

Report to Cabinet

Title:	Children's Services – Outcome of Member-Led Task and Finish Group into Resources in Children's Services and Ofsted Inspection Outcomes
Date:	8 th September 2014
Date can be implemented:	16 September 2014
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Local members affected:	All
Portfolio areas affected:	Children's Services

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Summary

1. Prior to the Ofsted inspection team arriving in Buckinghamshire, the Council had recognised that there were a number of factors coming together which were resulting in significant pressure on Children's Services. Between 2012/13 and 2013/14 there was an unprecedented rise in demand for services with, for example, an increase of 70% in referrals to children's social care and an increase in the number of young people coming into the care of the authority of about 14%. At the same time, like a number of authorities in the south east and beyond, the Council was experiencing significant difficulty in recruiting permanent, experienced social workers to the authority (and this difficulty continues). As a result, the Council has a significant contingent of agency staff covering posts.
2. These two factors, combined with the continuing difficult financial context of the authority, resulted in very high workloads, discontinuity arising from the churn of the workforce, a lack of sufficient social work capacity and considerable strain on the available financial resources. Having identified these issues, a Member-led Task and Finish Group was set up in February 2014 and undertook in-depth investigations into the position in Children's Services and looked at measures that were being put in place to meet the Council's statutory obligations;



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3. When Ofsted carried out the inspection in Buckinghamshire, therefore, they confirmed a number of the issues that had already been identified and had begun to address within the service. These things, however, take time to change.
4. As a result of the Ofsted findings the Council, and with partners, including the Buckinghamshire Safeguarding Children's Board, will give added importance to the achievement of the required changes to improve our services to vulnerable young people and their families in Buckinghamshire.
5. The Council is required to submit Improvement Plans for Children's Safeguarding and for the Buckinghamshire Safeguarding Children's Board to Ofsted within 70 days of the publication of the report. The draft plans are currently being developed for approval by the Cabinet Member and submission to Ofsted.
6. The purpose of this report is to bring to Cabinet the outcomes of and proposed response to the advice of the Member led Task and Finish Group. It also covers the recent internal analysis and preliminary requirements following the Ofsted Inspection with the aim of ensuring appropriate support and funding of Children's Services in 2014/15.
7. The Cabinet is asked to approve investment in 2014/15 to address:
 - Shortfalls between the allocated budget and the costs associated with running the service at the current levels.
 - the most immediate issues highlighted by Ofsted as set out in the draft Improvement Plans for Children's Services and the Safeguarding Children's Board.
8. It is also important to note that existing financial plans for years 2015/16 onwards will need to be carefully considered to ensure sufficient sustainable resourcing is provided to meet the safeguarding requirements including the response to all Ofsted recommendations.
9. To reflect the Council's commitment to give added importance, the Cabinet will require reports on a quarterly basis on the implementation of the Ofsted Improvement Plans, for both the Children's Safeguarding and for Buckinghamshire's Safeguarding Children's Board.

Recommendation

The Cabinet is recommended to:

- I. Give added importance to Safeguarding Children as one of the Council's top priorities.**
- II. Recognise the growing pressures within Children's Safeguarding and to recommend to the Council that £4.8m be released from the General Fund Reserve to increase the Children's Services budget for 2014/15 to address the underlying financial pressures.**
- III. Approve the use of the contingency of up to £1m already within the Approved Budget to fund the immediate measures highlighted in the draft Improvement Plans.**

- IV. **Review the provision made in future year's Medium Term Plan (MTP) for Children's Services to reflect the financial pressure and to provide the necessary funding to maintain appropriate levels of safeguarding.**
- V. **Receive reports on a quarterly basis on the implementation of the Improvement Plans required to deal with the issues raised by the Ofsted Review into Children's Safeguarding and the Buckinghamshire Safeguarding Children Board until Children's Services are back to at least a 'good' rating as before.**

A. Narrative setting out the reasons for the decision

1. Demand in Children's Services is driven predominantly from behaviours of those outside of the council. These include levels of inadequate parenting; violence and abuse (often fuelled by drug and alcohol abuse); levels of mental health issues (particularly in mothers); lack of resilience in dealing with effects of socio-economic deprivation.

