



Minutes of a meeting of the Children and Families Overview and Scrutiny Committee held at County Hall, Glenfield on Tuesday, 19 January 2021.

PRESENT

Mrs. H. J. Fryer CC (in the Chair)

Dr. P. Bremner CC	Mr T. Parton CC
Dr. R. K. A. Feltham CC	Mr. S. D. Sheahan CC
Mr. J. Kaufman CC	Mr. G. Welsh CC
Mrs. C. Lewis	Mrs. M. Wright CC
Mr. P. C. Osborne CC	

In Attendance.

Mrs. D. Taylor CC – Lead Member for Children and Families
Mrs. B. Seaton CC – Cabinet Support Member.

32. Minutes.

The minutes of the meeting held on 18 November 2020 were taken as read, confirmed and signed.

33. Question Time.

The following questions, received under Standing Order 34, were put to the Chairman of the Children and Families Overview and Scrutiny Committee:

(A) Mrs Sue Whiting asked the following question of the Chairman of the Children and Families Overview and Scrutiny Committee:

Could the Chair please explain why reports and other publicity materials are still being published in difficult fonts when the Written Statement of Action, SEN Handbook and Local Offer newsletter are published in plain font enabling access for many more families?

Mrs H Fryer CC replied as follows:

The local authority has checked the County Council's website and reports and they are in a standard format and appear to be clear. The website and reports have also been checked from a mobile format and again, the format and font appear to be clear.

Supplementary Question:

Mrs Whiting asked a supplementary question in relation to clarifying which fonts were used to produce the Written Statement of Action submitted to Ofsted, the SEN Handbook, the Local Offer Newsletter sent out in December 2020 and for standard format documents.

At the invitation of the Chairman, the Director of Children and Family Services indicated that this information would be provided to Mrs Whiting after the meeting.

(B) Mrs Gillian Bowers asked the following question of the Chairman of the Children and Families Overview and Scrutiny Committee:

In relation to point 14 of the Adoption Service Annual Report, it makes clear there has been one adoption disruption within the time frame being reporting upon but there is no mention of any figures for after 3 years post adoption order. What is the number of adoptions 3 years post adoption order that have resulted in an 'adoption breakdown'. That is to say adopted children/young people have returned to care on a section 20, or moved to supported living, moved to residential schooling at least part time or moved on in another manner that results in them living elsewhere other than mainly within the family home. This would include adopted children and young people up to the age of 25 where they have SEND. Is this figure recorded? If so how many children and young people has this affected in the past year and if not, can this figure be produced please?

Mrs H Fryer CC replied as follows:

The department doesn't have the data for 2020/21 due to how the information is captured. However, for 2018/19, five children were admitted into the care of Leicestershire who were adopted and in 2019/20, nine children were admitted into the care of Leicestershire who were adopted.

Leicestershire County Council continues to support children post adoption who are placed by Leicestershire and assumes responsibility of adopted children in Leicestershire who are placed by other local authorities after 3 years, if post adoption support is required, up to the age of 18.

Supplementary Question

Mrs Bowers asked a supplementary question to confirm whether it would be possible to include the figures provided in future reports?

At the invitation of the Chairman, the Director of Children and Family Services indicated that this would be considered.

34. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

35. Urgent Items.

There were no urgent items for consideration.

36. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

37. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations of the party whip.

38. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that no petitions had been received under Standing Order 36.

39. Medium Term Financial Strategy 2021/22 - 2024/25.

The Committee considered a joint report of the Director of Children and Family Services and the Director of Corporate Resources which provided information on the proposed 2021/22 to 2024/25 Medium Term Financial Strategy (MTFS) as it related to the Children and Family Services department. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

The Chairman welcomed Mrs. D. Taylor CC, Lead Member for Children and Family Services, to the meeting for this item.

