

## Summary Sheet

### Cabinet and Commissioners' Decision Making Meeting – 14 November 2016

**Title:**

Medium Term Financial Strategy (MTFS) Update Report

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Strategic Director of Finance and Customer Services

**Report Author(s)**

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**Ward(s) Affected**

All

## Summary

This report sets out proposals for additional investment in respect of Children and Young People's Services, Adult Services and Corporate Support Services over the next 3 to 5 years and the impact on the Council's current Medium Term Financial Plan. The proposed investment over the current financial plan period is summarised below:

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Proposed CYPS Additional Funding – Pressure/Demand	7.848	8.346	10.402	12.458
Proposed CYPS Investment/ (Saving)	0.179	1.331	(1.474)	(4.534)
Proposed Adult Care Investment	0.128	0.481	0.210	0
Proposed Corporate Services Investment	0.301	0.847	1.062	1.062
<b>Total Additional Funding</b>	<b>8.456</b>	<b>11.005</b>	<b>10.200</b>	<b>8.986</b>

The additional resources are requested in order to:

- Provide the funding needed to deliver the Sustainable Children’s Service Strategy detailed in this report;
- Provide capacity to ensure delivery of the Adult Social Care Development Programme; and
- Fund Corporate Support Services both in respect of support for Children’s Services and to address savings assumed in the MTFS which have since been confirmed as undeliverable.

Allocating the additional funding requested will significantly increase the Council’s estimated funding gap in 2017/18 and then start to bring the gap back down over the life of the Medium Term Financial Strategy (MTFS) as shown below. The actual final profile of the Medium Term Financial Strategy will depend on choices to be made as part of the forthcoming Budget and are further explained in section 7 of this report.

It is assumed in the figures below that the funding in the current year will need to be drawn from reserves and that the final value of this will depend on the overall outturn position of the Council as all services across the Council are attempting to reduce the overall overspend. It is assumed in this report that in each of the subsequent years, the gap will be addressed through the budget process and further financial planning considerations. A review of all current planned use of reserves is underway and options will be brought forward for rescheduling this use in order to ensure a balanced budget and financial strategy going forward. However, inevitably there will be more savings to be made across the Council in order to fund these investments and cost pressures.

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
<b>Estimated Funding Gap as Reported July 2016 MTFS</b>		<b>13.125</b>	<b>8.659</b>	<b>20.077</b>
<b>Additional funding requested in current year</b>	<b>8.456</b>			
<b>Revised Future Years Funding Gap as a result of this report</b>		<b>24.130</b>	<b>7.854</b>	<b>18.863</b>

## Recommendations

Cabinet are asked to:

- a. Note the contents of this report;
- b. Approve the proposed additional resource allocations required by the Children's Services Sustainability Strategy, Adult Social Care and Corporate Support Services as summarised in section 2.6;
- c. Note that the additional funding requirement for the demand cost pressure in Children's Services of £7.848m in 2016/17 will be subject to the final outturn at year end but is likely to require funding from reserves should the current year budget not be brought back in balance;
- d. Approve that the specific investment proposals of £608k in 2016/17, summarised in paragraph 2.6 and detailed throughout the report, be funded in 2016/17 from the Transformation Reserve and for the addition of these items to the MTFS for future years.
- e. Approve that all other corporate earmarked reserves, where there is no formal planned use in the current year, be earmarked for consideration as part of the funding strategy for the proposals in this report and the wider financial strategy as part of budget considerations.
- f. Note the revised Estimated Funding Gap for the period 2017/18 to 2019/20 of £24.130m, £7.854m and £18.863m respectively, outlined in paragraph 2.6 in light of these proposed funding allocations and in advance of any use of reserves.
- g. Approve that tight monitoring and control is implemented in relation to the investments and that the additional budgets are only allocated as the expenditure and investment action is secured and implemented.

## List of Appendices Included

- Appendix 1 Children's Services Investment and Savings Proposals.

## Background Papers

- RMBC corporate "Fresh Start" Improvement Plan, 26<sup>th</sup> May 2015
- Revenue Budget Setting Report 2016/17 – Report to Council 2<sup>nd</sup> March 2016
- Outline Medium Term Financial Strategy 2016-19 to Council 2<sup>nd</sup> March 2016.
- Report to Cabinet/Commissioners' Decision Making Meeting 11<sup>th</sup> July 2016  
The Council's Medium Term Financial Strategy 2016/17-2019/20

- Corporate Plan 2016-17
- Report to Cabinet/Commissioners' Decision Making Meeting 14<sup>th</sup> November 2016 - September Financial Monitoring Report

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

As part of the policy-led approach to the Budget and MTFS the Overview and Scrutiny Management Board (OSMB) will continue to have overall responsibility for scrutinising the Annual Budget including the ongoing updating of the MTFS.

**Council Approval Required**

No

**Exempt from the Press and Public**

No

## **Title. Medium Term Financial Strategy (MTFS) Update Report**

### **1. Recommendations**

Cabinet are asked to:

- a. Note the contents of this report;
- b. Approve the proposed additional resource allocations required by the Children's Services Sustainability Strategy, Adult Social Care and Corporate Support Services as summarised in section 2.6;
- c. Note that the additional funding requirement for the demand cost pressure in Children's Services of £7.848m in 2016/17 will be subject to the final outturn at year end but is likely to require funding from reserves should the current year budget not be brought back into balance;
- d. Approve that the specific investment proposals of £608k in 2016/17, summarised in paragraph 2.6 and detailed throughout the report, be funded in 2016/17 from the Transformation Reserve and for the addition of these items to the MTFS for future years.
- e. Approve that all other corporate earmarked reserves, where there is no formal planned use in the current year, be earmarked for consideration as part of the funding strategy for the proposals in this report and the wider financial strategy as part of budget considerations.
- f. Note the revised Estimated Funding Gap for the period 2017/18 to 2019/20 of £24.130m, £7.854m and £18.863m respectively, outlined in paragraph 2.6 in light of these proposed funding allocations and in advance of any use of reserves.
- g. Approve that tight monitoring and control is implemented in relation to the investments and that the additional budgets are only allocated as the expenditure and investment action is secured and implemented.

### **2. Background**

#### **The Financial Challenge**

2.1 Between 2011 and 2016 the Council has had to address a funding gap of £117m, with a further £21m Budget gap being addressed in the current financial year, 2016/17. In July the estimated cumulative Budget Gap for the coming three financial years covered by the Council's Medium Term Financial Strategy (MTFS) was reported to be £41.9m as set out below.

	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>
<b>Annual Funding Gap</b>	0	<b>13.125</b>	<b>8.659</b>	<b>20.077</b>

- 2.2 The process of developing the MTFs and the Council's budget is an ongoing one and in July it was indicated that the projections would be subject to continuous review and would be updated as information and intelligence became available and this report is part of this process.
- 2.3 This current report deals with the investment and savings proposals for key services that have been identified in light of 2016/17 Revenue Budget monitoring and ongoing service reviews. The September Budget Monitoring report – which is considered elsewhere on this agenda shows a forecast General Fund overspend for the 2016/17 financial year of £8.635m after management actions. These pressures are largely in respect of Children's Social Care Services and as a result of delay in the implementation of the approved Adult Social Care Development Programme.
- 2.4 Although Children and Young People's Services (CYPS) and Adult Care Services have both committed to implementing management actions which will partially address the impact of their pressures in the current financial year, it is apparent that these Council Services are facing significant and sustained cost pressures driven by rising demand for services, which will need to be resolved over the life of the MTFs. In order to address the existing pressures, to mitigate future growth in demand and to ensure delivery of planned savings, both services have identified the requirement for additional budget allocations over the life of the MTFs beginning in the current financial year.
- 2.5 This report sets out additional proposed funding for these services over the current and following financial years. Further, the report recommends that additional funds be allocated to Corporate support services, predominantly Legal Services in relation to the increased support requirements of Children's Social Care.
- 2.6 The table below summarises the proposed change in funding in the current and next three financial years and the detail in respect of each element of funding is described in section 3 below. These proposals involve additional budget allocations to fund the reconfiguration of services, reducing demand and delivering savings to ensure that the Council's services are sustainable in the medium term.

	2016/17	2017/18	2018/19*	2019/20*
	£m	£m	£m	£m
<b>Estimated Funding Gap as Reported July 2016 MTFS</b>		<b>13.125</b>	<b>8.659</b>	<b>20.077</b>
Proposed CYPS Additional Funding – Pressure/Demand	7.848	8.346	+2.056	+2.056
Proposed CYPS Investment / (Saving)	0.179	1.331	-2.805	-3.060
Proposed Adult Care Investment	0.128	0.481	-0.271	-0.210
Proposed Corporate Services Investment	0.301	0.847	+0.215	0
<b>Additional funding requested in current year</b>	<b>8.456</b>			
<b>Revised Future Years Funding Gap as a result of this report</b>		<b>24.130</b>	<b>7.854</b>	<b>18.863</b>
<b>Anticipated Reserve Funding 2016/17</b>	<b>7.848</b>			
<b>Proposed Transformation Reserve Funding 2016/17</b>	<b>0.608</b>			
<b>Future Recurring Budget Savings Required</b>		<b>24.130</b>	<b>7.854</b>	<b>18.863</b>

\* *Investment/saving figures shown for 2018/19 and 2019/20 are the increase or decrease on the previous year investment/saving as opposed to the increase/decrease from the 2016/17 position*

- 2.7 The proposed additional allocations are frontloaded and will require a budget adjustment of some £8.5m in the current financial year. However, this depends entirely on the final outturn for all services across the Council. It is proposed that the investments totalling £608k be funded from the transformation reserve and drawn down as the investment actions are implemented. The £7.848m demand pressure will require funding at year end from reserves determined once the outturn is known. It is likely at this stage that this will require the use of a combination of reserves currently set aside for other purposes but a final decision on this will be made when the outcome of a number of other issues are known e.g. the triennial valuation of pensions, reviews of capitalisation opportunities and review of business rates risk. It is proposed that all corporate earmarked reserves where there is no formal planned use in the current year be earmarked for consideration as part of the funding strategy for the proposals in this report and as part of the wider budget and financial strategy considerations.
- 2.8 Providing the additional budget resources required would add to the challenges facing the Council in coming years. The funding gap for 2017/18 would be increased over and above the £13m reported to date and would lead to the overall budget challenge over the term of the MTFS rising significantly beyond

the £41.9m already identified. However, the level of pressures being experienced by CYPS and Adult Services mean that action to address them is essential, whilst the Council's overall financial position requires that there will be an essential need to deliver significant ongoing savings.

- 2.9 It should be noted that the resource projections and assumptions underpinning the MTFs have not been revised at this stage, pending the Government's 2016 Autumn Statement (which will be on 23<sup>rd</sup> November) and the Indicative Local Government Finance Settlement which is expected to follow it. In this the Council will be no different from other authorities, which are also facing uncertainty about levels of government funding, the results of recent consultations, the 2017 Rates Revaluation and the future of the local government finance system.

### **3. KEY ISSUES**

#### **A Sustainability Strategy for Children's Services 2016-2021**

- 3.1 This section of the report sets out the budget proposals from 2016/17 through to 2020/21 for Rotherham's Children & Young People's Service (CYPS). A robust financial plan with strong governance is inextricably linked with an effective sustainable Children and Young People's Service.
- 3.2 As part of Rotherham's ambition to be a child-centred borough, children and young people represent one of the most important investments that can be made in order to secure a vibrant, healthy and productive future for Rotherham people for generations to come.
- 3.3 The Outline Medium Term Financial Strategy (MTFS) for Rotherham Council was approved by Council on the 2<sup>nd</sup> March 2016 and had, as a first priority, the adoption of a plan for sustainable Children's Services. Budget proposals describing how sustainable services might be achieved over a five year term to March 2021 have been developed and are presented in this report. This is reinforced by the refreshed Children and Young People's Service (CYPS) Improvement Plan.
- 3.4 This paper builds on an update provided to Members and Commissioners in July 2016. The robustness of the budget proposals have necessarily been subject to comprehensive review completed by the Practice Partner for Children's Improvement (Lincolnshire County Council). This challenge process has resulted in some mitigation of in-year and future years' budget pressures.
- 3.5 The current forecast outturn position for the CYPS Directorate is for an over spend in the region of £7.848m. This is due to a continuation of the budget pressures which existed throughout 2015/16. As part of the improvement journey and in response to historical failures, there has been a necessity to engage with a significant number of agency staff to fill vacant posts and to secure the right knowledge, skills and leadership whilst permanent recruitment

is undertaken. In addition there is an ongoing pressure on the looked after children placements budget. In June CAFCASS reported the highest number of care applications ever at 1,268 nationally. This reflects an increasing picture of Looked After Children (LAC) numbers at a national level.

