

11 February 2019**Agenda Item: 16****REPORT OF THE SERVICE DIRECTOR, COMMISSIONING AND RESOURCES****UPDATE ON THE DEPARTMENTAL CHANGE PROGRAMME****Purpose of the Report**

1. To update the Committee on the progress of the departmental change programme and to seek approval for changes to the staffing establishment and the contracting and provision of placements for children in order to meet the challenges of the local authority's medium term budget position.

Information

2. The local authority continues to face considerable budget challenges in coming years and the Children and Families department is actively seeking to manage spend and to identify efficiencies. The department has delivered savings of £24.1m in the four years from 2014/15 and a further £2.35m in planned savings for the years 2018/19 until 2020/21. Within the department there is an ongoing programme of review and change activity to help meet the financial challenge, in particular the rising costs of social care for children and adults.
3. The department has undertaken a review of the middle management structure in the Youth, Families and Social Work division and has identified a series of changes designed to better align and coordinate the management of children looked after by the local authority, including the ongoing contact with birth families and services as they become adults and leave care. Committee is therefore asked to approve:
 - the disestablishment of a 0.5 FTE Children's Services Manager (Leaving Care) (Hay Band E) post from 1 April 2019
 - the disestablishment of a 0.5 FTE Children's Services Manager (Contact Service) (Hay Band E) post from 1 April 2019.
4. This will save net £42,000 per annum and the function of these posts will transfer to the Children's Services Manager for Looked After Children. Further proposals will be put before Committee following agreement of the 2019-20 budget by Full Council.
5. Efficiencies have also been identified in the Safeguarding, Assurance and Improvement Group. These will be achieved through joint working with other departments within the

Council and with partners to deliver support functions around workforce development and partnership meetings in different ways. Committee is therefore asked to approve:

- the disestablishment of 1 FTE Partnership and Planning Officer (Hay Band C) post from 1 October 2019
- the disestablishment of 1 FTE Effective Practice Development Officer (Hay Band C) post from 1 October 2019.

This would achieve a saving of £50,000 per annum by 2020/21.

6. The revised Short Breaks offer for disabled children was implemented in September 2018 with the aim of bringing a consistently overspending budget back under control. Since this time an average of 17 applications per week were received via the online application portal. Prior to the review of the Short Break offer the minimum number of hours awarded as part of a funded package was 80 hours per annum. Increasing demand for funded Short Break packages threatened the long term sustainability of the service. Therefore, the new Short Break offer saw the minimum package for those eligible set at 24 hours per annum, although many will receive significantly more after the needs assessment is completed. The smaller minimum level packages have resulted in 2,232 fewer hours being awarded for new applications. With regards to the time taken to receive notification of the allocation award, 57% of respondents indicated that they were either satisfied or very satisfied with the response rate which data shows has been significantly exceeding the targets set. Only 21% of respondents indicated that they were either dissatisfied or very dissatisfied with the response rate. There has been wider dissatisfaction with the levels of hours awarded and this was not unexpected. As reported to Committee previously these criteria were co-produced with parents themselves and based on their priorities. An appeals system has been implemented although the numbers of appeals are very low.
7. There continues to be significant pressure on the placements budget for looked after children as the overall numbers in care have risen by approximately 10% over the last year. The department is proposing to undertake a range of complementary initiatives to mitigate the escalating cost providing suitable placements for the Council's looked after children (LAC) whilst continuing to deliver effective outcomes at the best value price. These initiatives would include:
 - working with Derbyshire, Derby City and Nottingham City to gain economies of scale through the commissioning of residential and independent foster placements for children
 - increasing the levels of block contracting with residential and fostering providers to reduce unit costs
 - developing the market so that there is an increased supply of private residential provision within the County
 - developing smaller, highly supportive accommodation settings for young people leaving residential settings.

It is anticipated that this will avoid costs of £260,000 per annum by 2021/22.

8. In addition it is proposed that the internal provision of both fostering and residential provision should be increased. It is proposed to open a further four bedded residential children's home during 2020/21 which will avoid costs of £140,000 per annum by 2021/22. On completion of a feasibility study and agreement of capital, proposals will be made to Policy Committee

followed by establishment of staffing through this Committee. A separate report on plans to increase fostering provision is also on the agenda of this Committee meeting.