Arising from the discussion, the following points were raised:

Service Transformation

- i) The department was embarking on proposed significant transformation comprising of four main programmes – the High Needs Development Programme, Defining Children and Family Services for the Future, Children's Innovation Partnership and departmental efficiencies. These would deliver substantial cost efficiency savings and enable a sustainable, cost effective operating model whilst improving outcomes for children and young people.
- ii) It was reported that the Children's Innovation Partnership had capital investment of up to £2.5m to create up to 12 placements and a member asked for more specific clarity around what this entailed. The Director stated that the service had identified the need for some homes for children in Leicestershire and the first phase of the Children's Innovation Partnership Residential Design Brief had identified the need for an investment of up to £2.5m in order to purchase or build properties that would be used to either place young people or as assessment beds.
- iii) The department had gone into partnership with Barnardo's in 2018 and the Children's Innovation Partnership had been established for the department to work alongside a partner to improve outcomes for children. This was being developed through design briefs, the first of which was the Residential Design Brief. The majority of work undertaken to date had related to developing a number of programmes, including family group conferencing and work during the summer holidays. The Residential Design Brief focussed on improving the sufficiency of places and quality of residential provision as a result of a specific brief looking at the number of children in residential provision and how that provision could be improved. £2.5m capital had been invested to purchase a number of properties and it was projected that there would be some savings in

light of the scheme due to placement costs being lower than what was currently being paid.

- iv) The Children's Innovation Partnership Residential Design Brief was welcomed but a member commented that this was a complete turnaround from when the County Council had outsourced its children's homes. In response, the Director stated that the County Council was not looking to open and operate children's homes itself. Consideration was being given to developing a different kind of residential provision for children based on understanding their needs. Part of the strategy included continuing to work with the private sector providers to ensure that there was a wide range of provision for children. However, the County Council was also looking to develop more provision through Barnardo's as a delivery partner.

Proposed Revenue Budget

- v) The total gross proposed budget for 2021/22 was £338m with contributions from specific grants, health transfers and service user and partner contributions of £249m projected. The proposed net budget for 2021/22 totalled £89.1m. Net budget increases of £1.88m had been made during the 2020/21 financial year and had now been adjusted for in the updated original budget. This comprised of the staff pay award and fostering placement inflationary increases.

Growth

- vi) Growth over the next four years totalled £23.1m, including £10m in 2021/22. The majority of the growth requirement related to continued increases in demands (and complexities) for children's social care services culminating in increased placement costs and social workers. A member raised a query around the pattern of growth and why there was such a large increase in 2021/22 followed then by smaller growth in the ensuing three years. The Director confirmed that the amount in 2021/22 was largely due to the overspend in the current financial year. In relation to the growth for social care placements, the increased unit cost had not previously been built into the budget and was therefore not reflected adequately. The projected growth requirement had been based on what the department assumed unit costs would be and the number of children coming into care, taking into consideration the previous patterns. However, the local authority had very little control over the increased unit costs and cost of provision. Some concern was raised around this, although it was anticipated that the work being undertaken with Barnardo's would look at bringing some control over costs back in house.
- vii) In relation to G1 – Social Care Placements, costs for placements were being incurred beyond the £3m growth originally provided for, primarily as a result of an increase in the average unit cost. As a result, the Children's Social Care placement budget in 2020/21 was projecting a £2.9m overspend resulting in growth required to address the current year shortfall and to support the forecast growth for future years. In response to a query around the cause in growth in placements, it was stated that there were a number of factors, including a demographic increase and a greater number of complex cases. There had been an increase in the number of older children coming into care and a change in departmental responsibilities.

