

CORPORATE AFFAIRS AND AUDIT COMMITTEE

A meeting of the Corporate Affairs and Audit Committee was held on Thursday 25 November 2021.

PRESENT: Councillors B Hubbard (Chair), J Platt (Vice-Chair), T Higgins, J Hobson, D Rooney and C Wright

ALSO IN ATTENDANCE: M Rutter (External Auditor) (Ernst Young) and P Jeffrey (Internal Auditor) (Veritau)

OFFICERS: C Benjamin, S Bonner, N Finnegan, A Humble, S Lightwing, P Rudd, R Thompson A Wilson, and I Wright

APOLOGIES FOR ABSENCE: Councillor T Mawston

21/25 **DECLARATIONS OF INTEREST**

There were no declarations of interest received at this point in the meeting.

21/26 **MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 15 OCTOBER 2021**

The minutes of the Corporate Affairs meeting held on 15 October 2020 were submitted and approved as a correct record.

The Chair requested an update on the Statement of Accounts 2020/2021 which were scheduled to be presented at the next meeting on 9 December 2021. The Head of Finance explained that due to an increased number of queries and additional work the Accounts had not yet been completed. It was now envisaged that the Statement of Accounts 2020/2021 would be presented to the Committee in January 2022.

21/27 **HR ASSURANCE REPORT**

The Head of Human Resources (HR) presented the HR Assurance Report, the purpose of which was to update the Committee on activities taking place over the last twelve months and particularly in relation to the Covid-19 pandemic period. A brief overview of sickness absence and the next steps going forward was also included.

Additional funding had been secured through the Covid Support Fund to employ a dedicated Health and Wellbeing HR Business Partner to support staff through the pandemic. This twelve month fixed term post was taken up in July 2021. The purpose of the role was to support Covid recovery and transition to a new normal for employees. The Council was ambitious to develop its wellbeing culture and drive sustainable changes to improve employees' wellbeing in the long term.

Work undertaken by the post-holder to date included:

- Development of a Working From Home (WFH) best practice guide (to be launched with new Blended Working Policies) which aimed to support employees to continue to prioritise their wellbeing and develop good WFH practices for self-care.
- Development of a dedicated Mental Health Awareness intranet page, available to all staff, with specific resources for line managers on how to support employees' mental health.
- Distribution of promotional material for the Employee Assistance Programme, including electronic posters, utilising the staff portal and the distribution of 'wallet' sized contact cards. This was available to all staff 365 days a year.
- Purchased Suicide Prevention Kits and placed these at different venues for any staff who might need them to access. The kits contained lots of information to help people in a crisis situation. They would be placed in discrete locations.

An unexpected piece of work that had to be prioritised was the implementation of the Health and Social Care Act 2008 (Regulated Activities) (Amendment) (Coronavirus) Regulations 2021, which came into force on 11 November 2021. The government had announced plans

for expanding these requirements into health and wider social care. Further clarity as to who was covered by the legislation was awaited and it was anticipated this would require further work. It was confirmed that all Council staff working in the affected settings were double vaccinated.

In respect of the Occupational Flu Vaccine scheme, 250 vaccines had been secured and front line workers in direct contact with vulnerable service users/clients were being prioritised to receive those vaccines. Three clinics took place in October and November and all the vaccines were used.

A 7 day free gym pass for all employees to access any Everyone Active gym free of charge had been negotiated. The aim was to encourage physical wellbeing and activity in the wake of WFH and the impact of pandemic on physical activity habits.

The Council's 2020 submission for the Better Health At Work Award was deferred due to the pandemic, and the team was currently working on a submission for 2021 assessment. Despite the pandemic, the Council was optimistic that its current status of Maintaining Excellence would be retained.

The pandemic had put a pause to the great work and contribution of the employee network of Health Champions and Health Advocates. However with support and guidance from the new Health and Wellbeing Business Partner, these groups were now back up and running. Evidence from the Health Champions and the work they did was used in the submission for the Better Health At Work Award.

