

MTFP Plan for Children's Services – Peopletoo Recommendations update

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Cabinet Members: Frances Nicholson (Cabinet Member for Children and Families) and Faye Purbrick (Cabinet Member for Education and Council Transformation)

Division and Local Member: All

1. Summary

- 1.1.** This report accompanies the Medium-Term Financial Plan for Children's Services (2019 – 2022) and provides further detail on Section 3 within the report focusing on an update to the Peopletoo recommendation review. This report will provide an update on decisions made in relation to the Children's Service MTFP budget setting process and how recommendations arising from the Peopletoo review report and financial plan have been incorporated and will be taken forward. All financial details relating to the MTFP for the Children's Service budget for 2019/2020 and referenced in this report are outlined in the MTFP report dated Friday 25 January 2019.
- 1.2.** Following a Corporate Peer Review in 2018 a report was commissioned from SCC with Peopletoo. Advisors recommended by the Local Association LGA. The work undertaken was a review of current budgets and existing practice and process across Children's Services, both Children's social care and Education, and identified potential areas of opportunity to safely reduce the projected spend and developed evidenced recommendations which would ensure future sustainability of the service.
- 1.3.** Peopletoo are a private sector management consultancy practice recognised and approved by the Local Government Association that specialise in providing support and advice to local government organisations undergoing significant financial challenge. The review for Somerset County Council Children's services was conducted between June and September 2018. Peopletoo working with the Service developed a three-year programme of savings and efficiencies based on a statutory children's service offer and the continuing transformation of services.
- 1.4.** Significant elements of the three-year programme and recommendations including a financial plan arising from the review were considered by the Senior Leadership Team and Cabinet in September 2018. The Director for Children's Services and Interim Director of Finance have taken these recommendations and elements into account when resetting the Children's Services budget for 2019/20 and the following 3 years as part of reflecting the known service funding and future demand pressures including MTFP savings.

2. Peopletoo Proposals

- 2.1.** A number of opportunities highlighted by Peopletoo are shown in **Appendix A** of this report as a Financial Plan for Children's Services (2019 – 2022). Initial feedback, including moving to a 'statutory minimum service', informed key policy decisions at September 2018's Cabinet. Subsequently further proposals have been developed offering savings to the Local Authority budget. Additional recommendations have been made in relation to the High Needs element of the Dedicated Schools Grant, these require further work before recommendations can be fully considered.

A key theme of the Peopletoo recommendations is to support the improvement of children's commissioning and further develop joint commissioning opportunities with the CCG, District Councils, Public Health and Adult Social Care.

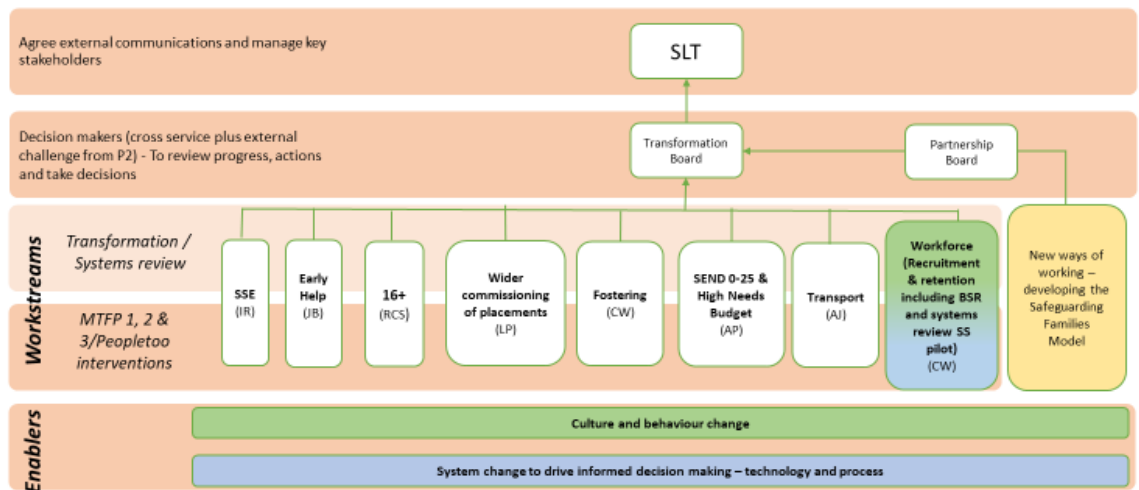
Sections 2.2 to 2.6 below briefly summarise the transformation work planned for 19/20:

- 2.2.** Support for School Improvement (Peopletoo ref F)
This proposal mirrors MTFP proposal for 19/20 CH 1920-01, proposing to recharge the balance of the salaries of the Primary School Improvement Advisers currently funded by the Local Authority (LA) to the School Improvement Monitoring and Brokering Grant (SIM&B).
- 2.3.** Increase in-house foster carers (K)
In 2019/20 a further net gain of 10 placements for children with SCC foster carers, to be achieved through improvements in the following areas:
- o Communication and Marketing
 - o Recruitment and Assessment
 - o Retention and Support
 - o Placement sufficiency
 - o Planning for children
- 2.4.** Placements (L/N/O)
A combination of four opportunities, comprising three identified by Peopletoo and an existing agreed MTFP saving. The proposal sets out a work programme with the overarching objective to reconnect children with their families and includes specifically the reduction in use of independent residential units, returning children placed out of county back to placements in Somerset, and reducing average costs in fostering and residential placements.
- 2.5.** 16+ Accommodation/Unaccompanied Asylum Seeking Children (UASC) (P/R)
A proposal extending the CAF11 Proposal for Change agreed by Cabinet in September 2018. This proposal highlights activities required to both deliver savings and improve the potential for 16+/UASC people to live fulfilling and independent lives in adulthood.
- 2.6.** Children's Services Business Support (S)
A proposal linking Peopletoo recommendations alongside activity that has already taken place to identify and deliver reductions in Business Support. Further systems and process work is required to secure the next phase.
- 2.7.** The remaining opportunities for reduction/efficiencies to the Local Authority Budget highlighted by Peopletoo have been adopted through either existing activity or addressed as part of the Financial Imperative Focus to ensure the delivery of a balanced budget in 2018/19.

