at 12%, whilst statistical neighbours average at 21%.

14. The Strengthening Families First Service (go live Jan 20) targets those not entering care through legal processes. Therefore, the above are strong indicators that the Edge of Care and the vision of WCF to “value family life” are effective in practice.

15. When a child is received into care the preferred placement type (subject to an individual child’s needs) is always a family care experience, foster care. Worcestershire is exceeding the England average 72% with 75% of our looked after children living in family care placements.

16. Conversely, Worcestershire is above the England average with 12% of looked after children residing in residential care. By and large, this represents those historically placed who will progress out of care as care leavers.

17. 20/21 data analysis tells us that 42% of our demand for residential care comes from the breakdown of an existing residential placement, 19% from breakdown of foster care and 28% breakdown of birth family care, with a significant proportion of this latter group being children with disabilities.

18. The number of young people (aged 16-18 years) in semi-independent living arrangements is 5.9% as of end of Quarter 4, which is higher than the most recent available England average (from 2020) of 5%. This does not represent a deficit but is representative of significant demand for well supported and good quality semi-independent provision for our young people as they leave care.

19. Once a child is in care it is of paramount importance that they achieve stability in that care placement, remain as local as possible to support their connection with school family and friends and have a permanency plan to secure their long term care arrangement.

20. There has been sustained progress in the short and long term stability of placements with 7% of children (at Quarter 4) experiencing 3 or more placements in 12 months compared to an England average of 11% and 76% of children remaining stable in their placements for over 2 years, above the England average of 69%. The number of children placed more than 20 miles from home is 15.8% compared to an England average of 16%.

Edge of Care

21. **Supporting Families First** was launched in January 2020 as a result of the revised strategic approach in supporting families to remain together wherever possible and safe to do so.

22. The service has focussed on those children whom by definition, are at imminent risk of becoming looked after due to escalating concerns and as indicated above, the impact of the service has been positive.

23. In its first year, Supporting Families First worked alongside 135 children and their families achieving a success rate of 91% in reducing the risks to children and enabling families to remain together. Were it not for the focussed intervention of the service, those 122 children who constitute that 91%, would highly likely have become children in care.

24. January 2021 the government announced the launch of the Independent Care Review and Yvette Stanley (Ofsted Director for Regulation and Social Care) responded to the announcement by expressing her hope that, "*more children can stay safely and happily with their families wherever possible*" (11 March 2021 – Ofsted Blog). This aligns to WCF's core values in maintaining family life wherever possible.

25. Once in care it is unlikely a child will be assessed as able to return home before a minimum of 12 weeks, for others it is months and years. The experiences and process of 'being in care' which include issues such as separation from family, feelings of loss and rejection by parents and children, the management and arrangement of contact and the Looked After Children reviewing processes often take over from the real causes of the original family breakdown.

26. There is also a monetary value to the success of Supporting Families First when considering the cost avoidance of care placements that would otherwise have been sought.

27. Given the ages of those children, 10 years + we know that they would more than likely be accommodated in a residential setting if received into care. By way of example, the average weekly cost of residential provision is £1352.75 per week (using external and internal costing). The cost avoidance for a single child based on a 12-week stay would be £16233.

28. The learning from the multi-disciplinary approach taken by Supporting Families First and the correlating success of multi-disciplinary interventions with families has led to an enhanced strategy to develop the service further. The aim, which is a key focus of 21/22 Social Care Business Planning, is to expand the service to also work alongside Children in Need to reduce the safeguarding risks they are exposed to so the impact of their adverse childhood experiences are reduced and a contextual safeguarding approach is taken to address needs within the community and at home.

29. The 2021 Sufficiency Strategy within the 'Supporting Information' to this Cabinet Report specifies the approach of WCF for the forthcoming years which is based on our performance, current provision and understanding of what our current and future cohort of children in care and care leavers needs are.

Current Service Provision

Fostering

30. Worcestershire Independent Fostering Agency – placements in mainstream and kinship IFA beds.

31. As highlighted, WCF's vision and values are that children should be placed in a local family care arrangement wherever possible as long as it is safe to do so. However, in the aforementioned Ofsted response to the Care Review, Yvette Stanley - Ofsted Director for

Regulation and Social Care, underlines; “*There is currently a chronic national shortage of foster carers, while kinship carers are often undervalued and under-resourced, despite providing a successful route to a permanent home for many children*”.

32. As of Quarter 4 of 20/21 we have 76% of our looked after children cared for in foster care placements, compared with the national average of 72%.

33. Of our children and young people in foster care approximately 44% was attributable to ‘internal’ WCF foster carer arrangements (23% with our mainstream WCF foster carers and 21% with family and friend connected persons, often known as ‘kinship’, carers).

34. Data analysis tells us that 18% of the demand for residential placements derives from foster placement breakdown, equating to 17 new residential placements instigated in the last year. Only one of those children resided in a kinship care arrangement, 12 in an External Independent Fostering arrangement and 4 from in-house mainstream breakdowns.

35. It is self-evident, despite national challenges, that more must be done to successfully recruit and retain our own foster carers and to provide them with an offer that enables them to care for children and young people needing care and to sustain that care until a permanency care arrangement is made.

36. The 21/22 Social Care & Safeguarding Business Plan and Sufficiency Strategy are focussed in instigating measures now to develop an all-encompassing and targeted support ‘Offer’ to both retain existing carers and attract new local carers for our children.

Special Guardianship

37. Permanence should always be the plan for a child’s upbringing, and it underpins all our interventions with children, their families and their carers. The route to permanent care arrangements will be different for each individual child and WCF are committed to ensuring the range of options available are well considered and well supported to marry with an individual child’s needs with their wishes being understood and taken into account.

38. One of these options is Special Guardianship which can offer a child the security, safety, and stability they need and deserve without absolute severance from the birth family, as is often the case with adoption. Since 2010 there has been a rise in the percentage of Special Guardianship Orders within family care proceedings and a decline in Placement Orders and adoption.

39. Kinship care and Special Guardianship can in many ways be interlinked given kinship carers for children often have an established relationship with a child. ‘Grandparents Plus’ hosted an event in January 2021 with guest speakers such as Isabelle Trowler (Chief Social Worker for England), Yvette Stanley (National Director for Regulation and Social Care – Ofsted) and Sir James Munby (former President of the Family Division of the High Court England and Wales). Many of the speaker’s assertions align with the review highlighted above in, “*ensuring awareness, preparation and support – in all its facets be robustly considered and promoted*”.

40. A further element of the 21/22 Social Care Business Planning is the review of the support to Special Guardianship carers to ensure sustainability of permanence plans and identify further routes into permanency for our children in care – in a timely manner.

Residential Children’s Homes

41. WCC currently own four children’s homes and two short break units that are operated by WCF as an in-house service:

Bricklehampton - 4 bed residential home for children and young people with Emotional, Social and Behavioural difficulties aged 10-18 years

Oak House - Worcester, 3 bed plus a 1 bed flatlet residential home (WCF suspended registration January 20 – no residents)

Vale Lodge - Evesham, 4 bed residential home for children and young people with disabilities aged 10-18 years

Green Hill Lodge - Worcester, 8 bed residential home (Ofsted removed registration July 20 – no residents)

Moule Close - Kidderminster, 4 bed short breaks unit for children with disabilities aged 5-18 years

Providence Road - Bromsgrove, 6 bed short breaks unit for children with disabilities aged 5-18 years

Vale Lodge, Moule Close and Providence Road have all been subject to Ofsted Quality Assurance Visits between the latter end of 2020 and early 2021 and all have generally achieved well in terms of Ofsted’s findings.

“Individualised care is at the heart of the service”

“Careful assessment and planning mean that staff understand children’s risks and keep them safe”

(Ofsted Monitoring Visit – Moule Close 23,24 February 21)

“The staff at the home have been ensuring the Children are having regular contact with their families and have been creative in helping the children to experience new and exciting activities during the Covid 19 pandemic.”

(Ofsted Monitoring Visit – Vale Lodge 22,23 September 20)

Recommendation for Vale Lodge, Moule Close and Providence Road:

In our 21/22 sufficiency planning the intention is to continue operating these provisions as per their Statement of Purpose to provide residential care or short breaks for children with disabilities.

42. These provisions will be encompassed within the All Age Disability (AAD) Service Development where WCF are working in partnership with WCC to develop an improved all age disability experience through the provision of a joined up offer of support, accommodation and coordination of services for those children, young people and young adults with disabilities and special educational needs. Work on the review commenced in January 2021.

43. Green Hill Lodge registration was suspended by Ofsted in June 2020. Whilst WCF has successfully met expectations against the associated Ofsted action plan resulting in the suspension notice being removed in August 2020, it sought to instigate temporary closure of the home in September 2020 in order that its future use could be informed by the overall sufficiency strategy. Staff have been temporarily redeployed to appropriate positions within WCF.

Recommendation Green Hill Lodge:

WCF is not seeking to re-open Green Hill Lodge under its original Statement of Purpose. The proposal is that Green Hill Lodge be considered as a potential asset within the All Age Disability service development. As stated, that development commenced in January of this year and therefore future use cannot yet be determined. It is inappropriate to have staff 'on hold' for any longer and as such the current Green Hill Lodge provision should be formally closed as part of the 21/22 Overarching Priorities for WCF in partnership with WCC and consultation with affected staff initiated.

44. Bricklehampton has demonstrated the ability of a well led and culturally developed team of residential staff to be aspirational and outcome focussed for the children in its care. This was reflected in a particularly positive Ofsted Assurance Visit in December 2020. From March 2019 to date, a total of 13 children have resided at the Riddings (a 4-bed home). The average length of time they have lived at the home equates to 207 days.

45. Analysis on the outcomes for children who have lived at Bricklehampton is favourable. Of the 13 children in total, 4 continue to reside at the home gaining in stability and building the emotional, social, and intellectual skills required to enable them to move on and step down. Five young people have successfully completed this journey, 1 has returned home and 4 have successfully transitioned to semi-independent living.

46. Four young people have required a greater level of support and protection; 2 have moved to external residential provision due primarily to Get Safe concerns that could not be safely managed in county; 2 moved to secure accommodation for their own safety.

47. The cultural approach, management, and leadership within Bricklehampton is reflective of the change in practice identified within the improvement journey where care and specifically residential care was to be used as a step in the young person journey through care.

48. The above outcomes for young people reflect a 66% success rate in achieving positive outcomes for children transitioning from the home with a projection that 3 of the 4 current residents are well on track to achieve semi-independence which represents significant success.

"Staff have been proactive in supporting children in their education throughout this period of Covid-19 restrictions. Staff have worked tirelessly with other professionals to gain the right support for children. For one child this has meant he has started to re-engage in education after not attending school for some time"

(Ofsted Monitoring Visit – Bricklehampton Children's Home 7,8 October 20)

Recommendation Bricklehampton:

Remain open as a Children's Home in line with current statement of purpose.

49. Oak House has been subject to temporary closure, instigated by WCF Director of Children's Services, since November 2019. This was due to concerns which fundamentally informed a view that children residing at the home were not having their needs met and risk to their welfare and safety could not be sufficiently mitigated. Staff have been temporarily redeployed to other appropriate positions within

Recommendation Oak House:

Current provision formally closed. Building to subsequently be converted to semi-independent living to meet forthcoming demand.

50. There will always be a need to accommodate some children in residential homes in order to respond to their needs and manage risk safely and appropriately. Children who are received into care often have extremely complex behaviours including self-harm, targeted and indiscriminate violence. They may have been subjected to child sexual exploitation, engaged in county lines activities, and adversely impacted by the ongoing damaging effect of poor parental mental health, domestic abuse, and substance abuse. As detailed earlier within this report, demand for residential care can be mitigated with the development of Supporting Families First and the overarching support and recruitment strategy to mainstream and kinship foster carers.

51. Whilst from a sufficiency perspective WCF recognises the ongoing need for residential provision and that being 'local' is a priority alongside a provision which can provide safe, stable, considered and outcome focussed care where our young people genuinely feel cared for and prepared for their transitions, maintaining this small in house provision will not meet demand in the forthcoming year.

52. However, creating further residential provision is considered to be unnecessary in the context of national developments and our own WCF longer term vision and strategy.

53. It is our view that creating more in-house children's homes would risk beds being unused and/or a culture of practice resuming where there is less determined focus and effort in supporting families and managing risk in the family and foster care provision.

Therefore, the sufficiency strategy sets out the plan to identify, collaborate and commission provision with neighbouring Local Authorities and local private providers.

Semi-Independent Supported Accommodation

54. 5.8% of Worcestershire's young people reside in semi-independent provision compared to a 5% England average. Historically WCF identified that preparation for independence for 16 – 18 year olds in residential care was inadequate and there has been an inherent need to ensure this cohort of young people are afforded every opportunity, with sustained support, to meaningfully prepare for independence and successfully engage with external provision in partnership with Housing. The danger otherwise is that they will 'fall off a cliff edge'.

55. At the end of Quarter 4, 50 of Worcestershire's young people aged 16 + years were living in semi-independent accommodation and 52% of those were placed in internal WCF provision.

56. WCF operates the Worcestershire internal provision, with a capacity of 46 beds in total and provides good quality internal resource which is well supported via the Outreach Team who also support our young people in external provisions.

57. The importance of the quality of provision and indeed quality of support cannot be underestimated, and this has been reflected following consultation, in the announcement the DFE will be issuing National Standards for these unregistered provisions.

58. WCF has already begun work to develop its own standards as part of the individual Statement of Purpose for each of the semi-independent provisions.

59. There is recognition from the DFE following their consultation, "*that much external provision is of poor quality, often in undesirable 'hot spot' areas where young people are easily targeted for exploitation*" and as Corporate Parents we need to ensure our young people and care leavers have the best possible support to promote their welfare and protect them from harm. We can do this best through internal and local provision.

60. As the 'Background' information to this Cabinet report attests, Cabinet approved the change of purpose for Hillview and Rivendell to become semi-independent plus accommodation and since opening in January 2019 and April 2019 respectively, the approach of supported living plus in these semi-independent provisions has been well received and led to generally positive outcomes.

61. Both accommodation settings were given a 'plus' status in recognition of young people aged 16 years residing in the properties and as such additional staffing and overnight staff were allocated. Residents have the opportunity to experience this as a step down from the 24/7 children's home experience and as such test out their independent living skills whilst having daily contact and support with staff.

62. Rivendell has a particularly homely feel which young people find welcoming and secure.

Recommendation Rivendell:

Remain open working against the current statement of purpose as a semi-independent plus accommodation.

63. Feedback and monitoring of Hillview however, despite its general success in supporting young people to develop their independence demonstrates there have been ongoing significant challenges throughout related to its known history of being a Children's Home and its location being close to the train station making it a prime location for congregation and targeting of young people.

64. In addition, Hillview does not have the same homely 'feel' for young people residing there as it is a seven-bed home with a very traditional industrial kitchen and communal living space.

Recommendation Hillview:

It is proposed to close Hill View as semi-independent accommodation.

65. Demand for semi-independent provision continues to rise as our cohort of children in care become older. At Quarter 4, the projection was that approximately 114 young people

will leave care between the age of 16 – 18 years over the 2021 calendar year; a significant proportion will need and chose semi-independent support.

66. WCF aspires to support its young people locally and within quality provision and as inferred in the 'Residential Homes' section of this Cabinet report, wishes to repurpose Oak House as semi-independent supported accommodation. Much like Rivendell, the building has a homely feel with 3 bedrooms and a separate 1-bedroom flatlet which could well enhance the promotion and development of independence skills for our young people.

Impact on children and young people of the recommendations set out in this report

67. The Homes recommended for closure, Oak House, and Green Hill Lodge, will not impact any child directly given no child has lived there for a significant period.

68. Plans to cease operating Hillview as semi-independent supported accommodation would not be pursued until current residents have moved on, in line with their identified pathway plans. In line with requirements and good practice, consultation will take place with all current residents to ensure they are aware of the proposal and have the opportunity to express their views and wishes.

69. In line with HR procedures there will also be a staff consultation initiated for those staff who were assigned to work in the residential homes recommended for closure. These staff remain valued employees all of whom have been temporarily redeployed to other appropriate WCF roles and every effort will be made to redeploy them into suitable alternative work to mitigate the risk of compulsory redundancies arising.

