

BUDGET & FINANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Budget and Finance Scrutiny Committee held on Tuesday, 5th February 2013 at 6.30pm in Meeting Room 3, Darby House, Telford.

PRESENT: Councillors S. Reynolds (Chair), R. Evans, A. Lawrence, C. Mollett, R. Sloan, A. Stanton and Co-optees F. Robinson and R. Williams.

Also attending: Cllr. Paul Watling, Cabinet member Children, Young People & Families; K. Perry, Assistant Director Children's Safeguarding; C. Jones, Assistant Director, Family & Cohesion Services; A. Challenor, Community Engagement & Equalities Manager; R. Talyor-Murison, Equalities Officer; F. Bottrill, Scrutiny Group Specialist; S. Jones, Scrutiny Officer.

BFSC-32 MINUTES

RESOLVED – that the minutes of the meetings of the Budget and Finance Scrutiny Committee held on 9th and 15th January 2013 be confirmed and signed by the Chairman with the minutes of 15th January amended to record the apologies of Cllr. G. Reynolds.

BFSC-33 APOLOGIES FOR ABSENCE

Cllr. G. Reynolds.

BFSC-34 DECLARATIONS OF INTEREST

Cllr. R. Evans declared an interest in relation to proposals relating to support for adults with learning difficulties.

BFSC-35 SERVICE & FINANCIAL PLANNING STRATEGY 2013/14-2015/16 (DRAFT BUDGET PROPOSALS)

The Equalities Officer tabled and presented the draft Equality Impact Assessment on the Service & Financial Planning 2013/14-2015/16 report making the following points:

- The Equality Impact Assessment was designed to draw out potential positive and negative impacts of the overarching budget strategy in relation to people with protected characteristics. The Council needed to show due regard to the aims of the General Equality Duty and to show that these had been considered through a timely and demonstrable process. The report was trended to take an overall view of the impact of the budget strategy on particular groups. Individual savings proposals were analysed and Equality Impact Assessments and service user engagement were carried out proportionate to the potential impact of the proposal.

- Section 2 set out the groups which may be either positively or negatively impacted by the strategy and groups for whom there was no identified impact. Overall, younger people, people with a severe disability and women were more likely to benefit; working age people (18-65), older people (65+) and people with ill health or a disability were more likely to be negatively affected. The additional investment in safeguarding and the restructuring of services around Early Intervention were mitigating actions to reduce the impact on young people and provided greater assurance of positive outcomes. The changes in adult social care would potentially affect older people and people with a disability and there would be the focus on targeted impact assessments and service user engagement relating to the savings proposals to identify people disproportionately affected.
- A list showing the individual savings proposals released in September 2012 and in the January budget which were or would be subject to more detailed impact assessments was tabled.
- The EIA document was out for consultation and comments from the Committee would be welcome.

The Chair invited questions from members. In response to a question about the evidence for the positive impact on women, members were informed that although women had been negatively affected by the economic downturn, the Council's growth strategy was projected to create jobs, many of which may be part-time which may favour women and there would be greater support for women and new enterprise.

The Equalities Officer explained that the draft document was out for consultation and the Committee's input would be welcome. The Chair remarked that the Committee had not had time to digest the information but may invite officers back to a future meeting to consider this in more detail.

The Cabinet Member Children, Young People & Families and the Assistant Directors for Children's Safeguarding and Family & Cohesion Services were present for the next item. The Chair invited Cllr. Watling to present the responses to questions about safeguarding and the Early Help / Safeguarding Cost Improvement Plan which had been submitted in advance for a written response. Cllr. Watling had provided a written response which had been circulated to members, and in addition to the information already provided he highlighted the following points:

- With regard to lessons from setting the 2012/13 budget that were applied to the 2013/14 budget, Cllr. Watling assured members that there was a clear unified approach with agencies and regular meetings between himself and Cllr. McClements the Cabinet member Resources & Service Delivery. He extended an invitation to the Chairs of the Budget & Finance and Children & Young People Scrutiny Committees to attend the monthly safeguarding financial monitoring meetings to provide challenge and report back to the Committees. He said a cost could not be put on the care of children – it is a statutory duty – but the service was trying to get the approach to prevention and commissioning right. Strategic development had been going on for some time.
- In response to a question about how the projected level of savings would

realistically be made and what would be different this year, Cllr. Watling said the service restructure was in place. There was a difference in that Family Connect and the Resource Allocation Management Panel (RAMP) had been established and changes were starting to be seen. He would continue to challenge but the needs of the child would always come first. A financial risk assessment was monitored by the monitoring group and there were discussions about how best to forecast and how to get best value for money but for high quality care provision.

