

## Appendix D2

Pressure Mandate Proposal Number :

Pressure Mandate Title : Children's Services

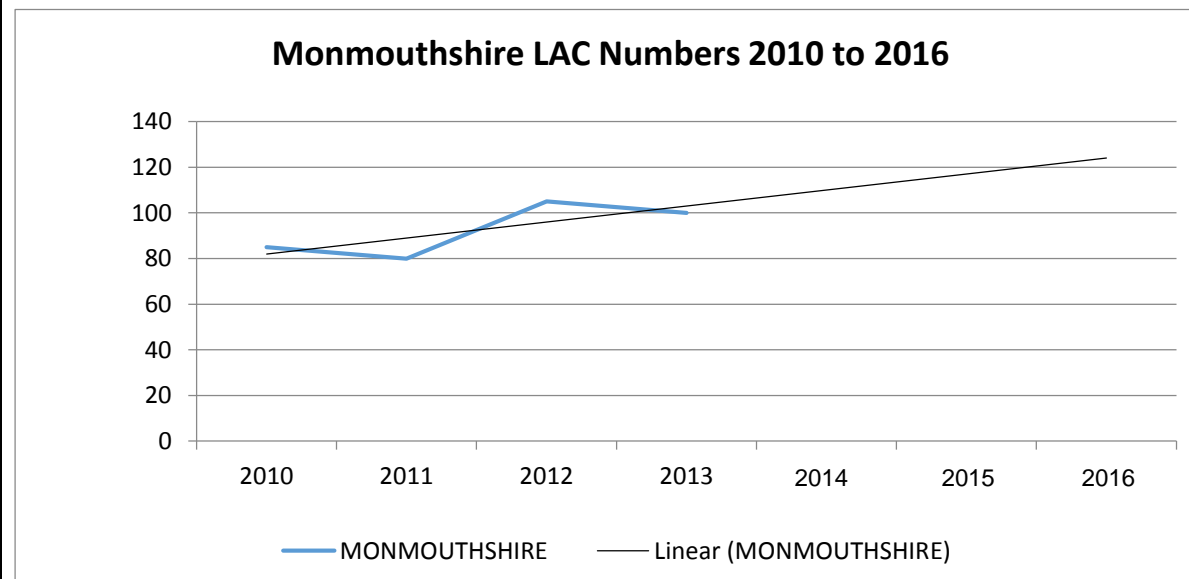
All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

<b>Mandate Completed by</b>	Tracy Jelfs
<b>Date</b>	25 <sup>th</sup> November 2015

### Why is this pressure required?

#### SERVICE DEMAND

As at Month 6 LAC demand reached 121. In July 2014 a three year projection for LAC numbers was submitted as part of the MTFP exercise as shown in the below graph demonstrating that LAC numbers could rise to 122 by 2016.



This was costed at a potential impact on the bottom line £902K. This pressure did not feature in the MTFP and as a result the external placement budget has a current overspend prediction of £823K. A more recent LAC projection for the next three years up to 2018/19 has been cast showing numbers are set to increase to around 133 and as a result demonstrate the pressure requirement.

## LEGAL DEMAND

Court proceedings continue at month 6 the activity was proceedings for 12 families initiated and 9 families concluded. There was a request during summer 2014 for additional legal support as there was increasing number of cases, costs for C2 applications and use of barristers. Additional capacity has been in place since approx. October 2015. A review of C2 applications and the use of barristers will take place in December; however, it may be too early to evidence a reduction in the use of barristers at this stage.

## STAFFING DEMANDS

Unprecedented sickness/ absence over the summer months in the service, combined with some vacancies, resulted in an increased reliance on agency workers, particularly in FST. Children's Services are required to have cases allocated to safeguard children and to comply with statutory processes and therefore the service is unable to leaving vacancies open until they are recruited to via normal channels or workers return from sick leave. However, every staff absence is assessed to see whether caseloads can be absorbed within the teams, prior to consideration of the use of agency staff. Recruitment is ongoing to fill posts as quickly as possible. There are a number of staff who are still off sick for a range of reasons. Children's Services staff monitor and progress absence with colleagues in Employee Services and a workforce plan is being put in place but the children's services workforce on a sustainable footing in the short to medium term. It is recognised that the workforce in the service needs to be stable to continue development and progression.