Conclusion

70. This Cabinet report, which should be read in conjunction with the 2021 Sufficiency Strategy, outlines WCF's aspiration and vision in valuing family life, the importance of growing local care and support arrangements for our children and young people and the need to look at sufficiency in the round in order to achieve a sustainable position within a national climate that is under resourced.

71. The proposals to close Green Hill Lodge and Oak House as children's homes, to cease operating Hillview as semi-independent supported accommodation and to change the purpose of Oak House to additional semi-independent supported provision have been considered in that context.

72. As the Chair of the Care Review, Josh MacAlister stated at the launch of the Review, "If 2020 showed us the grit, commitment and creativity of social workers, teachers and other professionals, then 2021 is our chance to think afresh about how we support children without the safety, stability and love that many of us take for granted".

73. We are committed to keeping children and young people in Worcestershire and this means engaged and positively contributing to their local community. Children and young people can experience the most traumatic and challenging times of their young lives whilst in care as they work through the impact of trauma, abuse, and neglect. This can at times be

displayed in challenging behaviours, and whilst much of this can be and is supported and managed within their home and accommodation environment, we know at times this can impact on the wider community they reside in. We are committed to ensuring we provide our children's homes and outreach services with support to engage the local community and stakeholder to identify and address any issues in an outcome focused and timely way. The financial implications for both revenue and capital are factored into our budget planning for 2021/22 and beyond, and any capital changes to what is already planned will be reported through the Resources Updates taken to Cabinet during the year.

Legal, Financial and HR Implications

HR

74. Changes to the current services would require a change management approach with a comprehensive approach to consultation. Detailed staff consultation would be initiated for those staff who have been appointed to posts in the homes affected by these proposals, after any decision to close. These staff are valued members of the children's Residential Service and the intention is to redeploy them into other residential units and support services to avoid compulsory redundancies arising.

75. Staff consultation would be carried out in line with formal Worcestershire Children First procedures

Legal

76. The Council has a duty under the Children Act 1989 to make such arrangements as it considers appropriate for securing community homes are available for looked-after children, having regard to the need for ensuring the availability of homes of different descriptions suitable for different purposes and needs of children. Before making any decision with respect to a looked-after child the Council shall, so far as is reasonably practicable, ascertain the wishes and feelings of the child and parents.

77. If the Council is unable to make arrangements to place looked-after children within family, it must make arrangements for what it considers the most appropriate placement available. As far as reasonably practicable this should be within county, near home, not disrupt education/training, and be suitable for any disabilities. The Council has a general duty to secure sufficient accommodation for looked-after children within county and which meets their needs

78. A review is needed before making alternative arrangements for accommodation for a child, involving an Independent Reviewing Officer (IRO).

79. There is a general principle to consider holding consultations with those that are directly disadvantaged. However, there should be a limited duty to consult as follows:

- a. Green Hill- legally there is no need to consult as there are no residents there
- b. Oak House- No need to consult as there are no residents there
- c. Hillview – Good practice to consult with the residents and parents of those still living there.

80. This is subject to the legitimate expectation duty giving a local authority a duty to consult the public on policy proposals where:
- it has promised it will consult (whether or not there is an actual duty to do so)
 - as part of historical consultation procedure where the local authority has consulted in previous decisions of the same kind.

Financial Impact

81. The proposed changes in Residential Homes releases current budget which can be invested into other areas of the service, specifically areas where investment will reduce future demand for residential places. Tables 1 and 2 below show the small reduction to the Residential Homes budgets, and where budget re-allocations will be made in the service to ensure we minimise any increase on the placement budget.

Table 1- Residential Homes

	Capacity	Current Occupancy	21/22 Budget (£)	Impact of Proposal (£)	Revised Budget (£)
Bricklehampton (no change)	4	4	545,300	0	545,300
Moule Close (no change)	6	6	480,800	0	480,800
Vale Lodge (no change)	4	4	620,600	0	620,600
Providence Rd (no change)	6	6	630,900	0	630,900
Oak House (Convert to SBL)	4	0	528,400	-528,400	0
Green Hill Lodge (TBC)	8	0	1,293,000	0	1,293,000
	32	20	4,099,000	-528,400	3,570,600

82. Note that Green Hill Lodge has been marked as cost neutral as it is not yet known what the future usage and therefore operating budget would be if the asset is utilised in the All Age Disability project.

83. Depending on the outcome of staff consultations there may be redundancy costs as a result of the closures of Oak House, and potentially Green Hill Lodge. WCF/WCC have previously capitalised such costs if they are considered transformational. Alternatively, these costs would need to be met from in-year service budgets, mitigating any savings made.

Table 2- Reallocation of existing Budget

	Investment amount (£)
Operation of new SBL at Oak House (includes staffing and premises costs)	25,000
Fostering Recruitment Manager	65,000
Additional Respite for Foster Carers to Reduce Placement Breakdown	70,000
Family Support Workers in CWD Service	105,000
Increased Capacity in Strengthening Families First Service (<i>note – this is a contribution towards developing a new enhanced service which is estimated to require a total budget increase of £1.2m</i>)	263,400
	528,400

84. There will be a capital cost of the conversion of Oak House into semi-independent accommodation. This would be funded from the existing Social Care Capital allocation, which currently stands at just over £3m.

Risk Implications

Risk to delivery and consequences

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

85. The JIA screening did not identify any potential considerations requiring further assessment during implementation.

Supporting Information

Appendix A - Sufficiency Report, April 2021
Appendix B - JIA Project Screening report
Appendix C - Equality & Public Health Assessment
Report
Appendix D - Data Protection Impact Assessment
report

Contact Points

Specific Contact Points for this report

Tina Russell
Director of Children's Services
Worcestershire Children First
Tel: 01905 846354
Email: russell@worcschildrenfirst.org.uk

Background Papers

In the opinion of the proper officer (in this case the Director of Children's Services) the following are the background papers relating to the subject matter of this report:

Cabinet Paper – Children at the Edge of Care and Children's Homes', 18 October 2018
<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=2161&Ver=4>

Cabinet Member Decision paper 12 December 2018
https://www.gov.uk/downloads/file/10578/cabinet_member_report_-_residential_childrens_Worcestershire_homes

Cabinet Member Decision Notice – Residential Children's Homes, 13 December 2018
https://www.worcestershire.gov.uk/downloads/file/10651/cabinet_member_decision_notice_-_residential_childrens_homes

Appendix: Equality Impact Assessment for Children's Homes Decision Notice
https://www.worcestershire.gov.uk/downloads/file/10652/equality_impact_assessment_for_childrens_homes_decision_notice

Agenda papers for Cabinet 30 August 2019
https://www.worcestershire.gov.uk/downloads/file/11525/3rd_cmr_decision_rivendell_sbfinal_v11

Cabinet Member Decision Notice - Children's Supported Board and Lodgings – Rivendell, 12 September 2019
https://www.worcestershire.gov.uk/downloads/file/11610/cabinet_member_decision_notice_-_childrens_supported_board_and_lodgings_-_rivendell



Worcestershire Children First Sufficiency Strategy

**January
2021 -
2023**

This strategy sets out the aims and objectives to meet our sufficiency duties and our vision on the placement experience for Looked After Children, Care Leavers and those on the Edge of Care

Contents

- 1. Introduction**
- 2. Vision and Values for WCF and our Looked After Children and Care Leavers**
- 3. Principles underpinning our Sufficiency Strategy**
- 4. Our Improvement Journey and Sufficiency Business Priorities 21/22**
- 5. Our Needs Analysis**
 - 5.1 Covid impact**
 - 5.2 Demographics**
 - 5.3 Risk and Needs leading to care**
- 6. Key Performance Indicators – Local, Statistical and National Performance**
- 7. Children placed out of County**
- 8. Current Service Provision analysis and Sufficiency Strategy**
 - 8.1 Fostering**
 - 8.2 Residential Provision**
 - 8.3 Semi- Independent Supported accommodation**
- 9. Permanency**
 - 9.1 Adoption**
 - 9.2 Special Guardianship**
- 10. Children with Disabilities and Additional Needs**
- 11. Edge of Care – Strengthening Families First**
- 12. Unaccompanied Asylum-Seeking Children**
- 13. Commissioning Approach to Placements**

1. Introduction

- 1.1 The 'Sufficiency -Statutory Guidance on securing sufficient accommodation for looked after children,' seeks to improve outcomes for looked after children and young people by providing guidance on the implementation of section 22G of the Children Act 1989. The statutory guidance sets out the requirements Local Authorities must take steps to secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of children that the Local Authority are looking after, their care leavers and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the Local Authority's area.
- 1.2 This strategic action and vision requires effective partnership between the WCF acting on behalf of WCC Local Authority and its partners. Each local authority has a duty, under section 10 of the Children Act 2004 Act to make arrangements to promote co-operation with its relevant partners with a view to improving the wellbeing of children in the authority's area. Each of the statutory 'relevant partners' is also required to co-operate with the local authority in making those arrangements. The duty on local authorities to secure sufficient accommodation for children in care set out in the sufficiency guidance should be undertaken within the context of these planning and co-operation duties.
- 1.3 Whilst the sufficiency duty applies in respect of all looked after children, it recognises the importance of earlier, preventive action with those who are on the 'edge of care' to support children and families so that fewer children become looked after.
- 1.4 The sufficiency guidance is issued as part of a suite of statutory guidance documents which, together with the Care Planning, Placement and Case Review (England) Regulations 2010 ('the Regulations'), set out how local authorities should carry out the full range of responsibilities in relation to care planning, placement and review for looked after children.

2. Vision and Values – Worcestershire Children First

Our vision for all children and young people is for them to be **Happy Healthy and Safe**. We work to ensure we keep children at the heart of all we do, we value the experience of family life for them, we recognise and drive for good education for all and when necessary we act to protect them from harm

Vision, Mission and Values



3. The Principles of Permanency that underpin our Sufficiency Strategy

Based on our value of family life our priority is to support children and young people to achieve permanency in the care of their birth parents. Living in parental care that is safe, stable and nurturing is the best way to promote a child's welfare and outcomes. Through our Strengthening Families First strength based multi-disciplinary team we will offer children, young people and their parents a wide range of intensive support to manage crisis and prevent family breakdown enabling them to build on their strengths resourcefulness and resilience as a family

When children are received into the care of their local authority their placement experience is key to their overall outcomes as a Looked After Child and or Care Leaver. Our aim is to give Children and Young People the best placements in order for them to thrive in a loving, stable, and secure environment and, where possible, for those children to return to their own families if it is safe to do so.

3.1 Our sufficiency strategy is based on the following principles for provision of placements:

- When children and young people cannot remain in parental care, we want them to have a choice of where they live. Our sufficiency strategy seeks to create enough provision to provide that choice and our social care practice will ensure the views and wishes of the child and young person are heard and taken into account.

- Where children and young people cannot remain within their immediate family, the first consideration will be to support a “connected person” to care for them and our strategy focuses on the quality of assessment training and support to those cares often referred to as “Kinship” carers.
- Where children cannot remain with parents or in the care of a connected person, we will continue our “value of family life” and seek to provide a placement that is a “family experience” and as such provide them with Foster Carer who can meet their needs. placement, the preference being with in-house local foster carers.
- Unless there is a good reason why not, siblings should be placed together.
- A small number of children and young people may have needs such that a residential placement is the preferred choice of placement to meet their needs. This may be either because of the complexity of their needs or because previous experience has resulted in the young person finding the intensity of living within a family too difficult for the time being. We want to have access to local residential provision that is able to meet the often challenging and high risk needs of young people.
- When a child is placed within a residential setting, consideration should be given at all stages in care planning to whether the child can return to a family care experience.
- When determining the right placement for a child in care we will, subject to a risk assessment and interests of the child's safety, seek to place the child locally within Worcestershire and as close as possible and appropriate to their family and community. This will help us maintain for them an appropriate level of contact with family and friends.
- Whenever a placement is made, all efforts must be made to minimise the disruption to the child's education, whatever the child's age, but particularly at Key Stage 4. In addition to this and in accordance with the statutory guidance for Local Authorities on Promoting the Educational Achievement of Looked After Children, if the placement could involve a change of education provision then the Virtual School Head Teacher must be consulted prior to the placement being made.

3.2 This strategy is underpinned and supported by a suite of WCF and stakeholder strategies and policies, including:

- *Worcestershire Children First Business plan 21/22*
- *WCF Strengthening Families First services*
- *WCF Safeguarding Families project*
- *Worcestershire Children First Early Help and Family Support offer*
- *West Mercia Police Early Help Strategy*
- *Children and Young People Strategic Partnership plan in association with Health and Well-Being Board and ICS priorities*

- *Worcestershire Children First Independent Fostering Agency business plan*
- *Worcestershire Adoption Agency and Adoption Central England (ACE) strategic plan*
- *Worcestershire Council Corporate Parenting Strategy*
- *Worcestershire Children's First Permanency Policy*

4. Our Improvement Journey

October 2016 Ofsted undertook a full Childrens Social Care Safeguarding Inspection and Worcestershire were found to be "Inadequate" in delivering its services to children young people.

The latest Ofsted inspection took place under the Inspection of Local Authority Childrens services (ILAC) July 19.

The findings from that inspection said of **Children in Care and Care Leavers**:

- *Decisions made for children to come into care are appropriate and where necessary immediate action is taken to safeguard children*
- *Assessments for children in our care are timely, comprehensive and care plans are appropriate and Care plans for are comprehensive, up to date and reflect the needs of children well*
- *Effective parallel planning for young children ensure they achieve timely permanency*
- *Majority of children in care are settled, are in placements that meet their needs and are making progress*
- *Looked After Child reviews are well chaired by IRO's, Records are written in a supportive meaningful way and in most cases IRO's are active in ensuring quality and timeliness is identified an addressed.*
- *Assessments of Foster Carers are timely, thorough and analytical.*
- *Supervising social workers understand the needs of the children and help foster carers to develop their skills necessary to meet those needs.*
- *Planning for children with a plan of Adoption is a strength. ACE and the local authority work effectively to identify where Adoption is an appropriate permanence plan early and then family find without delay*
- *Personal Advisors build positive relationships with young people and they know them well. They are aspirational for their young people and consistently encourage them to achieve in education and employment*
- *All care leavers have a PA to the age of 21 and the LA ensure they offer services, and are in contact, with most up to the age of 25 years*
- *Pathway Plans are detailed, up to date and have clear actions and timescales. Good participation from young people in completing their own plans and our "plan on a page" provide a good straightforward overview*
- *Access to support across the districts is positive and helps maintain contact and reduce isolation for these young people*
- *Most Care Leavers live in suitable accommodation and our Outreach services engage young people in independent skills course that is effective in increasing confidence and enables them to progress through stages to independent living*

- *Care planning for sibling groups is done in the best interests of children. Siblings are placed together when it is in their interests*
- *Children in care “benefit” from supervised family time with parents, siblings, and family*
- *Children and Young People in care are making good educational progress and this is effectively monitored by social workers and schools through Personal Education Plans*
- *Long term stability for most children has improved as a result of proactive management and service development to introduce “consolidation” meetings*

Our journey of improvement continues and our WCF Social Care and Safeguarding Business Plan 21/22 sets out the priorities for improvement and development of services to children in care and care leavers.

Social Care and Safeguarding Directorate Priorities 2021/22

WCF Values				
Valuing family life	Good education for all	Children at our heart	Protecting children from harm	
Early Help and Children in Need	Services to Children in Need Developing models and approaches of multi-disciplinary working to reduce risks to children and effectively meet their needs in family care and the community	Early Help Review Partnership Working Right Service Right Time	Get Safe Supporting and Protecting children and young adults from exploitation	Positive Outcomes Project Investing in our future social workers. Student delivering a contextual safeguarding approach with partners
Children in Need of Protection	Worcestershire Safeguarding Families Project Positive and timely outcome for children at risk of significant harm and care proceedings	PAUSE Preventing repeated removal of babies from parental care	Domestic Abuse Supporting & Protecting children living with DA harm	Timeliness & Sustainability in Permanency Supporting permanency carers: SGO/LTF/Adoption

Looked After Children, Young People and Care Leavers	SUFFICIENCY		Emotional and Health and Well-Being Looked After Children & Care Leavers	External Residential Care: Developing partnerships with private providers and stakeholders
	Foster Carers: Meeting demand and complexities of care for older children			
	Transition from care: Semi Independent Support & Housing for Care Leavers			
	Developing the quality and purpose of Residential Care to young people			

Knowing ourselves Impact Independent Validation	Review and Evaluation of the Children's Safeguarding Arrangement	Ofsted Focused Visits and Inspection of Local Authority Children's Services	Inspection of WCF Independent Fostering Agency Children's Homes	Registration of Adoption Central England (ACE)	Quality Assurance Framework • Key Performance Indicators • Service User Feedback • Audit
---	--	---	---	--	---

5. Needs Analysis : Looked After Children and Care Leavers



The number of children in care continues to be above statistical neighbours and England averages. However the total number of children in care has now been relatively consistent for 3 years as shown in the tables above.