- 3.6 In Rotherham there are 460 Looked After Children as at 19<sup>th</sup> October 2016. If this number continues to increase then there will be further pressure on social care budgets and a risk that the reported position will worsen before the end of the financial year.
- 3.7 Children’s Services has already this year reached its target budget savings of £1.267m from reductions in residential provision, Early Help, and School Improvement. Over the last year management intervention has reduced the LAC unit cost by £86 per week. This equates to £2.057m over a full year (based on 460 placements). Further cost avoidance of £756k has been achieved through successful recruitment to permanent senior management and social worker positions, which has released interim staff. In-year mitigation of £1.865m, taken in addition to the actions above, underlines the commitment from the service to control non-essential expenditure.
- 3.8 The in-year budgetary position for Children’s Services is challenging and whilst some initiatives have been brought forward to mitigate the national picture of growing looked after children numbers, it is a commitment to the investment outlined in this paper that will enable a pathway to significant cost reduction and a sustainable children’s service by the end of 2020/21.
- 3.9 The additional budget proposals for CYPS from 2016/17 to 2020/21 request some immediate funding support and initial investment, starting in 2016/17. Funding new initiatives will start to deliver savings in 2017/18 and over the medium term will bring expenditure within budget whilst continuing to protect the most vulnerable in society.
- 3.10 The full picture of the CYPS directorate pressures, investment, savings and/or cost avoidance from the proposed investment are displayed in Table 1. The savings, or cost avoidance, that will come from the delivery of the proposed investment – the focus of this paper – are shown in Table 2.

Table 1: Budget proposals to achieve a sustainable Children’s Service budget

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
<b>Net Budget</b>	<b>56.468</b>	<b>55.017</b>	<b>53.717</b>	<b>52.717</b>	<b>52.717</b>
Pressure (Demand/Demographic)	7.848	7.346	8.402	9.458	10.514
Pressure (Reduction in Short Term Reserve)	0.000	1.000	2.000	3.000	3.000
Investment	0.179	3.607	3.716	3.527	3.579
Savings / Cost Avoidance (from Investment)	0.000	(2.276)	(5.190)	(8.061)	(9.601)

<b>Net Forecast</b>	64.495	64.694	62.645	60.641	60.209
<b>Overall Investment / Funding Support</b>	<b>8.027</b>	<b>9.677</b>	<b>8.928</b>	<b>7.924</b>	<b>7.492</b>

Table 2: Investment Bids – Summary of Cost and Benefit

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Investment	0.179	3.607	3.716	3.527	3.579
Savings / Cost Avoidance (from Investment)	0.000	(2.276)	(5.190)	(8.061)	(9.601)
<b>Net Investment / Saving</b>	<b>0.179</b>	<b>1.331</b>	<b>(1.474)</b>	<b>(4.534)</b>	<b>(6.022)</b>

3.11 Whilst these proposals relate to Children's Social Care there will be wider consideration of other non-social care savings from Children's services as part of the Council's Budget process for 2017/18 to 2019/20.

3.12 Detailed analysis and explanation of the current Children's Services budget pressure of £7.848m is available in the latest Budget Monitoring Report elsewhere on the Cabinet Agenda. There are two areas which are responsible for the majority of the Children's Services in-year position. The strain on the Looked After Children (LAC) placement budget and the pressure on the staffing budget.

3.13 The current LAC budget would support approximately 400 placements, 60 less than Rotherham's total of 460 LAC. As a result £2.434m of the overall in-year budget pressure is due to the cost and number of placements. There will be further pressure on this budget in future years as £3m short term reserve funding built into the base is removed from 2017/18, £1m per year. These numbers will continue to rise without the transformation proposed. Analysis from the last six months indicates that if recent trends continue in Rotherham, the number of placements could increase by 48 per year.

3.14 The investment proposals outlined in this paper seek to address the growing numbers of Looked After Children and change the proportion of placement settings in favour of in-house foster care. Local authority foster care is widely acknowledged as providing the best outcomes for children in care and is the most cost effective setting from a budgetary point of view.

3.15 If the budget proposals have the desired effect then over the next four years there will be a net reduction in placements of: 4 in 2017/18; 13 in 2018/19; 22 in 2019/20; and 22 in 2020/21; in total a reduction of 61 placements to 399 by March 2021 from a forecast high of 460 in March 2017. In addition, the proportion of placements with local authority fostering will increase from 43% as of August 2016 to a forecast 62% in March 2021. Together these initiatives are

estimated to reduce projected expenditure, net the cost of investment, on placements by £5.603m in year 5.

- 3.16 The Children's Service response to intervention has meant there has been a requirement to engage agency social workers with the necessary experience to reverse poor performance, fill vacancies, and reduce average caseloads to a reasonable level.
- 3.17 As at the end of September 2016 the Children's Social Care budgeted establishment is 389 (full time equivalent) with 319 permanent employees in post and 81 interim or agency staff in vacant or, temporary posts.
- 3.18 There is a significant in-year pressure of £3.8m due to a reliance on interim and agency staff. The pressure is beginning to reduce and there have already been costs avoided of £756k through the successful recruitment of permanent employees. CYPS investment in a dedicated resourcing team has started to yield positive results through the recruitment of experienced social workers. There is a further £300k of cost reduction built into the current staffing estimates due to anticipated recruitment of more permanent employees, which will release agency staff.
- 3.19 Two of the budget proposals are aimed at reducing the use of agency staff and putting in place a robust and talented permanent workforce through a structured learning and development programme. On average a permanent experienced social worker costs £20k to £25k less per annum than the agency equivalent. Investment in the social care workforce could deliver £825k in cost avoidance. It will reduce staff turnover and increase the quality of social work practice, both of which will lead to further financial benefit in future years.

### **Key Issues and Practice Improvement Partner Review**

- 3.20 With a vision to be 'outstanding' the challenge is enormous. The vision is aspirational and borne out of a promise to shape and provide excellent services.
- 3.21 The need to continue to improve services and outcomes for children and young people is clear and is set out in the Children's Improvement Plan. At the same time the Council is facing large budget reductions and this means that the Council cannot continue to deliver the current model of services. To deliver a sustainable children's service a business model tied into the Council's Outline MTFS must be developed directly related to the improvement journey, to drive out inefficiencies, rethink services and the way we work with families, and improve performance management.
- 3.22 The robustness of the budget proposals have necessarily been subject to scrutiny and a comprehensive review by Rotherham's Practice Improvement Partner Lincolnshire County Council (LCC). The challenge process has

resulted in some mitigation of in-year budget pressures; a review of the original profile and speed of budget reductions; and sharing of practice which has helped to further develop some of the 'invest to save' proposals into the sustainable plans presented in this paper.

3.23 A number of the recommendations from LCC's review of our improvement offer focused on the Dedicated Schools Grant (DSG) and in particular identified a gap in robust financial management of the opportunities and threats posed by recent changes to DSG guidance. The DSG budget falls outside of the remit of this report, however, by recognising the findings from Lincolnshire; the Council has begun work on a strategy to address the current pressure on the High Needs Block.

3.24 The Lincolnshire review identified some areas of expenditure that were funded from the Council's revenue budget, which guidance allowed to be funded from the DSG. As a result costs of up to £250k will be transferred across to the DSG from areas of pressure within the Education and Skills revenue budget.

3.25 The other areas of improvement and recommendations from LCC and subsequent actions taken by Children's Services are:

- Review the traded offer to schools within the School Improvement Service (SIS) – this was already a focus of review for the Education and Skills senior leadership and forms part of the savings being developed as part of the wider work towards Council future year savings.
- Consider the future of the Facilities and Catering Service in CYPS. The service has been transferred to Regeneration and Environment and will be subject to further ongoing review.
- Closer engagement with Public Health to influence how funding is allocated and commissioned to ensure it is focused on common outcomes. A consultation on the future use of the Public Health Grant has recently closed and the findings will shortly be reported.
- Develop a more integrated relationship between the Clinical Commissioning Group (CCG), Looked After Children (LAC) and Special Educational Needs and Disabilities (SEND) teams to ensure that the appropriate level of funding is allocated to LAC and SEND placements. A "One Council" approach with Adult Services is being taken to review current arrangements.
- Ensure close monitoring of agency expenditure to ensure a balanced budget is realised in future years.
- Lincolnshire exercised caution when considering the draft savings forecast, particularly the profile, as in their view they were "highly, highly ambitious". Each of the budget saving proposals have been reviewed and a revised savings profile from 2017/18 into future years applied bearing in mind how advanced the current financial year is and

when investment, to support the initiatives, is likely to be forthcoming. The savings have been subject to robust critique, but remain ambitious due to the size of the cost reduction required; and target a return to operation within budget by 2019/20.

### **Budget pressures and the need for investment**

- 3.26 The cash limited budget for CYPS in 2016/17 is £56m, approved by Council in March 2016. As indicated in the letter from the Commissioner for Children's Social Care to the Secretary of State for Education (February 2016), the budget for 2016/17 is unlikely to meet the forecast demands. This has proven to be the case with a current forecast pressure of £7.848m, before further investment proposed in this paper. The 2016/17 cash limit is underpinned by £3m of reserves which reduces to £2m in 2017/18, £1m in 2018/19, and is removed altogether from 2019/20 onwards.
- 3.27 Significant efforts continue to be made by the CYPS Directorate to effect strong resource management to reduce or minimise the overall cost of services in the immediate term in 2016/17. The majority of this cost pressure is attributable to Looked After Children placements and agency staff to fill necessary vacant social care posts.
- 3.28 By 2020/21 Children's Services must be delivered within a sustainable cost envelope. The Council is committed to the delivery of financially sustainable Children's Services and it is believed that the overall revenue requirement can be reduced significantly. The journey to achieving this is shown in summary in Table 1, and explained in detail below.
- 3.29 The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted. There is a current gap in preventative provision and this budget proposal contains a range of interventions which require investment to provide those support options for the child.
- 3.30 The Looked After Children Peer Review, undertaken in October 2016, highlighted the legacy issues arising from poor social work practice and that they were likely to have a significant impact on the rate of improvement likely to be achieved within the Looked After Children Service. It is in this context that the improvements outlined in this paper must be considered as, in addition to financial benefits, they seek to ensure there are no longer widespread systemic failures.

- 3.31 As part of the improvement journey and in response to historical failures, there has been a necessity to engage a significant number of agency staff to fill vacant posts and to secure the right knowledge, skills and leadership. In order to ensure that the quality of social work practice consistently and systematically improves there is a need for investment in the workforce. The learning offer in Rotherham is not sufficiently developed.
- 3.32 Aligned with the improvement plan, this will take five years not three and will require further additional front loaded transformational investment to deliver further significant savings in 2018/19 and 2019/20.

### **Proposal and Justification - Budget Proposals 2017/18, demand management, cost reductions and avoidance**

- 3.33 Do nothing is not a realistic option for the Council. The challenge of providing suitable placements for the increasing numbers of Looked After Children demands transformation in provision and initiatives aimed at controlling LAC numbers. The response to the findings from the Jay, Casey and Ofsted reports requires funding for new ways of working – including lower caseloads to drive through quality in practice, training and staff development. This commitment to the workforce will enable a transition from a reliance on agency staff to permanent Rotherham Council employees.
- 3.34 The budget proposals are based on the CYPS Directorate's professional view of need and how demand for services will be managed by investing in: the right support at the right time for families across early help and on the edge of care; children's social care and education settings to develop better, more affordable placement choices through a sufficiency strategy for Looked After Children.
- 3.35 The focus is now on enhanced management oversight of decision making at the 'front door' of children coming in to care and managing the demand for Looked After Children through a number of interventions which are preventative in nature, to reduce the future financial burden and ongoing increases in LAC.
- 3.36 The CYPS Directorate is on track to achieve planned savings of £2.318m agreed as part of the wider Council 3 year Medium Term Financial Strategy for 2016/17 to 2017/18. Each of the budget proposals contain a request for some initial upfront funding, which will be used to deliver subsequent savings which over the medium term pay back the investment and achieve cumulative savings net of investment of £6.022m by 2020/21. The savings outlined in this report are in addition to this amount. Details in respect of the proposed investments in Children's Social Care Services are set out below and in Appendix 1 to this report. (Please note: Net Savings are shown as negative figures; a positive number represents a net investment/cost in the year in question.)

### 3.37 CYPS 1A – Foster Carer Payments Scheme, Support and Development

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Cumulative £m	Payback
<b>Investment</b>	0.000	1.276	1.718	2.182	2.182	7.359	
<b>Gross Saving</b>	0.000	(1.374)	(2.660)	(3.980)	(3.980)	(11.994)	
<b>Net Saving</b>	0.000	(0.098)	(0.942)	(1.798)	(1.798)	(4.635)	Year 2

% of placements with LA Fostering	43%	48%	53%	57%	62%		
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3.38 Rotherham, in common with local authorities across the Yorkshire and Humber region, has a shortage of all foster care placements, but particularly foster care placements for adolescents and larger sibling groups. The Council places too many young people in residential care. The implementation of the allowances offer and a resulting rise in placements with in-house foster carers could lead to long term savings on the overall Looked after Children budget. Over a year the investment will seek to provide a net 15 additional in-house foster places; as a consequence there would be a corresponding fall in the number of LAC being placed in more expensive settings (Independent Fostering Agency (IFA) and residential placements). This investment was approved at Cabinet on 12<sup>th</sup> September 2016.

### 3.39 CYPS 1B – Therapeutic Service

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.270	0.270	0.270	0.270	1.080	
<b>Gross Saving</b>	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Net Saving</b>	0.000	0.270	0.270	0.270	0.270	1.080	N/A

3.40 This bid for budget investment seeks funding for additional clinical practitioners to deliver highly responsive and intensive interventions for Rotherham's children in care identified as needing it most. This proposal will operate in conjunction with the fostering 'offer' and special guardianships whereby children 'most at risk' within Rotherham will have access to good quality and responsive wrap around therapeutic support to address the child's specific emotional and mental well-being needs.