Member-led Task and Finish Group Findings

2. Recent years have seen an increased demand and hence an increased commitment for Children's Services, leading to additional costs of both staffing and care provided that exceeds the allocated funds.
3. This issue was assessed in detail via a Member-led Task and Finish Group (February to July 2014). A summary of the Task and Finish Group report is provided in the confidential appendix. Specific focus was given to the context and changes in demand for services, the benchmarking of activity and financial planning to other similar authorities and the basis for the current funding for Children's Services, including levels of confidence in delivery of existing efficiency measures (MTP).
4. The findings of this study are as follows:
 - BCC's volumes of work grew significantly in 2013/14, however the levels of service being provided at the end of the year was consistent with our nearest comparators (including the relative number of looked after children). This suggests growth in service demand had been occurring in many similar authorities in recent years.
 - The drivers of the service growth included a number of national changes (legal judgements and the transfer of some responsibilities, for example).
 - While demographic growth is expected, a far more significant issue appears to be potential changes in areas of disadvantage which give rise to more referrals and measures of disadvantage have not been assessed since 2011 and hence carry risks associated with future service planning.
 - BCC has successfully delivered a number of measures to reduce the demand for Children's Services through preventative and early intervention initiatives. BCC has also maintained thresholds, ensuring rigour and appropriateness of gatekeeping. This continued focus on care planning has ensured service levels are minimised as far as is appropriate.
 - Staffing levels in some areas did not keep pace with the rising demands. The consequences of the exceptional workloads are increased challenges of effective safeguarding of children. It appears reasonable to assume this contributed to challenges associated with retaining some staff and increased levels of sickness. This shortfall in available staffing led to increased reliance on agency staff. In turn, this contributed to discontinuity for some young people and their families. In addition, the employing of additional agency staff beyond the agreed establishment levels was put in place in an attempt to deal with increasing demands.
 - While financial benchmarking is complex, the comparatives of financial plans for 2013/14 for both the safeguarding staffing and of the costs of care provision suggest

BCC assumed a level of funding that was lower than our nearest comparators had allocated when adjusted for population sizes.

- Approaches taken to reduce the costs of care highlighted that BCC has made considerable progress through a number of partnerships. Internal analysis suggests BCC has one of the better value sets of unit price contracts with providers.
- Despite the attention given to manage down service demand, achievements in reducing costs, the use of best value care options and efforts to recruit and encourage retention of staff, the financial gap based on anticipated service levels suggest a forecast outturn that will exceed the current budget by £4.8m in 2014/15 (excluding implementation of Ofsted recommendations).

Impact of Ofsted Inspection

5. In November 2013, Ofsted, the regulatory body for Children's Services, brought in a new framework for the inspection of services for children in need of help and protection, children looked after and care leavers
6. Coinciding with the conclusion of the above analysis, BCC was inspected by Ofsted in June. The findings were published on the 8th August 2014. The full report is available at:
http://www.ofsted.gov.uk/sites/default/files/documents/local_authority_reports/buckinghamshire/051_Single%20inspection%20of%20LA%20children%27s%20services%20and%20review%20of%20the%20LSCB%20as%20pdf.pdf.
7. This inspection judged the overall performance of BCC as '**inadequate**', highlighting that the services associated with children who need help and protection, children looked after and achieving permanence and the leadership, management and governance were inadequate. The adoption performance and the experiences and progress of care leavers was judged as requiring improvement.
8. An improvement plan is currently being developed to address these failings. It will consist of the following six work streams:

Workstream 1 - Leadership, Governance & Partners

This includes council-wide responsibility for children's social care including the role of elected members; partner understanding and applying the multi-agency threshold document; all partners' engagement in the delivery of prevention and early help; and a series of actions for the Buckinghamshire Safeguarding Children's Board to address their responsibilities around scrutinising local arrangements.

Workstream 2 - Building Capacity

This includes recruiting and retaining an appropriately sized, stable and well-qualified workforce in place to deliver sufficient and quality services; maintaining appropriate caseloads; and securing of additional foster carers and local placements for our looked after young people

Workstream 3 - Effective Front Door

This includes reviewing previously unallocated cases; sufficient capacity to manage referrals effectively and undertake assessments; and analysis of and action on high levels of re-referrals.

Workstream 4 - Quality of Practice

This includes a relentless focus on the needs and wishes of the child in the journey through the system; visits being undertaken regularly and appropriately; informative and complete record-keeping; clear and effective plans; clear management oversight; and a

range of actions around securing better educational and employment outcomes for some of our looked after children.

Workstream 5 - Children Looked After and achieving Permanence

This includes ensuring children reunited with their families are supported by a risk assessment; ensuring that permanence is achieved for those who can't remain with their birth family ; an action plan to improve our adoption performance; work on looked after children's reviews and all care leavers having a Pathway Plan to guide their transition to independence.

Workstream 6 - Systems and Processes

This includes all information being shared and recorded in line with legislation and case law; using historical information; review of our electronic recording systems to ensure it is fit for purpose, including accessibility. This strand, in particular, will also relate to wider issues of process across the Council.

9. The full costs of the addressing the identified Ofsted weaknesses need to take the following two aspects into account:
 - (1) The net effect of future structures that meet the recommendations and will deliver strategy requirements in Children's Services; and.
 - (2) The timescales and steps to transition from current service levels and structure to future service levels and structures.

10. These steps carry a number of complex considerations associated with 'right sizing', interdependencies of changes to address recommendations and the longer term effects of improved service levels in terms of demand changes and service efficiency.