This is because for new entries into care we have lower rates with 18.5 per 10k children entering into care during 19/20 compared to 20.9 and 27.2 SN/Eng. rates.

Looked After Children - Starts and Ceases

Number (Rate per 10k)		2017/18	2018/19	2019/20
Starts	Worcestershire	281 (23.8)	243 (20.4)	220 (18.5)
	SN Ave	309 (19.8)	308 (19.6)	293 (20.9)
	England	32,190 (26.9)	31,680 (27.8)	30,970 (27.2)
Ceases	Worcestershire	255 (21.6)	207 (17.4)	235 (19.8)
	SN Ave	264 (16.9)	289 (18.4)	271 (18.7)
	England	30,050 (25.1)	29,460 (25.8)	29,590 (25.9)

Based on the latest available data we also have better than average performance against our Statistical Neighbours for children leaving care, at 19.8 per 10k compared to SN at 18.7 so we should be narrowing the gap between ourselves and our SN as we see the impacts of our edge of care and permanency planning which have been effective in some other authorities earlier.

It is essential to see the 20/21 data as a year impacted by the Covid pandemic which effected the timeliness of our permanency planning and supporting for young people to exit care.

5.1 Our Covid Journey 20/21

Our demand for children services rose through the pandemic. Whilst many understand these pressures at the “front door” we know as an “End to End” service these demands and the impact of Covid19 affected our whole system and the journey for children and young people through it.

We experienced a long term the increased demand in “Contacts” seeking information and early help, we also saw an increase in the need for social work assessments as we undertook assessments to identify harm and “Hidden Harm”.

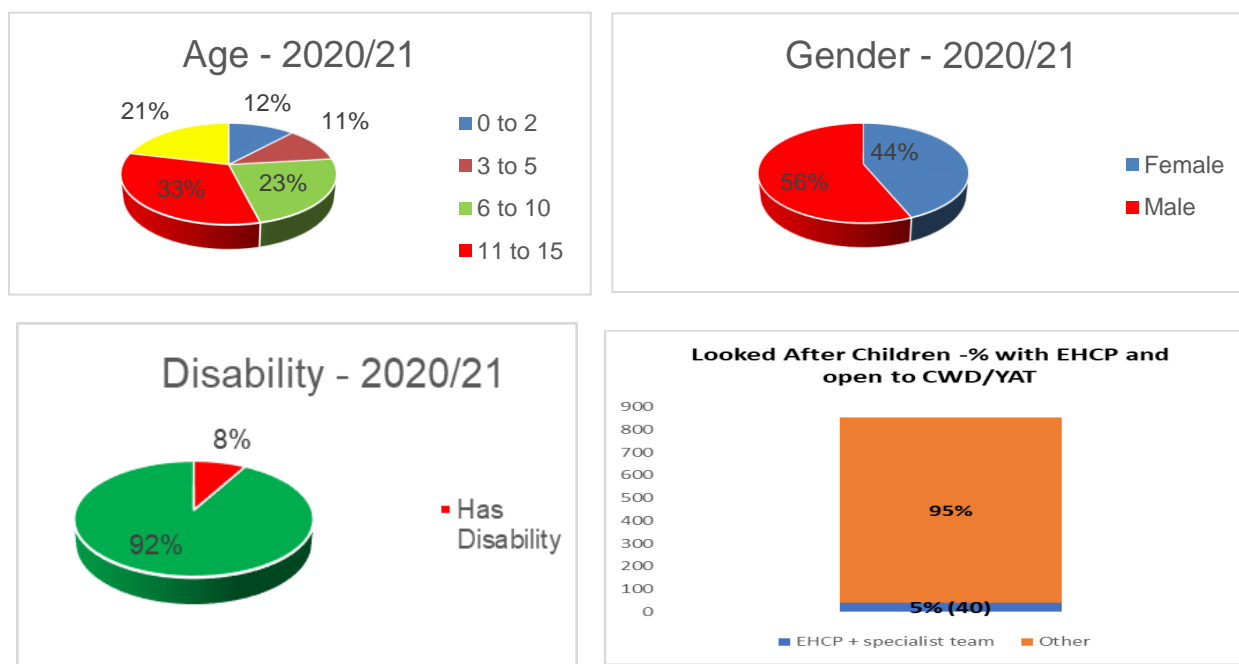
We had an associated rise in the number of Children in Need and in those subject to child protection as we were prevented from safely closing cases due to additional pressure families were experiencing and the context of reduced support for example, access to school, family and early help in the community.

The initial lockdown created issues for our care planning in courts and through to permanency and we saw the associated rise in Looked After Children numbers.

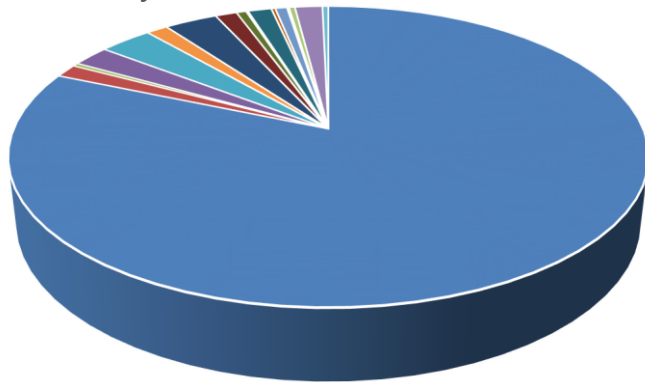
During the second half of the year we progressed focused work and communications to families and parents on early help, we challenged the “professional anxiety” culture and through our WCF early support we found ways to support parents to effectively and efficiently “problem solve”.

The use of Strengthening Families First enabled us to support parents to address and manage risk and the impact of Covid continuing to prevent care where it was safe to do so and we also worked closely with the courts to progress our care proceedings and addressed delays in our ability to achieve permanency for children exiting the care system. The outcome being at the end of year we have 842 children in care a rise of only ten since end of year 19/20.

5.2 Demographics of our Looked After Children



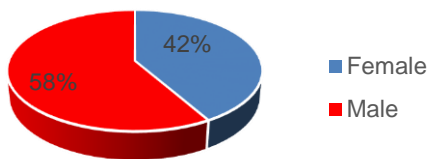
Ethnicity 2020/21



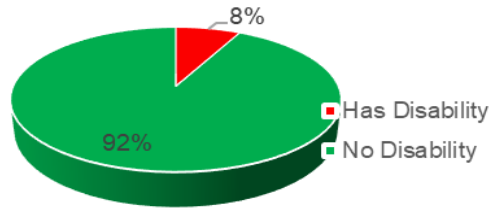
- A1 - White British
- A3 - Any other White background
- A4 - Traveller or Irish Heritage
- A5 - Gypsy / Roma
- B1 - White and Black Caribbean
- B2 - White and Black African
- B3 - White and Asian
- B4 - Any other mixed background
- C2 - Pakistani
- C3 - Bangladeshi
- C4 - Any other Asian background
- D1 - Caribbean
- D2 - African
- D3 - Any other Black background
- E1 - Chinese
- E2 - Any other ethnic group
- E4 - Information not yet obtained

Care Leavers aged 18-21 Years

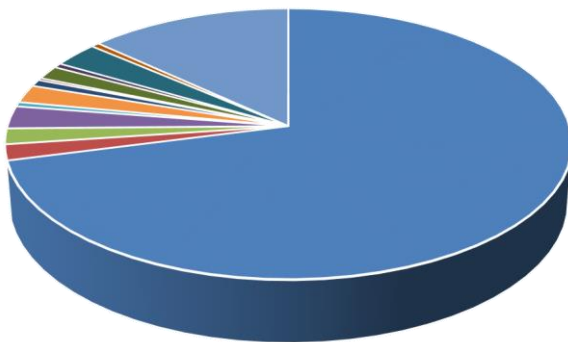
Gender - Age 18-21 - 2020/21



Disability - Age 18-21 - 2020/21



Ethnicity - Age 18-21 - 2020/21

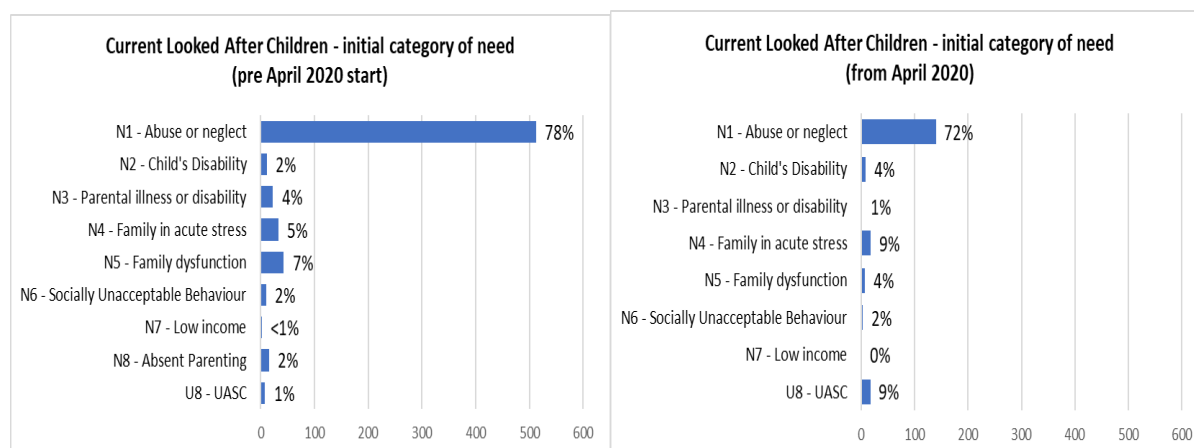


- A1 - White British
- A3 - Any other White background
- A5 - Gypsy / Roma
- B1 - White and Black Caribbean
- B3 - White and Asian
- B4 - Any other mixed background
- C2 - Pakistani
- C3 - Bangladeshi
- C4 - Any other Asian background
- D1 - Caribbean
- D2 - African

5.3 Risk and Need leading to Care.

Comparing category of need pre and post April 20 we can see a reduction in those experiencing abuse and neglect and “family dysfunction”, evidence of our edge of care support and increase in those in “acute stress” which is a factor in managing risk and supporting children at home “only where it is safe to do so”

Rise in children with disabilities and Unaccompanied children also feature and are addressed within our sufficiency strategy.



6. Key Performance indicators

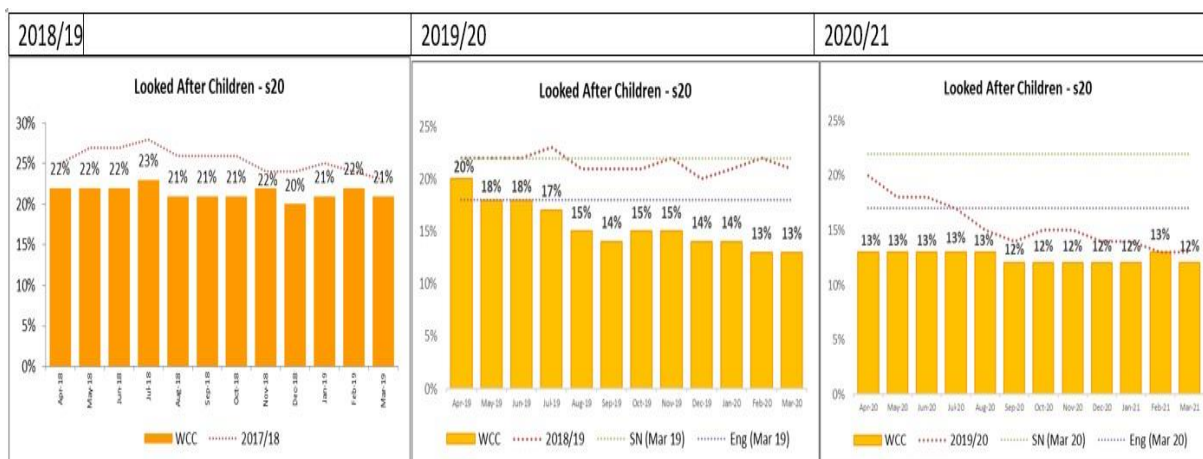
Whilst it is important for us to draw analysis and trends to forecast our future care population, we must be mindful of the significant improvement journey and the change of culture and practice we have worked through since 2016, using data pre 18/19 would risk giving a false base line on which to understand needs and demands.

Therefore, we are using data of 18/19 and 19/20 to understand our demand and permanency practice. In addition we need to note the impact of the Covid pandemic 20/21 and the period of national lockdown and unprecedented pressure demand and changes in working practices.

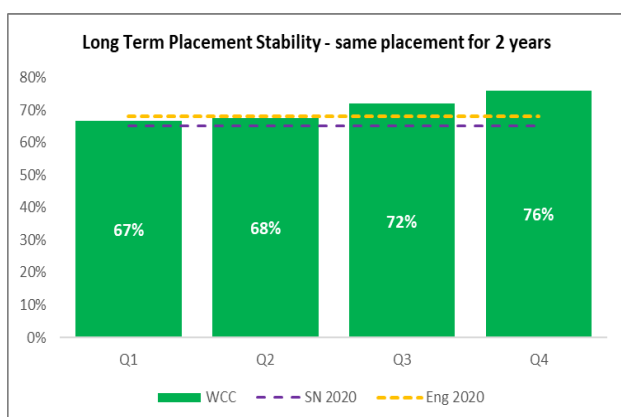
The below 20/21 key performance indicators are used to inform our sufficiency planning.

S20 Care

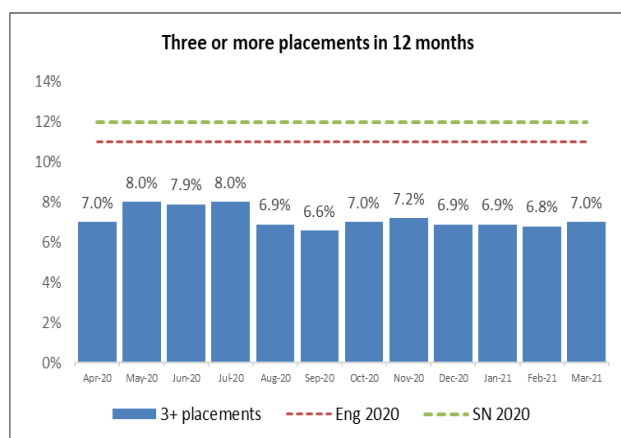
A large number of children who come into care under a voluntary order are likely to return home – we have seen this group as a stable % of our Looked After Child for 2 years where we have remained below SN and England averages reflecting effective work in supporting children to remain in family care managing risk in the community.



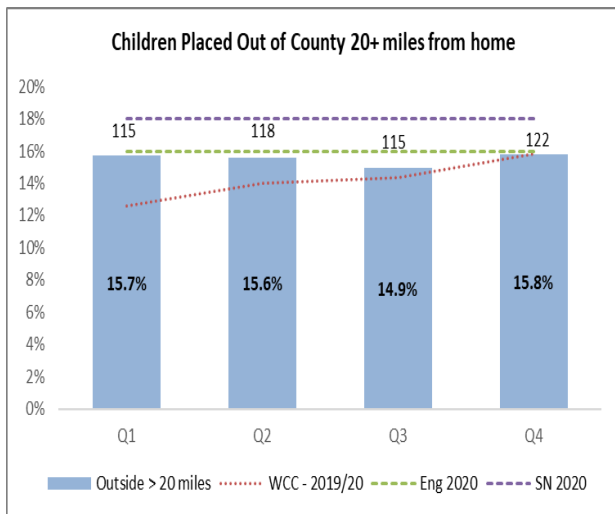
However, in 20/21 we have seen the number of “new” S20 children rise from 35% to 49%. When we analyse the cause for S20 we can see the correlation with increased pressure and negative impact on parenting skills coming from the pandemic, Mental Health, Domestic Abuse and Substance Misuse. A notable proportion are also children with ADHD and Autism causing family breakdown when parents are no longer able to manage the challenging behaviours of their children often associated with them growing older and physically bigger. Our business planning is developing the strengthening families first model to children in need on the edge of care but also edge of Child Protection in an effort to intervene and make positive changes earlier.



