

AD HOC SCRUTINY PANEL

A meeting of the Ad Hoc Scrutiny Panel was held on 4 January 2018.

PRESENT: Councillors Sharrocks (Chair), J Hobson, Lewis, McGee, McGloin, P Purvis and D Rooney and M Saunders.

PRESENT BY INVITATION: Councillor N Walker.

OFFICERS: S Bonner, J Bromiley, A Brown and C Lunn.

APOLOGIES FOR ABSENCE Councillor J Walker.

DECLARATIONS OF INTERESTS

There were no Declarations of Interest made at this point in the meeting.

17/3 MINUTES - AD HOC SCRUTINY PANEL - 17 NOVEMBER 2017

The minutes of the Ad Hoc Scrutiny Panel meeting held on 17 November 2017 were submitted and approved as a correct record.

Reference was made to pages eight and nine and the agreed action points. Panel Members were advised of the changes that had been made to the Strategic Planning 2018-2021 report following the comments made at the last meeting. A copy of the updated report had been circulated with the agenda, for information.

17/4 COUNCIL BUDGET 2018-2019 AND PROPOSED SAVINGS - FURTHER INFORMATION

Following concerns raised at the 17 November 2017 meeting of the Panel in relation to budget proposals pertaining to children's care, A Brown - Director of Children's Care - was present at the meeting to provide Members with further information.

Regarding the number of Looked After Children (LAC) and whether this had increased or decreased in recent years, it was explained that the number of LAC had increased year-on-year since 2012. This had been the national picture; however, Middlesbrough was, and had been over the last 10 years, higher than other national comparative areas. There were a combination of reasons for this, which would be considered during the meeting.

Since June 2017, when the Council had commenced some aspects of the Believe in Families programme, the number of LAC had reduced each month. As at 30 November 2017, the figure was 439. The highest the figure had been was 475, therefore the numbers were reducing, albeit slowly. It was felt that the reason for the reduction in the figures revolved around practice change and maintaining more young people at home, or returning young people home to other family members (Kinship Care) within a legal framework that took them outside of the LAC system. The reduction needed to be slow and gradual because it needed to be safe. It was recognised that, by the very nature of the LAC cohort, of those 439 children, a significant proportion would have been in care for quite some time and therefore not easily or swiftly returned to family, if ever. Consequently, the children that the service needed to focus changing practice on were the ones that were just entering, so that they could be returned home swiftly and safely, where appropriate. Owing to the number of children in the LAC system that, for example, were placed at home on care orders, or placed with other family members, this on-going reduction in LAC numbers was felt to be achievable.

The reason for the consistently high number of LAC in Middlesbrough was due to a range of issues, some of which were linked to poverty and deprivation. These pressures were not new to the town and most likely linked to Social Care practice and how children were made safe, e.g. not every Local Authority in the country that had the same poverty and deprivation

as Middlesbrough had the same number of LAC. Children's Services could not change the external experience for all children in Middlesbrough, but it could change practice and how children were supported safely and in a way that met their needs.

A discussion ensued in relation to Kinship Care. Reference was made to a recent investigation undertaken by the Children and Learning Scrutiny Panel in respect of this topic, and to a Members' Briefing that had also recently been delivered. Consideration was given to the financial implications involved in supporting Kinship Carers and how this would potentially impact both the budget proposals and service provision. It was explained to Members that, in terms of financial savings, whilst there was a cost to supporting Kinship Care (variable dependent upon individual circumstances), that cost was minimal in comparison to the cost of alternative provision, such as a residential placement with specialist care. It was acknowledged that this posed great difficulty in terms of monitoring and identifying future financial demand because there was no direct correlation between LAC numbers and expenditure. For example: if the Authority had 200 LAC all in residential care, the cost would be significantly higher than if it were a combination of Kinship and residential care.

Reference was made to the national crisis around the funding of children's care, the operation of private care facilities and the demand for placements, and wider regulation changes, which could not be controlled by the Council or its partners and which offered continual challenge. It was felt that, because the Believe in Families programme revolved around change in practice and behaviours, it required on-going significant time and investment, which the Local Authority had and would continue to provide to ensure the best provision possible, but the services had to be appropriate for Middlesbrough's communities and for the children and families being supported.

