

12 October 2021		ITEM: 9
Children's Services Overview and Scrutiny Committee		
Proposed Budget Reductions for Children's Social Care and Early Help		
Wards and communities affected: All	Key Decision: Key	
Report of: Janet Simon, Interim Assistant Director Children's Social Care and Early Help		
Accountable Assistant Director: Janet Simon, Interim Assistant Director, Children's Social Care and Early Help		
Accountable Director: Sheila Murphy, Corporate Director Children's Services		
This report is Public		

Executive Summary

This report sets out a number of proposed changes to the structure of Children's Social Care (CSC) and Early Help (EH). The changes form part of the Children's Services Directorate contribution to budget efficiencies and will demonstrate how CSC and EH will deliver budget reductions of £1.2m and transform service delivery whilst continuing to achieve good outcomes for children in Thurrock.

The proposed changes are in line with the requirement to focus on prioritising statutory duties whilst maintain the focus of protecting preventative actions to minimise pressure on our statutory teams.

The report includes a revised operating model which will provide a greater integration of services and ensure that social work practice remains at the highest possible standard. Our aim remains, to build on our 'good' Ofsted rating in order to provide the best possible outcomes for the children and families of Thurrock.

1. Recommendation(s)

- 1.1 That Children's Overview and Scrutiny Committee note the proposals identified to contribute to savings to offset the funding gap.**
- 1.2 This report to this committee seeks specific comment on the relevant items which fall within its remit and which requires further member scrutiny prior to final cabinet decisions being made on the relevant items.**

2. Introduction and Background

- 2.1 Thurrock Council is facing a significant budget shortfall with an estimated deficit of £34 million over the next two financial years. There is a statutory obligation to report a balanced budget and all available alternative options have been explored including Council tax increases and asset reviews. It has, however, been identified that a saving of an estimated £20 million will need to come from staffing in the next 2 years. Children's Services, having the second highest staffing headcount in the Council, will need to contribute to the savings figure whilst also maintaining high standards of services to children and their families.
- 2.2 The ongoing demand for specialist, high cost statutory interventions for children remains in Thurrock. Our early help offer was highly praised by Ofsted in 2019 and in 2021 for its proven impact on the reduction of children's cases stepped up to statutory services. Successful workforce planning and staff development since the previous inspection in 2016 were also identified as increasing capacity to sustain a good quality service and substantial improvements. It is crucial that the new operating model and proposed contribution to savings do not have a negative impact on the effort and progress made by children's social care over recent years as we moved away from being a service that was Ofsted judged as requiring improvement in 2016.
- 2.3 The Ofsted Focussed visit in July 2021 and the subsequent Ofsted letter published in August 2021, identified that most social workers have manageable caseloads that allow time to build relationships with children and their families. Social work caseloads need protecting to avoid them becoming too high and leading to poor practice and children not being safeguarded. The Ofsted Inspection in 2016, which led to a Requires Improvement judgement, identified rising caseloads and caseloads above comparators and that; "High caseloads and frequent changes in staff in some teams have had an impact upon relationships with children and families", linking this to the ability to recruit and retain a stable workforce. The inspection in 2016 also highlighted inconsistencies in management oversight of frontline practice resulting in a lack of effective challenge to progress children's plans and effect change for children. The proposals in this report ensure that case levels and spans of controls will allow managers to continue to maintain clear management oversight on the quality of practice in recognition of the improvements made and recognised in the November 2019 Ofsted inspection.

3. Issues, Options and Analysis of Options

3.1 Current position/Structure

Children's Social Care and Early Help Services need to continue to strive to provide the best possible outcomes and therefore any proposed changes must maintain front line services and protect the functions, which are having the most impact on our children and families.