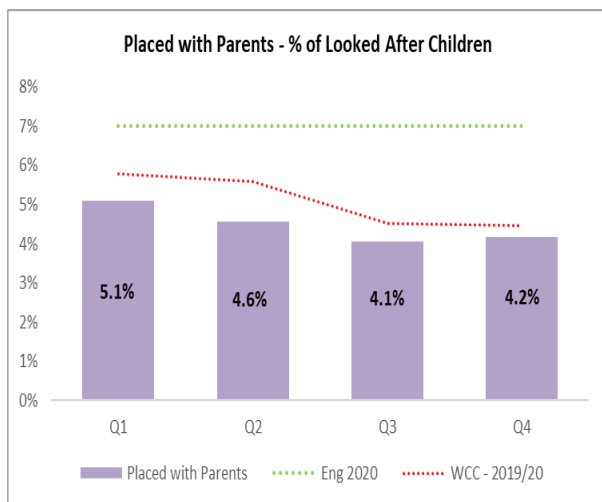
Long term placement stability - Here we can see a continually improving picture of us attaining placement stability for children in long term care with **72% of children staying stable in their placement for over 2 years above the Eng. avg. of 69%.**



Placement stability with children in three or more placements within 12 months - In this indicator we can also see sustained good performance over 19/20 and 20/21 with WCF having significantly better performance to that of our statistical neighbours and England averages.

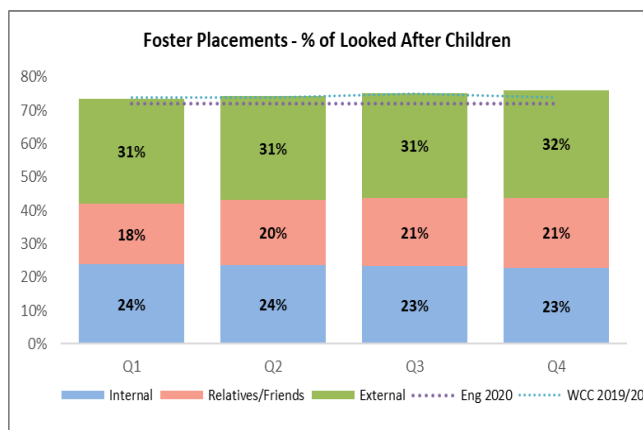


We can also see a stable number of children being placed more than 20 miles from home at 15% maintaining us below Eng. Avg. of 16% and well below SN at approx. 18% as we strive to identify local placements for our children in care through internal and externally commissioned placements local to Worcestershire.



Children Placed with Parents in Care Orders. This chart shows a sustained positive performance reducing the number of children placed at home with parents on care orders. WCF placing less children than that of our statistical neighbours and the England averages. It is important to note the new Public Law Review recommendations released March 21 make it clear that placements with parent's children subject care orders should not be permanency care plans save the most exceptional circumstances.

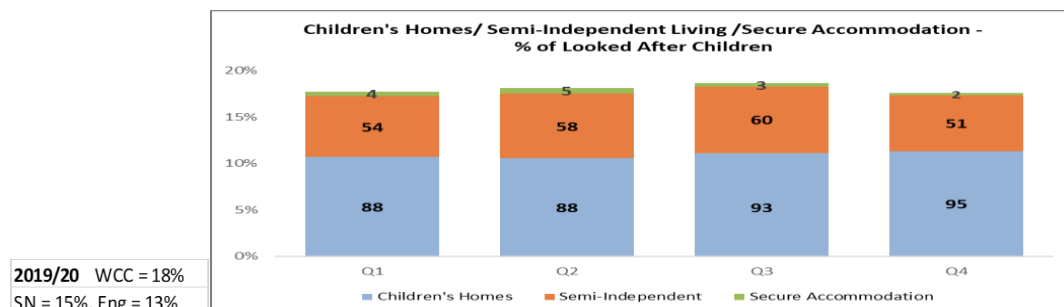
Children placed in foster care placements – The KPI chart identifies good performance in the rising number of those places with connected persons in line with our commitment to place children with connected people but there is a drop of children placed in our Worcestershire Children First Independent Fostering Agency.



Whilst our overall cohort of children experiencing a foster care placement (mainstream and connected person) performance is above that of the England averages but we need to do more to ensure our own provision is meeting needs. We know the challenges are finding carers willing and able to care for older young people aged 10+ and sibling groups.

Children placed in Residential Care, Semi-Independent living or Secure

As a collective group at 18% for 20/21 we are above the England and SN averages this in our area. It is essential this cohort is broken down to understand our needs and inform our strategy.



Secure Accommodation

Whilst national comparison is not available, we do know there has been national rise in the demand for Secure provision and this is reflected in our own care young people. During the past three years we have seen a slight drop with 8 young people experiencing a secure placement in 18/19 and 6 in year 19/20 and 6 in 20/21. These are our most complex young people where mental health and violence presents such significant harm to themselves or others that secure is necessary to provide containment giving a period of stability as a basis for engagement. Secure provision is not our preferred placement for young people and experience show us that outcome from secure are very limited for young people.

It is notable that meeting the threshold for secure and despite extensive searches has not always resulted in the young person being placed in that type of arrangement. We have some case examples where due to the absence of secure placement we have managed the risks via a Deprivation of Liberty Orders issued by the courts and through risk management plans in other residential provision and we have seen positive outcomes achieved for some of these young people.

As part of our strategy we are feeding our experiences of Secure placement and the impact and outcome for children into our regional work on the development of a Safe Base in the west midlands. The West Midlands Safe Centre development is a priority for the regional business planning 21/22 and WCF are one of three LA/Trusts leading on this for the region.

Children's Homes Residential

Our data on the use of residential care shows us to be above average at 12% of our Looked After Children population in residential care compared to the last available data of 8% in children's homes in England (March 2019).

Our history of poor permanency planning (prior to our Ofsted improvement journey) and use of residential care as a long term care option for younger children has led to us having a high proportion of young people in what has become long term stable

residential provision and until these young people transition to independent living our numbers are likely to be higher than the average.

Semi Independent Supported Living

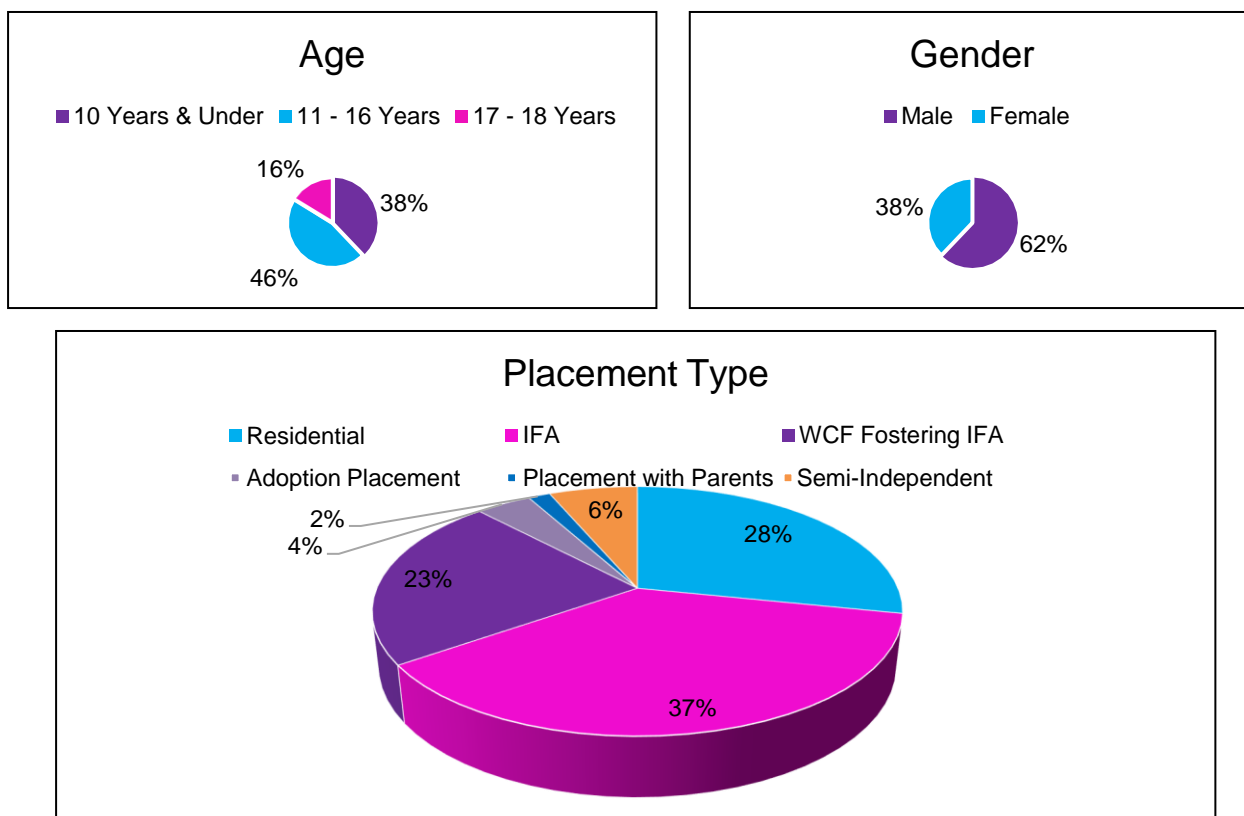
Last recorded data shows 5.8% of Worcestershire’s young people reside in semi-independent provision compared to a 4% England average. Historically WCF identified poor preparation for independence for 16 – 18 year olds in residential care and there has been an inherent need to ensure this cohort of young people are afforded every opportunity, with sustained support, to meaningfully prepare for independence and successfully engage with external provision in partnership with Housing. The danger otherwise is that they will ‘fall off a cliff edge’.

We believe with the right support some young people can thrive in semi-independent living who would otherwise experience multi residential placement breakdown and we have many case examples of good outcomes for young people in this provision. Therefore our own higher than England average is not a negative KPI and should be seen in the context of the quality of provision and outcome for these young people.

7. Children placed out of County

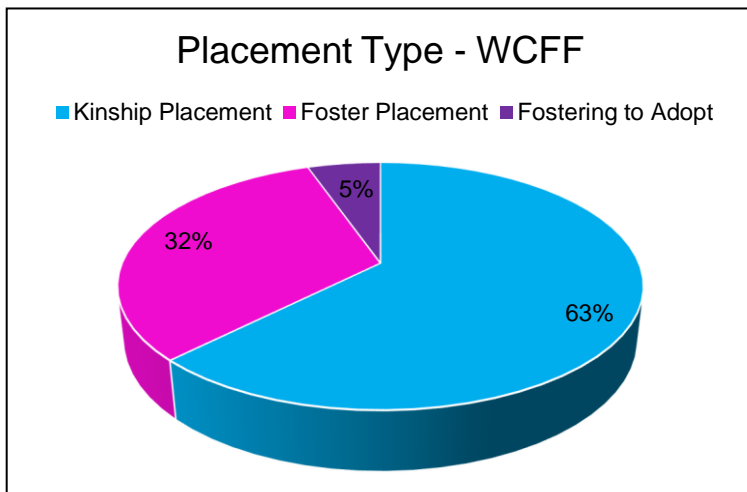
Here we can see sustained reductions in the number of children placed more than 20 miles from home. WCF attaining a better performer than as statistical neighbours and the England averages.

A detailed review of our children and young people placed out of county undertaken in 2021 confirmed that 248 children of our looked after population are placed outside of the Local Authority area, this equates to 29%.



Our demographic reporting tells us that the majority of children placed outside of the Worcestershire area are male and between the age of 11-16 years old. In terms of placement type Independent Fostering Placements are the most used, followed by Residential and then our own Worcestershire Children First IFA.

The 70 children in a residential placement also include some specialist placements such as, 2 children in a secure placement, 1 NHS/Health Care Placement, 4 in Residential Schools and 1 child in a mother & baby placement (March 21 data).



The children placed outside of the Worcestershire area but are in WCF Fostering Placements (56 children) are broken down by placement type in this chart, which shows the majority 63% (35 children) are with Kinship Carers.

Overall, this shows many of our Out of County children are placed for permanency and or with connected persons but also highlights the challenge we have in meeting needs for children through our internal WCF fostering provision.

8 Service Provision analysis and Sufficiency Strategy

The broad headline of priority development in placements for children and young people in care are set out in the 21/22 Social Care & Safeguarding Business Plan.

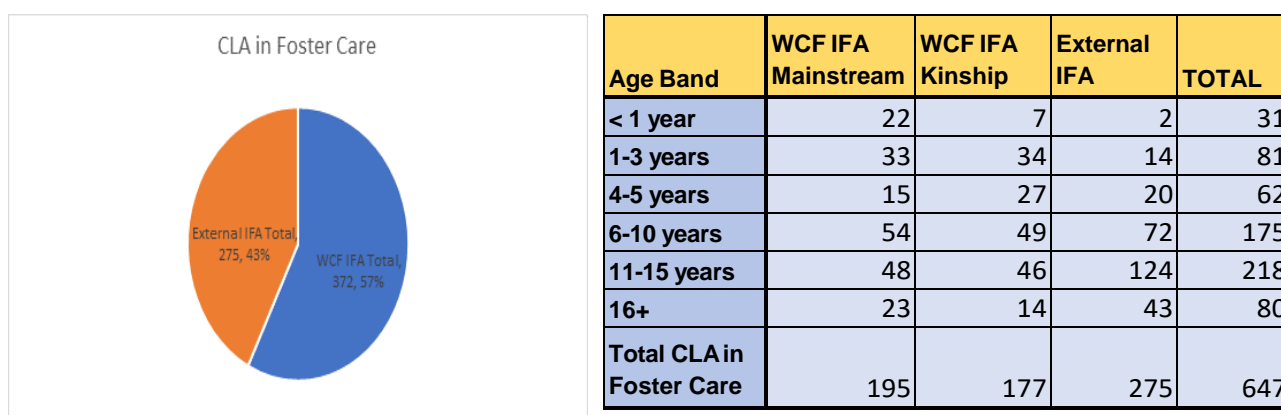
Looked After Children, Young People and Care Leavers	SUFFICIENCY		Emotional and Health and Well-Being Looked After Children & Care Leavers	External Residential Care: Developing partnerships with private providers and stakeholders
	Foster Carers: Meeting demand and complexities of care for older children			
	Transition from care: Semi Independent Support & Housing for Care Leavers			
	Developing the quality and purpose of Residential Care to young people			

8.1 Fostering – Meeting Demand

Worcestershire Children First registered its own Independent Fostering Agency in September 2020. The service underwent an assurance inspection October 20.

WCF's vision and values are that children should be placed in a local family care arrangement wherever possible as long as it is safe to do so.

Of our children and young people in foster care approximately 44% are placed in "internal" WCF foster carer arrangements (23% with our mainstream WCF foster carers and 21% with family and friend connected persons, often known as "kinship", carers).



Age Band	WCF IFA Mainstream	WCF IFA Kinship	External IFA	TOTAL
< 1 year	22	7	2	31
1-3 years	33	34	14	81
4-5 years	15	27	20	62
6-10 years	54	49	72	175
11-15 years	48	46	124	218
16+	23	14	43	80
Total CLA in Foster Care	195	177	275	647

Data analysis tells us that 18% of the demand for residential placements derives from foster placement breakdown, equating to 17 new residential placements instigated in the last year. Only one of those children resided in a kinship care arrangement, 12 in an External Independent Fostering arrangement and 4 from in-house mainstream breakdowns.

