

## CHILDREN'S SERVICES OVERVIEW AND SCRUTINY PANEL

MONDAY, 23 JULY 2018

PRESENT: Councillors Eileen Quick (Chairman), Marion Mills (Vice-Chairman), Nicola Pryer, Edward Wilson and Wesley Richards

Also in attendance: Mr Louden and Cllr Airey.

Officers: Kevin McDaniel and David Cook.

### APOLOGIES FOR ABSENCE

Apologies for absence were received by Cllr Luxton

### DECLARATIONS OF INTEREST

There were no declarations of interest received.

### MINUTES

**Resolved unanimously: that the Part I minutes of the meeting held on 26 June 2018 were approved as a true and correct record subject to it being noted that Cllr Airey gave her apologies.**

It was noted that the DfE letter regarding SEND would be circulated when available.

### FINANCE UPDATE

The Panel considered the latest Financial Update report due to be presented to Cabinet.

The Director of Children's Services informed the Panel that paragraphs 4.2 and 4.3 of the report showed that Children's Services were predicting a net overspend of £911,000. The main driver for the overspend continued to be placements for children in care outside of the local authority area in independent fostering and residential care. There also continued to be pressure regarding agency costs for staffing the MASH.

The actual overspend was predicated to be £1.5 million but mitigating action in other areas had reduced this to the £911,000. The overspend was in line with that reported in previous years but for this year other areas of the authority were not able to help mitigate the pressures.

The placement of young people in care was a national issue with costs increasing from £3,000 to £6,000 per week. There were further pressures on providers from the regulator which had resulted in increased costs for challenging children.

(Cllr E Wilson joined the meeting)

Although the services were in a regulated framework the financial side was not. This was a national issue. Other local authorities with a higher number of care homes were also now asking for increased contributions towards placement costs and support services.

Children's Services were trying to get more local foster placements and Achieving for Children were looking at becoming an independent fostering agency. Officers were trying to encourage

the market place to have more care home in the borough and they were seeing if this was possible via the RBWM Property Company.

Agency staff costs continued to be an issue with on average agency staff costs being £20,000 more expensive than permanent staff. Less money could be offered to agency staff but this could result in higher turnover. Where possible agency staff would be replaced by permanent staff.

The Chairman felt that local authorities should join together in asking the Government to regulate the finances of providers.

The Lead Member for Children's Services reported that she was a member of the Local Government Association Children and Young People Board and that the issues raised were national issues and work was being done around the shortfall in funding. As Lead Member she was working with officers to find long term solutions as previously mentioned. With regards to foster care between 70% to 80% of the RBWM cohort were aged 13 and over, officers were looking at the associated issues and costs.

Cllr Richards asked if the reason for placing young people outside the borough was due to the lack of foster careers. The Panel were informed that this was the reason for the majority of placements but there were also some that needed to be placed outside the royal borough for child protection reasons. The majority of foster careers take children under the age of five. Where placements are required the council does also look to place them near schools that were rated as good or outstanding.

The Lead Member for Children's Services asked if there were currently any secured placements and was informed that there were currently none but last year one young person was placed for 12 weeks. Nationally at any one time there were about 20 young people waiting for a placement. Secured placements were rarely the correct answer but when it was right to do they would be used.

Cllr E Wilson questioned the budget setting process as the pressures were not unknowns and asked if the figure was expected to increase or decrease. The Panel were informed that the expected overspend was a yearend forecasted figure and allows for a contingency for a small number of young people that may need support that were currently not known about. During previous years mitigating action across the council had been taken, but this was not possible this year.

Cllr E Wilson recommended that the report should have contained both the Net and Gross figures for the overspend as it was not clear to the public how much the departments had overspent. More detail needed to be added to the report as it looks as if AFC are failing and not that it was a national issue.

The Chairman asked if mitigating action would impact on services offered and was informed that focus had been on back office saving where possible.

The Director of Children's Services also informed the Panel that the report showed a pressure to the Dedicated Schools Grant. There was a net in year deficit of £795,000 relating to the dedicated schools grant. The two main pressures was the increased places and additional funding to support the provision of high needs within Manor Green School and additional funding to support the provision of high needs within maintained schools. The Schools Forum had considered the issue and were reviewing all 15 settings within the high needs block.

Cllr E Wilson mentioned that this pressure could not allow to continuously roll forward as there would become a tipping point that would impact the council tax payer. The Panel were informed that whilst there was a positive balance from maintained school it could be managed but as more schools became academies this would become harder. AFC had a significant

higher deficit and the Government had brought forward payments to the high needs block to give them more time.

The Schools Forum were investing fund now to resolve the problem and maintained schools surplus balances had increased by £300,000, ultimately the risk sat with the local authority.

Cllr E Wilson also mentioned that the report showed capital investment in our schools but it did not explain that the funding was coming from the Royal Borough and not national funding. The Lead Member for Children's Services informed that there had been a consistent message regarding the funding and expansion programme this included being in Around The Royal Borough, via schools and in Cabinet reports. There was also the memorandum of understanding in place with schools.

**Resolved unanimously: that the Children's Services Overview and Scrutiny Panel considered the Cabinet report and unanimously endorsed the recommendations. The Panel felt that the report would have benefited from more detail in paragraphs 4.2 and 4.3 (AFC Contract – Children's Services) detailing the Gross and Net budget with details explaining the overspend and mitigating actions taken and explain that there were functions that remain in Children's Services where the budgets are demand lead.**

### WORK PROGRAMME

The Panel noted the report and agreed to add:

- Alternative Provision to include home schooling.
- Add an update on the Girl's Policy Forum to December.
- Update on fostering in December.
- Adult Learning Joint meeting with Slough BC to be arranged.

The meeting, which began at 7.00 pm, finished at 7.50 pm

CHAIRMAN.....

DATE.....