3.41 There will be a reduction in the likelihood of placement breakdowns and special guardianship breakdowns which often result in the use of more expensive placement provision, including re-entry to care or move to more expensive

residential placements. The service can deliver therapeutic interventions more cost effectively than by commissioned services. There is a clear argument that breaking the cycle of disruptions through intensive provision early in the child's care journey will lead to better emotional wellbeing for children and better outcomes for these children in later life. The monetary benefit, therefore, will be one of cost avoidance rather than a direct budget saving.

3.42 The proposal has direct staff costs of a social worker and business support officer and commissioning costs of 2.5 clinical practitioners.

### 3.43 CYPS 2 – Family Group Conferencing

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.100	0.164	0.164	0.164	0.164	0.756	
<b>Gross Saving</b>	0.000	(0.165)	(0.627)	(1.254)	(1.914)	(3.960)	
<b>Net Saving</b>	0.100	(0.001)	(0.463)	(1.090)	(1.750)	(3.204)	Year 2

LAC Reduction	0	15	27	30	30	102	
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3.44 Family Group Conferencing is an effective tool for identifying and engaging with wider family members at an early stage of concern about a child. This initiative seeks to minimise the financial pressure within the LAC budget by working to prevent children entering the care system.

3.45 The proposal is to deliver the service in-house. The workload is estimated to require a team of 1 coordinator and 4 family group conference practitioners. Some training would be required along with a small amount of other running costs. A total investment of £164k is required on a recurrent basis to deliver the expected savings above. It is estimated that Family Group Conferencing could prevent 15 children entering care in the first year, increasing to 25 – 30 per year thereafter.

### 3.46 CYPS 3 – Special Guardianship Looked After Children

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.052	0.103	0.155	0.206	0.516	
<b>Gross Saving</b>	0.000	(0.066)	(0.198)	(0.330)	(0.462)	(1.056)	
<b>Net Saving</b>	0.000	(0.014)	(0.095)	(0.175)	(0.256)	(0.540)	Year 2

LAC Reduction	0	6	6	6	6	24	
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3.47 Special Guardianship Orders (SGO) offer the opportunity for family, friends or existing foster carers to give a permanent home to the child without Social Care input. The SGO arrangement attracts an allowance, the average cost of which is £8.6k per annum. The total cost of additional allowances for the estimated 6 additional SGO's through this initiative would be £52k per year. Whilst there is still a cost implication to Special Guardianship it is significantly less than a LAC placement.

### 3.48 CYPS 4 – Pause Project

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.018	0.000	0.000	0.000	0.000	0.018	
<b>Gross Saving</b>	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Net Saving</b>	0.018	0.000	0.000	0.000	0.000	0.018	N/A

3.49 Rotherham works with a number of mothers who have had multiple children taken into care. Pause, an organisation co-founded by Sophie Humphreys, former head of safeguarding at Hackney, works entirely outside of the usual local authority structure and independently of the social care services. The programme engages with mothers on a one-to-one basis, creating a bespoke programme of intensive therapeutic activities and practical support.

3.50 Women working with Pause are supported to focus on themselves to take control of their lives. To do this they are required to take Long Acting Reversible Contraception (LARC) during the intervention, thereby creating a space to pause, reflect, learn and aspire.

3.51 Initial scoping identifies around 25 Rotherham women who could be worked with who have been the subject of a repeat removal of a child following pregnancy. This investment of £18k will be for a formal review of the scope in Rotherham. It is not proposed at this stage to implement the Pause project. Further consideration of this will be given following the completion of the review but it is worthy of note that initial work indicated that between 10 and 15 placements might be avoided per year.

### 3.52 CYPS 5 – Edge of Care

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.350	0.350	0.350	0.350	1.400	
<b>Gross Saving</b>	0.000	(0.165)	(0.594)	(1.188)	(1.848)	(3.795)	
<b>Net Saving</b>	0.000	0.185	(0.244)	(0.838)	(1.498)	(2.395)	Year 3

LAC Reduction	0	15	24	30	30	99	
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3.53 The Edge of Care service will involve the recruitment and development of a team of practitioners who will offer structured direct support to young people and their families in crisis, to enable them to remain within their immediate or wider extended family. This recurrent investment is in a new Edge of Care team consisting of a team manager, social worker, psychologist, care co-ordinator (x2), family support worker (x4), and business support.

3.54 The implementation of Edge of Care and the expected reduction in LAC could lead to long term savings on the overall Looked After Children budget. It is estimated that Edge of Care could prevent 15 children entering care in the first year, increasing to 25 – 30 per year thereafter.

### 3.55 CYPS 6 – Multi-systemic Therapy (MST)

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Gross Saving</b>	0.000	(0.044)	(0.132)	(0.220)	(0.308)	(0.704)	
<b>Net Saving</b>	0.000	(0.044)	(0.132)	(0.220)	(0.308)	(0.704)	Year 2

LAC Reduction	0	4	4	4	4	16	
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3.56 MST is an intensive therapeutic programme that works within the whole ecology of a young person. The MST therapist will work with the whole family; the parents, the community and the school at the same time. The aim is to work in a solution-focused, strengths-based approach to empower the family to take responsibility for solving problems and to improve family functioning. The model acknowledges the fact that the family will be there for the young person into the future and beyond any service intervention.

3.57 A shared service agreement is in place between Barnsley and Rotherham. This means that each authority shares fifty percent of the cost and fifty percent of the capacity. The cost of this to RMBC is met through the Troubled Families Grant and so there is no call on mainstream resources to fund this investment. It is estimated that MST could prevent four children entering care per year.

### 3.58 CYPS 7 – Reunification Project

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.090	0.000	0.000	0.000	0.090	
<b>Gross Saving</b>	0.000	(0.132)	(0.264)	(0.264)	(0.264)	(0.924)	
<b>Net Saving</b>	0.000	(0.042)	(0.264)	(0.264)	(0.264)	(0.834)	Year 2

LAC Reduction	0	12	0	0	0	12	
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3.59 A reunification scheme, endorsed by Ofsted and run by the NSPCC for Rotherham, based on providing good quality support and training to social care staff to enable successful reunification of LAC with their birth families is currently operating as a pilot. The contract is for a two year period to improve the care experience for children in Rotherham by ensuring that wherever possible they are looked after in their own family environment. This bid seeks budget investment for the second year of the pilot with the aim of reuniting 12 children with their families for the long term.

3.60 A further benefit of the pilot will be that skills will be transferred to existing workers which will ensure that reunification is embedded in everyday practice.

### 3.61 CYPS 8 – Single Assessment Review Duty Team

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.166	0.166	0.000	0.000	0.332	
<b>Gross Saving</b>	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Net Saving</b>	0.000	0.166	0.166	0.000	0.000	0.332	N/A

3.62 As part of the improvement journey the timeliness and quality of assessments has been a key focus. Moving from a four to a five Duty team structure and a cycle of 20 days between each duty week would improve the ability to progress work and afford the team manager sufficient time to provide robust management oversight and complete all management tasks.

3.63 This investment in a fifth duty team will be time limited for two years from 2017/18 by which time performance is expected to have improved sufficiently through embedded improvements in work practice and with a settled workforce.

### 3.64 CYPS 9 – Appointment of Newly Qualified Social Workers (x 22)

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment</b>	0.000	0.900	0.450	0.000	0.000	1.350	
<b>Gross Saving</b>	0.000	(0.330)	(0.715)	(0.825)	(0.825)	(2.695)	
<b>Net Saving</b>	0.000	0.570	(0.265)	(0.825)	(0.825)	(1.345)	Year 3

Agency Reduction by year end	11	22	11			44	
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3.65 In order to meet the demands of the Workforce Development Improvement actions in the Children and Young People's Service Improvement Plan, the Council needs to continue with its annual recruitment of a cohort of Newly Qualified Social Workers (NQSW) into the Children and Young People's Services. It is business critical to continue this investment and the infrastructure is in place to support them with high quality placements and support. The recruitment of 22 permanent newly qualified social workers will fill existing social worker vacancies and enable the reduction in 22 agency workers over the next 12 months; reducing cost and creating a permanent stable workforce.

3.66 Continuing the strategy of growing experienced and qualified social workers will over the medium and longer term enable the transition from a significant reliance on agency staff, which has approached 20% of the workforce over the last two years, to permanent employees. The percentage of agency staff would be expected to fall below 10% from April 2018 resulting in a saving of between £800k and £1m.

### 3.67 CYPS10 – Workforce Development and Practice Improvement

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	Cumulative (£m)	Payback
<b>Investment *</b>	0.061	0.339	0.494	0.406	0.406	1.706	

<b>Investment **</b>	0.000	0.489	0.489	0.489	0.489	1.956	
<b>Gross Saving</b>	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Net Saving</b>	0.061	0.339	0.494	0.406	0.406	1.706	N/A

\* Includes the costs of an expanded learning and development structure; the commissioning of bespoke learning and practice improvement operating models;

\*\* Currently excludes additional resources for backfill whilst training undertaken.

3.68 Professional social work practice in Rotherham has been the subject of much scrutiny in recent years. The quality and impact of Social Work is one of the key issues leading to the inadequate OFSTED judgement in 2014. In order to ensure that the quality of Social Work practice consistently and systematically improves, a learning and development programme for Social Workers, through the professional journey from ASYE (Assessed and Supported Year in Employment), through the practitioner career and into Management and Leadership levels is essential. The most improved local authorities (Hackney / Leeds) have demonstrated the importance of linking social work development to professional methodology in achieving better outcomes (both for children and on inspection).

3.69 The learning offer in Rotherham is currently underdeveloped. A recent review of the learning offered to children's Social Workers in the borough identified that there are insufficient formal training sessions provided (individually and collectively these would be woefully inadequate to achieve the level of improvement in Social Work practice necessary).

3.70 It is essential that Rotherham Council invest in the training and development of its Social Workers, in order to improve practice and produce better outcomes for children (potentially leading to longer term savings across the corporate function), reduce the risk of continued inadequate OFSTED judgements and help to improve the retention of Social Workers in the borough in the longer term.

3.71 The investment for this proposal relates to the cost of implementing a new model of social care and the learning and development associated with this. Consideration is being given to service continuity and backfill of posts required and whilst under review is not included in the overall investment request at this present time. Therefore a subsequent bid for investment may be brought to Cabinet at a later date.

### **Approved and other budget saving proposals**

3.72 The CYPS Directorate is delivering savings of £2.318m across 2016/17 to 2018/19 as part of the Outline MTFs which was approved at Budget Council in March 2016. These savings have already been netted off the starting net budget in Table 1.

3.73 In addition to the savings that have already been approved, and those which are dependent on budget investment, consideration is being given to further savings from the directorate to contribute to the overall Council budget reduction target for 2017/18 and future years.

## **Adult Social Care**

3.74 In order to improve outcomes for service users an Adult Services Development Programme is being implemented, as approved by Council when the 2016/17 Budget was set on 2<sup>nd</sup> March 2016. This includes a range of measures to develop alternative provision for services such as: In-house learning disability residential and respite care and day care for older people and the creation of a focused enablement service. The programme also includes service reviews of:

- In-house day care for learning disabilities;
- Provision of in-house residential and intermediate care for older people;
- The provision of housing related support; and
- Out of area and high cost care packages across all services.

3.75 In addition, the Adult Services' Management and Assessment and Care Management Teams are being reviewed to identify further savings and opportunities to reduce costs. In setting the 2016/17 Budget and the MTFs, cumulative savings of £9.2m from the Development Programme were agreed for the current and 2 subsequent financial years.

3.76 As indicated with respect to monitoring of the 2016/17 Budget position and the September projected overspend of £3.551m after mitigating actions, the Adult Services budget continues to be placed under pressure.

3.77 In light of this overall budget pressure and in order to accelerate the Adult Care Development Programme as well as ensuring that the budget savings already agreed for 2016/17 to 2018/19 (£3.295m, £3.831m and £2,054m respectively) are delivered, the following time limited investment requirement has been identified:

Table 3 – Adult Social Care Funding Proposals

<b>Adult Social Care</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Funding Proposal</b>	<b>0.128</b>	<b>0.481</b>	<b>0.210</b>	<b>0</b>
Consisting of:				
Brokerage Team	0.053	0.210	0.210	0
Direct Payments Team	0.027	0.109	0	0
Project Management Support	0.048	0.162	0	0

3.78 The funding is required for temporary posts up to 2018/19 creating Brokerage and Direct Payment Teams and for the posts of Head of Care Manager and Programme Manager up to 2018/19.

- The 5 posts in the Brokerage team will support social workers to access commissioned services that best promote strengths and independence whilst offering value for money. They will apply commercial skills to examine existing service costs and negotiate prices with external providers.
- The role of Head of Care Management will be to provide the strategic direction to the front line services.

- The Programme Manager will provide strategic direction for the transformation and savings programmes ensuring that implementation is on course and milestones are achieved.

