

Children's Services Financial Resilience to 2020/21

1. Introduction and Context

- 1.1 The cost pressures within Children Looked After are well documented and part of the increasing trend in numbers is simply down to demographic factors as the number of children in Hampshire increase either through the birth rate or through inward migration.
- 1.2 These increases are putting ever more pressure on social worker resources, increasing case loads and affecting long term recruitment and retention, which means that more agency workers are being used to increase capacity.
- 1.3 These demographic increases are also having an impact on other service areas, in particular Home to School Transport (HtST) where forecast spend is well above budget in the current year.
- 1.4 This briefing note outlines a number of measures that are aimed at tackling some of the pressures that are threatening the service and financial resilience of the Children's Services Department.

2. Social Worker Investment

Context

- 2.1 Children's social workers, particularly those on the front line, deal with some of the most disadvantaged, at risk and vulnerable children and families in our society. Social workers intervene with families to help them create the change needed to reduce risks to children and ensure that they receive the support and intervention they require, thus building resilience within individuals and families, thereby not requiring high cost specialist social work services. As such, there is a need to ensure that caseloads are manageable so that social workers have the time to deliver quality interventions.
- 2.2 We have seen a continued steady rise in demand across social work services in line with the national picture, which is increasing the caseloads of our social workers and they are now at the point where they are higher than Ofsted would consider manageable.
- 2.3 Ofsted describe what they consider to be manageable caseloads as between 15 and 20 and consider there is a direct correlation between the average caseload of a social worker and the quality of social work practice offered. The new framework for the inspection of social care being introduced in early 2018, will focus almost entirely on the quality of social work practice with the leadership, management and governance aspect looking at whether senior leaders 'create the conditions' so that social workers are enabled to perform to their optimum.
- 2.4 The annual workforce statistics produced by the Department for Education (DfE) in September 2016 included details, for the first time, of average children's social worker caseloads in each of the 152 local authorities. Based on these statistics, the average caseload for England has been calculated as 16.1 cases per social worker. The average 'front line' social worker caseload is said to be slightly higher at 16.8. Only eleven authorities (Hampshire being

one of them), reported average caseloads of 25 or higher, but unlike Hampshire the majority of this last cohort of authorities were graded as 'requires improvement.'

- 2.5 The numbers of Children in Care (CiC) within Hampshire Children's Services has also steadily increased over the last two years. As of 30 June 2017, the number of CiC rose to 1,475; a net increase of 147 since September 2015 (although this does include a net 45 Unaccompanied Asylum Seeking Children (UASC)). This total translates to 45 CiC per 10,000 children in Hampshire compared to the average rate of 43 for Hampshire's statistical neighbours.

Rationale

- 2.6 The rationale for an investment in social workers is based on the following imperatives.
- 2.7 **The practice imperative** – In order to continue to deliver a high quality service to our most vulnerable children, social workers need the capacity to do this. Lower and more manageable caseloads will support staff to develop better relationships with the children and families with whom they work, they will have more time to complete robust, timely assessments and deliver an enhanced quality of social work support and intervention.
- 2.8 **The financial imperative** – The cost of agency social workers is a significant burden to the Council, with forecast agency spend of £4.4m in 2017/18. These agency social workers only cover existing vacancies. High cost in this context does not always equate to high quality and there are regularly concerns raised about the ability of agency social workers to reach the high standard Hampshire expect.
- 2.9 Hampshire Children's Services will support any child or young person who needs to be looked after, but it is essential that we only bring into care those children who really need such an intervention and that they stay as looked after children only for as long as is absolutely necessary. When caseloads are higher, social workers often do not have enough time to fully explore alternative options for children. Furthermore, social workers sometimes do not have the capacity to undertake meaningful work that can lead to a child leaving the care system at an earlier stage. Therefore to achieve a large proportion of our Tt2019 savings, it is essential that social workers have the capacity to effect long lasting and meaningful change in order to keep children at home or to assist them in exiting the care system more quickly. This requires more social work time and capacity.
- 2.10 **The staffing imperative** – Community Care's national research (July 2016) noted the following five reasons that would make a social worker to change jobs were;
- Work life balance
 - Lower caseloads and dissatisfaction with their current post.
 - Less stress
 - An organisation with a good reputation

- Increased salary and remuneration
- 2.11 The Guardian published its 'Social Lives Survey' (2017) where a good work life balance was seen by social workers to be more important (74%) than any other issue. If Hampshire Children's Services is to recruit and retain a good cohort of permanent social work employees, we need to ensure that they have the capacity to undertake high quality and meaningful social work.
- 2.12 **The reputational imperative** - Hampshire Children's Services has been judged 'good' since 2009 and has an excellent national reputation as a result. It is one of only seven Children's Services chosen by the DfE to be a 'Partner in Practice' (PiP). If caseloads are not addressed at this stage, Hampshire's Ofsted rating could be adversely impacted during the next inspection due in 2018, and our PiP status would be compromised. This would cause reputational damage to Hampshire County Council and would further impact upon our ability to recruit staff into our organisation. In addition, as a PiP and a good authority, we are offered opportunities such as the Isle of Wight and Torbay which generates small, but not inconsequential, income for the Council.

Investment

- 2.13 Additional investment in frontline social workers to bring caseloads down to an average of 20, with the current level of admin support, equate to £6.6m per year. It is assumed that current accommodation will be sufficient to locate the additional staff in light of the increased flexible working digital is allowing. One-off costs for recruitment and training have not been included, because it is considered that these will come from current resource.
- 2.14 The model assumes that the additional resource will be managed within the current structure, without the need for more management capacity.
- 2.15 It is considered this investment will be required over a three year period to allow for enough social work capacity to introduce the new children's social care operating model being developed through our PiP programme and deliver the Tt2019 savings that come from this new model.
- 2.16 As the Tt2019 savings are achieved as a result of the new operating model, the size and make up of the children's social care workforce will be kept under review and scaled back accordingly.

3. Home to School Transport

- 3.1 The legislation around HtST dates back to the 1940's and where a child meets the criteria for travel to school, the County Council must provide it free of charge (in most cases).
- 3.2 The increasing demographics for children generally and in particular the increased number of children with Special Educational Needs (SEN) has meant that the HtST budget has been over spent over the last few years and current predictions forecast that spend will exceed the budget this year by £3.5m.
- 3.3 Analysis has been undertaken of the increased numbers and costs over the last three years and this shows that there is not a straight line relationship

between numbers of children and costs. For example, children who need HtST in a similar area can share transport and significantly reduce costs, but if a new child requires transport and they live in an area not covered by an existing route the marginal cost of that extra child is much more expensive.

- 3.4 Similarly, children with SEN tend to be more expensive per head than the average cost and this area has seen an increase of over 10% in traveller numbers and a 15% increase in unit costs over the last three years alone. Clearly the priority for these children is to allocate them a school place that meets their educational needs, often this could be some distance from their home, requiring both transport and often escort costs to get them to school.
- 3.5 Taking into account the demographic increases and the specific rise in the number of children with SEN requiring HtST, it is estimated that a base adjustment of £2.4m is required in 2017/18 and that increases of around 0.9m per annum will be needed thereafter. These amounts are being reflected in the current update of the Medium Term Financial Strategy.
- 3.6 These adjustments to budgets are consistent with other growth allowances that are made in the budget for areas such increasing numbers of older people, increased road lengths and higher volumes of waste.