

Children's Services Review

March 2022

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Introduction

- The LGA have been asked to do a review of Southampton City's Children's costs to inform future plans.
- Carried out by Alison Michalska (Ex Director of Children's Services and LGA Children's Adviser) and Barry Scarr (Ex Director of Finance and LGA Finance Adviser)

Transformation Programme

- Right elements in place:
 - Getting organisational structure right
 - Reducing agency reliance, stability of leadership and workforce
 - Step down from residential care and development of internal provision
 - Culture change an integral part

Targets and timescales

- Doing the right things, but savings target is huge (£15m by 1 April 2023)
- Very little confidence that the savings can be delivered in timescales
- Linkages and risks not fully understood
- Reality not reflected – e.g. new entrants into residential care = numbers stepped down
- Not robust – e.g. residential care provision

IT Systems

- System issues need to be addressed as a matter of urgency
- ERP – implemented recently, but still has problems.
- Care Director – key performance and finance data not available, backlogs are building up
- **Top priority!**

Governance

- Programme governance (D22) is in place and methodical at the top level
- Confusion over decision making and accountability – e.g. Care Home purchase
- Change not planned or resourced – e.g. Legal training for SA social workers
- Needs more clarity on hierarchy of various Children's Boards and Governance arrangements

Partnerships

- Partnership working perceived as poor, although improving
- Police - continue to swamp children's services with contacts that are not triaged or prioritised by the Police.
- NHS – appear distant & need to be fully engaged in the improvement journey
- 3rd sector – felt that communication poor, not taking advantage of existing offer

Performance

- Focus needs to be on improvement journey to get to ‘Good’ typically 3-5 years
- Up to date performance data problematic, but based on ChAT
 - CiC, CP and CiN numbers are inline with statistical neighbours
 - Permanence plans either not in place or not recorded for 50% CiC - will lead to drift/delay & therefore additional costs
 - Data re Care Leavers shows performance below statistical neighbours

Performance

- High number of contacts (especially from the Police) do not become referrals
- Too many assessments lead to no further intervention
- High levels of repeat referrals
- Drivers behind the recent increase in admissions into care needs to be understood
- Impact (cost) of the legacy of weak performance over a number of years will remain for a further 8-10 years as poor decision making for young children will impact on their care journey until the leave care as adults.

Suggested actions

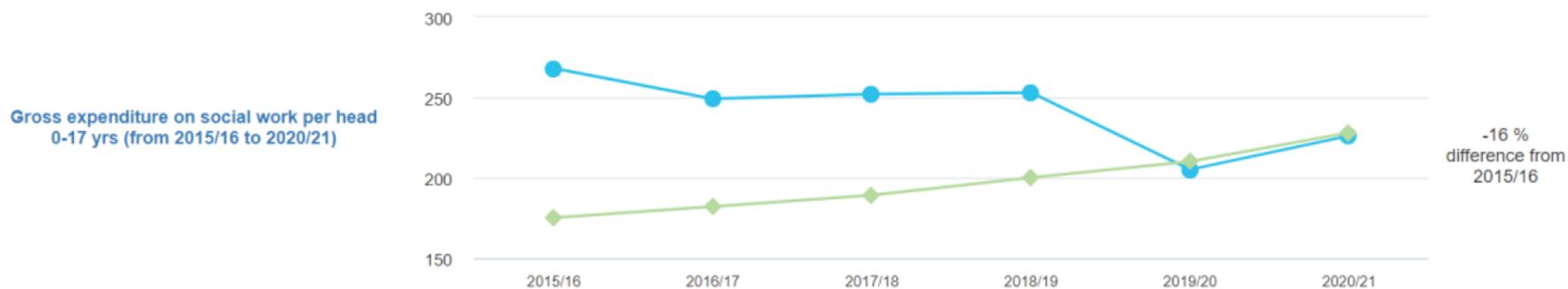
- Thorough analysis of re-referred cases to understand why a re-referral was necessary - change of circumstances or a failure to get it 'right first time'?
- Challenge to the Police to better understand thresholds and triage cases before referring to social care – compare with rest of Hampshire police area
- Future plan of DCS urgently needs clarity to ensure stability

