

DONCASTER METROPOLITAN BOROUGH COUNCIL
OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

WEDNESDAY, 15TH FEBRUARY, 2017

A MEETING of the OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE was held at the COUNCIL CHAMBER - CIVIC OFFICE, DONCASTER on WEDNESDAY, 15TH FEBRUARY, 2017 at 1.00 PM

PRESENT:

Chair - Councillor John Mounsey
Vice Chair – Charlie Hogarth

Councillors Richard A Jones, Paul Wray and Jane Cox

ALSO IN ATTENDANCE:

Doncaster Children’s Services Trust: -

Paul Moffatt – Chief Executive
Mark Douglas – Chief Operating Officer
Sue Greenhill - Head of Finance and Business Planning

DMBC: -

Simon Wiles – Director of Finance and Corporate Services
Damian Allen – Director of Learning and Opportunities

APOLOGIES:

Apologies for absence were received from Councillors Rachael Blake, John Cooke, Neil Gethin, Jane Kidd and Cynthia Ransome

		<u>ACTION</u>
2	<u>TO CONSIDER THE EXTENT, IF ANY, TO WHICH THE PUBLIC AND PRESS ARE TO BE EXCLUDED FROM THE MEETING.</u>	
	None	
3	<u>DECLARATIONS OF INTEREST, IF ANY.</u>	
	There were no declarations of interest made.	
4	<u>PUBLIC STATEMENTS.</u>	

Mr. Brown thanked the Chair for providing him with the opportunity to present a public statement which he believed was part of his democratic right, he also noted that he was a taxpayer and a parent.

In relation to the Doncaster Children's Services Trust, Mr Brown commented that the services provided by the Trust impacted upon him, his family and the wider community. He stated that on reading the report, he felt that there was silence concerning the lack of information within paragraph 75. He stated that as a parent, this was of an immediate concern and that the Trust was commissioned to deliver a wide range of services and had a public equality sector duty. He continued to say that this would encourage articulating a sense of the differentials of the nine characteristics and an action plan towards it, but he didn't get that sense. Mr Brown added that he had a son and as a parent was currently deliberating whether his son should go to university, run up a debt or apply for an apprenticeship and would therefore ask to what extent children in Doncaster are achieving their GCSEs and 'A' levels. Mr Brown stated that in delivering a range of services there should be monitoring and a matrix towards what extent different groups, not just black, white and LGBT children are accessing services and Mr Brown also questioned what kind of experiences they were having in the care system and whether they were favouring equally to other children. Mr Brown commented that the BME health needs was 13 years old, that he has 2 children and therefore knows how their health has changed over 13 years and understands how it is a legal requirement for the local authority and its partners to undertake a health needs assessment. Mr Brown added that he was aware of hate crime and questioned why large institutions say yes to A and B and Doncaster Council could not be bothered to respond. Mr Brown gave credit to the Member of Parliament for Doncaster Central, how she acknowledged racism and racist acts to be abhorrent. Mr Brown also credited the previous Mayor who alluded to Mr Brown and his rights, and finally gave credit to a serving local Councillor who has also spoken out. Mr Brown concluded by stating that the Trust is a public organisation which should provide equality metrics, value for money and comply with the law.

It was noted that the Director of Public Health had stated that he would consult with BME groups and that Mr Brown would chase him up if he hadn't.

In response to comments made about the Trust, the Head of Finance and Business Planning stated that the report on the agenda was a financial and value for money report and therefore referred Mr Brown to the Trust's performance report on the agenda for the Children and Young People Overview and Scrutiny Panel meeting taking place on the 24th February 2017 which relates to monitoring.