The age breakdown of our children in foster care shows us that 57% of children aged 11-15 and 41% of those aged 6-10 years in foster care are in the care of external providers

It is evident, that despite national challenges, that more must be done to successfully recruit and retain our own foster carers and to provide them with an offer that enables them to care for children and young people needing care and to sustain that care until a permanency care arrangement is made.

Our business plan is focussed in instigating measures now to develop an all-encompassing and targeted support 'Offer' to both retain existing carers and attract new local carers for our children.

- Broadly this will include the development of 'buddy carers' will be able to support foster carers and children placed with them in providing planned and regular respite, maintaining contact with the carers and our children to build trusting and meaningful relationships, and be on hand should unplanned situations arise where enhanced support may be required. This applies equally to Worcestershire's mainstream foster carers and kinship foster carers. Buddy carers will also be identified to offer our children in residential care the opportunity to experience family care arrangements as part of a young person 'step down' to foster care plan wherever appropriate.

- The support strategy will also incorporate enhanced training to carers to develop their understanding and ability to respond and manage the often-complex needs of our looked after children, particularly those within the 10 – 17-year age range. This will be enhanced, in collaboration with Health partners, in undertaking physical and emotional health and wellbeing assessments at the onset of their care experience and potential need for specialist support. Their emotional wellbeing will thereafter be regularly reviewed with further updated assessments.
- The remit of the Integrated Service for Looked After Children (a team staffed jointly between WCF and the CCG) is being reviewed to afford direct support, guidance, strategies and learning to carers and the children placed with them.
- There is a recognition of the importance of working alongside external partners to provide high quality stable provision, enhancing WCF's placement offer where necessary. One element of that is the sustained success of Consolidation Meetings where challenges within placements are openly discussed with partners and carers and additional support identified, in order to avoid potential placement breakdown. In 20/21 approximately 85% of foster placement arrangements were maintained as a consequence of this approach. We see this more successful in our own in house provision and we will re-focus support and challenge to external foster care provides.

8.2 Residential Provision

There will always be a need to accommodate some children in residential homes in order to respond to their needs and manage risk safely and appropriately.

Children who are received into care often have extremely complex behaviours including self-harm, targeted and indiscriminate violence, child sexual exploitation, county lines and the ongoing damaging effect of parental mental health, domestic abuse, and substance abuse.

A family care experience isn't always the right thing for every young person. It is very much dependant on their past experience of family breakdown and or their foster care and or placement breakdown experiences.

Once a young person is residing in a residential setting their continued residence is influenced by the stability and outcomes they are experiencing in their placement and the level of independent living skills that will determine their need for continued residential care.

Age March '21	No. of CYP
<10	1
10	5
11	1
12	6
13	13
14	11
15	17
16	21
17	17
18	1
TOTAL	93

When looking at the age breakdown of our children in residential care we can see that 25 children (27%) are aged 10 – 13 years their individual care plans will be looking to step them down in a family care arrangement as soon as is possible taking into account their emotional health and wellbeing and ensuring stability of care and relationship attachments are formed to ensure any step down is a successful and sustainable move.

There are approximately 44% (41 young people) aged 13 -15 currently in residential care. 25 of the 93 young people residing in Children’s Homes have already been residing in their residential placement for over 2 years. 41% are aged 16+ and are likely to need support as they transition into care leavers and independent living

Demand for Residential Care

Our deep dive analysis on the use of residential care tells us that during 20/21 95 children have required a new residential placement in year. This is artificially high as 8 children have required a new residential placement due to closure of Greenhill Lodge.

However, of the 95, 70% of the demand for a new residential care placement has come from children already in the care system. (42% from a breakdown of existing residential placements and 19% due to breakdowns in foster care placements)

28% of our children placed in a new residential care placement made during 20/21 is because of family breakdowns. Of those a smaller but important cohort are young people with disabilities that most frequently come into care later at stage when it becomes too difficult for parents to manage their needs and behaviours at home.

This demand analysis for residential care tells us that we need to:

- Support and develop our foster care provision to be able to meet the complex and challenging needs of children now entering care
- Support and challenge existing residential placement providers to meet the need of children in their care and give them greater stability
- Consider alternative ways for supporting families for children with additional needs to remain at home in family care.

WCF currently own four children’s homes and two short break units:

- The Riddings - Pershore, 4 bed residential home for children and young people with ESB aged 10-18 years
- Oak House - Worcester, 3 bed plus a 1 bed flatlet residential home (WCF suspended registration January 20 – Closed no residents)

- Vale Lodge - Evesham, 4 bed residential home for children and young people with disabilities aged 10-18years
- Green Hill Lodge - Worcester, 8 bed residential home (Ofsted removed registration July 20 – Closed no residents)
- Moule Close - Kidderminster, 4 bed short breaks unit for children with disabilities aged 5-18 years
- Providence Road - Bromsgrove, 6 bed short breaks unit for children with disabilities aged 5-18 years

Whilst from a sufficiency perspective WCF recognises the ongoing need for residential provision and that being 'local' is a priority and we are committed to retaining the existing open resources.

Maintaining this small in house provision will not meet demand in the forthcoming year.

However, creating further mainstream residential provision is unnecessary in the context of our own WCF longer term vision and strategy. In our view that creating more in-house children's homes would risk beds being unused and/or a culture of practice resuming where there is less determined focus and effort in supporting families and managing risk in the family and foster care provision.

Therefore, our sufficiency strategy is to develop ways to create a mixed resource of internal provision alongside collaboration and commissioning provision with neighbouring Local authorities and local private providers.

The Cabinet Report (June 21) sets out the strategy for development of our internal residential services.

8.3 Semi-Independent Supported Accommodation

Historically WCF identified poor preparation for independence for 16 – 18 year olds in residential care settings, both internal and external and there has been an inherent need to ensure this cohort of young people are afforded every opportunity, with sustained support, to meaningfully prepare for independence and successfully engage with external provision in partnership with Housing. The danger otherwise is that they will 'fall off a cliff edge'.

Semi Independent living arrangements are not subject to registration or Ofsted inspection and it is known that quality is variable.

There is recognition from the DfE following their consultation, "*that much external provision is of poor quality, often in undesirable 'hot spot' areas where young people are easily targeted for exploitation*"

The use of this provision has been the subject of a DfE working party review. September 21 new regulation will be implemented that will make it unlawful to place a child of 16 years or under in a semi-independent living arrangement.

As Corporate Parents we need to ensure our young people and care leavers have the best possible support to promote their welfare and protect them from harm. We can do this best through internal and local provision

We currently have 72 young people in Supported Living arrangements. Non are under 16.

Of the current cohort of Looked After Children there are approximately 38 young people are aged 16/17 years residing in Children's Homes. For this group of young people, the most likely route out of care is to step down to semi-independent living dependant on their level of needs and independent skills.

This group of young people are our future Care Leavers who we will support until the age of 25 under the Care Leavers legislation.

WCF owns internal provision with a capacity of 46 beds in total and provides good quality internal resource which is well supported via the Outreach Team who also support our young people in external provision's.

As part of our 2019/20 sufficiency strategy Hillview and Rivendell were developed as semi-independent plus accommodations and since opening in January 2019 and April 2019 respectively, the approach of supported living plus in these semi-independent provisions has been well received and led to generally positive outcomes.

Both accommodation settings were given a 'plus' status in recognition of young people aged 16 years residing in the properties and as such additional staffing and overnight staff were allocated. Residents have the opportunity to experience this as a step down from the 24/7 children's home experience and as such test out their independent living skills whilst having daily contact and support with staff.

Demand for semi-independent provision continues to rise as our cohort of children in care become older and we know from our own young people's experiences that for some 16/17 year olds the Children's Homes setting is to challenging for them to make good progress and semi-independent supported living with individual wrap around support has proven to be a successful path to independence for many.

At Quarter 4, the projection is that approximately 100 young people will leave care between the age of 16 – 18 years over the 2021/22 year; a significant proportion will need and chose semi-independent support.

WCF aspires to support its young people locally and within quality provision and as part of this next sufficiency strategy we will:

- Refurbish existing provision to ensure high quality accommodation is maintained
- Develop practice standards to sit alongside our Statement of Purpose providing Quality Assurance and Service user feedback as measures of outcomes for young people
- Develop a new resource converting an ex Children's Home (subject to Cabinet approval June 21)

- Develop further semi-independent supported provision in collaboration with private landlords and District Council.

9 Permanency

Permanence should always be the plan for a child’s upbringing, and it underpins all our interventions with children, their families and their carer’s. The route to permanence will be different for each individual child and WCF are committed in ensuring the range of options available are well considered and well supported to marry an individual child’s needs with their wishes being understood and taken into account. Adoption and Special Guardianship are two primary routes to permanency.

9.1 Adoption - Worcestershire Children First registered its Independent Adoption Agency March 21 and at the time of writing that registration is in process. WCF Adoption services are part of a RAA “Adoption Central England (ACE) ACE provides Adoption services to five LA including Warwickshire, Solihull, Coventry and Herefordshire.

Adoptions as end reason

	Number	% of ceasing to be Looked After		
	Worcs	Worcs	SN	England
2018-19	45	22%	14%	12%
2019-20	33	14%	12%	12%
2020-21	21	13%		

We see a reduction in the number of children having Adoption as a permanence outcome and this is reflected nationally, and our latest data still compares favourably.

Through the development of Permanency Team within WCF we have developed effective ways of working with our Adoption Agency ACE to coordinate the work required for assessing, matching and placing a child for Adoption with that required of recruitment, assessment and matching of Adopters.

In our latest in section ILAC July 19 Ofsted said

‘Planning for children with a plan for adoption is a strength. Since February 2018 Worcestershire’s adoption service has been provided through a regional adoption agency , Adoption Central England (ACE). A high proportion of children are leaving care without delay to join new adoptive families. Children are identified at an early stage at the Achieving Early Permanence Panel and are linked to family finders. Seven young children have benefitted from foster for adoption placement in the last year. There is effective use of the adoption support fund and there have been no placement disruptions on the last 12 months’ (July 2019)

In our care planning processes consideration of Adoption is given at the earliest stage and we have had success in foster to Adopt making 20 placements 20/21.

9.2 Special Guardianship

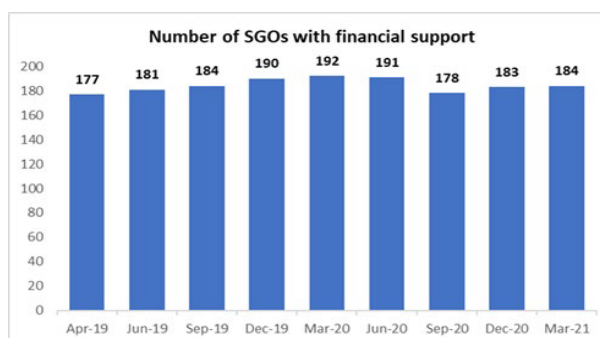
An alternative option for permanency is Special Guardianship which can offer a child the security, safety, and stability they need and deserve without absolute severance from the birth family, as is often the case with adoption.

Since 2010 there has been a rise in the percentage of Special Guardianship Orders within family care proceedings and a decline in Placement Orders and adoption.

Special Guardianship can in many ways be interlinked given kinship carers for children often have an established relationship with a child.

Special Guardianship Orders as end reason

	% of ceasing to be Looked After			
	Worcs	Worcs	SN	England
2018-19	15	7%	10%	13%
2019-20	20	8%	11%	13%
2020-21	4	2%		



In our business plan 21/22 we are working together to review our Special Guardianship offer and support. The focus of the review is to:

- Increase awareness and improve preparation in becoming a Special Guardianship carer with the development of preparation training and guidance.
- Review the offer of supervised family time support often a key challenge for prospective SGO carers
- Ensure access to advice and support is promoted for Special Guardianship carers, included as part of the Core Support Offer but with additional bespoke training for their specific position in any family network.
- Ensure Special Guardianship families have access to therapeutic services in accordance with assessed needs.
- Review the financial support offer.

10 Children with Disabilities and Additional Needs

We currently have 38 children looked after who are open with Children with Disabilities services.

Over the past five years we have seen a consistent number of new children with disabilities entering care at approx. 3-5 each year. There are a range of admission reasons that include child protection issues where proceedings are invoked and a child with a disability is admitted to care as part of a sibling group, admissions to care at or close to birth where parental care cannot meet level of complex need and admission to residential social and or educational provision to meet complex educational/care needs.

The number of children entering care due to family breakdown and where parents are unable to meet the needs of the children show a main cohort of those aged 13 - 15 when entering care, the majority entering residential care.

We have a shortage of foster care provision for this older age group which we need to address but we also need to develop our support services to their birth families.

Assessment evidences this older age group hit a time when parents are no longer able to manage high level needs of physically challenging behaviours in their children and risk to parents and siblings cause family breakdown.

Our work with WCC to build a 0-25 disability service that focuses on supporting family care, early planning for transitions and supported independence to ensure only where it is unavoidable should a child with a disability experience an unplanned reception into care is a priority in our business planning 22/22.

11. Edge of Care – Strengthening Families First

WCF's mission is to support children & young people to be happy, healthy and safe, and one of our company's values is to 'value family life' by supporting and empowering parents to care for their children well. The Supporting Families First (SFF) team have become integral to how we support families at the earliest time and at the lowest levels, supporting and challenging parents to exercise their parental responsibilities and care for their children well.

Placing children at the heart of what we do, valuing family life, seeking good educational outcomes wherever possible by working with families and partner agencies are all key priorities of the team. Our key aim is to strengthen families, to ensure children can remain living safely at home where it is safe and appropriate to do so.

SFF went live in January 2020 and over the last 12 months has shown excellent results in preventing care and repeat care episodes. SFF have been actively involved with 135 children since its launch, seeing a steady increase of referrals quarter on quarter as the team has been embedded within the wider service.

Overall Sustainability of Outcomes of SFF Intervention

Supporting Families First have an overall success rate of 91% in the prevention of care having actively worked with 135 children since January 2020.

- Q4 19/20 reported a 98% success rate when working actively with 51 children.
- Q1 20/21 reported a 95% success rate whilst working actively with 77 children.
- Q2, 20/21 reports a 97% success rate whilst working with 95 children.
- Quarter 3 reports a 95% success rate whilst working with 102 children.

The SFF success rate has not dropped below 95% each quarter, and 90% overall with regards to prevention of care statistics and indicates that SFF provide the right intervention at the right time, thereby preventing unnecessary admissions into care.

This evaluation report clearly evidences the positive results that the SFF approach has had on the prevention of care for young people who are 10 and over during 2020/21. Over quarters 1/2 in 19/20 there were 45 young people (aged 11+) newly accommodated representing 38% of the newly accommodated cohort, for the same period (Qtr. 1/2 2020/21), this was 30 young people (36%). This is a reducing figure and is reflective of the SFF care prevention work that is targeted at this age group.

Next steps:

Worcestershire Childrens Firsts’ company value is to "value family life" and in this we seek to support families at the earliest opportunity and at the lowest levels, whilst supporting and challenging parents to exercise their parental responsibility. Our improvement journey has taken us through the challenges of managing risk and professional anxiety and this work must continue with a focus on the role of social workers in assessing risk and supporting the multi-disciplinary partnership to manage risk in the family and community.

One of the priority areas within our business planning in 2021/22 will be our Children in Need development work. Children in Need are the cohort of children between child protection and early help. The SFF multi-disciplined approach will be key to this development, as it will support our continued work with partners to ensure that there is access to effective early help support, that is delivered both in the context of ACES informed practice and Contextual Safeguarding and are the basis for evidence based service development in 2021/22.

12. Unaccompanied Asylum-Seeking Children and Care Leavers

The Number of unaccompanied children looked after as at 31/03/2021 is 25 a decrease from 31 as at 31/03/2020. However, we have seen more unaccompanied young people entering care this year 20/21, with 15 new young people, compared to 12 entering care last year. The overall reduction is a reflection of the young people leaving care as Looked After children and becoming unaccompanied Care Leavers.

