

APPENDIX 9 -For information - Children's Services Financial Improvement Plan – approved by Executive 14/2/23

Appendix A: Children's Service Financial Improvement Plan

Ref:	Financial Plan proposal	23/24 (£000's)	24/25 (£000's)	Total (£000's)	Additional Info/Queries / Actions /Narrative
1	Reduction in the use of high cost external family support provision Further detail : To reduce the spend on support to key external support providers, through the development of an in-house Family Support team. This team will support individuals at edge of care and also short term placement requirements resulting in cost avoidance of emergency high cost placement.	409	318	727	Current expenditure over a full year is £1.7million. Currently the service purchases ad hoc support from external services, in which there is a limited market. A more consolidated approach is to develop an in-house family support team, consisting of 16 staff to provide the required support. A business case has been developed which identified a 13 week lead in time for delivery. Costs have been factored in for continued provision at the start of the financial year whilst the team is recruited and trained.
2	Reduce the reliance of externally commissioned managed project teams Further detail : to implement the exit strategy for the reduction of the 3 externally sourced managed team within children's social care. This will include the replacement of 1 appropriately commissioned team and the removal of 2 others.	1,000	0	1,000	The contracts for 3 managed teams are due to expire in February 2023, however 2 teams will be extended until May 2023 to allow for appropriate transition plans to be implemented. Costs for the replacement resources have been factored in to the forecasted saving and work is already in progress to commission a single managed team.
3	Terminate the arrangements with Pause Further detail : To cease the work undertaken through the Pause project and plan for the pre-birth team to progress learning from the project.	69	0	69	The Pause contract works with women who have experienced, or are at risk of, repeat removals of children from their care. This is a regional contract led by Newcastle City council, which Middlesbrough council contributes to. Following regional discussions with partners the contract will cease, however learning from the contract will be considered by the in-house pre-birth team to ensure learning is embedded into practice.
4	Introduce supplier incentive Scheme across Children's purchasing Further detail : To introduce the supplier incentive scheme across both residential and IFAs (total £21m) Calculations based on a 30% sign up on spend and a rebate of 1% shared with SIP provider.	31	31	62	Middlesbrough council has a supplier incentive scheme operating across a number of council functions / expenditure. This scheme enables discount for early payment of invoices. This proposal seeks to roll out the scheme to expenditure across children's services.
5	Combine posts to release efficiencies in Quality Further detail : To combine elements of two senior posts , which will also incorporate overall responsibility for quality. This will release a level Q post with some deduction for the increase for the functions of the combined post. Developments will release a further post from strategic services in year 2 - Grade O	51	48	99	A review of workload and practices has led to key elements of two senior posts being combined to create a single new post. This will release some savings. A further post from strategic services will be released in year 2 once key processes are embedded into business as usual functions.
6	Increase the in-house residential offer to reduce expenditure on external placements Further detail : To purchase and/or refurbish additional properties to develop additional bedspaces for a) children requiring care 2) UASC 3) 16+ pathway and care leavers	787	1,061	1,848	To increase the number of in-house residential placements available, which are more cost effective than externally sourced placements. A review of the councils asset register has identified 2 potential properties which require refurbishment, and consideration will be given to capital purchase for further properties to ensure a clear pathway is put in place for children within the residential model. This will also support the transition to adulthood for a number of children in placement. Dialogue is also progressing with housing partners to ensure availability of move on accommodation.
7	Reduction in agency costs Further details - To seek a reduction in the utilisation of agency, replacing agency staff with permanent staff on the establishment	152	380	532	The proposal is based on a reduction in agency spend, through either the appointment of permanent staff or the conversion of agency workers to permanent posts. The target is 8 workers year 1 / 10 workers year 2. Consideration of the improvement journey has been factored into the scope of this saving, to maintain consistency of staff working with children.
8	Redesign of short break provision further details: to move newsletter to digital offer, and redesign provision utilising further grant opportunities	8	30	38	Progression towards a digital solution has identified the release of funding utilised for newsletter development in year 1. year 2 costs are based on alternative delivery models - year 2 costs will be subject to further consultation.
9	Deletion of vacant Policy and Practice post	47	0	47	This post is currently vacant and can be released as a saving
10	Improved financial management linked to purchasing card expenditure	200	0	200	Improved financial management through a review of purchasing cards, which will identify appropriate card holders and areas of spend which could be sorted through a more cost effective arrangement rather than ad hoc purchases across the service.
11	Review of educational contributions	100	0	100	Following a joint review with education, a number of children within residential placement do not have an EHCP (Education, Health & care plan), including a small number within residential school environments. This project will improve the referral process and ensure all children whom should have an EHCP assessment are referred appropriately for their education costs.
TOTAL		2,854	1,868	4,722	

Overall total for inclusion into wider saving (savings not made for previous leadership proposals) 982 711 1693

total additional saving than that previously identified 1,872 1,157 3,029