

AT A MEETING of the Children and Young People Select Committee of  
HAMPSHIRE COUNTY COUNCIL held at The Castle, Winchester on  
Wednesday, 20th September, 2017

Chairman:  
p Councillor Ray Bolton

Vice-Chairman:  
p Councillor Roz Chadd

**Councillors:**

p Jackie Branson  
p Zilliah Brooks  
p Fran Carpenter  
p Steve Forster  
a Marge Harvey  
p Wayne Irish  
a Gavin James

p Kirsty Locke  
p Russell Oppenheimer  
p Neville Penman  
p Jackie Porter  
a Robert Taylor  
p Malcolm Wade  
p Michael Westbrook

**Substitute Members:**

p Councillor Pal Hayre, Conservative

**Co-opted Members:**

a Caroline Edmondson: Primary School Parent Governor Representative  
VACANT: Secondary School Parent Governor Representative  
VACANT: Special School Parent Governor Representative  
a Jeff Williams: Church of England Schools Representative  
VACANT: Roman Catholic Schools Representative

**At the invitation of the Chairman:**

p Councillor Peter Edgar – Executive Member for Education  
p Councillor Keith Mans – Executive Lead Member for Children's Services

16. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Marge Harvey and Robert Taylor. Councillor Pal Hayre was in attendance as the Conservative Deputy Member. Apologies were also received from Councillor Gavin James and parent governor co-opted member Caroline Edmondson.

The Chairman informed the meeting that Cllr Roz Chadd, the Vice Chairman, would be late to the meeting.

17. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they

considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

Councillor Jackie Porter made a non-pecuniary interest, as she is a Chair of an organisation that has previously received a grant from Children's Services, and a Chairman of a Pre-School that receives early years funding.

Councillor Malcolm Wade made a non-pecuniary interest, as he sits on an organisation that has previously received a grant from Children's Services.

Councillor Peter Edgar, the Executive Member for Education, who has a standing invitation to attend and speak to the Committee, noted a non-pecuniary interest, which is that he is a lifelong member of the National Association of Head Teachers.

## **18. MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting held on 10 July 2017 were confirmed as a correct record and signed by the Chairman.

## **19. DEPUTATIONS**

The Committee did not receive any deputations.

## **20. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman gave one announcement to the meeting:

### Parent Governor Elections

The Chairman highlighted that the Committee were currently seeking nominations for the two vacant parent governor co-opted member positions it has, which covered secondary and special schools. Members were asked to make parent governors in their areas who would be interested in this opportunity aware of the vacancies and to encourage them to fill out the nomination form and return it by the deadline.

## **21. TRANSFORMATION TO 2019 - REVENUE SAVINGS PROPOSALS**

The Committee received a report and presentation from the Director of Children's Services and his representatives, which provided an overview of the revenue savings proposals for Transformation to 2019 (see Item 6 in the Minute Book).

Members heard an overview of the key findings of the balancing the budget consultation held by the County Council the previous summer, and noted that all of departments in the Council had been asked to proportionately contribute a further 19% saving of their budget by April 2019. For children's services, this

resulted in an overall requirement of £30.1m. An overview was provided of the Department's success in the Transformation to 2017 savings, which had seen a total of £21.5m achieved, including restructuring the family support service, which the Committee had considered in detail.

As the vast majority of the Children's Services spend is external, such as on the cost of placements in foster and residential care, and the entire staffing budget is less than £40m from a £148.9m budget, it would not be possible to find savings only from staffing costs. Therefore a significant proportion of the proposed savings centred around changes in delivering children's social care, and providing only the statutory entitlement under home to school transport, as well as other changes to provision.

The Transformation to 2019 (T19) programme would be a much tougher savings round, as there were no longer minor savings to be found, and cost reduction now required much wider transformational thinking. It was particularly difficult for Children's Services, as the authority was already lowly-funded, compared to its peers, spends most of its budget externally, and has statutory duties which must be protected. The principles underpinning this programme remained the same, and centred around six core statements:

- Ensuring a safe and effective social care system;
- Ensuring sufficient capacity to lead, challenge and improve the schools system to help ensure improved outcomes for all, but particularly more vulnerable groups;
- Tightly target limited resources according to the needs of children;
- Secure, targeted, and co-ordinated early help provision;
- Sustaining and developing high quality and financially competitive sold services;
- Maximising the opportunities to create efficiencies and maintaining and enhancing services through partnership arrangements.