Employee Network Groups had great potential to shape the culture by tapping the ideas, passion and knowledge of employees. Effective networks could help create change and support leaders and managers in implementing it. The following networks had been re-energised and met regularly. They also reported into the Equality and Inclusion Working Group, chaired by the Director of Adult Social Care and Health Integration:

- BAME (Black, Asian, Minority, Ethnic)
- LGBT+
- Gender Equality
- Disability and Wellbeing Network
- Carers Network

The Council was committed to delivering health and wellbeing support and initiatives that employees needed and wanted. Seventy two percent of the Council's current workforce was female, and there had been direct requests from employees to create a Menopause Support Group which was inclusive and open to all. This Group was launched on 22 September and aspired to create a space for open discussion, opportunities learning sessions and support for all, whether going through, or supporting an individual with menopause. In 2019 Employment Tribunal claims citing Menopause increased by 167%. HR planned to review all relevant policies, for example; Performance Capability, Managing Health Attendance and Wellbeing, and deliver training to increase manager awareness of menopause and how it could present in multi-faceted ways.

The following events had taken place or were scheduled:

- Mental Health Awareness campaigns were endorsed with information and promotion of World Suicide Prevention Day, World Mental Health Day and National Stress Week.
- October was Breast Cancer Awareness Month and across the Council teams participated in 'Wear It Pink' Day.
- November was 'Talk Money Week' and representatives from various banks including South Tees Community Bank, HSBC, Barclays would offer free webinars, as well as attend staff locations, to offer free financial advice and information across debt, savings, first time mortgage and financial wellbeing. Whilst Council staff had not been furloughed, other family members may have been.

Work had been undertaken on absence management to evaluate the numbers at the end of quarter two over the last four years. There had been a significant increase in sickness absence in 2021. Stress remained the top reason for absence during the last three and a half years. Stress could include both work and home-related issues. The significant rise in 2021

was due to absence with Covid-19 and the figure was higher than in 2020.

Future initiatives included scoping and developing additional HAWB initiatives to support employees through reoccupation. This included 1-1 reoccupation support, mindfulness sessions, sleep, musculoskeletal health, social and physical activities. Through the Employee Assistance Programme counselling could be offered online or face-to-face if required. Intranet content would be reviewed and improved with updates and increased ease of navigation to make it easily accessible and user friendly.

In relation to employee surveys it was confirmed that a survey about health and wellbeing would be conducted in January 2022 once the reoccupation was complete. A recent survey asking staff how valued they felt had produced positive responses from all services, with approximately 70-90% of staff stating that they felt valued and part of this was due to managers being interested in employees' health and wellbeing. Around one third of staff had responded to the survey and they could be completed anonymously.

It was confirmed that the Employee Assistance Programme and counselling services were also available to Councillors.

The Chair thanked the Officer for the presentation and all the work undertaken by the service area.

AGREED that the information provided was received and noted.

21/28

LEGAL SERVICES PROGRESS UPDATE - OFSTED RESPONSE

A report of the Director of Legal and Governance Services was presented to provide the latest update with regards to progress made in Legal Services, following the Ofsted report of the Inspection of Children's Social Care Services in 2019.

Following on from the decrease in case levels reported to the Committee in April 2021, case levels had continued to fall, with care cases currently at around 70, which was half the number of cases at this time last year. There were a number of contributory factors, including changes to gateway panel, a more effective use of the Public Law Outline (PLO) process, and Court increasing hearings further to the covid issues, meaning more cases had concluded.

In terms of the resources to meet the ongoing demand, there had been some changes to the team since the last update, following the completion of the Legal Services' Review, which came into effect on 1 October 2021. An additional Legal Assistant post had been recruited, with the successful candidate taking up that post on 8 November 2021. Two additional solicitor posts were created which were currently being advertised. Historically these posts had been difficult to recruit to, however, given the success of the last recruitment campaign it was hoped that the suitable candidates would be attracted to the posts. One interview had taken place but unfortunately the candidate was not suitable. It was important to get the right person for the post and more time was available to make sure that the best appointments were made. It was suggested that it would be useful to have a copy of the Legal Services' Structure available online.

The Review had also introduced the role of Senior Lawyer to lead the Children's Team and be the specialist lawyer and first point of contact for the team and for the client department. This appointment provided the Head of Legal (People) with additional time to be involved in the strategic discussions and projects that supported the improvement journey.

By way of general team update, two permanent Solicitors took up their posts in March and April 2021. The appointment to these roles had been a great success, and the feedback from both our internal and external partners, had been unanimously positive. The Designated Family Judge for Teesside had stated that there had been a 'huge difference with the new lawyers', namely being more responsive to issues, filing orders within timescales, and that she was pleased with the improvements made to date. Further feedback received yesterday indicated that there had been huge improvements in presentation, communication and the conduct of cases in Court. In relation to Children's Services there was more confidence in case planning and this was being done in a timely manner and where issues were encountered, solutions were forthcoming.