- In response to a question about the cost-consciousness of the team and whether there was a continued expectation that overspending would be covered by reserves, Cllr. Watling explained that work was going on with the team to change the culture. There had been a social work conference in November to talk about responsibility for change. Change was not just about cost, but about getting the right change. Young people had been involved in changes including the Care Council. Savings had not been made in 2012/13 but the Cost Improvement Plan was now in place and would be monitored.
- With regard to the consequences of not meeting the savings targets in 2013.14 and how this would be managed, Cllr. Watling said that a contingency was in place but that costs were coming down with changes in placement mix, placement movement and commissioning alternatives.
- In response to a question about the impact of early intervention and prevention strategies, including Family Connect, on costs, Cllr. Watling said he was passionate about early intervention and prevention. The written response gave further detail of the Family Connect and multi-agency triage process, and gave concrete examples of how early intervention work had improved outcomes and saved money. Further information could be provided to the Committee if required. Cllr. Watling said this showed how it was possible to intervene and work alongside families to keep children safe and in safe communities. It was difficult to say at this stage what the impact would be on savings but £200k-£400k per year was expected.
- With regard to how families across the borough were targeted for early intervention support, Cllr. Watling explained that referrals came through Family Connect. In the early days he had not been sure about the approach, but now he had seen Family Connect in operation he was convinced that this was the right approach. Work would continue to look at good practice in other authorities such as York and Devon – this was linked to the improvement plan and peer challenge and review. Telford & Wrekin's peer challenge partner for social workers and social work structure was Stoke on Trent and the Councils would take ideas from each other. He felt that Family Connect would be revolutionary to ensuring the right support was available to the right people at the right time and would help divert inappropriate calls from the safeguarding help-desk. Ofsted had said that the early intervention services were moving in the right direction. The Strengthening Families Task Group was looking at how to strengthen this work. 140 families had been identified this year against a target of 365 families that the government had said should be worked with over a five year period. Work was being done with

other organisations to develop family support at a strategic level and new ideas were being developed such as working with local people to help them support people in their own communities.

- In terms of benchmarking costs with other local authorities, Cllr. Watling said that benchmarking was done with other authorities in the West Midlands. Regional framework contracts had been set up for residential and agency foster care which had driven down costs. The savings from the framework contract for residential care were shown on the written response – there was an average weekly saving of £114 on core costs or £65 per week on core costs plus education – which showed the effect of moving towards a different approach. A cost effectiveness tool developed by 4Children was starting to be used in localities to assess the cost-effectiveness of services. There was monthly benchmarking of costs so the position on placements was continuously picked up and RAMP had made a big difference on this. Cllr. Stanton asked whether the init costs related to certain suppliers and Cllr. Watling explained that there was a regional agreement with the providers on the framework contract. Cllr. Stanton wanted to know the average spend through the framework and Cllr. Watling said he did not have the figures but the framework was used by other authorities in the West Midlands. Cllr. Stanton said it was good to be in the framework but asked how better terms were negotiated through the contracts for example by exploring different payment terms of 30/45/90 days. Cllr. Watling said the frameworks were about negotiating better terms but he did not know the exact details of the payment terms but the commissioning manager would have the details.
- In terms of learning from Shropshire, Cllr. Watling said that in terms of budget monitoring Shropshire does not measure like-for-like with Telford & Wrekin. Compared to statistical neighbours, 7 out of 12 authorities had higher rates of children in care as a proportion of the population so Telford & Wrekin was performing well. In the West Midlands only Birmingham and the shires were better by numbers so Telford & Wrekin was on the right track although there was still work to be done.
- Regarding whether international models of service delivery were looked at, Cllr. Watling said that learning from other models was part of the peer challenge. He had trained in peer challenge and felt it was important that this was done as a team to challenge ourselves and to look at the children's improvement agenda. Ofsted alone would not drive improvement but it was important to keep the culture of challenge and improvement - self-improvement was an important journey. Service models overseas had not been looked at specifically.
- Information about RAMP and the Permanence Panel was provided in the written response and further Appendices. The Permanence Panel had been re-named the Securing Permanency Group because it was not a panel but a group of officers who look at individual cases to make sure decisions about permanence are made in a timely way. There was a need to secure safe permanence and to get this right for children as quickly as possible. He said work was also being done to reduce the number of agency social workers. Cllr. Stanton asked about the automatic