The Director of Learning and Opportunities also added that points raised around performance had been considered at a previous meeting

	<p>of the Children and Young People Overview and Scrutiny Panel last September and that an update would be taken to the February meeting about performance on children within the Borough.</p> <p>It was added that the Health and Wellbeing Needs Assessment was part of the implementation of the Wellbeing Strategy and so is on record.</p>	
5	<p><u>DONCASTER CHILDREN'S SERVICES TRUST LIMITED UPDATE REPORT</u></p>	
	<p>A report and presentation was provided to the Committee which provided an update on the financial and operational strategy of the Doncaster Children's Services Trust.</p> <p>It was explained how the Trust had made significant progress in establishing a sufficiency strategy, which reflected the clear vision and strategy for placing children in care with a focus on achieving outcomes, permanency and a controlled exit whilst using money wisely to ensure financial sustainability.</p> <p>The Panel was reminded that some of the Trust's services had been judged as 'good' by Ofsted. It should be recognised that improvements cost money and that a range of challenges had existed. It was explained that moving forward it was about seeing standards rise and better outcomes for children being achieved as a result of positive investment.</p> <p>Following a presentation by the Trust, there was a comprehensive debate which raised the following areas;</p> <p>Staff</p> <p>Members were informed that staff turnover had reduced significantly. It was explained that working practices and culture were changing for the positive. Members were informed that a significant amount of time and money had been invested improving the quality of Social Worker practice.</p> <p>It was added that the Trust was now managing to attract and retain good staff with a greater number of applicants being received for advertised posts.</p> <p>In respect of agency staff, it was explained that the Trust was currently operating at approximately 10% and that significant progress had been made.</p> <p>It was added that a neighbouring authority were paying £10,000 more than Doncaster was for its Social Workers. It was viewed that it wasn't only about the financial package offered to staff but about having good</p>	

supervision and management and taking confidence in the local system, which was recognised as something that will not happen overnight. It was added that some issues were beyond the Trust's control, and that the Director of Learning and Opportunities at the Council and the Chief Executive of the Trust had met with Directors from neighbouring authorities to consider local South Yorkshire solutions in addressing this issue.

It was heard how sickness had improved and that overall sickness levels were at 4%, with 12 people on long term sick leave and average days lost currently costing approximately £223k per year.

One Member stated that they were encouraged by what they had listened to and recognised that there were issues that created uncertainty.

Gaps/Challenges

It was stated that potential challenges may include rising demand across pathways. It was noted that further work needed to be undertaken in partnership with families and wider partners. It was clarified that the Trust has a good appropriate relation with colleagues from the Council as well as other key partners, such as the Police.

The Trust recognised that more work could be done around Early Help and Family Services. It was noted that the current early help strategy and local offer was a Council responsibility, that the Council lead on the strategy and that the Trust 'manages the front door'. It was commented that if there wasn't a sufficient local offer and robust response then the default position would be that children would be entered into targeted or statutory services delivered by the Trust. It was outlined that the Council had agreed to transfer the remainder of the Integrated Family Support team to focus on avoiding escalation into statutory care which would be costly.

In terms of being a financial risk, it was explained that there had been delays by health colleagues to release or identify appropriate staff. It was felt that there had been less clarity in respect of certain operational activities, for example, midwifery picking up Early Help assessments and contributing to the Early Help offer. Members were informed that the Director of Learning and Opportunities at the Council had met with the health partners and the police in respect of developing their position. It was commented that there had not been management drive from above and that there was more that could be done.

In respect of the future operating model for Early Help, Members were informed that there were openings to talk with neighbouring authorities and that there were potential opportunities in offering up support to other authorities and generating income.

Care Ladder and Opportunities Going Forward

It was explained that rising demand generated additional cost which increased the higher up the scale you went. Members were informed that systems in Doncaster were much safer, more robust and children are being adequately protected. It was added that this had increased cost in some areas as children either became looked after to prevent significant harm or were afforded the protections of being deemed looked after where they had been placed with family members. Assurances were provided that there was more confidence in ensuring that the right children were in the right part of the system. It was added that the Children and Families Hub were currently very busy as it was focused on ensuring that clients get to the right place at the right time.

It was recognised that children shouldn't remain within the care system and where appropriate moved to different orders. Members were informed that all children's care plans had been reviewed which was beginning to have an impact. Members were informed that at the point of leaving care, the Trust would ideally be managing those down and this may include moving those children onto universal services with either the Trust or the Council.