The Court Progression Manager (CPM) had been in post for five months. This post was in the Legal Services Children's Team and acted as the lead officer, liaising between Legal Services and Children's Services, to ensure the timely progression of cases in family court proceedings. This role was a key part of the contribution to the improvement journey. The current postholder was also a qualified Social Worker. The first three months in this new post were spent building internal and external relationships and gaining an understanding of what the issues were that prevented timely progression. This led to some joint objectives being developed between Children's Services and Legal, looking at both moving cases through proceedings and the outcomes, and the quality of evidence being drafted. A performance scorecard to track the improvements had been developed and was shared on a monthly basis with Children's Services. This new role had been recognised both internally and externally as a great addition to the team, particularly with Cafcass, and with the Designated Family Judge.

As previously reported, Legal Services had been through a procurement process in order to ensure best value for the outsourcing of some cases to local Children's Solicitors firm for the 21/22 financial year. This was based on the high levels of care cases at that time. It was not the intention that this outsourcing would continue long term, and was twin-tracked with other projects to consider how the service could be better resourced to meet demands. The intention was that there would be up to 100 cases outsourced as part of the procurement project. This came into effect in April 2021, and in the first six months, a total of 13 cases had been outsourced, with none since July 2021. This was due to the positive impact of other strategies, including the reduction of care cases. It was clarified that whilst this was not a budget saving, pressure on the Legal Services budget would be reduced as fewer cases had been outsourced.

Since the last report, Legal Services had continued to contribute to the improvement journey for Children's Services in a number of ways, both strategically and operationally. Monthly audits continued as part of the 1:1 sessions between the team members and managers. This had seen an improvement in practice, for example, making sure that the legal planning meetings were taking place approximately two to three weeks before final evidence was due in a case, which identified any issues at the earliest opportunity. There had been a huge improvement the way Legal Services worked collaboratively with Children's Service. Monitoring and tracking of Proceedings had improved and the Service was proactive rather than reactive when any issues occurred.

Further to the 'Care Order at home' work that was completed, the Head of Legal Services had been one of the leads in another project undertaken by a subsidiary of the Local Family Justice Boards, which was tasked at looking at a response into the 'Born Into Care' Paper, published by the Nuffield Family Justice Observatory. The report provided evidence over the period 2012-2020 in relation to the number of newborn babies and infants in care proceedings in England and Wales, as well as the frequency of urgent hearings in those cases. The North East region was identified as being an outlier in terms of care proceedings being issued within the first 7 days of a child being born. Working Groups were held across a number of Local Authorities and their partner agencies to look at the reasons for the trends that emerged from the paper, and practice in this area could be improved. Audits were conducted across some sample cases, and subsequently reviewed by Cafcass, to consider whether, with the benefit of hindsight, the action taken at the time was the correct plan. The feedback had been extremely positive and the leads would feed back to the Local Family Justice Board, and local Children's Services, about the learning points.

Work had continued on the response to the March 2021 Public Law Working Group report 'Recommendations to achieve best practice in the child protection and family justice systems'. Some immediate changes had been made, with the longer term actions now being put into an action plan so that progress could be monitored. This evidenced the improved working relationship between Children's and Legal Services and collaborative working to resolve the challenges.

AGREED that the information provided was received and noted.

HISTORIC CHILDREN'S SERVICES SPEND

A report of the Director of Finance was presented to inform the Corporate Affairs and Audit Committee of the spend in Children's Services, in particular Children's Care, over the last five years and the number of Children Looked After (CLA) for each year.

Details of the expenditure in Children's Care for each of the past 5 years and the projected amount for 2021/22 were provided in a table at paragraph 3 of the submitted report. Information about the numbers of CLA each year was also included. The outturn expenditure figures included related to Children's Care only and not the whole of Children's Services. The figures were end of year positions (ie as at 31 March each year).

It was noted that the services included within Children's Care might have varied over the years due to various service reviews within Children's Services, and therefore a direct comparison of expenditure between years might not be fully accurate. In order to provide a more accurate comparison between years; the 2021/22 projected outturn figure excluded approximately £1.8m of expenditure relating to a number of budgets that transferred from Education and Partnerships to Children's Care during the first quarter of 2021/22.