3.79 These posts are to provide additional specialist skills to support the transformational activity for the Adult Care Directorate and would also assist in achieving other savings proposals that may be brought forward for later years of the MTFS.

### **Corporate Support Services**

3.80 The proposed investment in Corporate Services is predominantly in Legal Services principally to support the delivery of the CYPs Sustainable Childcare Strategy. The following table summarises the proposed additional funding allocations and the following paragraphs provide more details of the proposals.

Table 4 Corporate Support Services Funding Proposals

<b>Corporate Support Services</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Funding Proposal</b>	<b>0.301</b>	<b>0.847</b>	<b>1.062</b>	<b>1.062</b>
Consisting of:				
Legal Services	0.188	0.584	0.699	0.699
Other Support Services	0.113	0.263	0.363	0.363

### **Legal Services – Peer Review of Children’s Care Litigation**

3.81 A peer review of children’s care litigation by Lincolnshire County Council has recommended an increase in staff levels in order to allow cases to be dealt with internally by the Council rather than using external agency staff and also to address an unacceptably high level of risk within the legal services caseloads. The review stated that the team was significantly understaffed. 11 new posts will be created to give 9 pairs of solicitors and paralegals to deal with child care litigation. The new posts will be a Team Leader and 4 solicitors plus 6 additional Paralegals. The total cost in a full year for implementing the proposals would be £0.529m from April 2017 onwards. The unfunded in-year pressure is estimated to be £188k.

3.82 In addition to the above, the July MTFS included legal staff savings proposals (approved in the March 2016 Budget Setting Report) of £55k in 2017/18 and a further £115k in 2018/19. In view of the outcome of the peer review and the additional funding requirement, these savings will no longer be deliverable.

### **Other Support Services**

3.83 To strengthen the support arrangements for Children's Services, Commissioners agreed the recruitment of a Head of Children's Finance, the annual cost of this including oncosts being £81k from 2016/17.

3.84 In order to continue to address weaknesses identified in the Jay, Casey and Ofsted reports and to strengthen the Councils overall governance arrangements, recruitment to a permanent part time Risk Manager post has been necessary, the annual cost of this being £32k.

3.85 When the 2016/17 to 2018/19 Budget was set this included a proposal to generate income through the sale of spare capacity in the Council's Data Centre, a subsequent review of this proposal indicates that the market for this is very limited and the saving will therefore not be delivered. This equates to £50k in 2016/17, a further £100k in 2017/18 (£150k in total) plus a further £100k in 2018/19 and beyond (£250k in total). The £50k 2016/17 pressure is being managed in-year through the use of underspends across the wider directorate.

3.86 The data centre market in the UK has changed significantly over the past few years. Both private and public sector organisations are shifting services and storage to the Cloud. This shift has drastically reduced the use of on-premise solutions and therefore the requirements for local data centre space. The increasing use of the Cloud has resulted in a significant growth in large remote data centres. The Council is not able to offer our data centre within this market, because our offering would be unable to compete alongside global organisations, such as Microsoft, Google and Amazon.

3.87 The on-premise solutions that remain within local data centres are moving onto virtual technology platforms as ageing physical hosts reach the end of life. This conversion reduces data centre space requirements by around 80%. The shift to both Cloud and virtual server technology has removed any significant income opportunities that were previously available to the Council. It now unrealistic for the Council to achieve the data centre efficiency targets that were previously proposed.

## **4. Options considered and recommended proposal**

4.1 The pressures on the Children's and Adult's Social Care budgets identified in the September Budget Monitoring report indicate that these services are facing significant and sustained cost pressures. Although Children and Young People's Services (CYPS) and Adult Care Services have both committed to

implementing management actions, which will partially address the impact of pressures in the current financial year, the current proposals for additional resource allocations over the life of the Council's MTFS outlined in the report are essential if the Budget pressures are to be resolved and planned savings are to be delivered, setting these services on a sustainable footing.

- 4.2 Similarly, the additional resources allocations proposed for Corporate support services are necessary to support the planned developments in Children's Services and to reinstate budgets for planned savings which are no longer deliverable in the light of service developments and changing external markets.
- 4.3 All the proposals have been robustly assessed, reviewed and considered in detail and their implementation will be closely monitored to ensure that the planned mitigation of future growth in demand, service transformation and planned savings are delivered in line with the timescales set out above.
- 4.4 There will be tight monitoring and control on the investment to ensure that the funding is only spent as intended and as approved within this report. It is proposed that the funding for the investments will only be drawn down and allocated as and when the expenditure and investment action is secured and implemented. The funding will not be utilised for any other purpose.

## **5. Consultation**

- 5.1 The robustness of the additional resource allocations and investment proposals for Children's Services have been scrutinised by the Council's Practice Partner for Children's Improvement (Lincoln City Council) and recent Peer Reviews of the Council's Looked After Children Strategy and of child care litigation underpin the proposals.
- 5.2 The additional resource allocations will be incorporated within the Council's MTFS which has been informed both by the major consultation exercises undertaken by the Council during 2015 and by ongoing consultation on the budget process, the outcomes of which will be embedded into the Budget considerations to ensure residents' priorities continue to inform the Council's decision-making.

## **6. Timetable and Accountability for Implementing this Decision**

- 6.1 Further reports on the MTFS and the Council's 2017/18 Budget will be taken to Cabinet and Overview and Scrutiny meetings as part of the Budget Process as further work is undertaken in light of the Government's Autumn Statement and as information becomes available.

## **7. Financial and Procurement Implications**

- 7.1 The current year projected outturn for the Council as reported within the September financial monitoring report elsewhere on this agenda shows a projected Council overspend of £8.6m. The situation is being closely monitored and mitigating actions are being taken to retrieve the situation. The majority of this overspend relates to Children's Services demand pressures as reported within this report although some also relates to Adult Social Care. Whilst all services are attempting to mitigate this overspend, it is likely that there will be some level of overspend at year end and that this will have to be funded from reserves. The actual value will depend on final outturn.
- 7.2 There is also already a need to identify £42m of further savings and cost reductions over the next 3 years and the additional investment proposed in this report will increase that in the medium to long term. Recognising the likely need to use reserves to fund some of this in the short term, the Council's current financial (financing) plans are being reviewed to consider a variety of options for re-profiling the current planned use of reserves and to identify any areas of spend that can be properly capitalised in order to reduce the pressure on the revenue budget. There will be choices in this regard, all with different implications on the Medium Term Financial Plan and respective annual budget gaps.
- 7.3 Whilst allocating the additional funding requested in this report will significantly increase the Council's estimated funding gap in 2017/18 it is considered that this is unavoidable and the investment is needed to prevent the costs escalating further. The actual final profile of the Medium Term Financial Strategy and budget gaps will depend on choices to be made as part of the forthcoming Budget.
- 7.4 It is assumed that the funding in the current year will need to be drawn from reserves and that the final value of this will depend on the outturn position as all services are attempting to reduce the overall overspend. It is assumed that in each of the subsequent years, the gap will be addressed through the budget process and further financial planning considerations. A review of all current planned use of reserves is underway and options will be brought forward for rescheduling the current planned use of reserves in order to ensure a balanced budget and financial strategy.
- 7.5 It is proposed that the specific investments totalling £608k be funded from the transformation reserve. The £7.848m demand pressure will require funding at year end from reserves determined once the outturn is known. It is likely at this stage that this will require the use of a combination of reserves currently set aside for other purposes but a final decision on this will be made when the outcome of a number of other issues are known e.g. the triennial valuation of pensions, reviews of capitalisation opportunities and review of business rates risk.

7.6 It should be noted that the resource projections and assumptions underpinning the MTFs have not been revised at this stage, pending the Government's 2016 Autumn Statement (which will be on 23<sup>rd</sup> November) and the Indicative Local Government Finance Settlement which is expected to follow it. In this the Council will be no different from other authorities, which are also facing uncertainty about levels of government funding, the results of recent consultations, the 2017 Rates Revaluation and the future of the local government finance system.

7.7 Specific funding proposals will be brought back to Cabinet when there is a clearer view of likely outturn/financial recovery for the current year.

## **8. Legal Implications**

8.1 None directly from this report.

## **9. Human Resources Implications**

9.1 The service investment proposals include the creation of both new permanent and temporary posts which will be undertaken in line with the Council's agreed Human resources policies.

## **10. Implications for Children and Young People and Vulnerable Adults**

10.1 The Outline MTFs commits the Council to design and begin to implement a sustainable service to children and families, prioritising the most important interventions. The CYPS Sustainability Strategy has been developed to meet this need and to ensure that the Council is able to deliver services that are rated as "outstanding". Similarly the Adult Services Development Programme is intended to improve outcomes for service users and the proposed additional resource allocation will support delivery of this programme.

## **11 Equalities and Human Rights Implications**

11.1 In preparing its MTFs, the Council must be mindful of the potential impact on service users. Section 149 of the Equality Act 2010 in particular imposes an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who share a relevant protected characteristic (such as: age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation).

## **12. Implications for Partners and Other Directorates**

12.1 The additional resource allocations proposed will be incorporated into the Council's MTFs and will be reflected in the ongoing budget process.

## **13. Risks and Mitigation**

- 13.1 The proposals set out in the report are intended to address the ongoing and sustained pressures on key Council services highlighted by the September 2016 Forecast Budget Out-turn overspend of £8.6m. The additional resource allocations are intended to support major service transformations in Children's and Adult Social Care, deliver savings and to establish sustainable services going forward.
- 13.2 The expenditure and savings projections above are based upon robust and prudent assumptions and have been subject to rigorous assessment. In the case of Children's Services the proposals have been scrutinised and comprehensively reviewed by Rotherham's Practice Improvement Partner Lincolnshire County Council (LCC). Although both the Council and LCC recognise that, due to the size of the cost reduction required, the proposals are ambitious, each of the budget saving proposals have been reviewed and savings profiles are considered realistic (Children's Services has already delivered its target budget savings for this year of £1.267m from reductions in residential provision, Early Help, and School Improvement).
- 13.3 There is however still potential for levels of service demand and costs to fluctuate, both adversely and advantageously in relation to planning assumptions. In light of this it is recognised that robust governance and arrangements will need to be set in place and any funding allocations will be subject to continuous monitoring and review.

### **Accountable Officer(s)**

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Approvals Obtained from:-

Strategic Director of Finance and Customer Services: - Judith Badger

Assistant Director of Legal Services: - Dermot Pearson

Head of Procurement (if appropriate):- N/A

This report is published on the Council's website or can be found at:-

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=2>

## Appendix 1

### Children & Young People's Service - Detailed Analysis of Investments and Future Savings

#### 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_1A)

<b>Title of Investment Request</b>	<b>Foster Carer Payments Scheme, Support and Development</b>
<b>Service Area</b>	Children's Social Care
<b>Directorate</b>	Children and Young People's Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

#### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	1.276	1.718	2.182	2.182
<b>Current Looked after Children Budget – Net</b> (if bid adds to an existing budget)	16.393	16.393	16.393	16.393
<b>Estimated Savings</b> (Cumulative)	(1.374)	(2.660)	(3.980)	(3.980)

#### Detail of bid

##### 1. Outline why this growth in funding is required

The need to continue to improve services and outcomes for children and young people is clear. The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted. There is a current gap in preventative provision and this growth bid is one of a range of interventions planned which require investment to provide those support options for the child.

This bid for budget investment seeks to improve the care experience for children in Rotherham by ensuring that wherever possible they are looked after in Rotherham in a foster family environment.

Rotherham has a shortage of all foster care placements, but particularly foster care placements for adolescents and larger sibling groups. The Council places too many young people in residential care.

In July 2016 Commissioners and Cabinet approved a formal consultation for a period of six weeks with Foster Carers regarding the rationale and options for a revised scheme, with a view to that scheme being implemented in October 2016. A paper to Cabinet on 12th September proposed a revised scheme for Rotherham based on providing financial incentive, good quality support, and training.

Investment in improving the 'offer' to Foster Carers will help attract additional carers to foster for Rotherham and support the retention and development of existing Foster Carers. It is an important enabler for the Council in meeting sufficiency of placement provision for Looked after Children (LAC) and ensuring that wherever possible this provision is in a Rotherham foster family environment.

Alongside other initiatives, this will enable the reduction of overall placement costs and avoid use of more expensive Independent Fostering Agency (IFA) and residential placements.

The investment required would be a recurrent requirement as outlined above over the years 2017/18 to 2020/21. It is anticipated that there will be cost reductions compared to current forecast levels of expenditure across Looked after Children (LAC) and shown in further detail in section 6 below.

**2. Outline any legal and statutory framework(s) relevant to the funding growth bid**

The proposals demonstrate that Rotherham Metropolitan Borough Council has implemented a fair approach in that it has considered amounts paid by comparative authorities; whilst also taking into account national research to devise proposals which will assist it in improving services and carrying out its statutory duties towards its looked after children.

**3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

The modelling undertaken by finance and the service has focused on providing a fairer and more enticing offer to existing and potential foster carers in Rotherham.

Benchmarking of nearest neighbours has been reviewed and the revised payment scheme developed in line with this and against a backdrop of an over spending overall LAC budget. There has been an increasing proportion of children being placed outside of the borough in more expensive settings, specifically Independent Fostering Agencies (IFAs), away from parents and extended family.

