

**CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY COMMITTEE – 24  
JANUARY 2023**

**MEDIUM TERM FINANCIAL STRATEGY 2023/24 – 2026/27**

**MINUTE EXTRACT**

**Medium Term Financial Strategy 2023/24 – 2026/27**

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 2023/24 to 2026/27 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.

**Service Transformation and Proposed Revenue Budget**

Members noted the information provided at paragraphs 10 to 25 in the report and made no comment.

**Growth**

**G1 - Social Care Placements:**

- i. Members raised concerns regarding the growth in the demand for social care placements and the associated costs. The Director advised that the rise in demand had resulted mainly from more children presenting with more complex needs and because of an increasing trend in older children requiring care. Members noted, however, that the growth in spend had not been proportionate to this growth in demand as costs had also been affected by a number of other factors including market pressures, inflation and the rise in the cost of living.
- ii. The Director confirmed that Leicestershire had experienced a higher increase in demand for social care over the last five years (10%) when compared to the national average (4.1%). However, this had been because the Council had previously had a much lower number of children in care than other local authorities. Work had also been completed to ensure that 16/17-year-old homeless young people had access to care which had contributed to the increase. Members were assured that the number of children requiring care was projected to decrease. The Department had been focused on both

preventing the need for children going into care in the first instance and reducing the time spent in care. This had helped to reduce the yearly percentage increase which was now below 8%.

- iii. Members noted that, as part of the Defining Children and Family Services for the Future programme (DCFSF), the Department continued to deliver early intervention to provide families who were struggling with practical parenting advice and support. This helped to prevent the need for some children entering into care. However, Members noted that safeguarding children remained the priority, therefore where it would not be safe for a child to remain at home, a care placement would always be provided.
- iv. Following on from the success of the first phase of the programme, Defining Children and Family Services for the Future programme 2 (DCFSF2) was now being implemented. The Department had also been delivering targeted work on areas such as domestic abuse, following the allocation of additional funding by the Government.

#### G4 – Increase in EHCP’s Additional Case Managers:

- i. Concern was raised regarding a disproportionate increase in the number of children and young people requiring an Education, Health and Care Plan (EHCP) in Leicestershire (54%) when compared to the England (38%) and East Midlands (32%) average. The Director explained that all local authorities were required to measure against the same statutory data thresholds and that it would remain useful to make such comparisons to give an overall view. However, it was recognised that such data could not be considered in isolation. The Director provided assurance that the Department would focus on understanding the wider issues affecting demand for EHCP’s and would develop services and work with partners to address these, delivering the correct provision for children in the right place, at the right time. Members noted that Leicestershire had experienced higher growth in the demand for EHCP’s than any other local authority which had been partly due to low levels of Government funding for schools in Leicestershire. As a result, some schools did not have the resources to deliver the required level of inclusion services and therefore parents had applied for EHCP’s to ensure the best level support for their children. The Director explained that funding for schools in Leicestershire had been increasing, but that it would take time for changes to be implemented.
- ii. In response to questions raised, the Director reported that the appointment of ten additional Case Managers would not meet the increased demand for EHCP’s. However, it would help to alleviate some of the pressures in the system, adding capacity to enable the processing of applications and the opportunity for more engagement with parents and carers. This would in turn help ensure children were receiving the right level of support in the right place. The Director undertook to provide members with the number of case managers working within the service since 2016.

## Savings

### CF8 (Eff) Alternative Approach for Delivering Anti Bullying:

- iii. In response to concerns regarding the impact on children in not recruiting to the vacant post within the anti-bullying service, the Director assured members that the team (of two people) did not conduct work directly with children but provided support to schools to help them put in place their own anti-bullying initiatives. Members noted that this work would continue but that consideration was being given to how this support could be delivered more efficiently in future.

### CF9 (SR) Review Virtual School Provision:

- iv. In response to concerns raised regarding the potential impact on vulnerable children when reviewing the Virtual School provision, the Director assured members that the Department would be focussed on those children affected and consideration given to how best to mitigate any impacts arising from a reduction in the budget.

### Dedicated Schools Grant (DSG)/Schools Block

- v. Concern was raised regarding the financial efficiencies projected to be made through the delivery of the Transforming SEND and Inclusion in Leicestershire (TSIL) programme and it was questioned whether there would be any associated negative impacts on children. The Director explained that the TSIL programme would focus on transforming the whole SEND system to ensure that children with SENDs had their needs met at the right time, in the right place and with the right level of support. Members noted that diagnostic work conducted by Newton Europe in 2022 had indicated that some children within the SEND system had been receiving incorrect provision or were placed in an incorrect setting to support their needs. There would be a financial benefit in identifying and applying the correct provision early on, as well as a benefit to children, parents and carers, schools and other partners in getting this right from the outset. The Director acknowledged that it would be possible that the programme could identify that some children required a higher level of provision than had been provided, but assured members that the diagnostic work conducted by Newton Europe did not indicate that this would be the case.
- vi. In response to a question regarding the importance of reducing the deficit in the Dedicated Schools Grant (DSG), the Lead Member for Children and Family Services explained that the Council was required to set aside resources to offset the DSG deficit and that this therefore impacted the level of funding available for other services. At the levels of expected growth, the budget position would become increasingly unsustainable as more resources had to be set aside. If the Council were required to repay that debt, its financial position would become even more untenable. The Lead Member assured the Committee that she would continue to lobby the Department for Education (DfE) on the matter of funding, but it was essential that the

planned measures to contain growth, address demand and reduce costs continued.

- vii. The Director explained that the TSIL programme would offer the opportunity for closer engagement with schools on SEND and inclusion with the aim of applying funds more effectively to support children with SENDs within a mainstream education setting where this was most appropriate. Members noted that schools had received information on the TSIL programme, and that positive feedback had been received.

#### Capital Programme

- viii. Members noted the information provided at paragraphs 92 to 100 in the report and made no comment.

The Chairman thanked officers for their work and for presenting a comprehensive report.

#### RESOLVED:

- a) That the report regarding the Medium Term Financial Strategy 2023/24 – 2026/27 and information now provided be noted;
- b) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 30 January 2023;
- c) That the Director of Children and Family Services be requested to provide members of the Committee with the number of Case Managers assessing requests for Education, Health and Care Plan's (EHCP's) since 2016.