The table below shows the month 7 position regarding agency staff across Children's Services and the reason for the agency costs.

	<u>Agency Staff</u>	<u>Approx Saving from</u>	<u>Net Agency</u>
<u>Summary by Reason for using Agency Staff</u>	<u>Forecast</u>	<u>Established Post</u>	<u>Staff Cost</u>
Maternity Cover	39,800	(23,547)	16,253
Sickness Cover	191,345	(14,882)	176,463
Vacant Post Cover	174,712	(105,938)	68,774
Extra capacity	64,611	0	64,611
	470,468	(144,367)	326,101

All absence is monitored regularly between Team Managers, Service Mangers and Employee Services. Staff are returned to work as soon as possible with a phased return. We are then able to step down agency workers as and when appropriate. We currently have one member of staff on a phased return and one commencing a phased return from next week.

We have completed a round of adverts at the end of November 2015, which resulted in one candidate going forward to interview in mid-December. The advert has continued, but it is not likely that this will be successful due to the time of year. In January 2016 we will re-advertise.

The risk regarding recruitment is that there will be a low response to adverts. However, from experience the service often sees an increase in applications after Christmas, as students progressing through towards the end of their Social Work Degree are more likely to apply. This however would not resolve the issue, as Newly Qualified Social Workers (NQSW) cannot deal with Court and child protection cases as per requirements from the Care Council for Wales, which registers Social Workers.

Currently a model is being developed, which will consider the cost and benefits of developing a bespoke NQSW model for Monmouthshire, which will give the service a continued progression of newly qualified staff into the more complex work and will also give a focus on more input to families at the Child in Needs stage of the service, thus increasing prevention opportunities where possible. This model would require some agency workers during the first year to cover the first cohort in their development year with the authority.

It is recognised that a more consistent and stable workforce will assist in developing the staff group moving forward, currently training and development resources are at risk of being wasted as agency staff leave the service as people return from sick leave etc.

**Table of Movements (Cumulative) for Identified Risk Areas**

<b>Budget Heading</b>	<b>Month 6 (Under)/Over Spend</b>	<b>Month 7 Cost Movement</b>	<b>Month 7 (Under)/Over Spend</b>
In-House Fostering	156,000	(26,000)	130,000
Legal Costs	18,000	NIL	18,000
External Placements	823,000	58,000	881,000
YP Accommodation	(96,000)	4,000	(92,000)
<b>Totals</b>	<b>901,000</b>	<b>36,000</b>	<b>937,000</b>

The movement from month 6 to month 7 demonstrates the volatility in the budget due to a child's assessed need and appropriate placement options.