The number of Current Care Leavers open for services, who are now not Looked After, and were previously UASC as at 12/04/2021 is 59

Age	Age as at 31/3/20	Age as at 31/3/21
13		1
14	1	2
15	2	3
16	8	4
17	20	15
TOTAL	31	25

Our greatest demand for placement for UASC is for semi-independent supported living given the age. At the time of writing Worcestershire has no political sign up to the National Transfer scheme although we are engaged with the regional rota being piloted on a voluntary basis.

13. Commissioning approach to Placements

The below summarises the key areas of current and future commissioning intentions with the strategy.

All Age Disability - As part of the All Age disability programme development with Adult Social Care and the Young Adults teamwork is underway to look at the need for residential provision within the context of community an overnight short breaks and family support

Regional Framework – Worcestershire will remain part of the West Midlands 14 LA's commissioning arrangements under the framework for foster care and residential care

Internal Residential Provision – We will retain our current in house provisions for children with social, emotional and behavioural needs and those with disabilities.

Private and Local Authority Providers of Children's Homes – We will reach out to Worcestershire based providers and the neighbouring West Midlands authorities who are delivering and developing their own in house residential provision to commission placements as required meeting the individual needs of a child or young person locally. If necessary, we will continue to look beyond the region for specialist placements.

Internal Semi-Independent Living – We will invest in capacity growth and material improvements in our internal semi-independent provision supporting young people to step down from residential care and experience a semi-independent supported living arrangement locally.

Secure Safe Base – Worcestershire will continue to work with the West Midlands group bid to the DfE for a new regional Safe Base Secure estate.

CABINET
24 JUNE 2021**Blakedown Rail Station Car Park**

Relevant Cabinet Member

Cllr A Amos

Relevant Chief Officer

Strategic Director of Economy and Infrastructure

Local Member(s)

Cllr M Hart

Recommendation

- 1. The Cabinet Member with Responsibility for Highways and Transport recommends that Cabinet:**
 - (a) Notes the progress to date and authorises the continuation of the works, including surveys, necessary to progress the Blakedown Rail Station car parking scheme**
 - (b) endorses the allocation of funding to purchase the land for the rail station car parking scheme from the Capital Budget for Railway Station Upgrades**
 - (c) authorises the completion of a pre-planning public engagement and the preparation and submission of a Planning Application for the Blakedown Rail Station car parking scheme**
 - (d) authorises the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change to acquire the land or part thereof necessary to deliver the scheme (showing edged red in Appendix 1) through negotiation if possible and, if not possible, in consultation with the Cabinet Member with Responsibility for Highways and Transport, to make a Compulsory Purchase Order (CPO) to acquire the land and rights required for the project, and further authorises the Strategic Director of Commercial and Change to approve any Statement of Reasons in relation to the land, that must accompany any CPO submitted for confirmation to the Secretary of State and notes that this will be approved prior to the making of any CPO**
 - (e) authorises the Strategic Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Highways and Transport to finalise the design of the of the car park and links to the station**
 - (f) authorises the Strategic Director of Economy and Infrastructure to award contracts and to enter any other such agreements as are necessary to complete the car park within the funding envelope**

(g) authorises the Strategic Director of Economy and Infrastructure to award contracts and to enter into any other agreements as are necessary to manage the car park once it becomes operational.

Why are these decisions important?

2. It is important that these decisions are made now to progress the project to enable the provision of additional car parking spaces to address the demand at Blakedown Rail Station. Discussions with the relevant landowner are progressing well which will enable WCC to purchase the necessary land and progress the planning application for the scheme.

Background

3. Blakedown Rail Station is on the Kidderminster / Birmingham train line, with 2 trains per hour off peak. Additionally, there are also 3 trains per hour in the peak from Worcester -Birmingham and 2 Kidderminster – London Marylebone services. It is one of only two train stations within the Wyre Forest district. The station is popular particularly because of its links to Birmingham for employment and leisure and onward travel connections. Currently there are a total of 10 car parking spaces at Blakedown Rail Station, including a single disabled car parking space.

4. Data from the Worcestershire Rail Investment Strategy (Autumn 2017) identifies an average of circa 150 daily return passengers travelling from Blakedown Rail Station, and whilst all of these passengers do not require a car park space the availability of 10 spaces represents an undersupply. The impact of this is that drivers park on residential roads near the station or travel to more distant train stations such as Stourbridge Junction where they can be confident of securing a car parking space, increasing traffic on the highways network.

5. Worcestershire Local Transport Plan 4 (adopted December 2017), includes a series of rail station enhancement schemes. Blakedown Rail Station is identified as one such scheme, including the need to provide car parking enhancements.

6. A report was commissioned in 2020 to provide clarification on the number of car parking spaces required at Blakedown Rail Station as part of the evidence base for the Wyre Forest Local Plan review. Taking into account the potential impact of Covid 19 on train travel, the need was identified for a total of 135 car parking spaces.

7. Worcestershire County Council has assessed options to increase car parking at Blakedown Rail Station and to mitigate on street parking in the village. This work identified a brownfield site immediately to the south of the station on Station Drive (sometimes referred to as the Callow Oils site) as having the potential to provide car parking for the station.

8. Following initial survey work, the Station Drive site is believed to have capacity for up to 120 car parking spaces with work currently being undertaken on a detailed layout, ground investigations, ecology etc to inform the design and layout of the car park. The final design of the car park will include provision for electric vehicle charging at a minimum of 5% of the spaces as set out in the Streetscape Design Guide. Provision will also be included for cycle parking.

9.The County Council has entered into a Heads of Terms options agreement with the current landowner to secure the land for the station car park, subject to a successful planning application.

Planning Context

10. Wyre Forest District Council are in the final stages of completing a review of their Core Strategy, with the proposed Wyre Forest Local Plan currently subject to examination by the Secretary of State.

11.The proposal to provide rail station car parking at the Station Drive site is included in the publication version of the Wyre Forest Local Plan (site: WFR/CB/2) and was discussed at the hearing sessions for the Examination in Public. Its proximity to the rail line and former industrial use mean it is suitable for a rail car park. A planning application for housing on this site has previously been refused because of poor residential amenity and proximity to the rail line.

12.As part of the preparation for the hearing sessions of the Examination in Public, consideration was given to the impact of the Covid 19 pandemic on rail demand and future working patterns. This proposal for car parking at Blakedown Rail Station is forecast to meet the existing demand and future demand envisaged from the Wyre Forest Local Plan.

Planning Policy

13.The National Planning Policy Framework 2019 strongly supports sustainable transport. Paragraph 102 sets out that:

- a. Opportunities to promote walking, cycling and public transport use are identified and pursued
- b. The environmental impacts of traffic and transport infrastructure can be identified, assessed and taken in account – including appropriate opportunities for avoiding and mitigating any adverse effects and for net environmental gains.

14.The Wyre Forest Local Plan submission version 2020 provides further support for the provision of car parking at Blakedown Rail Station. Policy 13 Transport and Accessibility in Wyre Forest identifies Blakedown Rail Station enhancements as one of the 5 most significant scheme for the successful implementation of the Wyre Forest Local Plan.

Progress to date

15.The following activities have been completed or are underway:

- a. Discussions with the landowner;
- b. Agreed purchase price for the land as part of the heads of terms
- c. Topographical surveys
- d. Geotechnical surveys
- e. Preliminary ecological appraisal
- f. Bat activity surveys in progress
- g. Tree surveys in progress

- h. Transport assessment in progress
- i. Junction assessment
- j. Initial design
- k. Planning strategy
- l. Car park management strategy, in development

Planning

16.A planning application is required for the scheme which will be determined by the County Council. Prior to submission of the planning application, pre-application public engagement will be undertaken, with further consultation through the planning application.

Delivery Timescales

17. Subject to the conclusion of the activities outlined above, the following timetable is currently proposed:

- a. Design development Autumn 2021
- b. Planning application submission Winter 2021/2022
- c. Planning determination Summer 2022

Start on site following planning approval (assuming a Compulsory Purchase Order is not required)

Legal Implications

18. The proposed car park is on privately owned land which will need to be acquired. Negotiations for this are advanced with the current landowner and heads of terms have been agreed for WCC to purchase the land and undertake the necessary preparatory works for the determination of the planning application.

19. Recommendations have been included in this report to enable the use of the CPO process if required. However, as heads of terms have been agreed with the landowner this situation is unlikely.

Financial Implications

20. The total costs for the development of the additional car parking at Blakedown Rail Station are estimated to be £1.94 million including land purchase, scheme design, construction and project management. Funding is available to enable this project to be delivered within the existing £3.7m Capital Programme allocation for Railway Station Upgrades.

21. Demand for the car park is anticipated to be high. Prior to the Covid 19 pandemic, the car park was anticipated to be fully occupied within its first year of operation (2023). Post pandemic there is less certainty of travel patterns and with an estimated 30% reduction in rail demand at Blakedown, demand is deemed to be sufficient for the car park to be fully occupied by year 4 of operation (2027), following which demand is forecast to return to pre-covid levels.

22. Based on this demand model, a £5 per day charge, 111 car park spaces and an annual maintenance and management cost of £50k, an annual operating surplus of c£75k is expected to be generated from 2023 rising to c£94k by 2027. This indicates that the car park is expected to break even and payback the £1.94m capital costs by 2042, giving a payback period of 21 years from date of investment.

HR, Privacy and Human Rights Implications

23. No Human Resources or Human Rights Implications have been identified.

24. No privacy issues have been identified but this will be modelled during the design process eg: potential for overlooking.

Risk Implications

25. Key Project Risks are set out below:

Risk	Mitigation
Delays to land acquisition	Options agreement signed with the landowners, with 18 months to secure the necessary permissions to implement the car park proposals. Compulsory Purchase is not expected to be required for this proposal.
Unknown ground conditions	Investigations are currently underway, including geotechnical surveys which will inform the design and confirm the final number of spaces to be delivered.
Costs of development	Amend design to address any unexpected costs identified during the design phase.
Car park management strategy	To be developed during the detailed design phase to ensure that the car park is managed appropriately, and all revenue costs of operation are fully mitigated by the charging policy.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

26. A **joint impact assessment (JIA)** screening (and any full impact assessments – if screening indicates that they are required) **must** have been completed before the cabinet report is submitted.

30.The JIA screening has been carried out in respect of these recommendations. It identified that further impact analysis will be required in respect of:

- Sustainability
- Equality and Public Health

These will be undertaken as the project develops to ensure that the full impacts can be understood.

Supporting Information

- Appendix 1: Land Acquisition Plan
- Appendix 2: Joint Impact Assessment screening

Contact Points

Specific Contact Points for this report

Rachel Hill, Assistant Director- Economy, Infrastructure and Waste

Tel: 01905 843539

Email: rhill@worcestershire.gov.uk

Emily Barker, Head of Planning and Transport Planning

Tel: 01905 846723

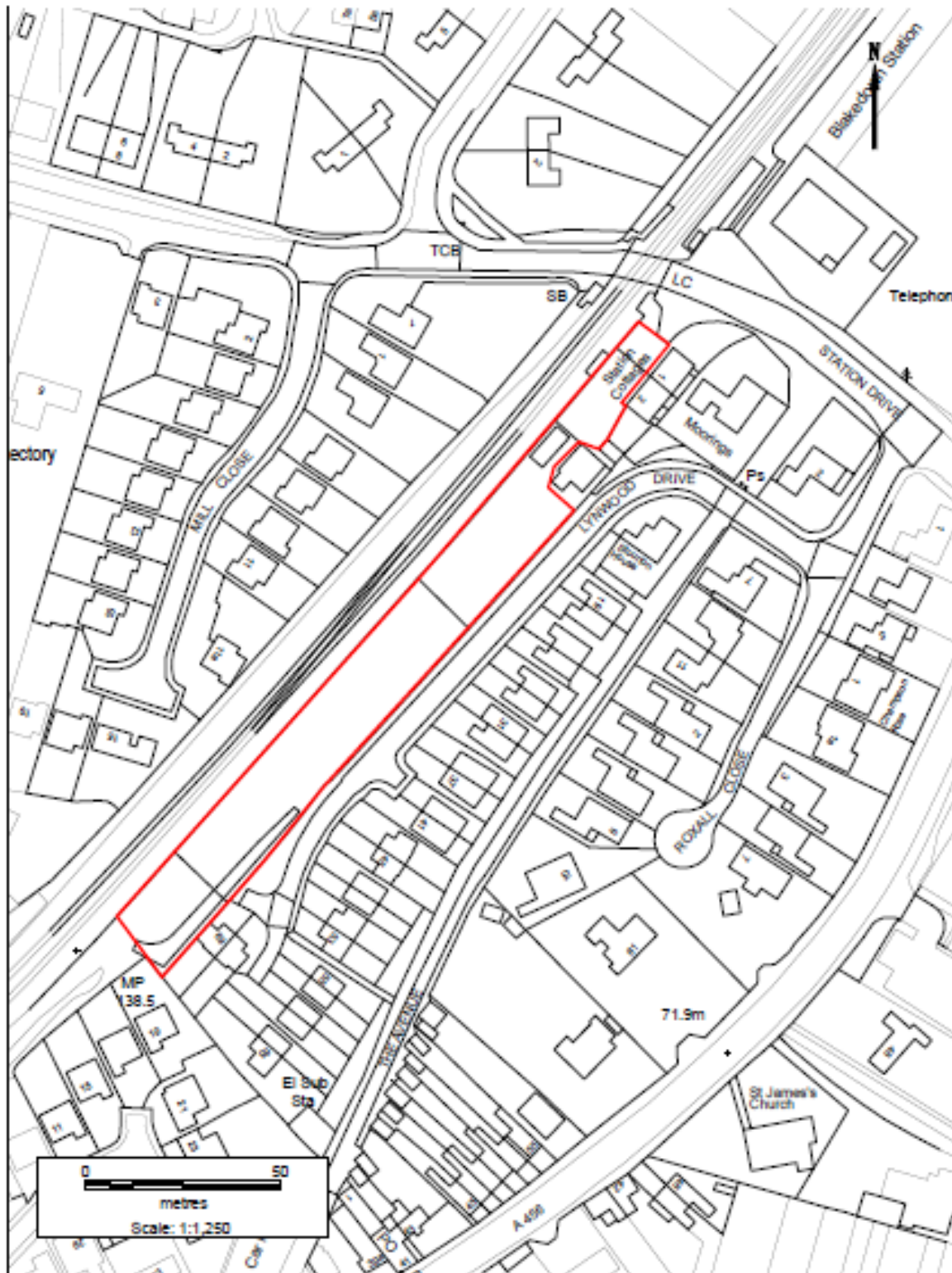
Email: ebarker@worcestershire.gov.uk

Background Papers

In the opinion of the proper officer (in this case the Strategic Director for Economy and Infrastructure) the following are the background papers relating to the subject matter of this report:

- Worcestershire Local Transport Plan 4
- Worcestershire Rail Investment Strategy
- Wyre Forest District; Future Rail Demand and Car Park Options Summary Report, October 2020

Appendix 1 Land Acquisition Plan.



	<p>Land at Station Yard (WR86023) Station Drive Blake Down Kidderminster DY10 3LF</p>	<p>Place Partnership Placepro House Unit 6 Berkeley Business Park Wainwright Road Worcester WR4 9FA Date: 11/09/2020</p>
<p>© Crown copyright and database rights 2019 Ordnance Survey (100024230)</p>		

CABINET
24 JUNE 2021**RESOURCES REPORT – PROVISIONAL FINANCIAL RESULTS**
2020/21

Relevant Cabinet Member

Mr S E Geraghty

Relevant Officer

Chief Financial Officer

Recommendations

1. **The Cabinet Member with Responsibility for Finance (who is also the Leader of the Council) recommends that Cabinet:**
 - (a) **endorses financial performance for the year ended 31 March 2021 and the unaudited Annual Financial Report and Statement of Accounts 2020/21,**
 - (b) **approves updates to earmarked reserves and general balances as detailed in paragraphs 42 to 49,**
 - (c) **considers the draft Annual Governance Statement for 2020/21 for comment before final approval is sought from the Audit and Governance Committee, and**
 - (d) **notes the use of grant funding from Central Government in responding to the COVID-19 pandemic during 2020/21.**

Introduction

2. This report details the provisional financial results for the year ended 31 March 2021 subject to external audit and notes the expenditure and income in relation to responding to the COVID-19 pandemic.
3. The report identifies that the Council underspent its £346 million budget by £0.783 million (-0.2%), that is in line with the forecast previously reported to Cabinet. Additionally, the Council received nearly £88 million from Central Government with regard to COVID-19, with £74 million spent in year on providing vital and urgent support, including but not limited to: personal protective equipment (PPE), test and trace site and activities, supporting our care providers and schools, providing laptops to schools and top up payments for self-isolation. A more detailed list of activities funded by the County Council is provided at Table 2 of this report.
4. Considering the scale of activity during 2020/21, which included managing changes in demand for services at a time of significant pressures on our workforce, to maintain service delivery to end the year with a small underspend is a significant achievement and reflects the amazing effort from staff and partners to ensure public services were still delivered where most needed, and this is to be commended.