- viii) Change to case law and court directives had had an adverse impact on the current budget situation. There had been an increase in demand for parent and baby placements and increased pressure on courts to keep parents and children together. There were also other market pressures, such as the impact of Covid-19. The Defining Children and Family Services for the Future and Children's Innovation Partnership programmes included a focus on prevention, drift and ensuring the right setting first time. This included creating an Assessment and Referral Team and Hub and additional residential multi-functional capacity which would have a positive impact on placement availability and suitability, reducing the reliance on out of county placements. This was reflected in the increased savings.
- ix) Investment in additional frontline social care staff was required to ensure statutory duties continued to be met. During the current year, positive progress had been made in recruiting social workers and reducing the reliance on agency staff, although Covid-19 had impacted the scale to which this had been achieved. Growth in relation to G3 – Social care staff market premia remained unchanged, other than that it had been extended for a further year.
- x) The growth requirement for G4 – Unaccompanied Asylum Seeking Children – had been reduced. The levels of demand and costs had largely been contained within the budget for the current financial year and this had been helped by the Home Office increasing its funding rates. Increased demands were still a risk, although there were no current known factors to suggest that the previous growth was required at that level.
- xi) The School Place Planning service had been supported from the creation of a specific reserve which had now been depleted and Basic Need Funding had been decreased. Budget growth was required to continue to deliver the school accommodation programme at the same level. A review was underway to determine whether any resources could be recharged to the capital programme.
- xii) Attention was drawn to G6 – increased demand for legal costs. Over the past year, there had been a significant increase in the number of care proceedings lodged with the Court which had resulted in a forecast overspend of £0.4m in 2020/21. There were no indications that the level of demand would reduce in the near future.
- xiii) The Lead Member for Children and Family Services confirmed that the Children's Social Care review had recently been launched by Government, and this would take into consideration a number of the issues raised.

Savings

- xiv) Proposed savings totalled £3.75m in 2021/22 and £16m over the next four years in total. The High Needs Development Plan aimed to ensure sustainable services for children and young people with special educational needs within the High Needs Block of the Dedicated Schools Grant (DSG); to achieve this, costs reductions of £25.8m would be required over the period of the MTFs. It was also proposed that significant savings would be achieved through the

Defining Children and Family Services for the Future programme, the Children's Innovation Partnership and departmental efficiency savings.

Dedicated Schools Grant/ Schools Block

- xv) For 2021/22, the DSG remained calculated in four separate blocks – Schools Block, Central School Services, High Needs and Early Years. The 2021/22 MTFS continued to set the overall Schools budget as a net nil budget at local authority level. However, in 2021/22, there was a funding gap of £5.6m on the High Needs Block which would be carried forward as an overspend.
- xvi) With regard to the Schools Block, there was a further movement towards the National Funding Formula which would fund all pupils at the same rate irrespective of the authority in which they were educated. The National Funding Formula used pupil characteristics, each with a nationally set funding rate to generate school level funding to local authorities. Funding levels between local authorities and individual schools within local authorities varied as a result of pupil characteristics rather than national funding levels. It was noted that school funding remained a 'soft' school funding formula for 2021/22 but the Department for Education had confirmed its intention to move to a 'hard' formula as soon as possible.
- xvii) The allocation of funding received for the initial revenue costs of commissioning additional school places in 2020/21 was £3.3m and this would reduce to £2.4m in 2021/22. In the medium to long term, 26 new primary and three secondary schools were expected to be built in Leicestershire. The revenue requirement for new schools was difficult to assess, although early estimates suggested that the cost could be managed within the existing grant. Expenditure was expected to rise annually from 2021/22 and to peak at £5m in 2023/24. Annual underspends in growth funding would be set aside in the DSG Earmarked Fund to meet the peak.

School Funding Formula

- xviii) It was reported that nationally, schools would receive a minimum per pupil increase in funding of 2% per pupil. Despite the overall increase in budget, there would still be 40% primary and 9% secondary schools funded at the minimum funding level and these would experience a real terms decrease in income.

High Needs

- xix) It was noted that 2021/22 was the second of a three year settlement for school funding and nationally, high needs funding had increased. Local authorities had a guaranteed minimum increase of 8% per head of population; Leicestershire had received the minimum and remained on the funding floor. The provisional High Needs DSG was £83.1m and the forecast position on the High Needs element of the DSG was presented. National research showed that high needs deficits were growing within almost all local authorities in a deficit or close to position. The Department for Education had undertaken a review of the SEND system but it was yet unknown when any findings from the review would be published.