This bid for investment into the Foster Carer Payments and Support budget is tasked with reversing this trend. Providing better outcomes for children closer to home and at a reduced cost to the Council.

**4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

Not agreeing to the growth bid would result in a potentially increasing pressure on the CYPS revenue budget.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

Not applicable

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

**Longer Term Benefit and Revenue Savings**

The changes to foster carers’ allowances are one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by reducing the number of children in more expensive care settings through an ‘invest to save’ approach.

This intervention will not directly reduce the numbers of Looked After Children, but the implementation of the allowances offer and the resulting rise in placements with in-house foster carers could lead to long term savings on the overall Looked after Children budget. Assuming overall LAC numbers remain broadly static, there would be a corresponding fall in the number of LAC being placed in more expensive settings.

	2016/17	2017/18	2018/19	2019/20	2020/21
Savings (Reduced spend on in-house and independent care provision) <b>Savings are year by year (not cumulative)</b>	-	£1.374m	£1.286m	£1.320m	TBC
Target Increase Number in House Foster Care Placements	-	15	15	15	TBC *

\* Outcome monitoring will inform target post 2020

**Outcomes monitoring**

LAC Sufficiency is a major project within the Children's Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress against the individual and overall anticipated outcomes and financial savings will be monitored through a dedicated Project Team (Head of Children in Care, LAC Service Managers, Early Help Transformation Lead, Finance, and the Commissioning and Performance Team) and reported monthly to the Children's Transformation Programme Board.

They will review: the number of children who have been prevented from entering the care system; LAC numbers and costs; and the proportion of placements across the different care settings, number of placement breakdowns. This information will feed into a wider Children's Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years' service needs.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_1B)

Title of Investment Request	Therapeutic Service
Service Area	Children's Social Care
Directorate	Children and Young People's Services
Responsible Advisory Cabinet Member	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.270	0.270	0.270	0.270
<b>Current Looked after Children Budget – Net</b> (if bid adds to an existing budget)	16.393	16.393	16.393	16.393
<b>Estimated Savings</b> (Cumulative)	N/A	N/A	N/A	N/A

### Detail of bid

#### 1. Outline why this growth in funding is required

The need to continue to improve services and outcomes for children and young people is clear. The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted. This growth bid is one of a range of interventions planned which require investment to provide those support options for the child once looked after.

The investment is required to support the child and carer and reduce the likelihood of placement breakdowns which often result in the use of more expensive placement provision, including re-entry to care or move to more expensive residential placements. There is a clear argument that breaking the cycle of disruptions through intensive provision early in the child's care journey will lead to better emotional wellbeing for children and better outcomes for these children in later life.

This bid for budget investment seeks funding for additional clinical psychologists (and/or experienced therapists) to deliver highly responsive and intensive interventions for Rotherham's children in care identified as needing it most.

This proposal will operate in conjunction with the fostering 'offer' and special guardianships whereby children 'most at risk' within Rotherham will have access to good quality and responsive wrap around therapeutic support to address the child's specific emotional and mental well-being needs. This support will be based upon building relationships and create the atmosphere to bring about positive change for that child within the foster placement/ special guardianship.

The model will work with the team around the child, where carer and professionals will develop their skills and knowledge to respond in a confident and consistent way to emerging issues, preventing escalation and disruption. The clinical psychologist will coordinate and lead in the team around the child meetings with a particular emphasis on therapeutic needs.

The 'offer' comprises of therapeutic involvement with each child/foster family as follows:

First 3 months - Dedicated 8 hours per week to establish the child in the placement,  
3-6 Months – 4 hours per week to ensure the child is settling in the placement  
6-12 Months – 1.5 hours per week once the child is settled.

The team will take lead responsibility for good therapeutic management and oversight with training, consultation and therapy being provided as required. Should there be any need to source therapeutic provision from independent services to ensure good quality provision at the best cost and will be commissioned and monitored in the best manner. Finally, the service would recruit a therapeutic social worker who will lead on therapeutic approaches including special guardianship order (SGO) provision and business support to manage the scheduling and other administrative implications of the delivering the provision. The government requires SGO support services be established and has provided money to commission therapy from the Adoption Support Fund. This proposal extends elements of that type of support to Looked after children foster placements.

The team would be working with 20 to 30 looked after young people and their carers/teams during the year. This is separate to the support offered to children in SGO placements which is larger than this, offering support groups, training and assessments for therapies which are funded by the Adoption Support Fund.

## **2. Outline any legal and statutory framework(s) relevant to the funding growth bid**

The therapeutic support will be provided in line with the revised NICE Guidance (2010 & 2016) and recommended therapeutic practices. SGO legislation (2016).

## **3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

Placement disruptions remain high, with 20 recorded disruptions occurring in the last six month period of 2016: 16 being in IFA/ independent residential care, and 4 within in-house provision.

This initiative seeks to minimise the financial pressure within the current budget. An analysis was undertaken of five children who had experienced prolific disruptions in fostering placements resulting in a move to high cost independent residential placements. All five of these young people (aged 14-17) entered care before the age of 12 years, and most stark, two of them, both 17 years of age first became looked after at the age of 2 years and age 4 years respectively. The financial cost of these five placements alone equates to £842K per year.

In terms of aspirations for these children, the prognosis is not promising. Given their social and emotional problems some of the children in care could transition into adulthood requiring support from health or adult social care provision, and that support likely to be whole life. This investment seeks to prevent or minimise such cases.

## **4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

The themes emerging from reviews of cases with the highest costs but poorest outcomes for children and young people includes unusually high numbers of disruptions and young people left to drift in residential care. Lack of investment would result in a continuation of these themes.

These are not isolated to Rotherham, but is part of a national picture. The 2015 NHS Report “Future in Mind” and the revised NICE Guidance (2010 & 2016) highlights this well. These reports indicate that the recurrence of poor outcomes for looked after children is directly associated with the absence of responsive and accessible mental health service provision. Children who have experienced early life abuse and neglect, typically, children in care, are less likely to engage with services, and more likely to have services withdrawn because of their lack of engagement despite being the most in need of service. These children spiral through successive placement moves until invariably being placed in costly residential placements at distance from the local authority where their needs can never be well met. The reports

clearly set out what needs to be done to improve, promote and protect the emotional and mental wellbeing of children, which includes easily accessible service provision, timely intervention and therapeutic support at the point of need, (NHS “Future in Mind”, 2015; NICE Guidance, Revised 2016)

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

The direct staffing implications of the bid would be recruitment of :

Therapeutic social worker lead x 1 FTE (Grade J) – including SGO assessments and Adoption Support Fund commissioning

Business Support x 1 FTE (Grade E)

Indirectly the proposal involves the commissioning of 2.5 FTE additional clinical psychologists or experienced therapists to lead the new intensive therapeutic packages.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

**Longer Term Benefit and Revenue Savings**

The development of therapeutic support around looked after children is one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by ensuring the child’s specific emotional and mental well-being needs are met.

A further outcome would be stability for the child in avoiding unnecessary disruption from having to move schools and risk their educational attainment and ability to form long term friendships.

Estimated savings from the Therapeutic Service are included within the benefits outlined from the Fostering Offer (CYPS\_1A).

**Outcomes monitoring**

LAC Sufficiency is a major project within the Children’s Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress against the individual and overall anticipated outcomes and financial savings will be monitored through a dedicated Project Team (Head of Children in Care, LAC Service Managers, Early Help Transformation Lead, Finance, and the Commissioning and Performance Team) and reported monthly to the Children’s Transformation Programme Board.

They will review: the number of children who have been prevented from entering care; LAC numbers and costs; and the proportion of placements across the different care settings, number of placement breakdowns. This information will feed into a wider Children’s Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years’ service needs.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_2)

<b>Title of Investment Request</b>	<b>Family Group Conferencing</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.164	0.164	0.164	0.164
<b>Current Budget – Net</b> (if bid adds to an existing budget)	16.393	16.393	16.393	16.393
<b>Cumulative Savings / Cost Avoidance</b>	<b>(0.165)</b>	<b>(0.627)</b>	<b>(1.254)</b>	<b>(1.914)</b>

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>The number of Rotherham children in care continues to rise. In April 2013 there were 395 children in care, in April 2016 there were 433 children in care in Rotherham a net increase of 38 or 9.62%. Latest children in care figures report a further increase reaching 460 as at 19<sup>th</sup> October 2016.</p> <p>Numbers of children placed in independent fostering and residential provision has also increased significantly over the same period with 138 children placed in out of authority placements in April 2013 increasing to 207 in August 2016. This is an increase of 69 children or 50% resulting in a projected spend of £14 Million in 2016/17. In addition to these budgetary pressures available capacity in both in-house and independent provision, especially locally, is extremely limited.</p> <p>Family Group conferencing is an effective tool for identifying and engaging with wider family members at an early stage of concern about a child, to support the parents or to provide care for the child who ultimately may be at risk of neglect or harm. A Family Group Conference is a child centred, family-led decision making and planning process.</p> <p>Such services are well established in many local authorities such as Leeds, Sheffield and Lincolnshire. Evidence from other authorities would suggest it is effective in reducing the number of children entering care. Leeds City Council have reported that in the first 6 months of delivering family group conferences for edge of care cases they prevented 90 children from coming into care and generated an estimated cost avoidance of £3.5 million. Learning also included that the family group conferencing model was most effective when delivered in-house as part of the Early Help offer.</p> <p>The proposal is to deliver the service in-house. Volumes of potential case load have been predicted based on current initial Child Protection case conference numbers per annum (278) and assumed that the approach could be used to work with the family in 50% of the cases (139). This workload is estimated to require a team of 1 coordinator and 3 family group conference practitioners. Some training would be required along with a small amount of other running costs. A total investment of £164k.</p> <p>Targeting the service primarily but not solely at children and young people at this stage would help to reduce the number of children on a child protection plan and subsequently reduce the numbers that escalate further to PLO / care proceedings and ultimately entering care. The service would also consider referrals where for appropriate CIN cases, children in care where reunification is being considered and children who have become looked after due to an emergency, to support a swift return to family / friends. Families open to Early Help who have multiple and complex needs and are part of the Families for Change</p>
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cohort will also be considered.

**2. Outline any legal and statutory framework(s) relevant to the funding growth bid**

Family Group Conferences are identified in the revised Children Act Guidance on preparing for care proceedings, as being an important opportunity to engage friends and members of the wider family at an early stage of concern about a child, to support the parents or to provide care for the child.

The guidance also states that before reaching a decision to apply for a care or supervision order, the local authority should have taken such steps as are possible, perhaps through a FGC, to explore whether care for the child can be safely provided by a relative or friend, have assessed the suitability of possible arrangements and have considered the most appropriate legal status of such arrangements.

**3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

This initiative seeks to minimise the financial pressure within the Looked After Children budget by working to prevent children entering the care system.

**4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

Continued increase in numbers of children entering the care system.  
Increased budget pressures  
Increased pressure on sufficiency. (local care provision)  
Increased number of children being placed out of authority and at distance. (placed in a local authority not bordering Rotherham)  
Families who have long-term involvement from statutory and non-statutory services.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

FGC Coordinator x 1 FTE  
FGC Practitioner x 3 FTE

Training would be required. FGC training is approximately £450 per delegate for a 3 day accredited course.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

Children diverted from becoming Children in Care  
Reduced spend on in-house and independent care provision  
Reduced pressure on local in-house and independent care provision  
Reduction of care placements made at distance (children placed in Local Authorities not bordering Rotherham)  
Reduced costs in relation to statutory social worker / IRO duties around supporting / visiting / reviewing children in care (particularly placements at distance)  
Reduction in legal costs in relation to care proceedings  
Reduction in business support costs in relation to children in care.

**Monitoring Outcomes**

The Service would be part of the Early Help offer and will be performance managed as such with visibility and accountability via the Early Help Performance Dashboard.