5. It is recommended that the small £0.783 million underspend is added to the General Fund Balances.
6. Cabinet is asked in this report to endorse the outturn position and approve the carry forward of the Council's Earmarked Reserves and unspent grant monies to the 2021/22 financial year.
7. Financial performance for the Council's Capital Budget and the Worcestershire Pension Fund is also reported.

Provisional Financial Results for the year ended 31 March 2021

8. The provisional overall outturn, as set out in Table 1 below, is a net underspend of £0.783 million.

Table 1: Provisional Outturn 2020/21

2020/21 Outturn Summary

Directorate	Budget £000	Actual £000	Variance £000	Transfer to Reserves £000	COVID-19 Income £000	Outturn Variance £000	% Var
WCF / Education / Home to School Transport	101,540	105,920	4,380	1,750	-6,243	-113	-0.1%
Economy & Infrastructure	55,924	59,263	3,339	1,279	-4,629	-11	0.0%
Commercial and Change	6,954	11,689	4,735	266	-5,646	-645	-9.3%
Chief Executive / HR	1,005	945	-60	319	-789	-530	-52.7%
People - Adults	130,863	152,413	21,550		-22,152	-602	-0.5%
People - Communities	19,008	23,952	4,944	124	-5,632	-564	-3.0%
Public Health	1,762	6,062	4,300		-4,229	71	4.0%
Total Services	317,056	360,244	43,188	3,738	-49,320	-2,394	-0.8%
Financing Transactions	15,593	13,254	-2,339	364		-1,975	-12.7%
Minimum Revenue Provision	10,782	5,326	-5,456			-5,456	-50.6%
Finance / Other Corporate Items	3,400	1,905	-1,495			-1,495	-44.0%
Non-Assigned Items	-1,692	-1,762	-70			-70	4.1%
Education and High Needs	0	0	0	2,400		2,400	
Waste PFI	0	0	0	5,207		5,207	
Future Capital Investment - Economic Development	0	0	0	3,000		3,000	
Corporate COVID expenditure	0	9,924	9,924		-9,924	0	
Funding - Transfer To Reserves	1,112	-105	-1,217	1,217		0	0.0%
Sub total	346,251	388,786	42,535	15,926	-59,244	-783	-0.2%
Increase General Balances				783		783	
Total	346,251	388,786	42,535	16,709	-59,244	0	

9. The Council's formal statutory accounts have been prepared and it is proposed that they will be presented in draft form to the 29 July 2021 meeting of the Audit and Governance Committee. Similar to last year, the statutory deadline for signing off the accounts has been deferred and the External Audit fieldwork will take place later than usual with the aim of enabling the accounts to be signed off with an unqualified audit opinion at the 24 September 2021 Audit and Governance committee meeting within the statutory deadline. An extract of the provisional unaudited accounts is included in this report at Appendix 1(a). The Public Inspection period will be advertised on the Council's website at ([Link](#)).
10. Whilst school balances increased from a net surplus of £1.4 million at 31/3/2020 to £3.9 million at 31/3/2021, the non-schools Dedicated Schools Grant (DSG) will carry

forward a slightly (£0.3 million) increased deficit of £6.5 million due to continued underfunding by Government of high needs and Special Educational Needs and Disabilities (SEND). Whilst the carried forward deficit will be offset against future DSG income this is a two year accounting adjustment that needs to be addressed by Government going forward and the Council and Worcestershire Children First are lobby with other bodies to support schools in achieving their financial plans and finding a long term funding solution.

11. The Council's Earmarked Reserves have increased mainly reflecting the timing difference of funding received during the year and that committed to spend in future years. Usable reserves have increased from £71.6 million at 31/3/20 to £97.0 million at the end of the financial year. These reserves are set aside for specific purposes.
12. Another challenge faced during COVID-19 was the balance of income collection versus hardship on our residents and businesses. The Council suspended its debt collection process by 3 months during the initial lockdown and is complying fully with all government guidance around debt collection. As such we saw a slight rise in our overall debt position and whilst this was covered by some grant from Government we have increased our Bad Debt Provision by £2.8 million (£1.2 million increase for social care liabilities and £1.6 million relating to trade debtors) to reflect the ongoing position. We are reviewing our debt collection procedures and expect to be able to reduce this provision in future years.

COVID-19 Spend

13. Table 1 above shows that COVID-19 grant income of £59.2 million was used to fund specific County Council expenditure relating to pandemic recovery.
14. After accounting for the additional COVID-19 grants and income, including the Hospital Discharge Programme, the Service Directorates underspent their budgets by £2.4 million and the Council's General Fund Balances can be increased by £0.783 million to £13 million.
15. The following table analyses at a high level the underlying impact of COVID-19 on income and expenditure during the year:

Table 2: 2020/21 COVID-19 Expenditure funded from grant Income

WCF/Education / Home to School Transport	£m	Comments
WCF COVID-19 Expenditure	0.9	Overtime, care leavers support, fostering support, agency staff and short breaks
Education	2.2	Storage containers, skips, laptops, free school meals, early years furlough and devices for schools
HTST spend	2.2	Home to school transport (HTST)
HTST income	0.9	Lost income relating to HTST
Total	6.2	WCF / Education

E&I	£m	Comments
Income loss	1.1	Including County Enterprises, Economic Development, Public Rights of Way (PROW), Driver Training & Development Control
Support existing corporate contracts and response costs	1.3	Waste Management, including support at HRCs, highways issues, contractor issues and additional capacity for key services.
Savings deferred	1.2	Savings Programme planned for - County Enterprises, Lean Review and Staffing were either part implemented or deferred to 2021/22.
Public transport grant	1.0	Continuing to pay bus operators at 100% to ensure economic market stability and to reflect alternative services, for example test centre transport.
Total	4.6	Economy & Infrastructure

CoaCh	£m	Comments
Purchase of PPE	1.0	Provision of Personal Protective Equipment (PPE) for staff, partners and test centres
Programme Management	1.1	Supporting and co-ordinating the set up and running of test centres, other property changes and Local Outbreak Response Team (LORT)
Digital Support	0.5	Provision of additional digital software and equipment to ensure agile working, for example zoom licences and additional band width and Wi-Fi provision.
Savings Deferments	1.8	Corporate Savings Programme planned for business support was deferred to 2021/22.
Other Council wide costs	1.0	Including furniture, couriers and general supplies
Loss of income	0.2	For example, legal services
Total	5.6	Commercial & Commissioning (CoaCh)

Chief Exec	£m	Comments
Savings Deferment	0.7	Savings Programme planned for HR and Communications were deferred to 2021/22.
Loss of income	0.1	For example, marketing and communications
Total	0.8	Chief Exec Services

Adults	£m	Comments
Additional staffing costs	0.8	Agency staff, overtime and temporary staff to support delivery of additional demand
Additional demand	1.1	To fund price increases for Older People, Physical Disabilities, Learning Disabilities and Mental Health services, and purchase care over and above a person's agreed care and support plan in response to COVID-19 requirements.
Additional provider fees	4.2	A 5% uplift in fees paid to care providers from April to August
Savings Deferment	1.3	A number of savings programmes planned for adult services were deferred to 2021/22.
Hospital discharge	12.5	To ensure prompt hospital discharge and enable greater numbers of people to be seen in hospital.
Infection control	1.8	Additional payments to providers for PPE, testing and additional staffing
Sales Fees and Charges	0.6	Lost income for day services and from pausing of fairer charging reviews.
Total	22.3	Adults

Communities	£m	Comments
Clinically Extremely Vulnerable (CEV)	0.9	Food parcels, payments to Worcestershire Community Foundation to enhance support, redeployment of staff to contact CEV clients payment to Age UK for support and provision of a County wide advice network
Emergency Assistance including Energy, Food and Holiday activities	2.3	Food parcels and voucher schemes for the most vulnerable families with children, Ready Steady Worcestershire, and energy provision payments.
Hospital Discharge reablement	1.3	Additional reablement service redeployed into clients discharged from hospital to recover at home and avoid residential care.
Sales Fees and Charges	0.4	Lost income for archives, libraries, registration services and provider services.
Support for rough sleepers	0.7	Additional funds to support and keep rough sleepers safe.
Total	5.6	Communities

Public Health	£m	Comments
Public Health	4.2	Additional specific activities lead by Public Health to manage the COVID-19 response and recovery, including data analytics, reporting, COVID-19 marshals, lateral flow testing and communication.
Total	4.2	Public Health

Corporate	£m	Comments
Corporate	9.9	Including PPE for staffing, test centres and partners, provision to write of some bad debts, provide £3 million support to businesses and £0.8 million additional Council Tax hardship relief
Total	9.9	Corporate

Grand Total	59.2	
--------------------	-------------	--

Directorate outturn details

16. The causes of significant Directorate outturn variations for 2020/21 are summarised in the following section at paragraphs 19 to 35, and variances by individual service area greater than £0.250 million are set out in more detail in Appendix 3.
17. The summary table below shows outturn variances for each service with greater detail shown at Appendix 2.

Table 3: Summary Outturn - 2020/21 Net Directorate Variances (after COVID-19 adjustments) then applied accounting adjustments – capitalisation, use of reserves and carry forward

Service	2020/21 Gross Budget	2020/21 Net Budget	2020/21 Actual	20/21 Draft Variance Before Adj's	Transfer to Capital	Use of Reserves	Proposed C/Fwds	2020/21 Total	Variance After Adj's
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Dedicated Schools Grant (DSG)	234,861	0	0	0	0	0	0	0	0
WCF (Excl DSG)	117,995	101,541	99,677	(1,863)	0	0	1,750	101,427	(113)
Economy & Infrastructure	93,012	55,924	58,303	2,379	(2,408)	(1,261)	1,279	55,913	(11)
Commercial and Change	31,001	6,954	6,060	(893)	0	(18)	266	6,308	(645)
Chief Executive	6,838	1,005	156	(849)	0	0	319	475	(530)
People - Adult Services	220,825	130,863	130,261	(602)	0	0	0	130,261	(602)
People - Communities	48,692	19,008	18,320	(688)	0	0	124	18,444	(564)
People - Public Health	34,108	1,762	1,833	71	0	0	0	1,833	71
Total : Services (Excl DSG)	552,470	317,056	314,610	(2,445)	(2,408)	(1,279)	3,738	314,661	(2,394)
Finance / Corporate Items	36,821	29,775	20,486	(9,289)	0	0	0	20,486	(9,289)
Non-Assigned Items	(1,692)	(1,692)	(1,762)	(70)	0	0	0	(1,762)	(70)
Funding - Transfer To/(From) Reserves	1,112	1,112	(105)	(1,217)	0		12,188	12,083	10,971
Total (Excl DSG)	588,712	346,251	333,229	(13,022)	(2,408)	(1,279)	15,926	345,468	(783)

18. There are a number of significant cost pressures that arose across services during the year. Whilst these have been provided to Cabinet previously, their updated position is outlined below in more detail.

People Services Total Budget £151.6m, £1.1m underspend

19. The People Directorate, comprising Adult Social Care, Communities and Public Health, underspent its £151.6 million budget by £1.1 million (-0.4%). The outturn includes the following significant variations:

People Services (Adult Social Care) Budget £130.9m, £0.6m underspend

20. The £0.6 million underspend includes the following significant variances before COVID-19:

- £1.3 million overspend in respect of Learning Disability services due to increased cost of placements.
- £0.2 million overspend in Mental Health services due to an increase in average individual packages of care costs.
- £2.8 million underspend in Older People services which includes £1.6 million Liberty Protection Safeguards growth no longer required in 2020/21 following national regulation changes and reductions in the number of residential and nursing placements from what was estimated when the budget was set pre COVID-19.
- £1.3 million underspend in Physical Disability services as a result of lower than budgeted number of people receiving services due to COVID-19.

People Services (Communities) Budget £19.0m, £0.6m underspend

21. The £0.6 million underspend comprises of a number of small variances due to COVID-19 conditions:
- £0.3 million overspend on Provider Services due to agency and overtime costs and under-achievement of Homecare income.
 - £0.6 million underspend on Library Services relating primarily to reimbursing staff costs who were re-deployed to support the council's Here to Help service.
 - £0.3 million underspend in Children's Commissioning and Partnership services following receipt of grant income to fund staff redeployed to activities linked to COVID-19 recovery.

People Services (Public Health) – includes £30.1m Public Health Grant income – balanced; and other services with a net budget of £1.8m that saw a £0.07m overspend

22. The £30.077 million Public Health Ring Fenced Grant income in 2020/21 represented an increase of £1.7 million compared with 2019/20. The ring-fenced Public Health Grant was understandably due to COVID-19 fully spent for 2020/21.
23. The Public Health Ringfenced grant reserve stands at £6.4 million and will be carried forward to support future years services.

Education / Worcestershire Children First (excl. Dedicated Schools Grant) - Budget £101.5m, £0.1m underspend

24. The Worcestershire Children First (WCF) outturn is presented alongside services that remain within the County Council. In total all of these services (WCC £0.113 million and WCF £0.567 million) achieved an underspend of £0.680 million. These figures will be incorporated into the Council's Group Financial Statements.
25. The Council's Children's Services contract budget with WCF on its own achieved an underspend after COVID-19 adjustments of £0.113 million for 2020/21. As reported during the financial year to WCF Board and Cabinet there were though a small number of significant variations during the year:
- The Children's Placements and Provision budget of £50 million incurred an overspend of £3.2 million due to increases in both the number of placements and their costs during the year. Net favourable one-off variances on other areas including safeguarding services have brought this overspend down to £1.6 million in total for all Children's Social Care.
 - Education and Early Help services underspent its £11.8 million budget by £0.7 million mainly as a result of staffing budget underspends, and resources/support services budget of £11.7 million similarly underspent by £0.5 million for the same reasons.
26. The Dedicated Schools Grant (DSG) position for the end of the financial year comprised a £4 million overspend in the High Needs Block, partly offset by £3.2 million underspends in the Schools and Early Years blocks. This resulted in an in-year deficit of £0.3 million.
27. The cumulative DSG deficit brought forward from last financial year was £6.2 million which will now be increased by £0.3 million deficit from 2020/21 and the deficit to carry forward into 2021/22 is now £6.5 million. Looking forward this is a significant

concern. The Schools and Early years blocks underspends were a result of a timing difference of pupil growth income which is expected to be distributed in 2021/22. The forecast cost pressure for High Needs is also growing and the DSG forecast deficit for future years will be reviewed over the Summer.

Table 4: Dedicated Schools Grant – Future Years Forecast

	£m	£m
Accumulated Deficit 1 April 2020		6.2
High Needs Deficit 2020/21		4.0
Schools Block Pupil Growth Contingency Adjustments	-2.1	
Early Years and Central Block Underspends	-1.6	-3.7
Deficit 31 March 2021		6.5

28. It is important to note that accounting guidance has been issued to clarify that this deficit is carried separately from the Council's Earmarked Reserves in the Balance Sheet, which represents the position that the Council expects and is lobbying for the Department for Education is responsible for making good this deficit, noting that the Council has a role to play in achieving service redesign and savings to support future cost and activity increases. This issue is being experienced nationally, and Worcestershire is not alone in facing these pressures. The County Council will continue to lobby through County Council Network, Local Government Association, and other groups.
29. School's balances ended the year with a net £3.9 million surplus (2019/20 £1.4 million surplus), however just over a quarter of all schools are in deficit totalling £10.2 million (2019/20 £9.3 million):

Table 5: Schools Outturn Position - Summary

£10.2m	32 Schools in Deficit
£14.1m	91 Schools in Surplus
£3.9m	Net Surplus

Economy & Infrastructure (E&I) – Budget £55.9m, £0.011m Underspend

30. The Economy and Infrastructure Directorate recorded a small underspend of £11k on its £55.9 million budget after COVID-19 adjustments.
31. Within this forecast, the most significant variations are as follows:
- £0.9 million overspend in the Planning and Regulation budget due to additional advisory and redundancy costs, and reduced capacity to charge appropriate costs to capital budgets,
 - £0.4 million underspend for Strategic Commissioner – Major Projects relating to staff vacancies and a reduction in energy costs

- £0.3 million underspend on Transport Operations relating to reduced patronage in public transport leading to a reduction in spend in concessionary fares
- £0.6 million underspend for Network Control relating to additional income for streetworks and permits, and an increased amount of staffing costs capitalisation
- £0.6 million overspend within Operations, Highways and Public Rights of Way, relating to hard to recruit vacant posts and increase transport costs
- £0.9 million charge to a Waste Transformation Reserve for use in 2021/22 in preparation for contract update and to support the development of the updated Waste Strategy.