- xx) The funding position included a transfer from the Schools Block DSG to High Needs in 2022/23 of £2m. Schools would be engaged in developing proposals for the transfer in 2021 before entering into consultation and seeking approval from the School's Forum.
- xxi) Nationally, early years funding had been increased by £66m and the grant remained determined by the number of children participating in early years education. The increase in funding equated to £0.08 per hour for two year olds and £0.06 per hour for 3 and 4 year olds. Leicestershire continued to receive the lowest rate per hour.
- xxii) In relation to the SEND review, this was seen as a positive step nationally. It was generally being seen that the number of children in receipt of an Education Health and Care Plan was increasing along with the unit costs. The review was looking at the system as a whole to ensure that it met the needs of children along with the pressure on budgets. Leicestershire was advocating with the DfE that the current position and funding gap was not a sustainable position for any local authority. A number of national discussions were taking place to highlight these concerns.

Capital Programme

- xxiii) The proposed capital programme totalled £84.4m for which the majority external funding was expected. The programme continued to focus on the delivery of additional school places and additional places to be delivered to support the High Needs Development Plan. Reassurance was sought from a member that there would be sufficient S106 developer contributions to provide the required additional school places for local children, particularly in the Oadby area. The Director reported that the S106 money and the development of school places was based on a need of school places for children who reside in Leicestershire. Currently, there were sufficient places for all children who lived in Leicestershire and provision was good. There were issues in specific areas, where the ability to get a place was difficult, particularly where a family moved into the area mid term. In terms of what was built around school places, this could only be based on the number of children projected would move into an area where there were S106 developments.

RESOLVED:

- a) That the report and information now provided be noted;
- b) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 25 January 2021.

40. Update on the Defining Children and Family Services for the Future Programme.

The Committee considered a report of the Director of Children and Family Services which provided details of the outcome of the diagnostic assessment undertaken across Targeted Early Help and Children's Social Care services, along with an outline of the next steps of the Defining Children and Family Services for the Future programme plan and the approach to be taken. A copy of the report marked 'Agenda Item 9' is filed with these minutes.

Opportunities had been identified in the diagnostic assessment and were categorised into four main themes. The opportunities demonstrated a combination of potential benefits including cost/demand avoidance, enhancing quality and outcomes for service users and improved productivity. The total net annually recurring benefits were estimated to be in the region of £9.3m, with a stretch ambition of £13.1m over the next four years.

Also attending the meeting for this item were Mr Luke Tregidgo and Mr Stephen Knight from Newton Europe who provided further detail of the scope of the work being taken forward. Key principles of the programme were co-ownership and co-design, a robust process for tracking and monitoring improvements and performance and aiming for consistency around practice.

A joint team of frontline staff and practitioners from the Children and Family Services department and colleagues from the Transformation Unit and Newton Europe had now been established to oversee the development and testing of new ways of working. The team was entering a pilot phase to test the changes and it was anticipated that this would last three – six months. Once solutions had been developed, these would be rolled out county wide and this implementation and sustainability stage would last between six – twelve months. It was expected that the programme would run to November 2021, by which point the department would be able to independently sustain the new ways of working.

Arising from the discussion, the following points were raised:

- i) Assurance was sought that the targets being set were achievable and that the changes would deliver permanent benefits. The Director of Children and Family Services stated that the department had chosen to work with Newton Europe as its model was to work alongside a local authority. Thus far, the level of engagement with staff had been very positive. Newton Europe had previously worked with a large number of local authorities, particularly Adult Social Care and Children's Social Care departments, and the Local Government Association had also chosen Newton Europe to work with a range of local authorities in relation to their spending. It was noted that defining success was not just about the delivery of results; key was ensuring that the right joint team was in place and that the handover was successful. As the department became more confident, support from Newton Europe would reduce and ways of working would continue to be monitored to ensure that they were sustained. In relation to the targets set, these were primarily financial and had been set around the MTFs. The Delivery Board would undertake regular scrutiny of the benefits to ensure that they were being achieved and sustained. Regular updates would also be provided to the Committee on the benefits being achieved.
- ii) The contingent fee model of Newton Europe was raised; this proposed that they would guarantee to deliver savings with fees being commensurate to the benefits delivered. It was confirmed that there was a set fee and contingency arrangements were in place. Newton Europe guaranteed to deliver an annual benefit of £7m but it was hoped that this would be as much as £9.3m. The fee to Newton Europe would be capped and if the savings fell below £7m, additional resource would be put in place to remedy this, at a cost to Newton Europe. Assurance was given that the risk to Leicestershire County Council was minimal at every stage and that it would be possible for the authority to terminate the contract at every stage.