3.2 The current structure divides the key areas of practice under four strategic leads reporting into the assistant director post. These areas are as follows:

- Children in Need (CIN) and Child Protection (CP)
- Children Looked After Children (CLA)
- Safeguarding & Quality Assurance (including Business Administration)
- Early Help and Prevention and Youth Offending Service

3.3 This structure was introduced over a phased period starting from 2017 following the Requires Improvement Ofsted Judgement in 2016. It ensured that a robust leadership and management model was in place to help the service deliver and sustain the improvements required of it. The model manages demand earlier, and has proven to be less costly and enabled interventions that are more effective. This model has achieved the improvements required as externally judged by Ofsted in 2019 and 2021 and therefore we are not proposing significant structural changes, which could undermine the progress made so far.

3.4 **Rationale and Justification for the Proposal/Restructure**

The proposals in this report focuses on areas where spend could be reduced without having a significant detrimental impact on service delivery along with a transformational delivery model. All areas have been carefully considered along with a number of alternative delivery models to provide a safe and appropriate service. Where vacancies have naturally occurred, consideration has been made of whether the vacancies can be deleted to help towards the savings and reduce the numbers of employees at risk.

3.5 The structure has been considered to establish whether posts that were essential on our path from 'requiring improvement' to 'good' are still required to the same number and extent to sustain and consolidate the good practice in place. Some of the changes proposed are based on good practices being sufficiently embedded, allowing the service to review and realign service where possible to continue to meet the needs of children and keep them safe.

3.6 The movement and joining of some teams will enable a more streamlined approach that will provide opportunities to reduce the number of posts required and allow for a more joined up Think Family approach.

3.7 **Proposals**

The proposals for making savings vary in nature and may be subject to differing timelines dependant on external factors. Where redundant posts are identified, every effort will be taken to avoid redundancy through redeployment into alternative suitable roles.

3.8 Children's placements account for a third of the total children's services budget. Placement numbers have reduced from a high in 2017/18 (355) and have remained static for the last two years at around 300. This is 66 per 10k of the population and is in line with national figures. The placement budget is extremely volatile and has been difficult to manage this within the budget for a number of years.

3.9 The proposal for achieving savings includes;

- Deletion of posts and realignment of services to achieve £1m savings within children's social care statutory and early help services.
- Deletion of posts and realignment of management and potential digital efficiencies within the Business Administration Service have identified £0.200m savings.
- Increase internal fostering households by a net of 15 each year and decrease our reliance on more costly external foster placements. This could realise a saving of £0.300m per annum (£0.600m over a 2 year period)
- Review of the delivery model for the Out of Hours social work duty service which has been identified as a high spend service.

3.10 **Proposed Transformational Operating Model**

Services are currently provided internally and externally in the assessment and support of parents of vulnerable children, supervised contact arrangements, edge of care services and family group conferencing through;

- Commissioned Services
- Families Together
- Family Group Conferencing Team
- Contact Service delivered at Oaktree.

3.11 The proposal is to transform and realign these services to a model that delivers all of the above through a relationship-based approach to make positive differences and enable very vulnerable young people to remain living securely with their families. This will enable us to drive more efficiencies whilst continuing to deliver and provide services using a holistic 'Think Family Approach' which is collaborative and at a lesser cost to the local authority.

3.12 In order to protect the permanent workforce, there has been a vacancy recruitment freeze. Where possible and safe to do so the savings will be obtained by deleting vacant posts. Some vacancies are essential to service delivery and therefore where possible and appropriate will be appointed to by redeploying employees in the service who are displaced from posts proposed to be deleted. A total of 22 posts (15.4 FTE) will be at risk/impacted resulting in a maximum of 13 redundancies.

3.13 The proposals balance the need to maintain or improve our Ofsted rating of 'good' whilst contributing to the savings required due to the financial pressures faced by the Council. The proposals include some realignment of services including our Edge of Care services, which are not statutory but contribute to keeping children at home with their families. Subject to the consultation process, the aim is for the revised structure to be in place by 1 April 2022.