There were four strands to the T19 programme for social care transformation, which made up the majority of the Children's Services savings, which included:

- Reducing the number and cost of children looked after (£17.9m);
- Infrastructure and organisation redesign (£3m);
- Review of Swanwick Lodge (£470k); and
- Reduction in the 0-19 grants (£500k)

There were currently approximately 1,500 children were in care, around 46 per 10,000 children. The Department believed this could be safely reduced by 410 by 2021/22, noting that these figures have to date been rising, but that transformation work had begun to decrease this locally. Hampshire was one of only seven local authorities nationally, picked from the best performing, to take part in a Department for Education pilot aimed at transforming care, noting that with the number of children in care going up year on year, and the average placement cost being £55,000 plus staff costs, that this is not sustainable. Around 40% of all children in care are teenagers, and it was known that outcomes for teenagers were worse. By focusing on the cohort of teenagers, and making social care services more adaptive to meeting the challenges that result in teenagers going into care, there should be a reduction in the number ending up in a care setting. Many of these children were going into care because parents feel unable to cope with the complex behaviours teenagers display and

the issues they face in their generation, and parents lack the emotional resilience to deal with these challenges.

The aim of the transformational work for children's social care would be to become a family service, focusing on the child but also on the wider family setting, tackling issues such as mental health, domestic abuse, and substance misuse in parents alongside the needs of the child. To this end, other agencies would need to be involved to provide help for these issues. This approach has been piloted, so it was known that the approach works. It would also be important to reduce the amount of bureaucracy faced by social workers, ensuring that they have the capacity to deliver meaningful interventions. It was believed that by making these changes and operating in line with the vision set out, the Department could safely reduce the number of children in care. It was accepted that children will always need care, but the aim would be to return them to a family setting (where appropriate) as quickly as possible, with family reunification for older children the focus. In taking this approach, the aim of the Department was to reach the best possible outcomes for children and their families, to become an outstanding authority, to continue to keep children safe, and to operate within the budget.

The savings around infrastructure and organisation redesign centred on remodelling, reducing and restructuring teams which would bring about a saving of approximately £3m, and the £470k from Swanwick Lodge would be as a result of increasing the charges to commissioners.

The T19 work programme for children with disabilities would save approximately £3m, and focused on long term care that could be provided in a different way, with a view to redesigning the service so it moved away from institutional ways of providing homes and care, to one that was more responsive to children's needs. This area of savings also focused on a better use of technology and being smarter about how services work, e.g. through exploring market products which enable stretched staffing resource to be replaced with sensors or alarms. Another area of focus would be the short breaks service, which was not as efficient as it could be. Any proposed changes to this area, however, would be part of a Stage Two consultation.

The school improvement service savings focused on grant funding, removing a final £59k of core funding for the music service. However this was a very small part of the overall funding for the music service, which has a circa £6.5m overall budget mostly contributed to by the Arts Council or as a sold service to schools. Therefore the Department were confident that this could be removed without impacting significantly on the service.

The savings of £979k in education high needs related to:

- Reducing the early years admin function;
- Reviewing Hampshire Futures;
- Reforming the Special Educational Needs (SEN) and Inclusion Service; and
- Reviewing the Virtual School for children looked after.

By March 2018 it was expected that all SEN statements would have been transferred over into the new Education, Health and Care Plans, and this will

therefore release staff capacity and will give an opportunity to better understand how the Plan process should work, in order to make it more efficient in future. Work would be taking place around this team and the Inclusion Service, as it has been found that the two groups duplicate some areas of work, so merging the teams should bring about a saving.