In addition, the number of CLA each year did not include some children (currently 291) who were under placed with friends and family under Special Guardianship Orders and received allowances, but who were not classified as Children Looked After.

The table at paragraph 7 of the submitted report provided information regarding external residential placement costs for the past 5 years, along with the number of children these related to. It was noted that these figures were part of the figures in the table in paragraph 3 of the submitted report, and were not additional to those figures. At the end of March 2020 there were 74 external residential placements and this had now reduced to 47, which was a large reduction.

It was also highlighted that the 2021/22 projected outturn figures in the tables in paragraphs 3 and 7 of the submitted report, only included part year effects of the reductions in expenditure, and in future years there would be the full year effect of these. It was confirmed that an update would be provided in the Quarter Three Revenue and Capital Budget Monitoring Report to Executive, to check whether there had been any fluctuations in the projected figures.

Whilst the expenditure was on a downward trajectory, this had been achieved alongside improvements in practice and outcomes for children, including a significant number of children securing permanence. This had been externally validated in the latest Department for Education (DFE) Commissioner's report in July 2021. The improvements had led to overall CLA numbers decreasing by over 24% from a peak of 702 in September 2020, to 533 currently. By the end of 2023/2024 it was anticipated that this figure would be 416. Middlesbrough's CLA rate per 10,000 children aged under 18 had decreased steadily month on month from a high of over 200 in September 2020, where it was the second highest for all unitary authorities in England, to a latest position of 162, which brought Middlesbrough closer to its statistical and geographical neighbours.

In line with national trends, Children's Social Care continued to be an area of financial pressure to the Council. The costs of these pressures in respect of increased level of need in relation to children in care and the increase in the cost of providing care was constantly monitored via regular reports to the Council's Leadership Management Team and as part of the Council's quarterly budget monitoring reports to Executive.

A number of plans were in place for 2021/22 to mitigate overspending within Children's Services and these were detailed in the Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2021/22 report to Executive on 9 November 2021.

The Council had an Ofsted Improvement Plan in place, and the financial situation was closely monitored jointly by the Service and Finance, and a three year plan had been drawn up to ascertain the estimated outturn position for the current and future financial years and therefore the potential MTFP impact.

Given the improvements required by Ofsted and the timescales for implementing these, a prudent financial planning approach had been taken, and a number of contingencies and reserves had been identified that should enable the pressure to be covered in the current and future financial years, assuming it stayed at around the same level. As part of the MTFP Update report to Executive on 9 November 2021 and Council on 24 November 2021, additional funding of approximately £3.3m had been provided to Children's Services from

2024/25 in order to achieve a steady state for the Service. This would ensure that the improvements currently being made in Children's Social Care were not compromised, and that the Service was on a firm financial footing, with an appropriate budget which could be managed within. This would mean that the Ofsted Improvement Plan would be properly funded in the medium term. The Plan would be closely monitored in real time and any amendments required to the level of funding provided would be made, as appropriate.

It was highlighted that this would mean Children's Social Care would have reduced expenditure from over £9m projected spend in excess of their current budget at the start of 2021/22, to just over £3m in 2024/25. This was approximately a £6m reduction in expenditure per annum by 2024/25. One key area for savings was to reduce the use of agency staff.

The Council was able to accurately forecast and manage costs in relation to Children's Care as a result of a number of factors including: the transformation of that service's leadership, its buy-in to the use of innovative business intelligence solutions to provide real time data, and close financial monitoring.

It also highlighted that when CLA were relocated to their home town of Middlesbrough it was important to have the appropriate services available. Over the last two years a number of services had been developed including the Future For Families Hub where children had been returned from expensive external placements and been rehabilitated back home to family. Middlesbrough services were quality assured by OFSTED with good ratings. Permanency was secured within this provision and children had stability within their own area so they could continue with therapeutic intervention and at the same schools. Otherwise, when children were placed out of area they did not maintain those links that created permanency, continuity and stability for them. A sixteen plus service had also been developed to support children who were in external residential placements and give them an opportunity to come back to Middlesbrough and prepared for independence. There were nine beds available and currently there were seven young people living there who were preparing to move on to adulthood.

AGREED that the report was received and noted.

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ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED

None.