change of social worker at 16+ when young people moved to the transition team. The Assistant Director Children's Safeguarding replied that this policy had changed and that young people now stayed with the same social worker until 18. The transition service had been re-launched before Christmas and it had been good to hear the views of young people. The previous policy had been in place for some years and had probably been driven by legislation (the Care Leavers Act) which was about preparing young people earlier to leave care at 16 and a lot of authorities had established 16+ teams. There was now a recognition that independence happens at different times for different young people and that it should happen at the right time for each person.

- In response to a question about how the target to reduce the length of time in care would be met, Cllr. Watling agreed that the target was aspirational but the service was working toward it. Additional data was provided in the written response and in Appendices 2 which showed that: based on the average timescale of all care cessations of care episodes in year, 2011/12 showed an average decrease of days in care from the previous year (541 from 747); a three year average of weeks that care proceedings took showed Telford & Wrekin having the next but one lowest time-scale with only Derby showing two weeks less; 86% of all looked after children in Telford & Wrekin were in their first episode of care; Telford & Wrekin had less per ten thousand children waiting to be adopted (as at 31st March 2012) than all statistical neighbours. Family Law justice reform had set a target from April 2012 of 26 weeks for the completion of care proceedings for all but the most complex of cases. Cllr. Watling felt this was aspirational. Cllr. Lawrence asked how this would be achieved and Cllr. Watling replied that the Securing Permanence Group (SPG) had a critical role to play in identifying and tackling barriers which would cause delays in care planning so children could be moved on more quickly. The process was quality assured by the Independent Reviewing Officer. For example, Special Guardianship orders could be an effective way of securing permanence with a member of the child's extended family. The SPG would report monthly. Cllr. Watling drew members' attention to the chart in Appendix 2 which showed the average decrease in days in care. Performance on the timeliness of adoption was very good compared to national averages but usually took over 12 months. There would be a focus on children in the first six weeks of them coming into care. There was a statutory review at 4 weeks. Once the child had been in care for over 6 weeks it was more likely that they would remain in care longer term. Cllr. Lawrence asked for the Committee to receive the monthly reports from the SPG.
- Regarding allowances for adoptive parents, Cllr. Watling said there was no allowance for adoptive parents, but there was provision to pay some allowance where the absence would prevent the adoption. There was around £250k provision within the budget for this, of which around £186k had been spent. The adoption service was joint with Shropshire and the allowance would be reviewed this year. The children were at the heart of decision making. There was a surplus of adoptive parents and straightforward children were matched quickly but sibling groups or children with more complex needs could take longer to match. A transfer fee was paid to the service if a child was placed by another authority for adoption locally.