The savings under Home to School transport would save approximately £2.8m, by reviewing the policy and setting delivery at the statutory minimum, by making changes which would make the cost of providing transport cheaper, and by improving infrastructure which would lessen home to school transport for the reason of unsafe walking routes. The Director had previously spoken to the Committee about his views on Home to School transport, which he felt was essentially a tax on County Councils as the legislation was unlikely to impact on urban city authorities due to the distances involved. Home to School transport rules are set out in legislation and therefore the Council would need to be careful when implementing changes to ensure that the statutory service it is obliged to provide exists, but could make changes to reduce the number of exceptions granted. The Department and Executive Members continued to lobby central government about the unfairness of the legislation, but given that any changes would require primary legislation it was unlikely that time would be given to it, as the legislative space was likely to be taken up with the UK's exit from the European Union. Any changes made locally could be subject to a Stage Two consultation.

Savings around support services of approximately £924k related to continued reductions in cost when providing an administrative function (such as printing and postage), better uses of technology, and other back office changes.

The report contained Equality Impact Assessments for each saving proposal work programme, and some areas would require further consultation as noted. The next steps after Select Committee would be for the Executive Lead Member to consider the proposals and to submit them to Cabinet for further review. A final form of proposals would then be considered by County Council in November, and the further development of the proposals, and timetable for their implementation, would take place after this time, subject to any consultation work.

In response to questions, Members heard:

- That the social care teams would always take a child into care if there were no alternatives, or should there be concerns about abuse or neglect in the home.
- That part of the social care reform work would be to operate as multi-disciplinary teams with a shared approach to tackling the issues that underlie why a child may be taken into care. Teachers and school representatives should form part of these groups, with the onus no longer being on just the social worker or just the teacher trying to help the child. Any changes to the processes used for delivering interventions will be monitored to ensure that this isn't having an impact on one particular agency, i.e. a greater impact on schools or teachers.
- The Executive Lead Member was particularly keen to ensure that the thought process behind the proposals was to ask if the wider public sector

would benefit from these changes, noting that these might not be related to spend; there may be reduced contacts in another organisation, or better working relationships, as a result of the work Hampshire County Council may be undertaking. More organisations sharing the benefit of working differently led to a greater level of senior officer buy-in to the concept of multi-agency teams.

- The report did detail the need for Hampshire to recruit a greater number of social workers to effectively implement the transformed social care model. The Department were in discussion with corporate finance about this aspect of the programme, as there would be a 'spend to save' element. Recent recruitment drives had been successful, particularly the graduate training programme which had seen an increase in the number of individuals choosing Hampshire to start their career in. The challenge would be to retain them, ensuring that workloads are protected to allow time for study and learning.
- The Department had looked carefully at the data on the number of contacts and referrals into children's social care, and it had been found that in any one month the Multi-Agency Safeguarding Hub (MASH) received up to 6,000 separate contacts, which then needed to be filtered to pick up those that needed referring on to teams, requiring significant resource. Approximately 70% of these contacts are resolved or do not require action by the social care team, and of these a disproportionately high level are from schools in Hampshire. Therefore work needed to take place to identify why this high number of referrals are happening, what is taking place up until this point, and what more can be done to ensure that teachers and other school staff understand the appropriate thresholds for referral. Part of this may be professional wanting to ensure that they refer every issue which may be of concern, rather than exploring these locally and only referring if appropriate.
- Part of the social care transformation work aimed to build greater resilience in families and communities, and part of the role of the new family support service would be to aid this, helping families to help themselves, with referring to children's social care a last resort, rather than an immediate option.
- The primary aim of any agency tasked with safeguarding children is wherever possible to ensure that they can safely be kept out of care, preferably in a familial setting. This would be the main driver of the service regardless of the need to make savings. It should be families look after children, not the state, unless in extreme circumstances, a premise which is enshrined in law.
- Swanwick Lodge is a difficult environment to work in, and the job roles the unit offered were rewarding but very tough. The previous premise of the revenue stream had been keeping the Lodge at full occupancy, but the Department aimed to reduce the maximum number that can be safely accommodated at any time, to make it a better environment and to make the best use of resources. The additional income set out would be achieved by putting up the price to commissioners for placements, as market research had shown that there is an under-supply but high need for them, and even at a higher price the rate is still under that offered by private non-secure units elsewhere in the Country.