**How much pressure is there and over what period?**

<u>Children Services Projection (2015/16 - 2018-19)</u>		
	£m	Notes
<b>Yr 1 - 2015/16</b>		
Forecasted Overspend (M6)	1.18	121 LAC
<b>Yr 2 - 2016/17</b>		
Forecasted Overspend b/f from 2015/16	1.18	
Projected Cost of Existing 121 LAC to Reflect Best /Worst Cases	0.00	
Projected Cost of 1 Additional LAC	0.02	
Net cost saving of 60% reduction in use of Agency staff	(0.20)	
Forecasted Over/(Under)Spend excluding Business Cases	1.00	122 LAC
<i>Cost Avoidance / Cost Saving re Business Cases re 2016/17</i>	(0.02)	
Forecasted Over/(Under)Spend including Business Cases	0.98	
<b>Yr 3 - 2017/18</b>		
Forecasted Over/(Under)Spend excluding Business Cases b/fwd from 2016/17	1.00	
Projected Cost of 5 additional LAC	0.32	
Forecasted Over/(Under)Spend excluding Business Cases	1.32	127 LAC
<i>Cost Avoidance / Cost Saving re Business Cases 2016/17</i>	(0.02)	
<i>Cost Avoidance / Cost Saving re Business Cases 2017/18</i>	(0.18)	
Forecasted Over/(Under)Spend including Business Cases	1.12	
<b>Yr 4 - 2018/19</b>		
Forecasted Over/(Under)Spend excluding Business Cases b/fwd from 2017/18	1.32	
Projected Cost of 6 additional LAC	0.34	
Forecasted Over/(Under)Spend excluding Business Cases	1.66	133 LAC
<i>Cost Avoidance / Cost Saving re Business Cases 2016/17</i>	(0.02)	
<i>Cost Avoidance / Cost Saving re Business Cases 2017/18</i>	(0.18)	
<i>Cost Avoidance / Cost Saving re Business Cases 2018/19</i>	(0.44)	
Forecasted Over/(Under)Spend including Business Cases	1.01	
<b>Directorate &amp; Service Area responsible</b>		
<b>Social Care and Health- Children's Services</b>		

<b>Mandate lead(s)</b>
Claire Marchant and Tracy Jelfs

<b>Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?</b>		
Name	Organisation/ department	Date

<b>Has the specific budget pressure been consulted on?</b>		
<b>Function</b>	<b>Date</b>	<b>Details of any changes made?</b>
Department Management Team	monthly	Continued review of expenditure
Other Service Contributing to / impacted	n/a	
Senior leadership team	monthly	Continued review of expenditure
Select Committee	December 2015	Service and financial plan will be presented
Public or other stakeholders	n/a	
Cabinet (sign off to proceed)	January	Service and financial plan will be presented

<b>Will any further consultation be needed?</b>		
Name	Organisation/ department	Date

<b>Final pressure approved by Cabinet</b>	<b>Date:</b>
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## 1. Vision and Outcomes of the Pressure Mandate

Give a business context for the budget pressure. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the pressure mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

<b>What are the outcomes of investing in the identified pressure?</b>
The Authority is required to comply with its statutory safeguarding and corporate parenting statutory responsibilities. All the funding pressures are as a result of work that is a statutory requirement and is necessary to safeguard children and young people. Therefore, none of these tasks can be suspended or delayed to save money. Demand remains high, with a number of cases requiring immediate filing to Court, such as, non-

accidental injuries and cannot be dealt with as a child in need or via child protection plan. Some of these cases have progressed from no intervention (level 1) straight into high level Children's Services (level 4) without any prevention taking place, due to the severity of the abuse/risks to the child or young person.

In Children's Services to comply with our statutory responsibilities each child has an assessment and we are required to meet identified needs from assessment, which may be monetary, provision of services, sign posting to other services etc. For children who are subject to Court processes we are required to pay for each hearing and to meet any direction from the Court, for example, external and specialist assessments as part of care proceedings. Therefore the costs vary for each case.

There are 64 children and young people in external placements ranging from secure to agency foster placements. The costs within this cohort are variable depending on needs and type of placement.

The Council agreed in April 2015, to fund additional posts to assist in developing and strengthening fostering and associated services, e.g. psychology support. There is a significant increase in SGO's, with evidence from workers that there would be more if there were sufficient support in place. An SGO worker has commenced with the service to develop this area of provision. Capacity has been increased to assess generic carers as much of the previous capacity dealt with Court demands to the detriment of the recruitment of generic foster carers. These workers have been recruited and will start work in the near future. Alongside this further psychology capacity has been funded to work with foster carers to increase skill levels to enable carers to deal with complex children, which it is envisaged will reduce moves for LAC children.

#### **Expected positive impacts**

- Services will be provided to children and young people to keep them safe and maximise their potential and well-being.
- Workforce becomes more stable with a low turnover of staff which will in turn improve morale and result in better outcomes for children and young people
- Transport move away from internal operating costs and internal movement of funds will reduce bureaucracy

#### **Expected negative impacts**

Additional costs to the Local Authority as a result of the pressures.