In response to an enquiry regarding contingency in the Authority's finances to cover the fluctuating cost of demand for children's care, Members were referred to paragraph 36 of the Strategic Planning 2018-2021 report, which indicated that *'following an assessment of the level of uncertainty within the Medium Term Financial Plan, particularly in the areas of demand forecasting and the lack of knowledge around the likely level of Business Rates appeals, an overall contingency of £1.2m per annum had been provided for 2018/2019, 2019/2020 and 2020/2021.'* Consideration was given to contingency setting and the striking of a balance in terms of offering provision, but reducing under-spending.

A short discussion ensued regarding the Believe in Families programme and the various elements involved in supporting its ethos, such as working with families to reinstate units, placing children with extended family, and bringing children that were in secure placements outside of the area back into Middlesbrough.

In response to an enquiry regarding financial payments to Kinship Carers, it was explained that if a child was in the care of the Local Authority, placing that child with a family member meant that the family would receive a fostering allowance, but the child would still remain looked after. If that family member was then to apply for, and subsequently be granted, an alternative court order, such as a Residents Order or a Family Arrangements Order, the fostering allowance payment would cease.

A short discussion ensued in relation to the monitoring of children in placements and the personnel and processes involved in this activity.

A Member made reference to Appendix B of the Strategic Planning 2018-2021 report - proposal VFM 04: *'Cease funding separate Community and Adolescent Mental Health Services (CAMHS) for Looked After Children, with assurance that the service will continue to be provided via the central CAMHS team, with no reduction in service accessibility or quality.'* and raised concerns around this. In response, it was explained that the Local Authority had commissioned CAMHS services for LAC for a number of years because it was not seen as a priority group. Through the national CAMHS Transformation Strategy, however, LAC had been identified as a priority group for CAMHS, which meant they had to prioritise them in terms of waiting lists, appointment times, etc. This being the case, the Local Authority had taken the decision to remove the double funding, as LAC would now be a priority within CAMHS' own framework. It was highlighted that on-going monitoring in terms of the impact

on the Authority's LAC would be undertaken in this regard. If there was an impact identified, this would be pointed out to CAMHS as owners of the statutory responsibility for delivery.

Consideration was given to other children from the general population who may have required CAMHS services, the impact that this change in priority could have on them, and whether staff changes could be seen as a result. Reference was made to previous funding amounts, the contract that the Local Authority had had with CAMHS and the services provided. Members heard of the challenges facing children's social work in terms of the recruitment and retention of experienced Social Workers, and the likelihood that this was facing other agencies and organisations, such as CAMHS. It was noted that there may be opportunity in the future for the Children and Learning Scrutiny Panel, with CAMHS, to look at whether or not the general population of Middlesbrough's children were being impacted by this change.

It was felt that the wider question of CAMHS access for the general population of children, in particular with the links to schools, was challenging in Middlesbrough and that this would very much be part of the Children's Trust Agenda going forward.

A short discussion ensued in respect of the Children's Trust Agenda, in particular the focus and drive of it. It was felt that the Trust was a necessity; a repeated message received through various external inspections, peer reviews, etc. was that partnership working, joint commissioning and tackling an issue in a shared ownership way was not something that had been fully developed in Middlesbrough. Although recognised that sole creation of a Trust alone would not resolve this, it would provide a vehicle for senior persons, at a strategic level, to meet and discuss significant challenges, such as neglect and domestic violence, which the Local Authority was impacted by. Reference was made to other partner organisations, such as the Police and Clinical Commissioning Groups (CCGs) that faced the same financial pressures as the Local Authority. The risk of the impact of these financial pressures was that such organisations would retract, and those children and families requiring support would fall through the gap.

In conclusion, the Director of Children's Care explained to the Panel that the challenge or the time that it would take to make the Believe in Families changes must not be underestimated - this was a long term issue that would take a number of years to fully address. There were a variety of wider challenges around this programme, such as Social Worker recruitment and retention, which would impact on the service's ability to deliver, and it was important to remain mindful of this. Work was currently being undertaken in relation to the recruitment and retention of Social Workers; the aim was to ensure that Middlesbrough was an attractive place for Children's Social Workers, as it was only by attracting and retaining good professionals that would allow the Authority to have the desired impact on children and families.

The Panel thanked the Director of Children's Care for her attendance and contribution to the meeting.

