

CABINET

30 MARCH 2023

APPROVAL OF WORCESTERSHIRE CHILDREN FIRST'S BUSINESS PLAN 2023/24

Relevant Cabinet Members

Councillor A C Roberts

Councillor T Onslow

Relevant Officer

Tina Russell Director of Children's Services

Recommendation

- 1. The Cabinet Member with Responsibility for Children and Families recommends that Cabinet:**
 - (a) notes the contractual performance update on Worcestershire Children First;**
 - (b) approves Worcestershire Children First Business Plan 2023/24; and**
 - (c) notes the agreed contract sum for 2023/24 to WCF as set out in paragraph 22 and notes the indicative contract sum for 2024/25 and 2025/26 included in the Business Plan.**

Background

2. On 1 October 2019, following a two-year programme of activity, Worcestershire Children First (WCF) officially took over the operational responsibility for the delivery of Children's Services on behalf of Worcestershire County Council (the Council). The decision to develop WCF as wholly owned council company was made in direct response to the statutory direction published on 19 September 2017, with the Council agreeing to work in partnership with the Department for Education (DfE). The aim being at the point of transferring services into WCF, services would be performing well and WCF would have a positive platform on which to sustain and continue to improve outcomes for children and young people.

3. In June 2019, the Council's Children's services were inspected by Ofsted. The judgement was published on 29 July 2019 and the service was judged to be "Requires Improvement to be Good". Ofsted recognised that progress had been made in many areas of children's services in Worcestershire since the previous inspection in 2016, when the local authority was judged to be inadequate. They stated that effective work by senior management and staff, together with commitment and investment by political leaders, had led to improved responses to the needs of children and families. As a result, outcomes for many children and their families are better, and there is evidence of a sustained trajectory of improvement. This rate of improvement was a significant

achievement for the Council and is testimony of the hard work and tenacity of the leadership team, managers and frontline staff, as well as the wider Council and safeguarding partners.

4. This sustained improvement was clearly evidenced by Ofsted on the 14 July 2021, in their feedback meeting following their focussed visit into our Family Front Door services Ofsted concluded *“Leaders have established a positive culture of commitment to continuous improvement across this service area, supported by particularly strong quality assurance arrangements” and the early help partnership is now well engaged in the delivery of services, and most schools in Worcestershire have an early help offer, bespoke to the needs of their community”*.

5. In November 2021 the Department for Education, confirmed revocation of the Statutory Direction and moved out a “support and supervision” phase which the DfE ceased in June 2022. This is a result of significant hard work and improvement since Ofsted’s 2016 inspection and the sustained timeliness and quality of work and achieved outcome for children and young people.

6. The service delivery contract outlines what the Council expects WCF to deliver on the Council’s behalf, how the Council will pay WCF along with how the Council will hold WCF to account for the services it has delegated to it. The service delivery contract also includes a set of obligations for WCF which include the production of a Business Plan and the maintenance of several key performance indicators within agreed tolerance levels.

7. The Support Service Agreement consists of a set of overarching core terms and 14 individual support service specifications ranging from HR, Property & Facilities Management, Finance and Project Management. These individual specifications describe the services to be provided by the Council to WCF along with the relevant financial information (e.g. the cost of the support services) and the relevant performance information.

SEND Accelerated Progress Plan

8. Following a SEND revisit inspection in November 2021 by DfE and the Care Quality Commission (CQC), it was confirmed that the local area had made sufficient progress in eight of the twelve weaknesses identified at the initial inspection in 2018. The DfE required an Accelerated Progress Plan (APP) for the four areas where sufficient progress was not made. A six-month review of progress against the APP was undertaken by the Department for Education (DfE) and NHS England (NHSE) in September 2022. Their feedback letter stated, *“It was clear that the local area is beginning to make sustainable improvements to SEND services and to the lives of children and young people”* and also referenced *“it is felt that there has been a positive shift in working relationships between WCF and partners”*. The next six-monthly review will take place in April 2023.

9. In June 2022 we had an Ofsted inspection of our Adoption Permanency team with WCF, and the outcome graded the service “Good”. In February 2023 we had our Ofsted Inspection of Fostering services and again the overarching outcome was graded “Good”. We are awaiting our full Inspection of Local Authority Children’s Services which we expect to take place before July 2023.

Performance and Contract Monitoring Update

10. In relation to contract performance WCF continue to meet their agreed contractual outcomes in relation to Children Social Care however, three key performance indicators for the SEND service measuring the timeliness, decision making, and completion of Education Health and Care Plan's (EHCP's) requested have not been fully met however the trajectory is improving alongside our Accelerated Progress Plan (APP). In line with agreed contract monitoring an action plan has been in place to address challenges faced by WCF in meeting these KPI's. and regular reports are taken through the Board, and we continue to update our commissioners.