It was clarified that in view of changing legislation, the Trust had ongoing responsibility for care leavers up to the age of 25; this would include the provision of advice and guidance and in exceptional circumstances financial support. Members were informed that in respect of housing benefits, has been undertaken with St Leger Homes Doncaster to ensure that no young person is made homeless or sanctioned for not turning up to an appointment.

Residential Offer

Members were told that the remodelling of the in-house residential resource had been undertaken over 12 to 18 months and was nearing its end. It was recognised that at completion, the number of beds had increased and children would then be able to remain in Doncaster and prevent out of authority placements from having to take place.

It was advised that the remodelled provision will consist of five homes, plus Oaklands which will take children with more specialist needs. It was explained that the first of new homes would be open in March 2017 with 10 children ready to be transferred in-house to the remodelled provision. It was added that there would be an opportunity to further expand thus enabling children in Doncaster to retain their links and experience of a high provision of service.

In terms of individual homes, it was explained that Pinewood Avenue would be handed over at the end of March, and that Cromwell Drive and Amersall Drive had already been handed over. It was added that Amersall Drive would be a new resource. In respect of children with

disabilities, it was explained that since its refurbishment, Oaklands had been transferred to the Trust and would take children with specialist needs

In terms of successes, Members were informed that the Beechfield Contact Centre had resulted in costs being reduced over the last 2 years. It was added that steps had been taken to make it more efficient such as moving staff onto permanent contracts. Members were assured that although savings had been made with the Beechfield Centre, the provision of service is as good as it was. It was explained that changes had been made to work in practices, and improvements to the staffing structure.

Concerns were raised that the money for the refurbishments of the homes had been available for a while and not been used for its purpose. It was explained that the Trust had been going through the process of closing children's homes in order for the work to start. It was also explained that the Trust had gone through a lengthy business case with specifications which had to be agreed and deemed satisfactory with the Councils external process before they could proceed. It was commented that there was a lengthy process in place to assure that the money represented value for money and could not have been processed quickly.

In terms of targets set in the financial model, Members were informed that anything greater than 85% utilisation of the homes would be classed as an additional saving as it was recognised that placements could break down and therefore a 100% target would be difficult to achieve.

Financial Strategy

It was explained that the Trust was currently encountering higher costs due to complexities of the following areas;

- Income – It was outlined that the contract with the council was a block contract with varying elements such as demand and inflation.
- Higher Outturn – The forecast outturn for the year shows the Trust is forecasting to exceed the current budget by £1.6m as at the end of quarter 3. The forecast exceeds budget due to placement volume and costs being higher than the contract for the year. Based upon the risk share agreement for 2017/18, this deficit would be shared £1.2m DMBC and £0.4m Trust.
- Overspends - The forecast outturn for the year shows that the Trust is forecasted to exceed its current budget by £1.6 million variation due to increases in demand. It was explained that this mainly relates to out of authority placements where the average

cost per child is higher. It was acknowledged that although the in-house option was better, no one had been successfully recruited at this time. It was acknowledged that the Trust did not have the ability in their budget to spread costs so therefore an increased demand and price variations were more apparent.

- Financial Modelling – It was explained that this was something that had not previously existed and would give assurances of work going forward, could be used to predict and assess demand on a monthly basis. It was stated that it was about understanding and knowing about the children being looked after, what age they will leave the system and where they want to go by being able to make certain assumptions. It was commented that reductions were forecasted to take place over the next few years although additional money would be required initially. It was added that the models did not take in to account the Early Help offer.

- Short Term - It was explained that agency staff were currently being used but steps were being taken to recruit as many permanent staff as possible. It was noted that this sometimes involved agency staff transferring over to fixed term contracts. As an example, Members were informed that there was the potential to save in the region of £10,000 to £12,000 per annum per Social Worker converting agency staff to permanent positions. Other avenues involved reviewing placements and considering what could be achieved through controls to budgets, transport, and mileage.

It was explained that external barriers to making such savings included the 'Rotherham' factor (offering more money for its Social Workers) as well as the history and reputation of Doncaster. It had been acknowledged though that there had been an increased interest in working for Doncaster. It was added that agency staff were being paid more and converting to a permanent position would mean losing approximately 20% of their salary and adjusting to a change of lifestyle.