Benchmark - safeguarding



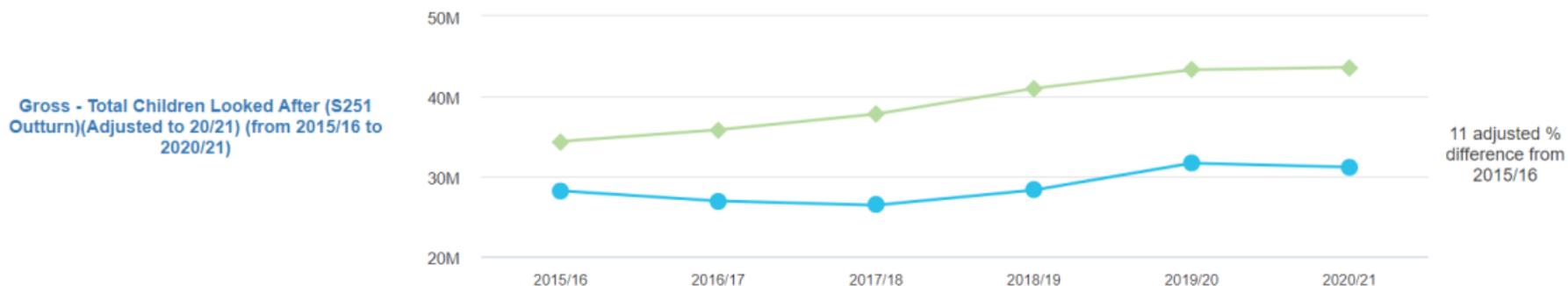
***Southampton is blue, figures adjusted to real terms using GDP Deflator
Green line is CIPFA statistical neighbours***

Benchmark – expenditure per head



***Southampton is blue, figures adjusted to real terms using GDP Deflator
Green line is CIPFA statistical neighbours***

Benchmark – Children Looked After



Southampton is blue, figures adjusted to real terms using GDP Deflator
Green line is CIPFA statistical neighbours

Benchmarking links

- [Home | LG Inform \(local.gov.uk\)](#)

Budgets - forecasting

- Forecasting not working due to Care Director
- Previously, robust and detailed, but budget still overspends despite mitigation
- Problems with the ERP system – basics not right and needs work (underway)
- Children's services viewed as not interested in Finance – constant firefighting and no sense of cause and effect

Budgets and MTFP

- Previous years – lots of volatility and overspend
- Is public health funding and school resourcing maximised?
- Investment to meet overspend and increasing demand
- A more strategic approach would be better – multi year view linked to improved performance
- Performance will lead to operational excellence and VFM

MTFP – Strategic Funding

- Combine finance strategy with improvement journey and performance metrics
- Granular understanding of when actions lead to finance impact – e.g. early help
- Use one-off funding to manage peaks – e.g. cover agency cost until staffing stabilises
- Intelligent budgeting, but relies on improvement milestones being agreed

Support services

- System issues – e.g. establishment control
- Demand not being reflected in support level
- Boundaries and delineation not clear – who is expected to do what?
- Failure demand and rework high
- SLAs out of date – resource expected at short notice
- Getting better, but relationships not good

SEND

- Strong leadership and constructive relationship with parents/carer forum
- Commitment from all parties to effective co-production
- Need to push further on promoting independence of YP for example travel to school and personal budget.
- In line with national picture, increasing EHCP driving up costs - SEND reforms may help

SEND

- Urgent work needed to agree a HNB recovery plan with Schools Forum
- Health financial contributions are reasonable
- Plans to develop local, inclusion units in mainstream schools and locality special schools are right but would benefit from acceleration - will deliver better outcomes and save costs
- Need to move away from fleet transport and taxis