However given the preventative nature of this intervention to the LAC sufficiency strategy, progress against anticipated outcomes will be monitored through a dedicated project team (consisting of Finance, the Adoption and Fostering Service Manager, Head of Service, Early Help and the Commissioning Team) who will meet monthly. They will review: the number of children who have been diverted from care; LAC numbers and costs; and the proportion of placements across the different care settings. This information will feed into a wider Children's Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years' service needs.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_3)

<b>Title of Investment Request</b>	<b>Special Guardianship Looked After Children</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.052	0.103	0.155	0.206
<b>Current (2016/17) Budget – Net</b> (if bid adds to an existing budget)	0.828	0.828	0.828	0.828
<b>Cumulative Savings / Cost Avoidance</b>	<b>(0.066)</b>	<b>(0.198)</b>	<b>(0.330)</b>	<b>(0.462)</b>

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>The need to continue to improve services and outcomes for children and young people is clear. The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted. This growth bid is one of a range of interventions planned which require investment to provide those support options for the child once looked after.</p> <p>Rotherham has a commitment to offer the best opportunity for permanence for Looked After Children by ensuring that they are looked after by family, friends or established foster care placements, wherever possible and appropriate for the child.</p> <p>Special Guardianship Orders (SGO) offer the opportunity for family, friends or existing foster carers to give a permanent home to the child without the financial loss normally associated with adoption but without Social Care or IRO input associated with foster care. Special Guardianship offers financial packages in line with the specific needs of the child and continued support through therapeutic services.</p> <p>Special Guardianship offers permanency within a family setting therefore improving the opportunities for the best outcomes for the child. The plan is to increase SGO’s by around 6 per year from 2017/18.</p> <p>The assessment process for SGO is a rigorous process and includes assessment of the SGO applicant and their ability to meet the needs of the children in the short and long term. This assessment includes elements of the capacity of the applicant to manage risks presented by birth parents and wider family members, to manage the potential of divided loyalties that the prospective special guardian may experience and to ensure that the special guardian has the parenting capacity to help the child/ren to reach their maximum potential.</p> <p>Continued support from the child’s social worker for an approximate period of three months after the granting of the order on a Child in Need basis to ensure completion of access to:</p> <p>Pupil Premium</p>
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<p>Passports Health referrals etc are completed</p> <p>A support package is constructed for financial, emotional and any other support that is felt necessary for the child until they reach the age of independence (usually eighteen years of age but has been agreed beyond this in certain circumstances).</p> <p>Therapeutic support is a part of the support package which can be provided by the Rotherham Therapeutic team. The government has also extended access to the Adoption Support Fund for children who have become the subject of a Special Guardianship Order which also supports the longevity of a placement.</p>					
<p><b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b></p>					
<p>Special Guardianship is an alternative way of meeting statutory requirements with better outcomes for the child.</p>					
<p><b>3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget</b></p>					
<p>This option is already in operation. During the past 12 months a staff member within the Fostering Team has had portfolio responsibility for permanence, this has proved to be successful with increasing numbers of carers taking this option.</p> <p>The SGO arrangement attracts an allowance, the average cost of which is circ £8.6k pa. The total additional allowances for the 6 SGO's would be £52k pa. Whilst there is still a cost implication to Special Guardianship it is significantly less than foster care or residential placement.</p>					
<p><b>4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed</b></p>					
<p>If the bid is not agreed and Special Guardianship packages were no longer available the options and opportunities for permanent placements for children would be limited. The offer of the best outcomes for children may be inhibited.</p>					
<p><b>5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.</b></p>					
<p>No direct staffing implications. Due to the proven success of having an individual staff member dedicated to permanence this will be mainstreamed as portfolio responsibility within the Fostering Team.</p>					
<p><b>6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?</b></p>					
<p><b>Longer Term Benefit and Revenue Savings</b> Seeking an increase in the number of Special Guardianship Orders is one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by reducing the number of children in more expensive care settings through an 'invest to save' approach. Special Guardianship is a less costly option than Foster Care or Residential Care and the longer term benefit is that permanence for children will be achieved.</p>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Savings (Reduced spend on in-house and independent care provision) <b>Saving are year on year – not cumulative</b>	-	£0.066m	£0.132m	£0.132m	£0.132m

Target Increase Number Special Guardianship Orders	-	6	6	6	6
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**Outcomes monitoring**

LAC Sufficiency is a major project within the Children’s Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress against the individual and overall anticipated outcomes and financial savings will be monitored through a dedicated Project Team (Head of Children in Care, LAC Service Managers, Early Help Transformation Lead, Finance, and the Commissioning and Performance Team) and reported monthly to the Children’s Transformation Programme Board.

They will review: the number of children who have been prevented from entering care; LAC numbers and costs; and the proportion of placements across the different care settings, number of placement breakdowns. This information will feed into a wider Children’s Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years’ service needs.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_4)

Title of Investment Request	Pause Project
Service Area	Children's Social Care
Directorate	Children and Young People's Services
Responsible Advisory Cabinet Member	Councillor Watson

### Financial summary

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.018	0.135	0.135	0.135	0.135
<b>Current Budget – Net</b> (if bid adds to an existing budget)	N/A	N/A	N/A	N/A	N/A
<b>Cumulative Cost Avoidance</b>	0.000	0.000	(0.165)	(0.495)	(0.825)

### Detail of bid

1. Outline why this growth in funding is required
<p>The current bid going forward is for funding of the review only, at a cost of £18k in 2016/17.</p> <p>The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted.</p> <p>There is a current gap in preventative provision and this growth bid is one of a range of interventions planned which require investment to provide those support options for the child.</p> <p>Across the UK, Local Authorities are striving to look for ways to reduce the number of children being taken into care, often related to complex trans-generational patterns of neglect or abuse. Studies estimate a significant scale and pattern of recurrent care proceedings over a seven year period.</p> <p>At least one in four women, having previously had a child removed will return to the family court for proceedings to take further children into care. And, over a seven year period, this group of women are involved in 29% of all care applications in the UK – a total of 22,790 children.</p> <p>For Rotherham since November 2015 we have had 21 mothers who have had multiple babies removed from their care at birth. (11 - 2<sup>nd</sup> time Mums, 6 - 3<sup>rd</sup> time Mums and 4 - 4+ mums)</p> <p>We currently have a further 6 Unborn Babies currently where the risk of significant harm is so great we will be making applications to the court to remove them from their mothers care at birth. They are all repeat removals, 3 women of this cohort have become pregnant within the within 12 months from their last baby.</p> <p>Pause aims to break this cycle by intervening at a point when the women have no children in their care, creating a space in which women are supported to reflect and develop new skills and responses.</p> <p><b>The Pause Model</b> Pause is an innovative, dynamic and creative solution designed to address the needs of women</p>

who have, or are at risk of, multiple children being removed from their care. It offers an intense programme of therapeutic, practical and behavioural support through an integrated model. Each woman has an individual programme designed around their needs looking at the various elements of their system.

Pause, is an organisation co-founded by Sophie Humphreys, former head of safeguarding at Hackney, that works entirely outside of the usual local authority structure and independently of the social care services. By voluntarily engaging with mothers on a one-to-one basis, creating a bespoke programme of intensive therapeutic activities and practical support, it works with women to think of themselves as individuals for what is often the first time in their lives. Women must consent to participate in the programme it cannot be mandated.

Pause has secured funds from the Department for Education's Innovation Fund to test Pause in six new local authorities with a particular focus on testing how to scale up the programme.

Pause works with women on a voluntary basis that have experienced, or are at risk of repeated pregnancies that result in children needing to be removed from their care. The programme gives women the chance to pause and take control of their lives, breaking the destructive cycle that causes them and their children deep trauma as well as costing the tax payer hundreds of millions of pounds.

Women who have experienced the loss of a child in this way are offered the choice to participate on the programme. Working with Pause they are supported to focus on themselves to take control of their lives. To do this they are required to take Long Acting Reversible Contraception (LARC) during the intervention, thereby creating a space to pause, reflect, learn and aspire. This would require a multiagency approach with health colleagues.

The pause project approach would be to first complete a viability assessment to judge whether Rotherham has the potential number of women who would consent to participate and benefit from this programme. At this stage the council would use the assessment to enter into a contract that specified the number of women to benefit. If at this stage the council's numbers were too low for the programme to be viable it could look at pairing up with another south Yorkshire partner.

Pause is working with research company Opcit in partnership with the University of Central Lancashire (UCLAN) to evaluate the new Pause pilots. They will be providing interim progress reports as well as a full evaluation report towards the end of 2016.

## **2. Outline any legal and statutory framework(s) relevant to the funding growth bid**

## **3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

This initiative seeks to minimise the financial pressure within the Looked After Children budget by working to prevent children entering the care system. The cost of this service will be considerably less than if further children were conceived and then taken into care. The programme would aim to avoid costs for a maximum of 15 children per year over three years (subject to viability assessment)

## **4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

Should the funding not be agreed then the cycle of women who have experienced, or are at risk of repeated pregnancies that result in children needing to be removed from their care will continue.

Continued increase in numbers of children entering the care system.

Increased budget pressures

Increased pressure on sufficiency. (local care provision)

Increased number of children being placed out of authority and at distance. (placed in a local authority not

bordering Rotherham)

There would be an impact on attendant costs such as mental health services, substance misuse services, domestic violence services and health care.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

National Practice Lead would be provided by Pause

Discussions are at an early scoping stage. Early indications are that staffing implications are:

Social Work Lead x 1 FTE

Social Worker x 1 FTE

Health Visitor x 1 FTE

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

**Longer Term Benefit and Revenue Savings**

The Pause project is one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. A preventative measure, its individual contribution to the reduction in LAC numbers over the period of the MTFs and the reduction in costs is detailed below:

	2016/17	2017/18	2018/19	2019/20	2020/21
Savings (Reduced spend on in-house and independent care provision) <b>Saving are year on year – not cumulative</b>	£0	£0	£0.165m	£0.330m	£0.330m
Children prevented from becoming Looked After			15	15	15

**Outcomes monitoring**

LAC Sufficiency is a major project within the Children’s Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress against the individual and overall anticipated outcomes and financial savings will be monitored through a dedicated Project Team (Head of Children in Care, LAC Service Managers, Early Help Transformation Lead, Finance, and the Commissioning and Performance Team) and reported monthly to the Children’s Transformation Programme Board.

They will review: the number of children who have been prevented from entering care; LAC numbers and costs; and the proportion of placements across the different care settings, number of placement breakdowns. This information will feed into a wider Children’s Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years’ service needs.

The project would be linked to the national Pause programme and be monitored as part of any agreed requirement.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_5)

Title of Investment Request	Edge of Care
Service Area	Children's Social Care / Early Help
Directorate	Children and Young People's Services
Responsible Advisory Cabinet Member	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.350	0.350	0.350	0.350
<b>Current Budget – Net</b> (if bid adds to an existing budget)	N/A	N/A	N/A	N/A
<b>Cumulative Savings / Cost Avoidance</b>	(0.165)	(0.594)	(1.188)	(1.848)

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>The phrase 'Edge of Care' has become common terminology for describing children and families with a high level of need, such that an immediate or potential risk of family breakdown is present and entry to care is likely or imminent.</p> <p>The Edge of Care service will provide a supportive platform upon which to respond to families in crisis as well as an opportunity to deliver systemic change within our social care workforce. This will necessitate a long term plan (over five years) which will see a shift in the culture of delivery of social care in Rotherham. The proposed location of the service in Early Help will also ensure that the opportunity to intervene earlier when problems begin to emerge is enhanced by a robust continuum of evidence-based practice across the children's workforce.</p> <p>The Edge of Care service will involve the recruitment and development of a team of practitioners who will offer structured direct support to young people and their families in crisis, to enable them to remain within their immediate or wider extended family. This recurrent investment is in ten staff who will form a new Edge of Care team consisting of a team manager, social worker, psychologist, care co-ordinator (x2), family support worker (x4), and business support.</p> <p>Alongside other initiatives, this will give children and young people access to a range of services which support and enable them to remain safely with their families and therefore help to reduce LAC numbers and the cost of placements. There is also a saving associated with improving holistic outcomes for children, young people and families and giving them to the best chance to thrive without long-term reliance on services.</p> <p>The investment required would be a recurrent requirement as outlined above over the years 2017/18 to 2020/21. It is anticipated that there will be cost reductions compared to current forecast levels of expenditure across Looked after Children (LAC).</p>
<p><b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b></p> <p>The proposals contained in this report would contribute to the Council's compliance with its general duty under section 17 of the Children Act 1989, to safeguard and promote the welfare of children within its 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.</p>

**3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

The costs above are deemed necessary to fund the ten staff required to create an Edge of Care team capable of offering structured, direct support to young people and their families in crisis, to enable them to remain within their immediate or wider extended family.

**4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

LAC numbers would continue to increase adding further pressure to the CYPS revenue budget.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

10 FTE staff who will form a new Edge of Care team consisting of:

Team manager x 1 FTE

Social worker x 1 FTE

Psychologist x 1 FTE

Care co-ordinator x 2 FTE

Family Support Worker x 4 FTE

Business Support x 1 FTE

Recruitment would be through the CYPS Recruitment Team.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how will the outcomes be monitored?**

The Edge of Care team is one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by reducing the number of children in care settings through an 'invest to save' approach.

The implementation of Edge of Care and the expected reduction in LAC could lead to long term savings on the overall Looked after Children budget. It is estimated that Edge of Care alone could prevent 15 children entering care in the first year, increasing to 25 – 30 per year thereafter.

The location of the service within Early Help will support the creation of a continuum of interventions across the spectrum of families' needs and ensure that services are in a position to respond quickly and consistently as needs emerge. Long term, this strategy will push demand down from costly high tier services to less expensive early intervention.

**Monitoring Outcomes**

The Service would be part of the Early Help offer and will be performance managed as such.