9. Resource is required from the Programmes and Projects Team to support the delivery of the projects referred to in **paragraphs 7 and 8**. Committee is therefore asked to approve the establishment of the following fixed-term posts for 12 months:

Post	Grade	Number Required	Existing Available	Additional Requirement	Additional Cost per annum
Project Manager	D	2	0	2	£107,330
Programme Officer	B	2	0	2	£87,956
Cost per annum					£195,286

10. The Council operates three Children's Disability Residential Homes - Minster View, Caudwell House and The Big House. As the pattern of need for overnight short breaks has changed in Nottinghamshire with more community provision available there is spare capacity in these homes. This can be made available for use by other local authorities or for private purchase, for example where children have received significant compensation due to medical negligence. If the workable capacity is made available this could result in an income of £393,000 per annum for the local authority whilst providing much needed high quality care for children and young people with complex disabilities.
11. The renegotiation of the contract between the Ministry of Justice and Clayfields House for secure beds for children and young people subject to remand or sentenced to detention has been completed. This has led to an increased price per bed per night that will reduce the risk of the local authority needing to subsidise the provision. The price which local authorities pay for a Welfare Secure bed at the unit has also been increased to fund service developments and to mitigate financial risk. This will reduce the local authority's subsidy for Clayfields House from £400,000 to zero.

Other Options Considered

12. The Children and Families department continues to scrutinise all areas of expenditure and will present to Committee identified options in line with the Council Plan and Departmental Strategy.

Reason/s for Recommendation/s

13. Nottinghamshire County Council continues to predict a budget shortfall in future years. These recommendations create savings and cost reductions for the Council whilst protecting essential frontline services.

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability

and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

15. The savings identified in the report are summarised in the table below. Those proposed for 2019-20 will be included in the 2019-20 budget setting process and the remainder in the construction of the Medium Term Financial Strategy (MTFS) for future years.

	2019-20 £000	2020-21 £000	2021-22 £000	Total £000
Social Care Middle Management Review	42			42
Partnership Working Efficiencies	25	25		50
Market Management & Cost Control	40	130	90	260
Increasing in-house Residential Provision	0	0	140	140
Managing Capacity in Children's Disability Residential Homes	393			393
Clayfields House	400			400
Total	900	155	230	1,285

16. The cost of the Programmes and Projects Team posts referred to in **paragraph 9** is £195,286 and this will be funded by the use of capital receipts flexibility.

Human Resources Implications

17. Where staff are displaced by changes to establishment the agreed Redeployment procedure will be put in place in an attempt to secure alternative employment and mitigate against any compulsory redundancy.

Implications for Service Users

18. Proposals should mean an increased number of looked after children have stable, high quality placements closer to the home area.

RECOMMENDATION/S

That Committee:

- 1) approves the disestablishment of the identified posts in Youth, Families and Social Work and Safeguard, Assurance and Improvement, as detailed in **paragraphs 3 and 5**.
- 2) approves initiatives to increase availability and to decrease the costs of placements for looked after children through joint work with other local authorities, increased block contracting and development of the market to provide avoidance of £260,000 in costs per annum by 2021/22
- 3) endorses the continued work on the feasibility of a new four bedded residential unit with a report initially to Policy Committee in relation to the required capital and property

- 4) approves the establishment of posts to support the delivery of the projects as detailed in **paragraph 9**
- 5) approves the sale of additional capacity in residential disability homes to maximise use, create income and to provide high quality care places for children who require them
- 6) considers any other actions required by the department to develop and deliver on plans to meet the anticipated financial challenges.

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Constitutional Comments (SLB 10/01/19)

19. Children and Young People's Committee is the appropriate body to consider the content of the report. If Committee resolves that any actions are required it must be satisfied that such actions are within the Committee's terms of reference.

Financial Comments (SAS 24/01/19)

20. The financial implications of the report are contained within paragraphs 15 and 16 above.

HR Comments (BC 15/01/19)

21. The staffing implications are contained within the body of this report. Staff have been consulted on the proposed changes. Any staff displacement arising from the proposal will be dealt with in accordance with the Authority's agreed redeployment procedure.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Refreshed Short Breaks Offer for children and young people with disabilities – report to Children and Young People's Committee on 19 March 2018.

Electoral Division(s) and Member(s) Affected

All.

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