11. There continues to be strong working relationships between WCC and WCF which go far beyond the formal contractual monitoring arrangements. WCC's Strategic Director of People, has the lead commissioning role for WCF within the Council.

12. The strong strategic partnership working of WCF and WCC was positively highlighted in the External Auditor Annual Audit report in March 2022 to Audit and Governance Committee, stating 'a real commitment to work together to get the best outcomes for children, young people and their families.' The report also acknowledged a clear understanding of different roles within the council and company, that governance is appropriate, and arrangement is in place to analyse business and performance information on a regular basis.

13. WCF more than continue to fulfil their obligations in reporting performance and financial information through to the Council's Children and Families Overview and Scrutiny Panel and Corporate Parenting Board. This has been important to ensure that there is political oversight and transparency over the Company. Feedback from the elected members continues to be positive.

14. WCF have continued to hold monthly Board meetings which included the third public Annual General Meeting which was held in October 2022.

Worcestershire Children First Business Plan 2023/24

15. The Council requires WCF to develop and publish an annual Business Plan. The Business Plan is owned by WCF on a day to day basis and approved by Cabinet. The Plan sets out WCF's vision and strategic goals and outlines how they will deliver services for children, young people and families, on behalf of the Council. The plan describes WCF's staffing and governance structure as well as future forecasts in relation to finances. The full version of the refreshed 2023/24 Business Plan is available in the supporting information as an Appendix.

16. The 2023/24 Business Plan maintains the previously agreed aims for WCF which are to improve outcomes for all children and young people (up to the age of 25) in Worcestershire, by addressing their needs holistically through excellent early help and prevention, education provision and social care. Its Vision, Mission and Values define the way WCF will work to improve outcomes for children and young people. They are indicators of the direction of travel, to guide services and colleagues:

- **Vision:** Worcestershire to be a wonderful place for all children and young people to grow up
- **Mission:** Supporting children and young people to be happy, healthy and safe

- **Values:** Children at our heart. Value family life. Good education for all. Protection from harm. Embrace Diversity.

17. The 2023/24 Business Plan continues to build on previous work over the last few years. Our priority is to sustain the timeliness and quality in our service delivery to children, young people and their families by continuing to evidence our progress through key performance indicators, our Quality Assurance Programme and external inspection outcomes.

18. As always, we start our business planning year identifying the new priorities for improvement and development, but we recognise the importance of sustaining the timeliness and quality of practice that we have achieved to date. This day-to-day work, now “business as usual” is as important to sustain as it is to meet our new priorities.

19. WCF has a comprehensive Quality Assurance Programme. This is described in detail in the business plan document but you can also see it in our plan on a page reflected in the columns to the sides and across the top to show quality assurance has three domains; firstly how we ensure we have understood the voice and experience of the child and the parent carers, secondly the Key Performance Indicators which monitor our workload and timeliness of our workflow and thirdly audit activity which reflects our quality of practice. These remain key to our business plan priorities, and we have selected measures against each of the priorities.

20. The Business Plan for 2023/24 outlines eight priorities for the coming year:

- Sustain stability within the workforce, deliver high support and challenge and be the employer of choice.
- Prevent risk and needs escalating for vulnerable children and those who are “Children in Need” of support.
- Progress to achieve our vision for our 0-25 All Age Disability Service.
- Support, guide and enable schools and education providers to deliver high quality, inclusive education provision.
- Make effective use of child protection processes to bring about timely and sustained change for children.
- Ensure looked after children have high quality, stable placements and timely outcomes for permanency.
- Ensure we make progress against our school place sufficiency to meet short and longer term demand.
- Ensure our Care Leavers have the best start for independence.

21. The priorities are set out within a “plan on a page” for easy reference and are described within the full document. Each priority has a selection of measures that we will use to know the difference we are making.

22. Within the financial section of the Business Plan it outlines the agreed contract sums. The contract sums are shown as two separate elements, net funding from WCC base budget and grants passed through to the company to arrive at the gross contract

price, and with Sales, Fees and Changes to arrive at the total company turnover. These are shown below.