- Medium Term – Members were informed that strategies and approaches were in place to reset care leavers and the terminology of where children were at different points of the system. It was reiterated that out of authority placements that required specialist support proved the most expensive. Members were informed that changes were being made over the next six months to ensure that children are in the right place with less at the top where it was more expensive.
- Special Guardianship and Child Arrangement Order – It was explained that assuming small growth on the current contracted number of children would require an extra £1million. It was stated that Doncaster could be better in supporting families around

fostering and adoption, Special Guardianship Order and reducing numbers for looked after children. Members were also informed that this also applied to children that applied under section 20 of the Children Act 1989. It was shared that this was a very volatile area and numbers had increased significantly with possibly even greater numbers that had been anticipated as this was an unknown entity that the Trust did not have not direct influence over.

- Fostering and Adoption – It was stated that the goal was to increase the number of foster carers through different marketing and recruitment strategies. It was explained that this had come into place this year and the Trust was seeing the impact of this campaign which was evidenced through an increase in enquiries from people who were considering fostering. Members were assured that every stage of the process was robust and was considered to be better than that of local providers. It was advised that the Trust will bring in expertise to improve its offer with the purpose of increasing their success in the recruitment of foster carers. It was acknowledged by the Trust that they needed to improve visibility through their website and other social media avenues which would be taking place during the next 12 months.
- Care Ladder – It was noted that difference in average price and reflected children in care who had been in care a long time were more complex with additional needs.
- Cost Improvement – services were being considered and to make sure that they were in the right place.
- Contract – that the contract reflected the Councils and Trusts mutual aspiration to discharge the risk/reward mechanism through building reserves. Members were informed that reductions were being sought in contracts and that working capital was needed without which would place more pressures on the Trust moving forward and seek investment through the Council.
- Procurement and Commissioning - In terms of reducing expenditure through a review of procurement and commissioning, it was explained that part of the Trust was governed by the White Rose Framework and that the framework was coming to the end with contractors moving away. Members were informed that it was about understanding what the Trust could do in terms of negotiation. It was added that a recent benchmarking exercise commissioned by the Trust had indicated that an opportunity existed to reduce costs as well as ensuring the placement decisions were informed by available resources as well as quality.

A Member commented that best value did not mean the cheapest

option in the long term and questioned whether that had been taken into account. In response, it was felt that this was important although the Trust needed to look at what it was currently providing. An example was used that if the Trust was unable to deliver in-house fostering, they would need to consider an alternative model. It was explained that there was a need to compete with other fostering agencies so the Trust therefore needed an edge.

Governance and Financial Arrangements of the Trust

In respect of reporting mechanisms, the Committee was informed that monthly management account meetings and meetings with the Director of Finance and Corporate Services took place. Members were assured that there was a great deal of oversight and monitoring of the Trust in addition to the Trusts own Board and governing structure and arrangements.

It was confirmed that there was a Financial Team in place which was fully staffed. It was explained that this operated on a business partnering approach and work had been undertaken with Heads of Service so that they understood expenditure and where it was being spent.

It was acknowledged that historically some young people had not received a good standard of care and the Trust was now trying to work through that in addition to current and future challenges around demand coming through system. The Council added that there was an increased level of assurances from the Trust, with a tighter and more accurate view of the demand and reduction in budget pressure. It was viewed that the challenge for the Council was the degree of predictability in terms of its budget. It was acknowledged that since Quarter 2 the Trusts position had improved and that the challenge around demand would be agreed subject to negotiation and governance. Reference was also made to the work of the Children's and Families Strategic Board in respect of the Childrens Plan coming forward in April 2017.

Members welcomed the information that had been provided and felt that they now had a greater understanding.

ACTION: An updated report from the Trust alongside the Council's own action plan to be brought back to the Council in 6 months as part of the 2017/18 workplan.

RESOLVED that the Committee notes the financial and operational strategy update report of the Doncaster Childrens Services Trust.

Senior
Governance
Officer