- That the net figure for the number of children looked after last year was approximately -25. This number included those assigned to Hampshire through the clearing of the Calais refugee camp, and the number of children being placed on a 'care at home' order by the Courts.
- Currently Hampshire looks after approximately 80 asylum-seeking children, whose costs should be covered by central government, although it was believed that the cost of care was slightly higher than the funding received.
- Children's Services would need to spend to save in some areas, with capital infrastructure, accommodation and IT investment required to implement the new social care model, and changes to Home to School transport. However, this would be offset by other savings, such as releasing accommodation and the better use of technology.
- In relation to the proposals around children with disabilities, the feedback received by the service was often that older children wanted to be more independent and take more risks when choosing what support they received, whereas parents tended to be more cautious and keen to stick to traditional services. The Director's view was that services needed to listen more to children about how they want their needs to be met, especially during transition periods where often young adults face a cliff-edge of service provision as the same opportunities are not offered in adult services. The aim would be to try and prepare children for adulthood as much as possible. Reviewing whether high-cost placements are appropriate, or if greater life opportunities can be sought by individuals living in the community, with the aim of enabling rather than solely protecting. There was ongoing dialogue with the Hampshire Parent Carer Network to this end, and further work would require a consultation, should the proposals be agreed.
- The changes to the School Funding Formula meant that Hampshire schools would be better off by £34m, at a time when Hampshire County Council would be reducing its spend by another £140m, so some difficult dialogue needed to take place with education leaders to see where some transfer of responsibilities for school improvement and avoiding exclusions could take place.
- The aim of the Equality Impact Assessments was to flag where there could be risk to different population groups should mitigations not be put in place. The Department were confident in the mitigations suggested for the proposals, to ensure that unfair impacts were not seen across the County.
- The T19 programme would require appropriate and timely communication with all staff to ensure that they understand the rationale for change, and are on the same journey of transformation. The threshold for services would not change as a result of the savings proposal, but the way staff approach them would require a culture shift of thinking around intervention and prevention.
- On grant reductions, it was important to note that these aren't long-term contracts, and were aimed to be short-term start-up funds for initiatives which then find alternative funding streams. There have historically sometimes been a reliance of organisations and community groups on grants as core funding, and this would need to change. Further, the transfer of Public Health into the Council has enabled the County to see where there is a duplication of effort, e.g. multiple counselling contracts to different organisation for the same issue.

The Chairman moved to debate, where discussion was held on what had been heard in the meeting, and a plea was made to the Executive Lead Member to be mindful of Members' views when taking a final decision. Assurance was provided that the Select Committee's views had been taken on board, and greater discussion would be held at a later date should Cabinet and County Council agree the transformation programmes suggested.

The Chairman moved to the recommendation as set out in the paper:

*That the Committee support the submission to Cabinet of the proposed savings options contained in the report and its Appendix 1*

A vote was taken on the proposed recommendation:

For:	10
Against:	4
Abstained:	0

RESOLVED:

That the Committee support the submission to Cabinet of the proposed savings options contained in the report and its Appendix 1

## **22. CHANGES TO EARLY YEARS FREE HOURS ENTITLEMENTS**

The Committee received a report and presentation from the Director of Children's Services and his representatives providing an overview of the changes to early years free hours entitlements in the County (Item 7 in the Minute Book).

The Committee heard that the report provided further information to Members on top of the overview of free hours entitlements, as it also provided an outline of the wider service.

Members heard that the main change to free early years education was an extension to the entitlement, from the previously offered universal 15 free hours for all three and four year olds, to now include an additional 15 hours of free early years education for those parents which met a set of criteria. This brought the total offer to 30 free hours. There were currently over 1,500 registered providers of early years education, with Hampshire making up approximately 3% of the national provision of these services. Approximately 77% of these would be offering the new extended entitlement.

There had been a marked shift in the early years market place, with most providers no longer only offering places matching the academic year; most now offer over 39 weeks, with 32% offering 48 – 52 weeks per year coverage.