However given the preventative nature of this intervention to the LAC sufficiency strategy, progress against anticipated outcomes will be monitored through a dedicated project team (consisting of Finance, the Adoption and Fostering Service Manager, Head of Service Early Help and the Commissioning Team) who will meet monthly. They will review: the number of children who have been diverted from care; LAC numbers and costs; and the proportion of placements across the different care settings. This information will feed into a wider Children's Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years' service needs.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_6)

<b>Title of Investment Request</b>	<b>Multi-systemic Therapy (MST)</b>
<b>Service Area</b>	Early Help
<b>Directorate</b>	Children and Young People's Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	N/A	N/A	N/A	N/A
<b>Current Budget – Net</b> (if bid adds to an existing budget)	N/A	N/A	N/A	N/A
<b>Estimated Savings</b> (Cumulative)	(0.044)	(0.132)	(0.220)	(0.308)

### Detail of bid

<b>1. Outline why this growth in funding is required</b>
<p>When a child or young person is referred to MST it is because there is a risk that they will become looked after or go into custody.</p> <p>MST is an intensive therapeutic programme that works within the whole ecology of a young person. The MST therapist will work with the whole family; the parents, the community and the school at the same time. The aim is to work in a solution-focused, strengths-based approach to empower the family to take responsibility for solving problems and to improve family functioning. The model acknowledges the fact that the family will be there for the young person into the future and beyond any service intervention.</p> <p>A shared service agreement is in place between Barnsley and Rotherham. This means that each authority shares fifty percent of the cost and fifty percent of the capacity. Due to reduced staffing in 2015-16, this equated to fourteen cases from Rotherham last year. From August 2016 the team will be at full capacity with four therapists in post. This will enable the team to hold between 20 and 25 cases in this financial year. All referrals are screened by an Early Help Manager to ensure that the service is allocated to families with the highest need.</p> <p>MST has a strong evidence base, including data from the USA and Scandinavia that shows the long-term impact of the intervention. The Early Intervention Foundation's guidebook provides an evidence rating of four – the highest available and states that, 'MST has established evidence of improving family functioning and reducing youth offending and out-of-home placements. To date only one child who has engaged with MST has become looked after. Three children have been successfully re-settled at home following a period in care or custody.</p> <p>Alongside other initiatives, this will give children and young people access to a range of services which support and enable them to remain safely with their families and therefore help to reduce LAC numbers and the cost of placements.</p> <p>The investment required would be a recurrent requirement as outlined above over the years 2017/18 to 2019/20. It is anticipated that there will be cost reductions compared to current forecast levels of expenditure across Looked after Children (LAC). In 2016/17 the service is funded through the Troubled Families Grant. This funding will end in 2020 and, from 2018/19 is increasingly reliant on payment by results outcomes and therefore not assured.</p>

<p><b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b></p>
<p>The Joint Service Agreement between Rotherham and Barnsley has been approved by legal teams in both local authorities.</p> <p>The delivery of MST contributes to the Council’s compliance with its general duty under section 17 of the Children Act 1989, to safeguard and promote the welfare of children within its 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.</p>
<p><b>3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget</b></p>
<p>The costs above are deemed necessary to co-fund the MST team capable of offering evidence-based, structured, direct support to young people and their families in crisis, to enable them to remain within their immediate or wider extended family. The shared service approach enables economies of scale by removing the need to fund a separate team at full cost in Rotherham.</p>
<p><b>4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed</b></p>
<p>Without intervention of this type and the wider LAC sufficiency strategy, LAC numbers would continue to increase adding further pressure to the CYPs revenue budget.</p>
<p><b>5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.</b></p>
<p>No staffing implications as all staff are Barnsley Council employees.</p>
<p><b>6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how will the outcomes be monitored?</b></p>
<p>MST is one part of a range of interventions planned as part of the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by reducing the number of children in care settings through an ‘invest to save’ approach.</p> <p>The implementation of MST and the expected reduction in LAC could lead to long term savings on the overall Looked after Children budget. It is estimated that MST alone could prevent a minimum of four children entering care per year.</p> <p><b><u>Monitoring Outcomes</u></b></p> <p>Progress against anticipated outcomes will be through a dedicated project team (consisting of Finance, the Adoption and Fostering Service Manager and the Commissioning Team) who will meet monthly – liaising with the Troubled Families Service Manager – and review: the number of children who have been diverted from care; LAC numbers and costs; and the proportion of placements across the different care settings. This information will feed into a wider Children’s Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years’ service needs.</p>

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_7)

<b>Title of Investment Request</b>	<b>Reunification Project - Looked After Children</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.090	0	0	0
<b>Current (2016/17) Budget – Net</b> (if bid adds to an existing budget)	N/A	N/A	N/A	N/A
<b>Estimated Savings</b> (Cumulative)	(0.132)	(0.264)	(0.264)	(0.264)

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>The need to continue to improve services and outcomes for children and young people is clear. The development of the Rotherham Looked After Children and Care Leavers Placement Sufficiency Strategy 2015-2018 set out the strategic actions to be taken to ensure children and young people on the edge of care are supported to stay with their parents or extended family and only come into care where it is absolutely necessary and justified in the best interests of the child or young person, and that all support options and strategies have been exhausted. This growth bid is one of a range of interventions planned which require investment to provide those support options for the child once looked after.</p> <p>A reunification scheme run by the NSPCC for Rotherham based on providing good quality support and training to Social Care Staff to enable successful reunification is currently operating as a pilot. The contract is for a two year period to improve the care experience for children in Rotherham by ensuring that wherever possible they are looked after in their own family environment. This bid seeks budget investment for the second year of the pilot.</p> <p>The Council places too many young people in residential care. Care placements should be reviewed regularly and the option of reunification of the Looked After Child back to their birth family, where it is safe and appropriate should be considered. Although return home from care is the most common outcome for Looked After Children, research suggests that a significant number of children experience further abuse and neglect once they return home. Of those who return home, almost a third re-enter care within five years.</p> <p>The reunification project is working with families to support the child’s return home and minimise the potential for their re-entry into care. The NSPCC developed the Taking Care framework in conjunction with Loughborough University. The DfE have since funded the NSPCC and the University of Bristol to create up-to-date <b>evidence-informed</b> practice guidance for Local Authority Social Workers to apply when considering reunification. The objective was to not only strengthen the assessment and decision making process when deciding <b>whether</b> a child should be returned home; but also to inform <b>how</b> to support children and families throughout the reunification process and following a child’s return home.</p>
<p><b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b></p>

The service is currently operating as a 2 year pilot scheme. RMBC has taken into account national research to devise proposals which will assist it in improving services and carrying out its statutory duties towards its looked after children.

**3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

The service is currently operating as a pilot scheme for 2016/2017 – 2017/2018. Part of the pilot will transfer skills to existing workers which will ensure that reunification is embedded in everyday practice.

**4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

The reunification project works with the families to support the child’s return home and minimise the potential for their re-entry into care.

If the project and its approach is not continued the impact would be to increase the likelihood of children’s re-entry into care and in further potential trauma for the child. This is a significant expense for the Local Authority as the average annual cost for each child that returns back into care is £61,614, compared to the average annual cost of supporting a child to remain at home of just over £5,600. These are national cost estimations.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

This pilot is already in operation.  
Whilst there are no directly employed Local Authority posts allocated to this service, the NSPCC is currently operating the £90k per annum contract with:

- 2 FTE (equivalent) NSPCC CSP’s and they will aim to undertake 10 pieces of case work at any one time
- 0.5 FTE Team Manager
- Senior Management oversight

At the end of the contract the work will be sustained as a result of the transfer of skills and approach to the Looked After Children team.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

**Longer Term Benefit and Revenue Savings**

Reunification project forms part of the ‘Edge of Care’ suite services and supports the wider Looked after Children Sufficiency Strategy. The Strategy seeks to deliver better outcomes for children in care by reducing the number of children in settings through an ‘invest to save’ approach.

	2016/17	2017/18	2018/19	2019/20	2020/21
Savings (Reduced spend on in-house and independent care provision) <b>Savings are year by year not cumulative</b>	-	£0.132m	£0.132m	0	0
Children returned home from Care, reducing number of LAC	-	12	0	0	0

**Outcomes monitoring**

LAC Sufficiency is a major project within the Children’s Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress against the individual and overall anticipated outcomes and financial savings will be monitored through a dedicated Project Team (Head of Children in Care, LAC Service Managers, Early Help Transformation Lead, Finance, and the Commissioning and Performance Team) and reported monthly to the Children’s Transformation Programme Board.

They will review: the number of children who have been prevented from entering care; LAC numbers and costs; and the proportion of placements across the different care settings, number of placement breakdowns. This information will feed into a wider Children's Social Care predictive analytics model of the social care population and be used to update the in-year forecast of expenditure and future years' service needs

Outcomes will also continue to be monitored by the Reunification Steering Group which has representation from Social Care, Commissioning and NSPCC until the practice is mainstreamed.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_8)

<b>Title of Investment Request</b>	<b>Single Assessment Review Duty Team</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.166	0.166	-	-
<b>Current Budget – Net</b> (if bid adds to an existing budget)	1,541	1,556	1,571	1,571
<b>Estimated Savings</b> (Cumulative)	N/A	N/A	N/A	N/A

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>The current Duty Team arrangements have been in place since March 2015, based on four Duty Teams operating on a four weekly cycle. The team on duty are responsible for all incoming assessments during their duty week. Between the end of a duty period and the start of the next it is expected that social workers will have progressed the work and be able to pick up new referrals. The number of referrals progressing to assessment can fluctuate between 45 and 115 children per duty week depending on demand, averaging around 75 children.</p> <p>As part of the improvement journey the timeliness and quality of assessments has been a key focus. The four week cycle only allows 15 working days between duty periods and as a consequence the quality and timeliness of the assessments is being impacted. This has resulted in social workers entering a new duty period with a carryover of caseloads of approximately 15 children. A resultant reduction in performance has been experienced</p> <p>The additional resource would allow for a fifth Duty Team and a cycle of 20 days between each duty week which would impact on the ability to progress work and afford the team manager sufficient time to provide robust management oversight and complete all management tasks.</p> <p>The five team structure will also allow for the current Service Manager to refocus on Team Management development and improving the standard of service delivery.</p>
<p><b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b></p> <p>All assessments are completed in compliance with Working Together 2015. Rotherham undertakes single assessments based on presenting needs.</p>
<p><b>3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget</b></p> <p>The new proposed structure would require only 2 additional social workers and one additional team manager, reducing the team size from seven to six full time social workers per duty team. This is the minimum requirement to ensure all teams remain operational.</p>
<p><b>4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed</b></p> <p>Continued lack of capacity to progress cases in a timely manner.</p>

Increased carryover of caseloads to duty.

Likelihood of an increase in the number of re-referrals into the system and reduction in the quality of assessments.

Reduced management capacity to complete management task and impact on oversight.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

2 x Level 3 Social Worker (Grade K)

1 x Team Manager (Grade L)

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

This additional resource will enable timely and good quality assessments to be undertaken by the Duty Team ensuring that children are safe and their risks/needs assessed.

Good quality assessments identifying both risks and needs will ensure appropriate support for the children and their families at their first involvement. This should reduce the number of re-referrals into the system ensuring cases are progressed appropriately, with the right information to put the right plan in place.

**Outcomes monitoring**

Children's Social Care is a major project within the Children's Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPs. Performance of the Duty Teams is monitored as part of the fortnightly performance meetings Bi weekly performance meetings and CSC Management Team Meetings. Progress will be reported monthly to the Children's Transformation Programme Board and Children's Improvement Board.. Managers have access to daily performance data and individual case records.

Outcomes and quality of practice will also be monitored through the Beyond Auditing framework as well as monthly management audits.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_9)

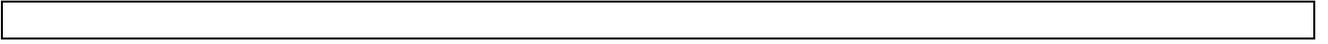
<b>Title of Investment Request</b>	<b>Appointment of Newly Qualified Social Workers (x 22)</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.000	0.900	0.450	0.000	0.000
<b>Current Budget – Net</b> (if bid adds to an existing budget)	17.672	17.672	17.672	17.672	17.672
<b>Cumulative Savings / Cost Avoidance</b>	(0.000)	(0.330)	(0.715)	(0.825)	(0.825)

### Detail of bid

<b>1. Outline why this growth in funding is required</b>
<p>In order to meet the demands of the Workforce Development Improvement actions in the Children and Young People’s Service Improvement Plan, the Council needs to continue with its annual recruitment of a cohort of Newly Qualified Social Workers (NQSWS) into the Children and Young People’s Services.</p> <p>It is considered business critical to continue this investment and the infrastructure is in place to support them with high quality placements and support. The recruitment of 22 permanent social workers will enable the phased reduction in 11 agency workers over the next 12 months and the reduction of a further 11 agency on completion of their first year in practice. This will reduce cost and help to create a permanent stable workforce.</p> <p>This is an invest to save initiative. On average a permanent experienced social worker costs £20k to £25k less per annum than the agency equivalent. The phased reduction of agency workers as a consequence of employing NQSW’s provides a significant cost reduction.</p> <p>Heads of Service and the Principal Social Worker have been involved in the decision making about the placements for the NQSW’s and the impact of inexperienced social workers on the teams and caseloads. As a result of this there is a plan of when 11 experienced agency social workers will leave and this is phased over the next 12 months.</p>
<b>2. Outline any legal and statutory framework(s) relevant to the funding growth bid</b>
N/A
<b>3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget</b>
The Children’s Social Care staffing budget is already over spending due to the well documented improvement plan initiated following Jay, Casey and Ofsted. This investment will help the transition to a stable permanent workforce.



**4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

Continued reliance on high cost agency social workers.

**5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

The CYPS Recruitment Team has been tasked with the campaign including an Assessment Centre and interviews.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

Continuing the strategy of growing experienced and qualified social workers will over the medium and longer term enable the transition from a significant reliance on agency staff, which has approached 20% of the workforce over the last two years, to permanent employees. The percentage of agency staff would be expected to fall below ten percent from April 2018.