Contract Sum	Original Budget 2022/23	Current Budget 2022/23	Original Budget 2023/24
	£000	£000	£000
Net Budget funded by WCC	109,143	109,108	111,113
<i>Other Funding passed through:</i>			
Funding added to contract (Grants / Income / Reserves)	23,319	27,090	33,760
Total Gross Cost funded by WCC Contract	132,462	136,198	144,873
Sales, Fees and Charges	2,459	2,759	3,060
Additional funding for cost of 2022/23 Pay Award	0	1,671	0
Total Gross Cost	134,921	140,628	147,933

23. The 2023/24 gross contract price is part of the budget set by Council in February 2023. The future year budget contained within the Business Plan are indicative at this stage as the Council will be reviewing its Medium-Term Financial Plan during the summer as a national funding review is anticipated in 2025/26 so there is a degree of uncertainty over definitive future financial settlements.

24. On 2 February 2023 the Government responded to the Independent Review of Social Care which recommended additional funding of £2.6bn over 4 years. The Government plan highlighted additional funding of £200m over 2 years. The Government's Plan, entitled 'Children's social care: Stable Homes, Built on Love', is a consultation which runs until 11 May 2023. In our 2023/24 business plan we will be reviewing the ongoing consultation and look where WCF might engage with pilot initiatives in relation to workforce and multi-agency family support that builds on work we are currently undertaking.

25. Our plan is set again the agreed budget for 2023/24 and any additional funding in year is required to be requested by WCF (either capital or revenue) through the governance schedules. These agreements require WCF to complete a business case that will be discussed with Council officers and agreed (if appropriate) through a change control process.

26. WCF has been running for over 3 ½ years and has strong financial controls which are working well e.g. cash management, payments to staff and suppliers and PAYE/NI to the Inland Revenue submission of monthly VAT returns. Internal Audit is provided from the Council's internal function and reported to both WCF's and the Council's Audit Committees and through the production of both company and Council group audited financial statements.

27. The Support Services figure includes the costs of services, covered by Support Service Agreements (SSA), which has been agreed through dialogue meetings. The

basis of charge is based on 2022/23 budget and appropriate relevant service metrics to establish the service price which is £7.5m.

28. Achieving these aims for WCF's long-term future will be dependent on several internal and external factors meaning they will be subject to change as the needs of the Council changes and WCF matures. Therefore, in line with Council expectations, the 2023/24 Business Plan and WCF's budget will be reviewed and refreshed on an annual basis alongside the Council's annual review of its own medium-term financial plan and budget setting process.

Legal, Financial and HR Implications

29. The paragraphs above outline the legal/contractual arrangements that will be in place between the Council and WCF. The term of the contract is an initial five years with the option to extend by a further five years.

30. Budget monitoring and reporting will continue to be carried out and reported through quarterly overall Council budget forecasts to Cabinet. Any variations or change orders arising in a change to the contract value would be reported or approved through that forum dependent on the scheme of delegation.

31. In development of the financial model and as part of the development of the 3-5-year business plan for WCF, a detailed review, analysis, challenge and scrutiny has been completed by finance staff and operational staff within the Council. A review has also been undertaken by both the Council's Chief Financial Officer and the Director of Resources for WCF.

32. All future year figures at this stage are based on the latest financial assumptions and no decisions have been taken. The Business Plan for WCF and its medium-term financial plan will be considered alongside the annual budget setting cycle and be presented to Full Council alongside the Council Tax precept decision in February 2024.

Equality and Diversity Implications, Privacy and Public Health Impact Assessments

33. The Council must, during planning, decision-making and implementation, exercise a proportionate level of due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not.

34. An Equality Relevance Screening has been carried out in respect of these recommendations. It identified that further equality impact analysis and public health impact assessments will be required in respect of staff, service users and the wider community during design and implementation of activity needed to give effect to the recommendations set out in this report.

35. The services and functions being transferred into WCF have the duty to improve outcomes for children and young people, and these outcomes directly or indirectly

impact on their health. The Public Health Ring-fenced Grant is being used to support some of these services, specifically some Early Help services, in this context. A full Public Health Impact review will be carried out on services, including evaluation of impact and effectiveness.

Risk Implications

36. WCF's 2023/24 Business Plan outlines, within its appendices, an overview of the significant risk that WCF will be managing on a day to day basis. These risks will also form part of the Council's high-level risk register as the Council remains accountable.

Supporting Information

- Appendix - WCF 2023/24 Business Plan

Contact Points

Specific Contact Point for this report

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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:

Agenda papers for the meetings of the Cabinet held on 29 March 2018, 12 July 2018, 15 November 2018, 14 March 2019, 5 September 2019 and 26 March 2020. Available on Worcestershire County Council's website here:

<https://worcestershire.moderngov.co.uk/ieListMeetings.aspx?CId=131&Year=0>