The allocation of funding for services has been based on the early years census, and of the funding received at least 95% of it must be allocated to providers. There was now a funding formula that was nationally-set (Early Years National Funding Formula) which the local authority uses to set provider hourly rates, with



additional funding for deprivation, early years pupil premiums, SEN inclusion, and the disability access fund. There remained concerns in the sector about the affordability of the additional free hours, especially if all eligible parents applied for places.

There were a number of challenges for providers which needed careful monitoring to ensure that provision remained sufficient across the County. These included areas such as increases in expenses (including the national living wage introduction and the impact of business rate changes) and issues with premises. There were also a number of challenges for parents, such as ensuring that they re-confirmed their eligibility when prompted, and were aware of how to apply, what providers offered and what additional charges could be levied. Hampshire County Council also faced challenges in ensuring that the budget pressure through the Department for Education not meeting the expected allocation amount was managed, and that sufficiency was monitored.

The Department had undertaken a significant amount of work as an 'early innovator' with providers and parents to ensure that the new entitlements could be implemented smoothly. To date, the Council had managed to convey the message about early years to over 7,000 parents who had positively registered and confirmed their eligibility for the scheme, making Hampshire the local authority with the most positive checks in England. Much of the work undertaken had been through soft social media stories, partnership working, and making the best use of communications, and positive feedback had been received about the approach taken so far.

In response to questions, Members heard:

- The entitlement was from the term after the child's birthday, so for children having a birthday in April, the entitlement would be from the summer term.
- That all parents complete a declaration form, where it is stated which providers are claiming which free hours of entitlements, so that if it were determined that a parent was no longer entitled to the additional 15 hours, it would be clear which free provision would stop, and which would continue.
- Notionally parents could choose up to 14 providers, as two can be used per day and early years provision now extended to seven days per week and from .am to 8pm This was unlikely, but presented a wider risk around parents ensuring that they are clear on what they are claiming for when registering for care.
- Of the providers that had stopped offering care in the previous year, only two group providers were known to have taken the decision to cease providing early years education due to the additional hours entitlement, and this was only a partial factor in the decision to close (with most relating to not attracting a sustainable number of children).
- The additional charge that could be made by early years providers to parents covered at the moment only meals and consumables, for example sun creams and nappies. The legislation did not allow this to extend to apparatus for the delivery of the foundation stage, such as pencils or craft materials. Not all providers were levying an additional charge.
- The government would be reviewing what parents are being asked to contribute, so this may change in the future. Should parents be charged

high amounts of contributions, or be concerned about the use of their payments, they could report this to the Council who could challenge this with the provider if appropriate, although parents should always seek to discuss this with the provider first.

- The early years service were aware of the need to ensure children from hard to reach communities have the same access to provision, and work to this end had been undertaken with the Citizens Advice Bureau and Ethnic Minority and Traveller Achievement Service, as well as providing translatable materials on the website. Engagement had also been undertaken with stakeholders including housing associations, medical professionals, social care, and those working in frontline services.
- At this time it was considered that there was enough capacity in the market to support the required number of places and hours of provision for those aged two to four years old. Hampshire has a very large market with over 45,000 places, and the role of Hampshire County Council was to continue to review and ensure that these are in the right places at the right time, given that provision could now be offered from 6am to 8pm, seven days a week.

The Chairman thanked the presenters for their report and presentation, and agreed that any further questions from Members could be sent to the officers via the scrutiny officer.

RESOLVED:

That Members note the overview provided.

## 23. **WORK PROGRAMME**

The Director of Transformation and Governance presented the Committee's work programme (see Item 8 in the Minute Book).

The following timings for items were agreed on the work programme:

- That the topics of SEN and Disability reforms and services for children with disabilities be heard in November.
- That an additional item providing an overview of the school funding formula is also heard in November
- That a monitoring item on the Family Support Service be heard in January.

In addition, the topic of the Hampshire Music Service was requested to be included in any future update on Transformation to 2019.

RESOLVED:

That the work programme, subject to any amendments made during the meeting, is agreed.

---

Chairman, 8 November 2017