This strategy will not initially generate budget savings; however it will facilitate the release of agency staff over the next twelve to eighteen months and therefore reduce the size of the current staffing overspend. Over the next twelve months there will be a phased reduction of eleven agency members of staff and once the NQSWs have completed their first year with the authority a further eleven agency staff will be released as the 2016 NQSW intake move into permanent roles and are able to take on full caseloads.

**Outcomes monitoring**

Children's Social Care is a major project within the Children's Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress will be reported monthly to the Children's Transformation Programme Board and Children's Improvement Board.

The expected outcomes in terms of permanent employees replacing temporary agency staff and the associated cost reduction will be closely monitored as part of the monthly budget monitoring process. Existing fortnightly performance reviews chaired by the Deputy Director of Social Care and monthly budget holder monitoring meetings will continue. In addition a project team consisting of the Head of Finance, CYPS Resourcing Team Leader and Business Support will meet regularly to agree "one version of the truth" staffing establishment and measure agency release against the timescale forecast.

## 2016/17 Budget Planning – Investment Bid (Ref: CYPS\_10)

<b>Title of Investment Request</b>	<b>Workforce Development and Practice Improvement</b>
<b>Service Area</b>	Children’s Social Care
<b>Directorate</b>	Children and Young People’s Services
<b>Responsible Advisory Cabinet Member</b>	Councillor Watson

### Financial summary

	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)
<b>Total amount of funding sought</b> (net, after accounting for any other income sources)	0.061	0.339	0.494	0.406	0.406
<b>Additional funding requirement</b> (subject to review)	0.000	0.489	0.489	0.489	0.489
<b>Current Budget – Net</b> (if bid adds to an existing budget)	0.137	0.137	0.137	0.137	0.137
<b>Estimated Savings</b> (Cumulative)	N/A	N/A	N/A	N/A	N/A

### Detail of bid

<p><b>1. Outline why this growth in funding is required</b></p> <p>Professional social work practice in Rotherham has been the subject of much scrutiny in recent years. The quality and impact of Social Work is one of the key issues leading to the inadequate OFSTED judgement in 2014. In order to ensure that the quality of Social Work practice consistently and systematically improves, a learning and development programme for Social Workers, through the professional journey from ASYE (1<sup>st</sup> year in practice), through the practitioner career and into Management and Leadership levels is essential. The most improved local authorities (Hackney / Leeds) have demonstrated the importance of linking social work development to professional methodology in achieving better outcomes (both for children and on inspection).</p> <p>The learning offer in Rotherham is currently underdeveloped. A recent review of the learning offered to children’s Social Workers in the borough identified that there are a very low levels of formal training sessions provided (individually and collectively these would be woefully inadequate to achieve the level of improvement in Social Work practice necessary). Though a commissioning budget does exist (£137k) this is provided to cover commissioned training for the whole CYPS Directorate, and not specific to the Social Work cohort. There is currently an insufficient learning and development structure, the absence of Rotherham “trainers” means that the Council is almost entirely dependent on commissioned training at this time. In the event that learning is to be embedded into the organisational culture, an improved and expanded training (and later research) function will be required.</p> <p>The professional landscape for Social Workers requires continuing professional development be embedded into the role. The regulatory body (Health Care Professions Council) sets out the minimum standards for Social Work CPD with the potential for Social Workers to be audited with regard to their professional development in order to retain registration. There is also the potential for Social Workers to need to undertake further accreditation (likely 2018 onwards) which will produce further requirements in relation to employer’s ability to train and develop these staff. Recruitment of Social Workers and Managers is consistently difficult, and a failure to retain</p>
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permanent staff leading to reliance on agency staff is one of the major factors leading to budget overspend and inefficiency in Children's Services. Research indicates that in retention terms, the learning and development offer is key in ensuring stability in the workforce over time (Eileen Munro – Review of Social Work in England and Wales 2011).

In this context, it is essential that Rotherham Council invest in the training and development of its Social Workers, in order to improve practice and produce better outcomes for children (potentially leading to longer term savings across the corporate function), reduce the risk of continued inadequate OFSTED judgements and help to improve the retention of Social Workers in the borough in the longer term.

There are 3 elements to the investment requested:

1. **Expansion of the current learning and development structure.** – Set out at section 5
2. **Commission of bespoke learning for Social Workers, Managers and Leaders of the organisation.**

The emerging Learning & Development Programme for Social Workers propounds a long term approach to the training of this cohort. In year one (2016 / 17) a Restorative Approach is suggested, to be provided for. This approach will provide consistent message in relation to *challenge and support* in practice and through the management and leadership functions. This approach has proven benefits (see Leeds OFSTED Inspection Report 2015) and has already been adopted in Rotherham's Early Help Services. The Restorative Model will be supplemented in year 1 with an additional training for all staff, prompted by the learning from audits, focussing on basic practice refresh – in the areas of law, assessment and intervention methodologies, risk identification and management, recording practice and direct work with children.

During Year 2, the roll out of the *Signs of Safety* methodology is proposed. This model is nationally significant and has been the subject of a recent Innovation Project (DFE – led by Professor Eileen Munro, London School of Economics). This model has often (when used consistently) been instrumental in producing good outcomes for children by helping practitioners to identify and build on (with parents and carers) the strengths they and others in their extended network have. The model is based on mitigation of risk through building resilience, and is consistent with programmes such as family group conferencing. The programme is typically delivered through a licensing arrangement.

During Year 3 and beyond, the proposal is to build on the more basic methodologies set out above, with a therapeutic training provision in relation to systemic practice. This is the methodology underpinning Hackney's *Reclaiming Social Work* model – Hackney is an outstanding local authority for its Children's Social Care functions. The model is delivered (usually) by the Institute for Family Therapy and will produce practitioners capable of having real impact in interventions with families through their ways of working. The cost of providing training for 150 staff (all managers and leaders and 25% of Social Workers) in year one of this provision would be £175,000. This cost will reduce to circa half (£87,500) in subsequent years, with a further 25% of the workforce trained each year thereafter.

3. **Organisational commitment to the importance of learning for Social Workers such that regular operational absence for this purpose is projected and built into the staffing structure of services.**

**(NOT INCLUDED IN THIS REQUEST FOR INVESTMENT)**

In the event that RMBC is committed to promoting the quality of its professional function, the time taken from operational delivery to support learning will need to be accounted for. It is usual for professional groups (Doctors / Nurses / Teachers) to account for time away

from the service delivery role such that learning and professional development is an acceptable and important task. Based on an expectation that each social worker and team manager will need to take 15 days to attend the training and embed the learning into their practice (restorative practice 2 days, signs of safety 7 days plus 6 days action learning) per year, across a Social Work and Team Manager (equivalent) cohort of 197 full time equivalents, this would require circa 10 additional posts at a cost of £489,000.

The proposal is to use the additional investment to supplement the existing Advanced Practitioner role in the children's social work structure. Currently, Advanced Practitioners in Rotherham, provide the most senior of the social work practice functions. The post offers incentives to senior and experienced social workers to remain in practice, helping to provide a career structure for practitioners. The post also has a number of specific practice functions, around the mentoring and development agenda (in teams), by leading practice improvement through coaching, direct teaching, observation and feedback. This post would be crucial to embedding real practice change in Rotherham, though in existing arrangements if available in only 9 of the 20 fieldwork teams. By using the additional resource to support learning, to supplement this level within the social work structure, Advanced Practitioners could be embedded in every children's team and used to provide additional capacity to cover social work absence as a result of training / learning time (both upward for Team Managers and downward, for social workers), whilst also providing the additional functions (set out above) across all teams.

The associated service impact of not taking this approach would be the loss 19,000 social work hours per annum.

## **2. Outline any legal and statutory framework(s) relevant to the funding growth bid**

The children's social care functions are required by statute. The Children Acts 1989, 2002 and 2004 set out the obligations of the local authority most completely, with the duties to provide services for *children in need*, investigate *actual or likely significant harm*, and protect children from abuse. *Working Together to Safeguard Children* provides the statutory guidance in relation to the local authority's functions.

In brief terms, the local authority is required to (not exhaustive):

- Safeguard, protect and promote the welfare of children in need and children suffering significant harm, through provision of services, assessment and intervention, public law applications, help for extended families and provision of care and leaving care services.
- Chair case conferences and statutory reviews of looked after children;
- Have sufficient accommodation to meet the needs of the looked after population;
- Provide a function to ensure the address of allegations against staff working with vulnerable people;
- Provide advocacy and rights services for children;
- Contribute to local Safeguarding Board and other multi-agency arrangements to ensure co-operation and effective work in these areas across the partnership.

As set out above, Social Workers are professionals required to register with and regulated by the HCPC, and compliance with the requirement of the regulator, regarding continuing professional development is needed.

## **3. Outline management efforts taken to reduce the size of this bid or to contain/minimise the associated financial pressure within the current budget**

The proposals set out above are based on a realistic projection about the number of staff who would need to be trained, in each team and service to have a significant overall impact on the quality of practice, beyond the actual trained cohort. The figures given for the commissioned systemic training

provision are based on the training of the entire management cohort (required to lead and embed practice change) with 25% of the remaining workforce (practitioners) receiving that training in year one. The proposal suggests a provision on the basis of a continued 25% practitioner training in forthcoming years. This will produce roughly 2 practitioners per team by the end of 2018 who are trained in systemic practice, with a further 2 in each team in forthcoming years. This is the minimum required to have a significant impact on practice.

With regard to the *Signs of Safety* methodology – attempts are being made to clarify the relative costs and benefits of the licensed and non-licensed route, with a view to minimising unnecessary expenditure whilst retaining the required practice impact.

The proposals around additional staffing (both by way of creation of a fit for purpose training function and backfill for release of operational staff for training) are explained within the report. Attempts have been made to slim these functions and costings have taken into account existing posts in the structure (for example the current Practice Auditors and Consultant Social Workers).

#### **4. Identify the consequences and outcomes to the service, service users and members of the public if the funding growth bid is not agreed**

As set out in section 1, there are multiple potential consequences of failing to provide an adequate learning and development offer to support the professional Social Work function.

1. The potential for Social Work practice to insufficiently improve, leading to further inadequate OFSTED judgements with the associated organisational and reputational risk;
2. The potential negative impact on Rotherham's ability to recruit and retain Social Workers, in a national context of significant professional shortage at practitioner and management levels. This will lead to a reliance on agency staff and continued financial pressures;
3. In the national context, more and more local authorities are moving towards a model of methodological embedding, producing a more professional, consistent and skilled function. If Rotherham is to compare favourably in the medium and longer term (both on inspection, by way of recruitment potential and by way of best outcomes for its youngest and most vulnerable residents) this investment is essential.

#### **5. Outline any staffing implications of the growth bid (using FTE figures where relevant) – e.g. recruitment requirements, re-deployment, temporary/agency contracts etc.**

The current training function is currently comprised of a small number of posts across the Safeguarding (Child's Social Care) Service and Commissioning Service. Currently, the only dedicated training posts are 2 Coordinator posts (Partnership and Standards respectively). In the Safeguarding Service, 3 Practice Consultants (Grade K) contribute a part of their current role (roughly 40%) to the training agenda.

The proposal is to create a "Quality and Learning Service" under the current Head of Safeguarding, bringing audit and learning functions under one Service Manager – with a responsibility to lead on the cultural, quality and practice changes needed across the organisation. Under this Service Manager, the proposal is to retain 2 bespoke Audit Consultant posts (likely Grade K), 4 Learning and Research Officers (likely Grade K) and one Learning and Development Manager (likely Grade L), in addition to the 2 existing Coordinator posts (currently Grade J and I). The new posts proposed will be Social Work professionals (with expertise in the field of learning and development).

This (if accepted) would provide the capacity to develop an RMBC Social Work learning offer, reducing the long term dependence on commissioned training and begin to embed the learning culture required to successfully and sustainably improve. The increase in cost for this service would be £319,000.

**6. What are the longer term benefits that the investment could bring; any revenue savings if applicable; and how the outcomes will be monitored?**

Summary of investment

	2016/17	2017/18	2018/19	2019/20	2020/21
Expansion of the current learning and development structure	31,000	318,945	318,945	318,945	318,945
Commission of bespoke learning	30,000	20,000	175,000	87,500	87,500
Total Investment	61,000	338,945	493,945	406,445	406,445

Staffing Investment (operational absence) <b>**UNDER REVIEW**</b>	0	488,830	488,830	488,830	488,830
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The associated measures / benefits are:

- Identifiable practice improvement – measured through audit, Monitoring Visits (OFSTED) and Inspection (OFSTED);
- Better outcomes at an earlier stage for children, resulting potentially in fewer children in care and within the statutory parts of the CSC function;
- Increased retention and successful recruitment of Social Worker leading to Rotherham being an employer of choice in the region.
- Positive reputational impact.

**Outcomes monitoring**

Workforce Development for Children’s Social Care is a major project within the Children’s Transformation Programme. The senior lead for the Project is the Deputy Strategic Director for CYPS. Progress will be reported monthly to the Children’s Transformation Programme Board and Children’s Improvement Board.