- Cllr. Watling explained that contract foster carers had been on the agenda for 2 years but that it took time to develop the arrangements but he was pleased that this was now moving ahead. The contract carers would have the status of an employee and one member of staff was currently undergoing assessment as a carer. There were 2 approved carers with strong potential and another 2-3 who had expressed interest. The contract carers needed to be integrated with the team and the broader Team Around the Child – including CAMHS – which provides a whole support package around the child. The optimum number of contract carers needed to be planned around the recruitment of mainstream foster carers to get the balance right to avoid costs. The Assistant Director said that this had been tried previously with emergency carers but there had been an issue with blockages and there had not been enough foster carers to move the children on from emergency care. It was more effective to think things through and plan properly before rushing ahead with ideas – it can be frustrating, but the contract foster carers need to be thought through to avoid the risk of disruptions and higher costs.
- Referring to the information in the written response, Cllr. Lawrence said that the 7 foster carers approved seemed a small number for the scale of the recruitment campaign. The Assistant Director said there were another 11 due to go to foster panel for approval by the end of March. The calibre and number of applicants was very positive and the conversion rate from enquiry to approval was very good and the fostering inspectors had been impressed with this. Cllr. Lawrence asked a how many additional carers were needed to meet the demand for placements and if, for example, 50 ideal foster carers were recruited would this meet the demand. Cllr. Watling said that certain children with complex needs are not all suitable for foster care and that the proportion of children placed with fostering agencies had reduced. The Assistant Director said that ideally there needed to be a surplus of internal foster carers to find the best placement for the child's needs. Cllr. Watling also said that there were no exemptions for foster carers to the "bedroom tax" and this may have an impact. Michael Gove had been lobbied, but it may be necessary to find a local solution.
- With regard to repeat care episodes, information was provided in Appendix 2 to the written response. Of 317 children in care, 45 (14%) were repeat cases. There were 9 with three or more episodes, some of whom were siblings. Some children will come in and out of care, but if a child comes into care three or more times there are questions about whether a care order is needed. The repeats tend to be teens.
- The final question was about a league table of local authorities for the number of children waiting for foster care which had been published in the national press. The response showed that the league table was for children waiting for adoption, not fostering. Comparative information in Appendix 2 showed that Telford & Wrekin had fewer children per ten thousand waiting for adoption than all statistical neighbours.

Members then asked further questions about social workers:

- Cllr. Sloan wanted to know the approximate difference in cost between an agency social worker and a social worker employed by the Council, and what was being done to grow the internal social workers. Members were told that very roughly an agency social worker would cost about twice as much as an employee. The Step up to Social Work programme had been very successful with 5 members of staff doing the masters level programme. Students work with the Council as part of the programme and staff talked to people on the programme to link them into job opportunities so they were less likely to look around elsewhere for work. Work was being done with HT on workforce development and retention strategies.
- Cllr. Stanton asked whether there were focus groups with agency workers to find out why people work for agencies rather than take permanent jobs. Cllr. Watling said that there were some people who preferred agency work because they needed or wanted to work more flexibly and some who did it for the money. The AD said that they were looking at how to create more flexible contracts but this would not include short-term contracts because the Council did not want short-term staff. All the entry grade social work vacancies had been filled. There were a small number of Senior Social Worker posts open. There had been on-going vacancies in the child protection team but the service was being remodelled to try to change this. Telford & Wrekin had a reputation as a good employer and was known to be good at developing staff. It could be difficult attracting experienced staff from other areas because social workers did not tend to move for small pay increases so the strategy had been to grow our own. The service was now in a better place with recruitment than it had been for some years. Newly qualifieds have a smaller case load and are drip fed new cases which can take time to build up, but once this was done it reduced reliance on agency social workers.

When there were no further questions, the Chair thanked Cllr. Watling and the officers for attending the meeting. Cllrs. Sloan and Evans commented that it had been a very useful session and Cllr. Mollett said there were some commendable ideas being worked on. Cllr. Watling and the officers then left the meeting.

The Chair introduced the final part of the meeting which was for members to consider the information heard at this and previous meetings and to agree the Committee's response to the budget strategy and she invited comments from around the table.

There was a lengthy discussion about the overspend and savings projections in safeguarding during which the following points were made:

- Cllr. Mollett said that there were some commendable ideas in the Cost Improvement Plan but he felt it would take longer than a year to realise the level of savings projected and the budget was predicated on making this level of saving. Members agreed that the Service & Financial Planning report set a balanced budget, but that there were risks to this especially with costs in CYP.
- Cllr. Sloan questioned whether the overspend could be reduced by the amount projected. A £600k additional investment and £2.2m savings had been built into

the budget based on a projected overspend of £2.8m. If the overspend was greater at year end, say at £3m, then the savings targets would have to increase to £2.4m to make up the shortfall. He felt that good work was being done to reduce costs but the pace needed to be kept up. Residential care was the high-cost area and he would be pleased if £1m could be saved on residential placements but did not see how the target for reducing the number of children in residential placements would realistically be achieved. He would attend the invitation to the monitoring meetings in his capacity as Chair of Audit Committee. He found the RAMP interesting and the Terms of Reference said the panel met weekly but members had been told if had only met on a few occasions and it was too early to comment on its impact. He said that managers must know on a greater frequency what the financial profile is.