Commercial and Commissioning – Budget £6.9m, £0.6m underspend

32. The Commercial and Commissioning Directorate underspent its £6.9 million budget by £0.643 million (9%), virtually unchanged from previously reported. The most significant variances from budget were:
- £0.4 million underspend as a result of reduced contract expenditure and underspend on additional works for administrative buildings in the Property Services budget.
 - £0.2 million underspend on Democratic Services due to reduced supplies, including paper.

Chief Executive/HR – Budget £1.0m, £0.5m underspend

33. The Chief Executive/HR function underspent its net £1 million budget by £0.530 million. The most significant variance from budget was a £0.4 million variance as a result of underspends in the Talent Management Programme and staffing vacancies.

Finance / Corporate / Non-assigned Budget £28.1 million, £9 million underspend before transfers to earmarked reserves

34. The Financial Services budget includes the Financial Services Team, as well as corporate items such as Debt Interest and the Minimum Revenue Provision (MRP).
35. The £28.1 million budget for Finance/Corporate underspent in total by £9 million. The significant variances being:
- £2 million underspend in Financing Transactions Borrowing Costs largely as borrowing was deferred due to COVID-19 and cash balances were maintained at higher levels than originally forecast resulting in additional interest.
 - A net £5.5 million underspend of MRP budget due again to the impact of COVID-19 on borrowing, noting that £3.7 million was used to offset saving targets no longer able to be delivered in year due to COVID-19.
 - £0.1 million underspend in Pension Fund Back Funding Liabilities due to the timing of the prepayment for the years 2020/21 to 2022/23.
 - £0.4 million Whole Organisation Contingency was not drawn down.
 - £0.3 Miscellaneous Services underspend as a result of additional reimbursement for energy spend to save schemes (£0.25 million), and £0.050 million additional dividend income.
 - £0.3 million underspend on Financial Services due to delivery of saving targets and transformation.

Savings Programme Update

36. The target for 2020/21 was £13.7 million, broken down between £9.6 million for 2020/21 and £4.1 million brought forward from previous years.
37. COVID-19 had an impact on the Council's ability to achieve planned savings, balanced with the need to protect service continuity and respond to the pandemic. Funding from Government allowed that local authority change activity be reprioritised and thus the County Council achieved planned savings where it could and utilised the additional funding to ensure no adverse organisational or service impact occurred in year.
38. The budget for 2021/22 reset the baseline for savings and efficiency targets at £7.1 million and work is in hand during the current financial year to achieve them.

General Fund Balances

39. The County Council's General Fund Balances are a contingency sum available to pay for unforeseen or exceptional circumstances. External auditors often refer to the level of general balances when considering an organisation's financial health. The value of general balances after the 2020/21 overall underspend outturn of £0.783 million is as follows:

Table 6: General Fund Balances

	£m
Balance at 31 March 2020	12.2
Transfer to / (from) General Balances	0.8
Balance at 31 March 2021	13.0

40. Worcestershire's General Fund Balance stand at £13 million, or 3.7% of 2021/22 net expenditure. There is no defined minimum balance. It is the responsibility of the Section 151 Officer to advise the Council of that level based on an assessment of risk. This was reported in February 2021 as being £12.2 million as part of the Cabinet 2021/22 Budget and Medium Term Financial Plan Update ([Link](#)).
41. The outturn position for 2020/21 has enabled a modest increase in General Fund Balances to be made in addition to what was anticipated earlier in February this year. This enables continued strengthening of the Council's overall financial resilience.

Earmarked Reserves and Grant Reserves

42. All earmarked and grant reserves are retained either under the delegated authority given to Chief Officers in the Financial Regulations or by Cabinet/Cabinet Member approval, this is subject to recommendations jointly by a Chief Officer in agreement with the Chief Financial Officer for carry forward each year.
43. The February 2021 Cabinet 2021/22 Budget and Medium-Term Financial Plan Update report included a forecast of Earmarked Reserves which was based on the best knowledge available at that time. This is broadly consistent with the amount of reserves available at the end of 2020/21.
44. During the year, the Council drew down funding from unspent grant and earmarked reserves to help fund expenditure. A full list of use of grants / earmarked reserves is included at Appendix 5.

45. Further, it is also proposed that for a number of areas with unspent grant monies or other funding is carried forward to next financial year or onwards. Details of these carry forwards are contained at Appendix 6.
46. It is proposed that the following increases are made to Earmarked Reserves:
- £2.4 million. Creation of a new risk reserve for Education and High Needs set aside for adverse financial changes which fall to the County Council to resolve after exhausting support from the Department for Education.
 - £5.2 million maintained in the Waste PFI reserve to support future planned expenditure.
 - £3 million increase to the Future Capital Investment Reserves to support capacity for Economic Development investment with the first call against these monies for Redditch Rail Station redevelopment.
 - £0.8 million increase to Children's Safeguarding risk reserve
 - £0.9 million creation of new reserve set aside for SEND Transport additional costs
47. Due to the cumulative impact of prior year's economic growth in the County for business rates income, and following a risk review it is proposed that £10.6 million is released from the Business Rates Risk Reserve to support wider economic and social recovery from the impacts of the pandemic and the Council's ability to reform in light of future working processes. It is proposed to reduce the business rates reserve and increase / set up new earmarked reserves as follows:
- £2 million to create a new Smarter Ways of Working Reserve.
 - £2 million new reserve for Infrastructure Project Support to enable the Council to move forward with highways and transport/connectivity.
 - £3 million to extend the Council's Open For Business economic development ambitions.
 - £1.1 million to extend for a further two years 2022/23 and 2023/24 the Councillors Divisional Funds Scheme confirming support for local schemes in each division.
 - £2.5 million to extend for a further two years 2022/23 and 2023/24 the Local Member's Capital Highways Fund to enable local level improvement scheme.
48. Appendix 7 provides a list of the Earmarked Reserves and Grant reserves at 31 March 2021.
49. It is important to recognise that some of the Earmarked Reserves are already committed or held for specific risk purposes. The County Council has managed its financial resources closely and on a net basis has contained most financial pressures in year and avoided depleting reserves by a significant effect.

Annual Governance Statement

50. The County Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2020/21. This will be signed by the Leader of the Council and the Chief Executive with final approval by the Audit and Governance Committee in September 2021. The AGS is part of the Statement of Accounts and included at Appendix 1b. Any significant

revision needed between now and September 2021 will be included in a future Cabinet report.

51. The AGS is informed by senior officers who have lead roles in corporate governance. The evidence for the AGS comes from a variety of sources, including service plans, relevant lead officers with the Council, internal and external auditors, and inspection agencies. The AGS highlights how the Council is addressing significant matters of governance both over the last year and in the coming year. It is also noted that the Internal Audit opinion remains moderate and no significant issues have been raised in the Annual report.
52. The current draft AGS will be revised in the light of any observations of Cabinet, the Audit and Governance committee and external audit.
53. Cabinet are invited at this stage to consider the AGS and make any comments.

Summary Capital Outturn 2020/21

54. Capital expenditure outturn for 2020/21 is set out in Table 7 below.

Table 7: Capital Summary Outturn 2020/21

	LATEST FORECAST 2020/21	YEAR-END OUTTURN 2020/21	VARIANCE 2020/21
TOTAL EXPENDITURE	£000	£000	£000
CHILDREN AND FAMILIES	26,466	13,778	-12,688
OPEN FOR BUSINESS	102,556	62,142	-40,414
THE ENVIRONMENT	57,823	44,293	-13,530
HEALTH & WELL-BEING	3,412	270	-3,142
EFFICIENCY & TRANSFORMATION	12,553	2,752	-9,801
TOTAL	202,810	123,235	-79,575

55. Progress has been made on a number of significant capital projects with £123.2 million spent in 2020/21 with a number of major schemes being progressed or finalised during the year.
56. The more significant schemes include walking and cycling initiatives and road resurfacing works across the whole County area, and specific improvements around A38 Bromsgrove, Pershore northern access, Worcester Shrub Hill and Kidderminster station improvements and Holyoakes Field First School Redditch relocation.
57. Overall, the capital programme saw a slippage largely due to COVID-19 and weather impacts, however individual projects and their funding will be carried forward to 2021/22 for completion.
58. The capital programme expenditure will be financed in 2020/21 in the following ways: £82.4 million Government Grants and other contributions, £36.5 million long term borrowing, £3.4 million capital receipts, and £0.9 million from the capital reserve / revenue budget contributions.

59. Overall, it is concluded that the forecast expenditure for the Capital Programme is within the budget limit. An exercise will be undertaken to establish the carry forward impact of schemes to future years.
60. Appendix 8 details the Capital Programme outturn for 2020/21 and estimates for future years.

Pension Fund Update

61. For 2020/21 there was a surplus resulted on the Pension Fund account (aside from the net investments returns) totalling £116.6 million, an increase of £107.4 million compared to 2019/20 mainly as a result of employers paying their three-year pension contributions upfront. Income from contributions increased similarly by 230%, (£201.2 million from £87 million) for the same reason.
62. The value of the Fund's net assets increased by £719.4 million from £2,645.4 million at 31 March 2020 to £3,364.8 million at 31 March 2021.
63. Net investment returns increased by £742.7 million compared to 2020/21 which was mainly due to the substantial recovery in the financial markets following the impact of COVID-19.
64. An actuarial valuation of the Fund was carried out by Mercer as at 31 March 2019 to determine the contribution rates with effect from 1 April 2020 to 31 March 2023. The key outcomes of the valuation at that point in time are detailed below:
- The Fund's assets of £2,795 million represented 90% of the Fund's past service liabilities of £3,090 million (the "Funding Target") at the valuation date. This is an increase on the 75% funded position at the 2016 valuation.
 - A common rate of contribution of 17.5% of pensionable pay per annum is required from employers. The common rate is calculated as being sufficient, together with contributions paid by members, to meet all liabilities arising in respect of service after the valuation date. Different rates apply across fund employers based on specific factors. This ranges from 13.6% to 26.5%.
 - The deficit of £295 million would be eliminated by a contribution addition of £28 million per annum increasing at 3.9% per annum for 15 years.
65. Whilst this net liability will change each year due to the volatility in share prices and changes in the assumptions used regarding financial risk and uncertainties, it remains consistent with the prudent long-term funding strategy agreed at the 2019 valuation of the Pension Fund to be effective from 1 April 2020 to ensure assets and liabilities are balanced over a 15-year period.

2021/22 COVID-19 Pandemic ongoing response and recovery

66. Central Government has continued to issue grants to local authorities for cost pressures incurred in the new financial year and the County Council has received a further £19.5 million for 2021/22.
67. The Council continues to work with the CCG and NHS England to recover additional costs in ensuring prompt and safe discharges from hospital to enable effective care and treatment through the whole system.

68. Looking forward, we will be refreshing our Medium-Term Financial Plan in light of the impact of COVID-19 and working with Central Government around funding arrangements. Our Corporate Plan is due to be revised taking account of what is most important for citizens and businesses of Worcestershire to continue to manage services that support a strong local economic recovery, support our partners in enabling service to support vulnerable adults and children and helping our residents and service users to return to a normal way of life.

Legal Implications

69. Legal advice will be provided to support any changes in service delivery in accordance with the requirements of the Council's policies and procedures.

Financial Implications

70. Members are required under Section 25 of the Local Government Act 2003 to have regard to the Chief Financial Officer's report when making decisions about the budget calculations for each financial year. This is undertaken through the approval of the annual budget in January/February each year.
71. Section 25 of the Act also covers budget monitoring and this process monitors the robustness of budgets, adequacy of reserves and the management of financial risk throughout the year. This Cabinet report highlights forecast variances arising from current financial performance and the possible impact of existing pressures on future expenditure so that appropriate action may be taken.
72. In discharging governance and monitoring roles, Members are asked to consider the issues arising and the potential impact on the budget as well as the financial risks arising.
73. The Council's procedures for budget monitoring is reinforced through close financial support to managers and services on an ongoing basis to ensure processes and controls are in place to enable tight financial control.
74. Looking forward to 2021/22 the use of any reserves would always need to be considered as part of the financial resilience so further grants and funding announcements are key. However, compared at this stage to 31 March 2020 the Council has managed to strengthen its financial standing and resilience despite an exceptional year.

HR Implications

75. A number of existing and new proposed savings may impact on staff roles and responsibilities and where appropriate senior officers take advice from the Council's Human Resources team.
76. This will include undertaking consultations with staff, trade unions and any other affected body as appropriate.

Equality Duty Considerations

77. The Council will continue to have due regard to proactively addressing the three elements of the Public Sector Equality Duty in all relevant areas – in particular the planning and delivery of our services. The Council will continue to assess the equality impact of all relevant transformational change programmes and will ensure that Full Council has sufficient equalities assessment information to enable it to have due regard to the three elements of the Equality Duty when considering any changes to

the budget. The Council will continue to ensure best practice is followed with regard to these requirements.

Risk Implications

78. The Cabinet report includes recommendations regarding the Council's financial outturn for 2020/21 and the carry forward of earmarked reserves and unspent grants.
79. If approved, there are normal risks regarding ensuring that appropriate qualifying expenditure is incurred, and that spending is within the cash limited for budgets. These risks are mitigation through the regular budget monitoring process.

Privacy and Public Health Impact Assessment

80. A Health Impact Assessment has been undertaken with regard to this report and recommendations relating to new spending decisions to understand the potential impact they can have on Public Health outcomes across the county area.
81. This report is mainly about confirming the forecast outturn financial position for the end of the financial year reflecting existing Cabinet decisions and policies and requesting approval for spending new specific grant monies with spending restrictions associate with these grants.
82. Taking this into account, it has been concluded that there are no other specific health impacts as a result of new decisions arising from this Cabinet report.
83. A similar assessment has been undertaken with regard to privacy/data protection and has confirmed that there is no impact anticipated as a result of this report.

Supporting Information

- **Appendix 1a** – Unaudited Annual Financial Report and Statement of Accounts 2020/21 Extract
- **Appendix 1b** – Draft Annual Governance Statement
- **Appendix 2** – Summary Financial Results 2020/21
- **Appendix 3** - Budget variances greater than £0.250 million
- **Appendix 4** - Capitalisation
- **Appendix 5** - Use of Grants/Reserves
- **Appendix 6** – Proposed Carry Forwards – Grants / Earmarked Reserves
- **Appendix 7** – Proposed Grants / Earmarked Reserves at 31/3/21
- **Appendix 8** – Capital Budget Financial Results 2020/21

Contact Points

County Council Contact Points

County Council: 01905 763763

Worcestershire Hub: 01905 765765

Email: worcestershirehub@worcestershire.gov.uk

Specific Contact Points for this Report

Michael Hudson, Chief Finance Officer, 01905 845560, mhudson@worcestershire.gov.uk

Stephanie Simcox, Deputy Chief Finance Officer (Service Finance) / Head of Finance, 01905 846342 ssimcox@worcestershire.gov.uk

Mark Sanders, Deputy Chief Finance Officer (Corporate Finance), 01905 846519, mssanders@worcestershire.gov.uk

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:

- 2020/21 Council Budget setting
- Previous Cabinet 2020/21 Resources Reports

This page is intentionally left blank