11. The full improvement plan is currently being developed, but cannot be provided at this time as provision is being made for staff and partners to input into the plan. However, initial assessments suggest funding will be required as soon as possible to address some of the weaknesses, as follows:

Table of Planned Ofsted Recommendation related additional spends

Initiative	Effect in 2014/15	Timeline	Full Year Effect
Increase staffing in First Response (see Front Door work stream)	£380,000	Oct14 onwards	£800,000
Recruitment of Permanent Staffing	£140,000	Sep-Mar	TBD
Practice Improvement Managers (x5) – 6 month timescale	£200,000	Oct-Mar (6 months only)	Nil unless pilot extended
Initial investment in Social Care ICS System review	Estimated £150,000	Oct-Mar but subject to procurement	N/A this is programme based improvements
Senior Catch Team enhanced staffing	£ 70,000	Oct14 onwards	£150,000
Specific backlog work	£10,000	Sep-Oct	Nil
Contingency re Agency cover and pump priming outcomes of retention strategies etc.	£ 50,000	Oct14 onwards	£150,000
Total	£1,000,000		

12. The Improvement Plan will need to have been completed with provisional costing of changes by mid-November. At this stage, it is suggested that investment to meet the Ofsted requirements could be in the region of £1.5 to £3.0m for 2015/16. This funding will include some transitional change based costs (e.g. IT improvements) and hence it seems reasonable to expect reduced commitments in some areas of the service over the longer term.

Next Steps

13. The Authority is required to produce an Improvement Plan within 70 working days of the receipt of the final Ofsted report, hence by 21st November. At this point in time, the lead inspector will return to Buckinghamshire County Council to assess what progress has been made.
14. In addition, there will be a meeting with officials from the Department of Education (DfE) which will determine whether further action need be taken by the Department. In other Authorities judged inadequate under the inspection regime, the Department has established Improvement Boards to oversee the implementation of the Improvement Plan.

B. Other options available, and their pros and cons

Do nothing – Not Acceptable

Ofsted judged BCC's Children's Services to be 'inadequate', meaning "there are widespread or serious failures that create or leave children being harmed or at risk of harm and/or the welfare of looked after children is not safeguarded and promoted." This is a statutory failure and hence a do nothing approach is **not acceptable**.

Impose further limits to restrict care to statutory elements only – Not necessarily more cost effective

BCC have already implemented processes to limit many services to the minimum likely to be workable. Further reductions in care, for example Respite Care, carries an increased risk of family breakdown that would transfer considerable additional requirements and hence costs to BCC. Reviews of child cases will continue and management will continue to seek the most suitable outcomes for children – a departure from this may have considerably greater costs when carer support breaks down.

Enhance services in preventative programmes -

Evidence exists that many preventative services have a significant positive effect in terms of quantifiable social costs. This extends beyond the Social Care services, and as such requires wider partnership working. This is already occurring through the establishment of the Multi-Agency Safeguarding Hub (MASH) and should over the longer term make a positive effect on potential future service demand.

C. Resource implications

See above.

D. Value for Money (VfM) Self Assessment

The approach proposed aims to achieve maximum benefit through effective delivery of the services required to be provided and thus ensure value for money.

Judgement on the balance of funding requirements therefore not only needs to assess measures the service costs, but also the mix of quality, fitness for purpose, timeliness and convenience and that it is the collective that must be assessed as being good value.

In terms of the standard 'three Es' of economy, efficiency and effectiveness, it is suggested VfM is provided as follows:

- Economy – BCC continues to deliver services with a focus on minimising the use of avoidable resources
- Efficiency – BCC will seek to ensure the unit costs of staffing and care remain at least comparable and where possible better than our closest Children's Services neighbours with regard to unit costs. Additional consideration will be given to ensure time and effort is minimised.
- Effectiveness – BCC will continue to review wider evidence of organisations delivering better services, seeking to implement all Ofsted recommendations and getting a better net effect from for example preventative and early intervention work over the longer term.

BCC will continue to:

- a. Assess levels of success through performance measures
- b. Ensure effective planning is an essential part of resource allocation, governance and other controls.
- c. Risks are assessed and minimised as appropriate through mitigations
- d. That as far as possible, recognising the sensitivities of the service, openness and transparency of processes will exist.
- e. Ensure compliance with all statutes and regulations. All organisations need to comply with legal and other associated requirements. By adopting good practice, the risk of failing to identify and comply with such requirements is significantly reduced.

E. Legal implications

The local authority must carry out its statutory obligations in respect of safeguarding Children and Young People (CYP) as set out in the Children Act 2004 and in 'Working Together' (revised in 2014)

F. Property implications

If additional staffing is agreed, then they will need to be accommodated into the space available.

G. Other implications/issues

If Buckinghamshire County Council (BCC) doesn't respond in a way deemed appropriate by Ofsted, then the DfE may advise ministers to take stronger action in respect of Children's Services in BCC.

H. Feedback from consultation, Local Area Forums and Local Member views

Not Applicable

I. Communication issues

It is important to enable staff and partner agencies to have input into the development of the Improvement Plan. Arrangements are in place for this to happen within the required timescale.

J. Progress Monitoring

Implementation plans are currently being developed. These will be used to assess progress and the Cabinet will receive quarterly reports.

Background Papers

See Confidential Appendix – Summary of Task and Finish Group Report

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Democratic Services Team by 5.00pm on 5 September 2014. This can be done by telephone (to 01296 383627 or 383610), Fax (to 01296 382421), or e-mail to cabinet@buckscc.gov.uk