- Cllr. Stanton said he thought managers were doing a good job but it was important that senior managers set a clear strategy and did not lose sight of it by becoming too involved in operational detail. He said there was a need to control unit costs and a good job had been done, but overspending in safeguarding had an impact on the whole budget. He wanted to see a more “opportunity against risk” approach at budget level so that deficits in CYP or other areas are offset by savings or by commercial opportunities. The team is well established but senior staff should not be distracted by micro-management. There was a need to do more than monitoring, and a need to understand what is driving behaviour. There should be a detailed strategy for how to achieve the savings backed by detailed forecasting and situational plans to project for different scenarios such as legislative changes. Mr. Williams agreed that it was important for staff at lower levels to be empowered and for managers to delegate.
- Cllr. Lawrence said that the Cabinet member had described some of the savings targets as “aspirational” and had talked about financial monitoring but he had not got a sense of how action would be taken to correct the position if the service fell behind budget. There needed to be a process for managing the budget with thresholds built in which would trigger action and with a flow of information back to front line teams. He felt that the target to bring the number of children in care down was unrealistic and that this was not a useful measure of performance because the number taken into care was to a large extent uncontrolled. He felt it was right to aim to reduce the time spent in care down as this would impact on costs and the administration of care planning was more within direct control than the numbers. For these reasons he felt that the number of children in care should not be a performance indicator in Objective 3 of the Cost Improvement Plan and this indicator could send out the wrong messages. He was sceptical that all the improvements in the plan could be achieved. Cllr, Sloan agreed that he was sceptical about the forecast drop in numbers within the timescales set out in the plan.
- There was agreement that looked after children was a statutory duty and that money had to be spent.
- There was general agreement that the prevention strategy was welcome and that

the direction of travel was good, although not all members were comfortable with the achievability of targets.

- It was noted that the service had in the past relied on contingencies to make up overspend but this was no longer a viable position and there should not be a culture of reliance on contingencies in the future.

Members made a number of comments about other issues:

- Members noted the LGA projections in the budget strategy and the fact that the bulk of the budget is spent on CYP, adult social care and environmental services. This meant that even more saving should be driven out of other areas or new opportunities for commercial income. There is not much of a time window left and the council needed to make resolutions quickly. It was agreed that the Managing Director should be invited to a future meeting to discuss the future financial strategy and how these decisions are being made.
- Mr. Williams said that there was a greater dependency in the budget on contingencies. He expressed his continued concern about capital receipts. He said the capital programme relied on capital receipts and he was concerned about realising the projected values.
- Cllr. Stanton questioned whether the strategy of selling off Council land was always the right one in the long term. He felt more could be done to enhance the value of assets and that it may be better to keep them and offer them out at lower rents for a longer term return, but the Council seemed to rely on selling them off to bridge budget gaps.
- There were different views expressed about the Council Tax increase. Some members supported the rejection of the freeze grant and the decision to increase Council Tax by 1.9%, below the threshold to trigger a referendum, while other members disagreed with increasing Council Tax and felt that while 2/3 of people responding to the consultation in 2011/12 had supported an increase, the number of people who had responded constituted a small proportion of residents.
- Cllr. Evans commented on the good work that had been done with Town & Parish Councils and partners and the contribution they had made and this needed to continue and should be recognised in the scrutiny response.
- Cllr. Lawrence welcomed the £150k investment in Destination Telford.
- It was noted that no allowance had been made in the budget for pay awards.

When there were no further comments, there was a discussion about the next steps and it was agreed that the Scrutiny Officer would draft a response taking into account the comments made at the meeting and at previous meetings to be circulated to the Committee for comment.

There was another discussion about how the Children & Young People Scrutiny Committee could feed into the budget response, and it was agreed that the Budget & Finance Scrutiny Committee response should be the response of this Committee only and that the Children & Young People Scrutiny Committee would make its own recommendations from its own review but the draft response could be sent to the CYP sub-group for information.

BFSC-36 WORK PROGRAMME

The Chair agreed that the meeting scheduled for 26th February should be cancelled, and the Scrutiny Group Specialist suggested that the meeting on 19th March could be an informal session for members to discuss and plan the work programme.

The meeting ended at 8.35pm.

Chairman:.....

Date:.....