- Consequently, a Children's Service Transformation Programme (CSTP) has been shaped initially from the recommendations of the PeopleToo review and honed to prioritise areas of high opportunity to transform commissioning and service delivery to ensure that communities are enabled to support their families wherever possible. Integral to the success of this Programme is a focus on workforce development and required cultural change across the service based on an agreed vision and set of shared values and outcomes. This new Programme will replace the Improving Children's Services Programme and will commence reporting from February 2019. It is intended that this Programme will provide the assurance and rigour to track and monitor progress of the transformational activities required to continue to deliver a sustainable budget from 2019 onwards.

The following slide outlines the current scope, workstreams and governance which will form the transformation Programme.

Governance and high-level scope - transformation



Commentary by Director of Children's Services

A transformation board chaired by PeopleToo, comprising members of SLT, has been established to drive the 3-year programme. The programme will be incorporated into the multi-agency Children's & Young People's Plan for 2019-22 which reinforces the commitment to achieve 'good' or better outcomes for children. The work of PeopleToo has assisted in identifying the appropriate budget for children's services. The Transformation programme addresses both funding and practice issues. All the work is aligned to the council's improvement strategy to provide excellent children's services.

Appendix A

Ref.	Key Area	Comment/Activities	Budget LA	Budget DSG	Budget High Needs	2018/19	2019/20	2020/21	2021/22	Total
A	Troubled Families	2800 Assessments with evidence of Police Incidents closed to NFA, check for positive outcome achieved and allow for 75% failure rate	Income into LA Budget			440,000	248,000			688,000
B	High Needs	Reducing reliance on the independent sector			√	100,000	300,000	300,000	300,000	1,000,000
C	High Needs	Rationalise the SEND specialist support services			√	50,000	950,000			1,000,000
D	SEND Integration	There is an opportunity to reduce spend on SEND Integration			√		38,000	176,800		214,800
E	SSE	Reduce some services funded by either LA or DSG to meet school statutory requirements and charge the SSE to generate income from schools to offset the loss of income - Attendance Function (SSE Education Welfare Service). Whilst a potential efficiency against DSG expenditure, it does provide an opportunity to focus resources to challenge on SEND, Safeguarding and Equalities as part of the LA statutory duties.		√		60,000	144,000			204,000
F	SSE	Reduce some services funded by either LA or DSG to meet statutory requirements and charge the SSE to generate income from schools to offset the loss of income - SSE School Improvement	√			33,000	67,000			100,000
G	SSE	Reduce some services funded by either LA or DSG to meet statutory requirements and charge the SSE to generate income from schools to offset the loss of income - SSE Early Years	√			32,000	168,000			200,000
H	SSE Property Services	Removal of duplication with other Corporate Services	√			45,000	225,000			270,000
I	DSG	Opportunity to rationalise the learning support functions that exist in the LA and SSE including the School Improvement Team and the Somerset Education Partners (SEPs), putting all activity in the SSE and trading services	√	√		25,000	125,000			150,000
J	DSG	There is an opportunity to remove the layer of commissioners, merge the commissioning function with the SSE policy and operational management functions thereby removing a layer of management		√		125,000	125,000			250,000
K	Foster Carers	Increasing the number of in-house foster carers to a ratio of 70% in-house to 30% IFA	√			52,832	132,080	184,912		369,824
L	IFAs	Reducing expenditure on IFAs	√				166,858	166,858		333,716
M	Early Help	Revised Early Help and Edge of Care Offer	√	School Improvement Grant £169k			1,548,428	309,686		1,858,114
N	CSC Residential Placements	Conversion of 8 residential placements to IFAs	√				532,064	532,064		1,064,128
O	CSC Residential Placements	Reducing the cost of Off Contract Residential Placements in line with On Contract	√				141,336	235,560		376,896
P	16+ accommodation	Look to transition 6 young adults identified from semi-independent into P2i. Re-categorise semi-independent accommodation and providers claim Living Allowance Plus for remaining 18+ tenants, claim Living Allowance Plus for in-house accommodation 18+ and secure standard housing benefit for Staying Put 18+	√			184,925	554,775			739,700
Q	CSC Residential Placements	Look to bring 10 placements back into Somerset at av. placement cost in Somerset	√				66,560	66,560		133,120
R	Unaccompanied Asylum Seekers	Reduction in the average weekly unit cost of accommodation commissioned outside of the YMCAs	√				305,032			305,032
S	Business Support	Using technology and process re-engineering to increase the Business Support Worker ratio from 1:4 to 1:6 and in year 3 1:8	√				1,369,166	781,836		2,151,002
T	Passenger Transport	TBC								-
Total						1,147,757	7,206,299	2,754,276	300,000	11,408,332
Investment Requirements										
	DSG	Recruitment of Assistant Director of Education including on costs (deleted from establishment)		√		- 16,166	- 80,834			- 97,000
	External Support					- 75,000	- 75,000			- 150,000
Total						1,056,591	7,050,465	2,754,276	300,000	11,161,332
Income Opportunities										
1	SSE Property Services	Review charges and drive further value for schools through the supply chain					100,000	150,000	250,000	500,000
2	SSE Property Services	Increased Trading of property services to schools				20,000	80,000	150,000		250,000
Total						1,076,591	7,230,465	3,054,276	550,000	11,911,332