- iii) A query was raised around whether the work being undertaken would satisfy Ofsted that its inspection recommendations had been achieved. It was reported that the Continuous Improvement Action Plan and the Defining Children and Family Services for the Future programme were closely aligned. Although the department had undertaken lots of work to make improvements, there was an acknowledgement that more needed to be done and by working with Newton Europe, there would be greater challenge to ensure that the department realised its ambitions.
- iv) Clarification was sought around the development of the pilot areas. It was reported that there were three main project themes; these had multiple workstreams to focus on specific areas. The Pathways project would focus on processes and how different systems worked together; this included intervention effectiveness and reducing the amount of time children spent in care. The placements project had multiple workstreams which would consider whether the department was using its own resources as well as it could, the fostering recruitment process and reducing the amount of time children spent in residential care. The independence project would work with children and families in the disabled service to ensure that they were ready for independence at an earlier stage.

RESOLVED:

- a) That the report be noted;
- b) That further progress updates be provided to the Committee.

41. Special Educational Needs and Disabilities (SEND) Update.

The Committee considered a report of the Director of Children and Family Services which provided a progress update on work taking place across the SEND local area in response to the national, regional and local increase in demand for Education Health and Care Plan Needs Assessments and the Leicestershire Local Area SEND Inspection which had taken place in February 2020. A copy of the report marked 'Agenda Item 10' is filed with these minutes.

Arising from the discussion, the following points were raised:

- i) It was noted that between 24 November 2017 and 15 July 2020, eight complaints had been taken up by the Local Government Ombudsman on behalf of parents and of these, seven had been upheld. A member raised concern and questioned how this could be avoided in future. The Director commented that changes to process and practice had been made to ensure that the issues raised in the complaints did not reoccur. Customer satisfaction surveys had also been introduced at each step of the process to ensure that any issues were dealt with. A briefing note would be produced to highlight the work undertaken and this would be circulated to members of the Committee.
- ii) As part of the Local Area SEND Inspection Written Statement of Action (WSOA), regular monitoring updates would take place with the Department for Education. A meeting had taken place recently and very good feedback had been received on the overall progress made. 31% of the actions in the WSOA

had now been completed and 49% of those outstanding were showing good progress. In terms of completing all the actions, there had been some delay to Covid-19 but it would usually be expected that these would be achieved approximately 18 months after the inspection had taken place. At the next visit, it was anticipated that the majority of the actions would be completed.

RESOLVED:

That the report be noted.

42. Covid-19 Recovery Update.

The Committee considered a report of the Director of Children and Family Services which provided an update of the work of the department during the Covid-19 pandemic. A copy of the report marked 'Agenda Item 11' is filed with these minutes.

A member raised the point that some impact on children were still unknown and it was hoped that the department would be able to respond to these effects when they became more apparent. Assurance was given that the department had a continued response and focus on delivering services. The impact of the pandemic on children was still not fully known but the Director was confident that the department and its partners would continue to deliver services to children.

RESOLVED:

That the report be noted.

43. Annual Report of the Adoption Service 2019-20.

The Committee considered a report of the Director of Children and Family Services which presented the Annual Report of the Adoption Service. This evaluated the extent to which the County Council had fulfilled its responsibilities to children for the period 1 April 2019 – 31 March 2020. A copy of the report marked 'Agenda Item 12' is filed with these minutes.

Lots of practical work had been highlighted in the report and it was queried how much of this was still ongoing in light of the Covid-19 pandemic. The Director stated that next year's Annual Report would provide greater detail on the work that was currently being undertaken. Lots of activity had had to be conducted virtually, although where it had been considered safe to do so, face to face contact had continued to be offered.

RESOLVED:

That the report be noted.

44. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Committee would be held on 9 March 2021 at 2.00pm.