

Children's Services Finance and Performance

Overview and Scrutiny Board 28th July 2021.

**Sue Butcher
Executive Director Children's Services**



MIDDLESBROUGH
CHILDREN
MATTER

Progress to date – JULY 2021

- We are continuing to evidence systemic improvements to outcomes for children, and more effective use of **our collective resources**, with strong corporate and whole-Council support
- This positive analysis of **our collective impact** for local people in Middlesbrough is supported by the rigorous scrutiny of our regulators (Ofsted; DfE; Commissioner)
- The implementation of **robust performance management** and the use of data to inform our decision-making is an identified strength of our local arrangements
- We are increasingly well-positioned to **understand, evaluate and forecast** the impact of our services to inform medium and longer-term financial and resource planning

Leaders have introduced and built on a comprehensive audit to excellence programme, enhanced performance management, and demand forecasting. There are also new practice standards to provide clearer expectations or 'non-negotiables' about the quality of social work practice.

Commissioner's Comment →

← Ofsted Report

The work on understanding demand and future projections is of a very impressive nature, sophisticated enough to incorporate the challenges of analysing legacy issues whilst also incorporating ongoing COVID related impacts. The quality and clarity of this analysis and forecasting work enhances leadership credibility and corporate support and engagement in improvement activity. The work has considerable potential to meet the ambition of joining improvement and financial strategies in a comprehensive Medium-Term Financial Forecast for Children's services.

Summary of Placement Demand Led Budgets						
Actual Figures						
Category	Numbers					
Demand	Latest	Figure at 31st March 2021	Change in year	2021/22 Projected Outturn	Average cost per young person per week	
External Residential	57	65	-8	£ 12,141,042	£	3,874
Internal Residential	19	11	8	£ 2,692,500	£	2,718
IFA	158	163	-5	£ 6,417,860	£	753
Internal Fostering	173	164	9	£ 2,692,882	£	299
Friends & Family **	393	373	20	£ 3,453,310	£	166
Demand change from 2019/20 Year-End position	800	776	24			
We currently receive £1.2m towards these placements from Health						
Highest cost in external residential currently £18,002 per week				** Not all looked after children		

There is now an approved, impressive Strategic Workforce Development Strategy with themes covering organisational design, recruitment and retention and workforce training and development. The sophistication and ambition displayed in the modelling work is really exceptional. The strategy is clearly aligned with other strategic activity and has impressively sequenced ambitions and desired outcomes. Work is advanced on finalising the approach and determining the financial implications of the approach to enhance recruitment and retention in key roles.

Commissioner's Comment 

 Ofsted Report

Leaders have appropriately prioritized recruitment and the development of the workforce strategy. Although social workers' workloads are reducing, they remain too high for some social workers. In addition, some children experience too many changes of social worker. Children told inspectors that if they could change anything they would like to have social workers who stayed with them for a long time. Too many changes of social workers affect relationship-building, as well as an understanding of children's circumstances and needs and the progression of children's plans.

Salary Information - to be added with August Salary information

Directorate	Actual to August	Budget to August	Variance
Prevention & Partnerships	£2,997,476	£3,278,333	£280,857
Children's Care	£5,506,030	£6,192,083	£686,053
Total Children's Services	£8,503,506	£9,470,417	£966,911
Agency Spend	Actual to August		
Actual spend	£1,431,751		
Notes			
Actuals are as per Business World to 31/08/2020			
Agency spend incorporates values attributable to Improvement and Covid			

FORECASTING & TARGET-SETTING

- We have identified **7 proxy indicators with indicative targets** based on our statistical neighbour averages
- These indicators are built into a **scorecard to support LMT decision-making and scrutiny.** This offers a clear framework for understanding the progressive impact of Children's Services improvements on our combined Council resources
- Our modelling is continuing to evolve to take account of **unknown and emerging factors** in a unique era of national and local pressures for our communities

OUR METHODOLOGY

- Building on the last 12 months progress we have set an ambition to achieve the statistical neighbour average for the overall rate of looked after children over the next 3 years
- This would bring our children in care population in line with the average for:

Rochdale	Stoke on Trent	Tameside	Salford	Knowsley
Blackpool	Kingston U. Hull	Hartlepool	Halton	South Tyneside

- Our evidence-led target setting is based on:
 - Moving progressively from our current Children in Care population towards the statistical neighbour average over 3 years
 - Forecasting future placement distribution based on established trends between 2020-21
 - Modified to take account of in-depth modelling of projected additional reductions in external residential and increases in internal fostering numbers resulting from improvement plan initiatives
- Identified risks include:
 - Unknown and emerging modifying factors (e.g. Covid19; placement sufficiency)
 - Slow down in rate of improvement & ongoing practice legacy issues
 - Increases in national / regional / statistical neighbour Children in Care averages

OUR PROPOSED SCORECARD FOR LMT QUARTERLY MONITORING

Indicator	Polarity	June 2020 (Agency baseline Jan 21)	Jun-21	Target 2021/2022	Target 2022 / 2023	Target 2023 / 2024	Target Detail
1. Number of substantive posts filled with agency social workers	Lower is better	64	50	48	30	23	Reduce to National Average of 15%
2. Number of children in care (no/rate)	Lower is better	670 (202.2)	545 (164.5)	502	459	416 (125.5)	Reduce to SN Average
3. Number of children placed in external residential placements	Lower is better	74	58	47	37	35	Reduce to modelled Boro Target
4. Number of children placed in in house residential provision	Higher is better	9	19	21	22	23	Increase to modelled Boro Target
5. Number of children placed with in-house foster carers	Higher is better	160	170	169	175	185	Increase to modelled Boro Target
6. Number of children placed with IFA carers	Lower is better	168	164	159	143	121	Reduce to modelled Boro Target
7. Proportion of placement moves in the reporting period which have incurred less cost (excludes same cost movements)	Higher is better	64.6% (Q1, 20-21)	66.7% (Q1, 21-22)	68.8%	70.9%	73.0%	Incremental Year on Year Increase