The Panel was advised by the Executive Member for Finance and Governance that two changes had recently been made to the Strategic Planning 2018-2021 report. The first referred to paragraph 12 of the report and the Pay Award Offer: the proposal that had been made from Government was that the Pay Award would be larger than 1%, which the Authority would support and had made provisions for. The second referred to paragraph 22 and the Council Tax increase - "*...changes introduced by Government in 2015 on the limits for such increases, it is assumed that the Council will increase Council Tax by 1.99% per annum*" - the Government had since increased this by a further 1%. The decision now needed to be taken by Council as to whether the 1% that the Government had suggested would be followed or not. Mention was also made of a Special Meeting of the Executive that had been scheduled for 11 January 2018, where this matter would be discussed. It was felt that this demonstrated the 'live' nature of the Strategic Plan in that it was a document that required continual updates; the aim of it was to provide a long-term view.

The Director of Children's Care left the meeting at this point.

A Member made reference to Appendix A and savings proposal BI03 - '*Exploring new operating models for the delivery of Council services, to assist the Council in addressing its*

financial gap' - and queried whether or not this referred to the privatisation of Council services. In response, the Strategic Director of Finance, Governance and Support explained that this was not the aim; it was about looking at shared services and similar models. When these priorities were being devised, the aim was to strike a balance between making the proposals too high a level that they did not mean anything at all, and being too explicit so that specific projects were being discussed. Underneath each of the strategic priorities was a set of projects that would deliver against those priorities.

In response to a further question around the cancellation of privatisation of any services and/or personnel, the Executive Member for Finance and Governance indicated that this could be about looking to bring current private services and/or personnel back in-house. In terms of obtaining best value for money, it was about ensuring the best value for the people receiving the services. Whilst it could not be said that not one service would be delivered by a private company, it would not be ruled out that services currently being delivered by private companies could be brought back in-house. This would be dependent upon such matters as the service, the belief of services on public life, and the influence over the services, e.g. the availability of expertise in-house to change or deliver a new system. Reference was made to procurement and potential for joint procurement activity to take place with other Local Authorities; mention was made of the North East Purchasing Organisation (NEPO) in relation to this.

A Member made reference to proposal PR06 - *'Developing Centre Square as the Tees Valley's premier office location, and a major hub for cultural and leisure activity.'* - and raised concerns regarding the one car park that had been planned for the development. During discussion, a Member made reference to analysis work that had been undertaken in respect of the surrounding car parks, which had shown that these were being under-used. Contact would be made with the Culture and Communities department for further information regarding this analysis work, and Members provided with this accordingly. Mention was made of a recent Members' Briefing that had been held regarding the Centre Square development project. Members discussed the transport links to/from Middlesbrough, including bus and rail, which may have proven attractive to the companies potentially taking up office space, i.e. car use was not always required.

A Member made reference to proposal ROI 02 within Appendix B - *'Recharge 8% central overheads to customers to ensure that the Council fully recovers the cost of providing chargeable services, where this is not already achieved.'* - and queried the services that residents would need to pay for. During discussion it was clarified that the customers being referred to in this context were other organisations. Reference was made to a recent Members' Briefing that had been undertaken in respect of the 'Strategic Planning 2018-2021 and 2018/2019 Budget Proposals'. It was explained that, within the presentation slides, interactive links were inserted to allow the reader to receive further information in respect of each proposal; the slides would be circulated to the Panel Members.

Members were advised that, should any further questions arise between now and the end of the consultation period, which could not be answered via the information in the presentation slides, these could be raised with the Chair of the Panel or the Strategic Director of Finance, Governance and Support.

In terms of next steps, the Panel was conscious that the consultation ran up until the end of January 2018. The feedback provided at the Panel's last meeting in November 2017 had been taken into account and Members were highly appreciative of this. It was felt that a formal response to the consultation was not required from the Panel Members as a collective; however, it was indicated that should Members have wished to contribute privately to the consultation, there was the option to do so. There had not been any terms of reference prepared for this review as it was felt unnecessary to do so - the purpose of the review was solely to look at the budget. It was suggested that a further meeting of the Panel be arranged to look at the consultation process and how engagement with stakeholders, in particular the public, had been achieved. The Panel was in agreement with this; a meeting would be scheduled for early February 2018 and Members notified accordingly.

AGREED that:

1. **The slides from the recent 'Strategic Planning 2018-2021 and 2018/2019 Budget Proposals' briefing would be circulated to the Panel Members, for information.**
2. **Contact would be made with the Culture and Communities department for further information regarding the car park analysis work undertaken in respect of the development of Centre Square, and Members provided with this accordingly.**
3. **Following further consultation with the Chair, a meeting of the Ad Hoc Scrutiny Panel would be scheduled to take place in early February 2018, and Members notified accordingly.**
4. **The information, as provided, be noted.**