The service would continue to overspend with unrealistic targets

There would be increasing needs of children and young people, which would not be addressed.

Staff retention would suffer with more staff leaving. There is a national shortage of Social Workers, so staff would have opportunities in other areas.

If the pressure is not addressed this would come to the attention to the inspectorate and judiciary.

Local and national trends are not recognised by MCC of the needs of children and young people.

## 2. Pressure proposed

Show how the budget pressure has been evidenced and will increase the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the pressure.

### What is the evidence for the pressure? How has it been estimated?

Children's Services have provided evidence of cost pressures in DMT, SLT, Select etc. over the past months as they have become clear, on a monthly basis. Children's Services are able to advise on current costs and current demand. SLT have also been advised on a number of occasions that demand is not known regarding what will come through into the service at any given time and what the changes to care plans may be as a result of significant events for young people, for example, risk taking behaviour which can result in either a secure placement or a mental health section. A mental health section, would be at no cost to the LA and a secure accommodation order would cost in the region of £6000 per week.

LAC has increased over the past year. Going forward it is predicted that this will increase as noted above, which will continue demand on the service in this high cost area. It is evident from individuals case needs that the complexity continues to rise. In some cases it is evident that they have not been known to prevention services prior to input from Children's Services, because the incident that has arisen is so severe that it would not be appropriate to deal with issues in any other way than via statutory intervention.

Costs have been estimated from unit costs at month 6, which have been in place for 18 months in Children's Services and are adjusted every quarter following budget review. There can be a level of variance in the unit cost dependent on the types of placements in each quarter. Therefore we may have a low number of children coming into a LAC provision, but the cost variance may be significant.

The table below provides a cost projection for Children's Services:

<u>Children Services Projection (2015/16 - 2018-19)</u>		
	£m	Notes
<b>Yr 1 - 2015/16</b>		
Forecasted Overspend (M6)	1.18	121 LAC
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Forecasted Overspend b/f from 2015/16	1.18	
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<i>Cost Avoidance / Cost Saving re Business Cases 2017/18</i>	(0.18)	
<i>Cost Avoidance / Cost Saving re Business Cases 2018/19</i>	(0.44)	
Forecasted Over/(Under)Spend including Business Cases	1.01	

The figures noted below as at month 7 and as per the Month 7 Executive Summary



Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed
				15/16	16/17	17/18	
Legal Costs	181,630	18,000		18,370			
Agency Costs	0	326,101		326,101	130,440		
External Placements	2,577,324	881,000		930,000	881,000		
Transport	135,993	103,007		103,007	77,360		

### 3. Actions required to minimise the pressure

Describe the key activities that will be undertaken to minimise the investment required and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
Service and Financial Performance Accountability	Tracy Jelfs	Monitor on a monthly basis
Quality and Effectiveness of Social Work Practice	Tracy Jelfs	Monitor on a monthly basis
Capacity and Capability of the Workforce	Peter Davies/ Tracy Jelfs	Monitor on a monthly basis
Improved Commissioning	Claire Marchant	Monitor on a monthly basis
Contracting Officer to review external placement costs	Claire Marchant	Monitor on a monthly basis
Review of SLA and admin fees with Passenger Transport Unit	Richard Cope	Monitor on a monthly basis
Consider effective strategic commissioning around care leavers and parent and baby placements	Claire Marchant	Monitor on a monthly basis
External residential provision % costs paid by health	Claire Marchant/ Tracy Jelfs	Monitor on a monthly basis

### 4. Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposed mandate successfully. For example new expertise and knowledge etc..

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Contracting Officer to review external placements, with a view to scrutinising costs. Commence January 2016	Short term contract for commissioning cover	A maternity vacancy will be used to cover this requirement in the short term whilst the capacity within the commissioning function within SCH is reviewed.

Capacity required to assist with the development of effective strategic commissioning around care leavers and parent and baby placements	Kellie Beirne has advised capacity could be available via SOLACE	
Focused HR support to Children's Services to assist with recruitment and development	Further discussions are required to identify the right capacity to develop the children's services workforce.	