3.14 **Risks**

The Council has statutory duties under the Children Act 1989 to safeguard children and young people within its area. Ofsted assesses how the local authority is managing these duties, and the outcomes for children. Appropriate caseloads and spans of control are crucial to providing a good service to children and families in Thurrock. Business Admin is also crucial to service delivery and contributes to key statutory processes and savings in this area like the rest of the service is a fine balance.

3.15 Further efficiencies will need to consider potential impact upon safeguarding of children, caseloads, spans of control, cost aversion, and the numbers of children stepping up to statutory services or becoming looked after and the inherent costs involved.

3.16 Thurrock is refreshing its recruitment campaign to increase opportunities for the recruitment of local in-house placements and will need to be successful in this to achieve the savings of £0.300M in each year in placement costs. However, Thurrock, along with other authorities across the country, are finding the recruitment of local foster carers a challenge. Local placements are scarce not only in terms of the recruitment of in-house foster placements but also for Independent Fostering Agencies (IFA) and Residential care homes. A lack of carers with the right skills and experience is proving to be the most significant barrier to securing placements, especially for sibling groups, and for disabled children and teenagers.

3.17 Ofsted's [annual fostering statistics](#) show there has been little change in foster carer capacity, adding to concerns about the difficulty in finding suitable care for the most vulnerable children in an over-stretched system. Although interest in becoming a foster care continues and nationally enquiries from prospective carers have gone up, the figures show a 10% decrease in the conversion rate to prospective foster carer applications since March 2019.

4. **Reasons for Recommendation**

4.1 Thurrock Council is facing a significant budget shortfall. Children's services need to contribute to the savings required by the Council to support returning a balanced budget.

5. **Consultation (including Overview and Scrutiny, if applicable)**

5.1 The proposal will be subject to the Council's overall consultation process as agreed with the recognised trade unions.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The proposed budget reduction should not have an impact as the proposals do not reduce the duties, performance, policies or priorities and services that will be provided to the community.

7. Implications

7.1 Financial

Implications verified by: **David May**
Strategic Lead Finance

The medium term financial position was set out to Cabinet on 7 July 2021. This highlighted a cumulative £34.3m funding gap for 2022/23 and 2023/24. This also set out proposed mitigations grouped between income generation, operational efficiencies, providing services differently, staffing reductions and member decisions.

The committee is reminded there remains a significant funding gap to address in both years if all of these proposed mitigations set out in the report are delivered. Hence any savings proposals not taken forward will further increase the funding gap and hence will require further reassessments of core service delivery with associated impacts on levels of staffing.

7.2 Legal

Implications verified by: **Ian Hunt**
Assistant Director Law and Governance

The Children's Act 1989 s17-20 gives local authorities the power to intervene in private matters in order to protect and promote the welfare of children within their governed area. Every local authority is bound by a moral and legal obligation to provide support and assistance to children within their local areas the emphasis on children who are in need of outside protection.

S17 (1) It shall be the general duty of every local authority:

- to safeguard and promote the welfare of children within their area who are in need; and
- so far as is consistent with that duty, to promote the upbringing of such children by their families by providing a range and level of services appropriate to those children's needs.

The Council has a statutory duty to set a balanced budget. In setting a balanced budget competing needs and statutory duties have to be considered. The proposed savings identified within this report have taken into account the local authority's statutory duties. The report includes a revised operating model which will provide a greater integration of services and ensure that social work practice remains at the highest possible standard.

7.3 **Diversity and Equality**

Implications verified by: **Becky Lee**
Team Manager - Community Development and Equalities

A full community equality impact assessment will be completed for this proposal to support the mitigation of risk of disproportionate negative impact for protected groups including workforce

7.4 **Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children)

There are implications for staff. A full support programme and consultation process will be followed to minimise any impact on staff that the proposed structure changes may have on staff

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. **Appendices to the report**

- None

Report Author:

Janet Simon

Interim Assistant Director

Children's Social Care and Early Help