## 5. Measuring performance on the mandate

How do you intend to measure the impact of the investing in the pressure identified? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the mandate where appropriate.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19
Workforce	Tracker evidencing progress on recruitment						
External Placements	P and V IFA spreadsheet						
Finance	The monthly executive report will link in forecast outturn on the main cost drivers with activity data and outcomes against targets.						

## 6. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the outcomes expected from investing in the pressure identified, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions
Financial Pressure	Operational	There is a risk that the reduction in looked after children predicted in the model underpinning the Plan will be	High	Actions in service and financial plan

		delayed or not delivered and consequently a greater net increase and base budget pressure		
Workforce Capacity	Operational	<p>There is a risk that the improvements to practice will be delayed as a consequence of continued challenges in recruiting and developing sufficient numbers of social workers with the skills needed to respond to need/demand. The actions within the developing workforce plan for children's services mitigate this risk.</p> <p>That there will be in an increase in staff leaving MCC</p> <p>Children will have multiple changes of social workers and this will destabilise children's well-being</p>	High	Workforce plan required
Service Capacity	Operational/ Strategic	This plan is predicated on a strategy of early intervention and prevention which requires a review of current investments from core budgets and funded through specific grants. There is a risk that reductions in specific grants and difficulties in decommissioning existing services, will mean the full	Medium	Commissioning actions will address this

		spectrum of early intervention and prevention services cannot be commissioned to create safe alternatives in the timescale.		
Transport	Operational/ Strategic	12.5 % internal admin costs to be removed reducing the 16/17 target overspend by £25K New plans and strategy for procurement does not realise savings Demand increases for transport	Medium	
HR capacity	Operational/ Strategic	Ability of HR colleagues to effectively cover case work and developmental needs.  Consistent knowledge and input to understand the needs of the service from HR.	High	Monitored via Workforce Tracker
LAC numbers will vary	Operational/ Strategic	This plan is based on a LAC population of 133. Risks are therefore evident if this number increases.  The case complexity of each child or young person is unknown. Therefore, the needs and type of placement may be in-house, external or high cost residential. This level of variance results in significant gaps in ability to forecast costs.	High	

## 7. Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
LAC projection based on past influx of numbers into the service.	We know from past years that LAC numbers continue to rise on both a local and national level. We have used past trends to plot over the next three years how numbers as predicted to increase. Based on a similar exercise in 2014 it would seem that predictions are becoming a reality.	SCH DMT
Complexity of children who are LAC	When costing up the three year projected increased LAC numbers we have used the unit costs based on the current split and mix of placements. If that mix changes then the predicted cost of 133 LAC in three years' time could be much greater. The complexity of anticipated cases is difficult to estimate so the current situation has been used in the absence of further evidence to support an alternative approach.	SCH DMT

## 8. Options

Prior to the pressure mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. ( see options appraisal guide for further information)

Options	Reason why Option was not progressed	Decision Maker
End contracts of agency staff in Children's Services	This would leave in excess of 200 cases unallocated and no throughput of cases. This will not comply with MCC's statutory requirements. This has also been assessed to consider varying % of reduction in agency workers, this would have resulted in caseloads escalating further and unallocated cases. We would be at risk of charges from Court.	DMT
Move children to cheaper placements	This would not be in the child's best interest, could result in judicial consequences e.g. judicial review. The high cost specialist placements are not plentiful and these types of placements are hard to source. There are risks associated with high risk young people, such as child death etc.	DMT
Consider charging for	Currently not possible due to current legislation. Awaiting final version of Social	DMT

services to Children with Disabilities	Services and Wellbeing Act to consider this further in 2016.	

## 9. Monitoring the pressure mandate

The pressure mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the pressure mandate, including the performance being achieved and the level of impact.

This will be evaluated via the framework noted in section 5. This will be scrutinised via CSLT, DMT and SLT.

The finance monthly executive report has been expanded and will be presented to DMT each month.